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WANTED: FIRST-CLASS MANAGERS FINDING THE BEST FOR STATE ENTERPRISE

THE problem of securing adequate numbers of the right kind of managers for the expanding public sector has already been recognised. Last week's announcement that a new service is being formed to recruit officers for State-owned industrial undertakings is proof that something is already being done about it. The need for such a body is clear enough. What is not quite so easy to appreciate at this stage is that it is unlikely to be adequate to the duties which it appears will be thrust upon it. It has become a platitude among socialism's critics that industrial concerns cannot be run on the lines of public utilities; but it is none the less true for being that. A State managerial service is an admirable way of recruiting the type of good second-rater who is so necessary for conducting the day-to-day operations of all kinds of organisations, whether commercial, industrial or public utility. It can provide that background of continuity, collective experience, security and sense of service which is indispensable to work of this kind. Its efficiency will depend on the initial choice of candidates, the vigour with which rules and customs are enforced, and the morale it is able to maintain. In other words, it will act as an executive-grade civil service for State industry. At that level the problems of competitive undertakings and the public-utility type are similar. But higher up, say, at the director level, they do not coincide. There the qualities which make a good business man differ widely from those which make a first-class administrative civil servant. This point does not yet appear to have been fully grasped in Government circles. There seems to be a ready inclination to regard a service of the kind announced as the answer to the problem of top management. If this is indeed what is happening, it will not be long before disillusionment sets in. In the meantime, if the price of experience is to be kept to the minimum, it would be as well if some serious public discussion on the question were to be launched without delay.

If it is intended that public industry should not compete with private and that losses are irrelevant because they can be made good from taxation, or that State concerns should be so completely the tool of official economic policy that all commercial considerations are to be regarded as of secondary importance, major management difficulties are not likely to arise. But this is not yet the Government's stated intention; the policy seems to be to operate all public industrial concerns on approved commercial lines and, in some cases, actually to run them in competition with private organisations for the economic benefit of industry as a whole. This is the more rational approach, but it means that the top managers of all State-owned concerns will have to be at least as capable and enterprising as those in private ones. Whatever may be the prevailing opinion about private industrialists in India today, this criterion would not be easy to meet. That there are capable men in this country who would be willing to work for the taxpayer instead of the shareholder need not be doubted; and there may be more of them as time goes on. But whether they will do so on the terms the taxpayer, through his Government, is now offering is a different matter. It is not simply a question of salary, although that consideration alone will be a stumbling block considering current ideas about socialism. What is every bit as important is the satisfaction, the power and the public prestige which the State-manager will be permitted to secure for himself through the independent performance of his important duties.

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The Government and the general public have recently been given an object lesson on the importance managers of State-owned undertakings attach to matters which cannot strictly be included under the headings of pay and conditions of service. The chairman and managing director of the State Bank—the Government's most ambitious venture into national ownership so far—have both resigned, as far as can be deduced, on points of principle. Their cases are typical of what is likely

to arise when, given the present stage of thinking on the problems of managing public concerns, men of self-respect, sound experience and independent judgment find themselves in control of a State-owned undertaking which they must run on commercial lines. The experience of Dr. Matthai appears to be that the Government is eager to interfere in certain matters of day-to-day managerial concern in which it may consider itself interested, while reserving for his shoulders the overall responsibility for the successful running of the organisation. Dr. Matthai has decided his position is untenable and has submitted his resignation. The Government is now faced with the alternative of accepting it and replacing a man of outstanding ability with one more amenable to its meddling, or facing up to the long-term implications of the situation and perhaps trying to persuade Dr. Matthai to change his mind in return for a clearer and more satisfactory definition of his functions and responsibilities. There is no doubt which course is in the interest of successful State management. These problems have had to be faced wherever there has been Government intrusion into commercial and industrial affairs; there is really no excuse for their not having been settled here in India long before the present policy of progressive State ownership was decided upon. If the country is to have a sound, well-run nationalised commercial bank, it has no choice in the matter; Dr. Matthai, or his successor, must be allowed to run the organisation according to his own lights, subject of course to whatever general policy the Government may lay down in the public interest. He must not be interfered with in his conduct of everyday affairs if he is eventually to be held accountable for the success or failure of the business. The same can be said for public undertakings as a whole.

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The lesson to be learned from Mr. Handoo's resignation is rather different, but no less important. One of the chief prerequisites of giving a manager full responsibility within the framework of overall policy, is that he should be chosen carefully. Mr. Handoo was not chosen, he was taken along with the business and persuaded to remain with it—a method of selection which one would imagine is every bit as rigorous and even more personal than that of a selection board. After being prevailed upon to stay and accept a lower scale of salary payments, ostensibly in the national interest, he had a right to expect complete protection from all forms of politically-inspired criticism. This he has not had. On the contrary his remuneration has been the subject of discussion in Parliament while the gesture he and his colleagues made

when accepting the changes which nationalisation brought with it was referred to in patronising terms by a Minister. It is difficult to imagine anything more destructive of morale among State industrial and commercial managers than treatment of this kind.

What has happened to these two men is an example of what should never befall the top personnel of any State-owned undertaking. If Government control is to be extended in commerce and industry it is important to realise that first-class managers will not permit themselves to be over-regulated or under-appreciated; if they do they will soon cease to be first-class. Judgment, initiative and personal integrity are the indispensable attributes of top management, just as honesty, dexterity and alertness are needed in the lower grades. These cannot be provided for within the framework of a service corps, nor survive under any but the most favourable conditions. Without them, State undertakings will always remain the economy's lame ducks, as they have so often become in other countries. The difficulties of managing State enterprises do not, therefore, end with the formation of a single organisation; they may only be starting if there is any truth in the rumours about the salaries which are being contemplated for its members. The big problem will remain how to ensure the essential attributes of enterprise, initiative and sound judgment at the very highest level. The experience with the State Bank is not reassuring. Government industrial managers throughout the country, both actual and prospective, will be watching the outcome of the State Bank affair with the keenest interest.

The problem of keeping in public enterprise what first-class men are already there remains a small one compared with that of enticing them to enter it in the first place. To find them from among the members of the management service will scarcely be possible on any large scale because they will not generally be of the temperament which would lead them to join it. Retired generals, admirals and air marshals have been the curse of nationalisation in Britain and are worth taking a great deal of trouble to avoid in India. The alternative would seem to be to recruit from private industry and commerce and that would mean offering salaries and conditions of employment approximating those which exist there. However distasteful this might be to current socialistic theory, it is quite unavoidable if State undertakings are not to become notorious for stolid inefficiency and the economy is not to be seriously hampered in its progress. The fact has had to be faced in other countries, more conspicuously the Soviet Union where political power and privilege have had to replace monetary and social incentives. If the creation of such power and privilege offends prevailing ideas of equality here in India as much as the granting of realistic salaries and working conditions injures the spirit of socialism, there is only one alternative left. That is to follow the advice of Dr. Matthai and keep nationalisation and State-ownership down to the indispensable minimum.

INDIA AND THE WORLD

DESPITE contrary evidence in the Press—which, for reasons it is unnecessary to examine, deals with world affairs more than fully—intelligent interest in international relations is of necessity limited in India. It is so in most countries, and in this contributory factors are widespread illiteracy and the inescapable preoccupation of the majority with eking out a living. It is, therefore, not wholly unfair to describe India's foreign policy as very much the product of one man's thinking, Mr. Nehru's, although this view is known to be resented by India's Prime Minister. But this Indian indifference is in sharp contrast to the interest the rest of the world is now increasingly obliged to take in India's views on various questions. It is not necessarily a criticism of India's foreign policy that a good deal of it is inadequately understood in many capitals.

What, more than anything else, obscures vision is the ideological mask foreign policy has been made to wear since that good, if slightly confused, President of the United States, the late Mr. Wilson, decided to take a hand in international affairs. Ever since India came into her own nine years ago, ideology has appeared to figure prominently

in the making of her foreign policy, and not even the sharpest critics of Mr. Nehru can deny that he has often been guided by the most unselfish motives. But the claim made by some that he has always been so guided has tended to conceal the realistic foundations of India's foreign policy, and this is an additional reason for welcoming an Indian's assessment* of his country's attitude to the world which puts it under the sub-title that it has something to do with the "defence of national interest." Dr. Gupta's handling of the English language is unrepresentative of the mastery many Indians still possess; his denial of the second "n" in Mr. Lippmann's name mistakenly suggests carelessness, for he is in fact extremely painstaking; and his articles are sometimes unnecessarily indefinite; but he does present a fairly coherent and continuous survey of India's developing foreign policy, and his contribution acquires special relevance from the fact that the Prime Ministers of the Commonwealth are now in conference in London.

Exaggerated treatment, here and abroad, of spectacular visits by foreign dignitaries has done

much to hide the real foundations of India's foreign policy, one of which is her membership of the Commonwealth. It is a tribute to that ill-defined association of free nations that India's belonging to it is mentioned so infrequently. But when the advisability of India's membership of the Commonwealth has been questioned, Mr. Nehru has always defended it in the clearest terms. As one of Dr. Gupta's excellent array of quotations has it, Mr. Nehru said on 17th March, 1953: "So far as we are concerned...our relationship with the Commonwealth has been completely different from the relationship of any other country in the Commonwealth...We have economic relations with England because we feel they are to our advantage...It has nothing to do with our remaining in the Commonwealth or not...I think we have gained positively by being in the Commonwealth. During the past five years especially, many avenues have opened out to us which might not have been opened if we had not been there. I think that we have somewhat affected world politics, not only directly so far as we can, but to some extent indirectly also through the Commonwealth, and I think that is to our and to the world's advantage."

This central—though not unalterable—fact, India's membership of the Commonwealth, is so often forgotten that most debates on India's foreign policy start with the main premise missing. Pace President Wilson, the chief, if not sole determinant of a country's foreign policy is self-interest, and to say this is not to accept the philosophy of Realpolitik but only to introduce an element of much-needed realism into a discussion befogged by ideological verbiage, to which, it must be admitted, India's contribution is not inconsiderable. India's foreign policy has doubtless been shaped by tradition, history, geography and all that, but considerations of national interest have, very rightly, never been forgotten, and it may be part of policy that praise on this score has been only intermittent and mainly external. Dr. Gupta falls into the error of over-emphasising the element of historical compulsion in India's membership of the Commonwealth, for there was nothing, barring political wisdom, to prevent India's walking out of the "club." Indeed, the history of Indian nationalism was against the association. As for the economic and strategic considerations, both are going through significant changes. Soviet Russia is determined to play an increasingly important rôle in the Asian economy, and recent developments in Egypt, Ceylon and Singapore—to say nothing of advances in science—have so altered old concepts of Commonwealth defence that it can no longer be considered a decisive factor in India's continued membership in the Commonwealth.

Although Commonwealth membership is the beginning of India's foreign policy, it is by no means the end—and it would be a serious error to take anything for granted. Indeed, the most deplorable aspect of Wilsonian principles in international relations may be that they encouraged people to seek the foreign policy of every country. As a matter of fact, no country—and India is no exception—has a fixed, rigid and unalterable foreign policy. Flexibility is its essence, and not the least of the merits of Dr. Gupta's analysis is that it ruthlessly exposes the many contradictions in India's nine-year-old foreign policy. There is no doubt at all that the main emphasis is on peace, which itself is not unrelated to India's aspirations of economic progress, but there are demonstrable degrees of adherence to fixed principles, so that, in spite of the thick ideological veneer, India's foreign policy may be considered exactly as empirical as any other country's. India's criticism of British policy in Cyprus or Malaya is less outspoken than that of French policy in Algeria; India's very sincere anti-colonialism is, naturally, more concerned with Goa than with Poland or Puerto Rico. To be surprised by these apparent inconsistencies is to fall into the dangers of what Dr. Gupta rather uncharitably calls "America's gigantic adolescence," which is not America's alone. On what seems to be inadequate evidence, Dr. Gupta suggests that the Korean war was a decisive turning point in shaping India's foreign policy. What he succeeds in proving, with a wealth of documentation, is that India has not got a foreign policy but has a plurality of them. And this is as true of every other country, to which has to be added the final observation that this is not necessarily a bad thing. Like love, or hatred, foreign policy is a many-splendoured thing—and should be so.

*Indian Foreign Policy, by Karunakar Gupta (World Press, Rs. 10.)

THE TWIN AIMS OF IMPORT POLICY

THE Government of India's import policy for July-December 1956 indicates an adjustment much along the lines which might have been expected since the discussions at the Import Advisory

Council meeting last May. The needs of accelerated economic development are pressing more and more heavily, but sharp changes have fortunately been avoided for the majority of items. The basic principles of the policy remain closely similar to what they have been in recent half-years. They are to stimulate domestic production and to satisfy consumer needs—both under the broad limitations set by the shortage of foreign exchange. Tangible evidence of the effort to stimulate domestic production lies in the more liberal import licensing for machinery, spare parts and industrial raw materials. In satisfying consumer needs, the aim is becoming the negative one of cutting imports as little as possible rather than the positive one of ensuring a large supply of good and cheap foreign goods. There is nothing inherently wrong in this; the trimming, naturally affects the relatively inessential items, and among the more important of those now judged as such are watches.

Promoting industrialisation and subduing price inflation are thus the keynote of the import policy. The Government has judged correctly that the former should receive increasingly greater emphasis as the policy is reorientated from time to time; since imports of producer-goods will increase, those of consumer-goods may have to be cut. The scissors will presumably then apply to items consumed mainly by the higher income groups, on the assumption that they can afford to pay more for the limited supplies on offer. Import policy may thus become more and more an instrument to serve current egalitarian aims.

The policy seems to be becoming more positive in another aspect also. This is in warning domestic industry that it is risking its neck if it fails to meet requirements or to improve quality. The crockery manufacturers are reported to have come in for harsh words on this count. They have been punish-

Contents	
Currency and Credit Expansion	1
Import Policy	2
India and the World	3
Developing Calcutta Port	4
Industrial Wage Policy	5
U.P. Opposes Land Ceilings	6
Sugar Production Increases	7
Anxiety about Inflation in U.K.	8
Ditcher's Diary	9
City Cable	10
Money	11
Commodity Markets	12
Stocks and Shares	13
Engineering	14
Plantation Topics	15
June	16
Calcutta Markets	17
Company Notices	18-22

ed with the announcement of a bigger import quota, and threatened with still bigger ones if they do not pull their socks up. The Commerce and Industry Ministry's eagerness to safeguard the interests of consumers will be widely admired, provided it is recognised that actions of this sort are liable to prove a tricky affair. It is not always possible for officials, from their distant perch in New Delhi, to judge which industries have gone right, and which have gone wrong, and why. In the case of crockery, even if the fact of expert wifely advice being readily available be admitted, the authorities would have been on stronger ground if they had consulted the major domestic manufacturers.

It is possible that having returned from a parade of chipped, ugly and wobbly half-plates at their private luncheon tables, no different conclusions would have been reached; but at least the manufacturers could not then have said that they are not listened to. The attempt to popularise cooking ranges by liberalising their import is interesting, for those who use crockery and for others besides. But many who compare the costs, and who have in mind the more egalitarian society of tomorrow, will wonder whether there is much scope for anything apart from the humble chula, except perhaps in Secretariat canteens.

The encroachment of the State Trading Corporation into private trade's normal spheres of operation is disturbing. It has been decided that imports of certain important chemicals and raw materials, such as caustic soda, soda ash and portland cement, will be canalised through this body. Rumours are that sulphur and copper may be added to the list. The Corporation thus seems to be fast outgrowing its original purpose. Assurances are periodically issued that it will not compete with private interests in this sphere and that, but it is hard to see how such neat demarcations can be achieved. They might have been achieved if its transactions had been restricted to Government-to-Government trading, but the Corporation is being arbitrarily donated privileges far beyond those implied in its original conception. Neither it, nor any Government agency, can yet claim much efficiency or reassuring experience as an importer. It may have certain distinct advantages in negotiating monopoly purchases from Com-

munist exporters, but in more competitive conditions neither its structure nor its manner of operation is likely to bring it much credit.

CURRENT COIN

Compensating Life Insurers.—From the shareholders' point of view, a main feature of interest in the statement made by Mr. A. D. Shroff at last week's ordinary general meeting of the New India Assurance Co. Ltd. in Bombay was the news that the company would get between Rs. 40 lakhs and Rs. 50 lakhs as compensation for its life section having been nationalised. (The statement is published on a later page.) It had been estimated that the compensation should have amounted to about Rs. 150 lakhs, so Mr. Shroff was understandably strong in criticising the new basis on which it had been calculated. The scientific basis for assessing compensation would have been to determine the annual surplus earning capacity of each life portfolio after making a valuation as on 31st December 1955; to consider as an annual dividend such percentage of this surplus earning capacity as was customarily allocated to shareholders, with a maximum statutory limit of 7½ percent; and to commute this dividend earning capacity on the basis of 2½ years' purchase. Instead, the formula which had been adopted generally gave shareholders of life offices only 41.7 percent of what they should have got. This basis, commented Mr. Shroff, "is nearer to expropriation rather than compensation which would be fair." The nationalisation of life insurance has created a number of new problems for such companies as New India. It had considered the activities of its life and general departments as complementary, and "had built up common organisations, common personnel and common offices, not only in India but also abroad." Life and general insurance were being developed simultaneously, but nationalisation of the former will now interrupt this process. Not only will shareholders lose some of their share in the valuation surplus, which would have increased with the growth of life insurance; the company will also lose many of its personnel whose main interest was life business but who were assisting in the development of general business as well. During the past two years particularly, New India built a large field force to cater to insurance needs throughout the country, practically all of which it will now lose. As Mr. Shroff pointed out, rehabilitating the company's operations after the life and general branches have been separated will be difficult and intricate; costs are likely to rise by about Rs. 5 lakhs.

Electricity for Calcutta.—Power consumption is among the more reliable indices of industrial expansion. That being so, the review of Sir Harry Burn, chairman, circulated with the report and accounts of the Calcutta Electric Supply Corporation for 1955, is encouraging testimony to what is happening in and around this city. Industrial demand for high-tension power continues to increase. Last year, the Calcutta Electric Supply Corporation sold 100 million units more at 799 million units to fulfil this need. Most of this rise was accounted for, firstly, by jute mills (which increased their working hours); and then by a variety of other manufacturers, including cotton and other textiles, paper, engineering, aluminium and chemicals. Sales of low-tension industrial power also showed an appreciable increase, from 68 million units to 77 million units, after having stagnated around the former level for three years; this suggests the expanding activity of small industrial firms. Domestic and commercial demand for electricity is naturally increasing in a city whose population is growing; sales in this category at the flat rate rose from 171 million units to 184 million units. The supply of high-voltage current under special tariff to owners of large buildings was 6.8 million units more at 38.7 million units. The use of power for public lighting showed a steady increase, and that for tramways a small one. The result is that the Corporation sold 1,242 million units last year, or 142.7 million units more than in 1954. It is to be complimented for its foresight in launching on development and expansion plans, in anticipation of the increased demand; the fruits of those plans are now being shared by itself and the city. The Corporation's receipts for 1955 have increased by £567,826; and its expenditure of a normal nature, taking into account the depreciation charge, by £344,712. In general, the latter is due to an expansion of its operations. Expenditure on capital account amounted to £939,000, most of it being on extending the distribution system. The ordinary dividend of 6 percent for 1955 (including an interim of 3 percent) yields 5.9 percent at a price of Rs. 13.7 a share. Sir Harry Burn hopes that the Electricity Supply (Amendment) Bill, which is expected to raise the "standard rate" of return for electricity undertakings, will be passed before the end of the year. His hope is widely shared, but doubts grow as New Delhi's corps of parliamentary correspondents recount with awe the lengthening list of deferred and new Bills which hard-pressed M.P.s have to face at the start of each

session. The Electricity Bill is urgent enough to deserve high priority.

Control of Capital Issues.—The address Mr. K. R. P. Shroff, President, gave to the recent annual general meeting of the Native Share and Stock Brokers Association in Bombay was an able survey of the economic conditions in this country during the last year of the first plan. The long-term capital market, said Mr. Shroff, had a successful year; the Central and State Governments, particularly the latter, succeeded unexpectedly well in their new loan issues. The success of the private sector in securing fresh capital was equally encouraging. Mr. Shroff recognised that a permanent system of control over capital issues was an "important instrument of planning and progress in an underdeveloped economy with limited resources," and in general he had no complaint about its functioning. But some of its recent decisions had occasioned much surprise, particularly that on the issue of rights shares by some well-known companies. He referred to the ordinary share issues of the Tata Iron and Steel and Associated Cement Companies, where the controlling authorities had insisted on the issue being made at a premium, although both the management and the shareholders were agreed that the issue should be made at par. Mr. Shroff was unable to understand the logic of this insistence, and the authorities, for their part, had not explained the reason adequately. Once the permission to raise a certain amount of capital was granted, observed Mr. Shroff, it should not matter whether the new issue is made at a premium or at par. The shareholders' stakes in the equity of the company is not in any way affected since the issue is offered to them *pro rata*. From the general point of view, no adverse repercussion is likely. The argument that this policy helps new companies if a premium is imposed on rights shares is mistaken, so is the view that an issue at par will seriously disable them. He could understand old companies being refused permission to raise fresh capital if it was in the national interest to promote new companies, but once the permission is granted, it can be assumed that a certain amount of capital will be diverted to the existing companies. Mr. Shroff was of the view that the difficulties of new enterprises obtaining capital from the market was not diminished or enhanced by the old companies' rights issues since "the reduction in the quantum of funds available for investment was the same" in any case. On the other hand, the shareholders of joint stock companies badly needed protection against the current ideological bias, the imposition of predatory taxes, arbitrary labour awards and expropriatory terms of compensation when the concerns came to be nationalised. "In view of these developments, it is more than ever necessary that the customary camouflage of reserves in share premium and other accounts should be done away with and the paid-up capital of companies brought in line with their actual block. This is the only way to ensure that the size and magnitude of the investors' real stake in the business is seen at a glance from the balance sheets and the profits earned by companies and the dividends distributed by them sensibly related to the shareholders' total capital," he said.

World Bank Loan for Tatas.—The World Bank last week made a loan of \$75 million in various currencies to the Tata Iron and Steel Co. Ltd., to assist in the financing of a large-scale expansion programme which will raise the company's annual output to 1½ million long tons of finished steel (2 million long tons of ingot steel). This is the largest loan the Bank has yet made for industry, and also the largest it has made in Asia. Some parts of the Tata steel mills' existing facilities are already being modernised and expanded under a first postwar programme, which began in 1951. The company has now embarked on a second programme of expansion. Both programmes should be substantially completed by 1958, when capacity is scheduled to rise to 2 million tons of ingot steel a year. The total investment programme of the Tata company is expected to be the equivalent of about \$250 million for the period April 1955 to March 1960. The second programme consists of further modernisation and of additions to the existing plant throughout the whole process of steel production. For processing the raw materials, a new battery of coke ovens will be installed, the existing batteries remodelled and expanded, and new ore crushing and sintering plants will be built. A new blast furnace will provide an increased capacity of 1,650 tons of pig iron a day. Steel making capacity will be raised by adding two 200-ton open hearth furnaces and a new 32-ton converter; the capacity of the existing furnaces and converters will also be increased. Rolling capacity will be increased by a new 46-inch blooming mill, a new sheet bar and billet mill, and a medium and light structural mill. This expansion of capacity will also involve extension of various facilities and services throughout the plant and its mining operations. The company has engaged the Kaiser Engineers Division of the Henry J. Kaiser Company and the Kaiser Engineers

Overseas Corporation, of the United States, to design and supervise the construction of most of the works involved in the second expansion programme. The works to be designed and supervised by Kaiser are estimated to cost about \$130 million and are to be completed by June 1958. The Bank's loan will be disbursed against part of the foreign exchange costs of these works. All orders for imported equipment are being placed on the basis of international competition to the fullest extent practicable. The loan is for a period of 15 years and will carry an interest of 4½ percent, including the statutory 1 percent commission charged by the Bank. Amortisation payments will begin on 1st December, 1959, and end on 1st June, 1971. The loan is guaranteed by the Indian Government. This is the Bank's eighth loan to India, bringing total loans here, net of cancellations, to \$199.9 million. It is the second loan which has been made for the expansion of steel production, the first being to the Indian Iron and Steel Co. Ltd.

Co-operative Movement Grows.—There was a considerable expansion in the activities of the co-operative movement during 1954-55. The *Statistical Statements relating to the Co-operative Movement in India for the year 1954-55*, published by the Agricultural Credit Department of the Reserve Bank of India, shows that at the end of the year there were 219,288 co-operative societies of all types, with a membership of 16.02 million and an aggregate working capital of Rs. 390.52 crores, against 198,598 societies with a membership of 15.18 million and a working capital of Rs. 351.79 crores at the end of the preceding year. Taking the average size of an Indian family as five members, it may roughly be estimated that 80.1 million or 21 percent of the population had been brought into the co-operative movement at the end of 1954-55, against 75.9 million or 20.2 percent in 1953-54. There were 24 State co-operative banks at the end of June 1955, against 22 a year before. Such banks were functioning in all Part A and Part B States, and in six Part C States. An important feature of the new banks, and of some of the reconstituted ones (in Punjab, Hyderabad and Mysore) was the substantial State participation in their share capital, which helped strengthen their capital structure. During the year under review, the apex banks advanced loans to the extent of Rs. 50.24 crores, against Rs. 51.77 crores at the close of 1953-54. On the other hand, the number of central co-operative banks, including banking unions, fell from 499 as on the 30th June 1954 to 485 at the close of 1954-55. The decrease was mainly due to the policy of rationalisation in certain States. Agricultural credit societies, which constitute the base of the co-operative credit structure, showed fair progress during 1954-55. They numbered 143,320, against 126,954, and constituted 78.8 percent of the total number of agricultural societies. Their membership and working capital increased from 5,849,380 and Rs. 54.41 crores to 6,565,417 and Rs. 62.93 crores respectively. Total advances stood at Rs. 35.48 crores, against Rs. 29.64 crores. Non-agricultural credit societies also recorded steady progress. Their number, membership and working capital increased from 8,389, 2,738,466 and Rs. 69.89 crores in 1953-54, to 9,348, 2,847,944 and Rs. 78.32 crores in 1954-55. The number of primary agricultural non-credit societies stood at 30,197. They accounted for a membership of 2,494,508 and a working capital of Rs. 20.72 crores. Their sales declined from Rs. 33.74 crores during 1953-54 to Rs. 27.04 crores during 1954-55. The number of central land mortgage banks remained at nine. The loans they advanced stood at Rs. 2.43 crores, compared with Rs. 1.92 crores during the previous year.

UNFAIR DEAL FOR INDIA

THE present Government, though not, we believe, the majority of the House of Commons, stick obstinately to their contention that India is liable to pay the ordinary expenses of Indian troops sent to Egypt, because India is interested in securing the highway through the Suez Canal. We wish to know why India should be exclusively selected to pay this extra charge, when the Australasian colonies, and all the Crown colonies in the East, contribute nothing. Is not the Suez Canal an open high road for ships of all nations? Why should India pay when other nations pay nothing? As a matter of fact, however, the Indian troops now in Egypt have not been sent to guard the Suez Canal, either directly or indirectly; but to help in restoring to Egypt the lost provinces in the Sudan—a policy which does not concern India one iota. It is not for us to say whether such a policy is for the benefit of Egypt or otherwise, but it is perfectly absurd to contend that it can be for the benefit of India. I feel, the argument of the noble Lord who has undertaken to direct Indian affairs is so foolish that it is difficult to understand how he can allow his reason to support it.

FROM

CAPITAL

7th July, 1896

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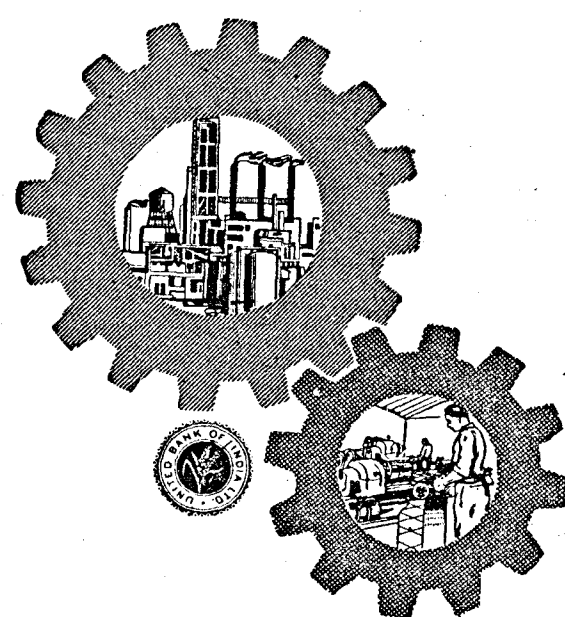
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CURRENCY AND CREDIT IN AN EXPANDING ECONOMY

MEASURES PROPOSED UNDER THE NEW RESERVE BANK BILL

By R. M. Mitra

A BILL has been introduced in the Lok Sabha to amend the Reserve Bank of India Act, in order to remove possible legislative restrictions on the issue of notes necessary to meet the expected financial deficits of the second five year plan. The existing provisions of the Reserve Bank of India Act require the issue of notes and securities to the holding of gold and foreign securities to the extent of not less than 40 percent of the total issue, and the balance by rupee coin, Government of India and rupee securities and eligible bills of exchange and promissory notes. It is also provided that the holding of gold should never fall below Rs. 40 crores, valued at 8.4712 grains of fine gold a rupee. There are certain other provisions for adjustment in the holding of rupee coin as part of the cover for the holding of gold and foreign securities to notes and securities of gold and foreign securities. The Bill, therefore, requires the issue of notes and securities to the holding of gold and foreign securities to the extent of not less than Rs. 115 crores, valued at 2.88 grains of fine gold a rupee, and foreign securities worth not less than Rs. 400 crores, in absolute quantities, without reference to fluctuations in the volume of notes issued.

History of the Reserve

Fears have been expressed by some that weakening the link between gold and foreign exchange on the one hand, and the total note issue on the other, will tend to remove a salutary check on inflationary tendencies. The history of reserve requirements for note issue, however, tells its own tale. Forces pertaining to inter-State rivalry and a sentimental regard for gold contributed to its dominance during the period 1875-1914 as the determinant of the note issue. But experience of this dominance extending over 40 years showed that expansion or contraction in the supply of gold does not necessarily accompany an expansion or contraction of general economic activity. There have often been substantial changes in its supply, resulting in unhealthy price movements, disorganised production and disturbed employment. This experience was repeated after the gold standard was temporarily revived in 1925. The gold exchange standard, devised as a measure of economy in the use of gold, was introduced in India as early as 1893. It was, however, considered fit mainly for colonial countries until the first world war. The end of the war found a number of countries like Germany, Italy and Belgium adopting it in various modified forms. With the world-wide abandonment of the gold standard starting in 1931, the gold exchange standard lost its link with the

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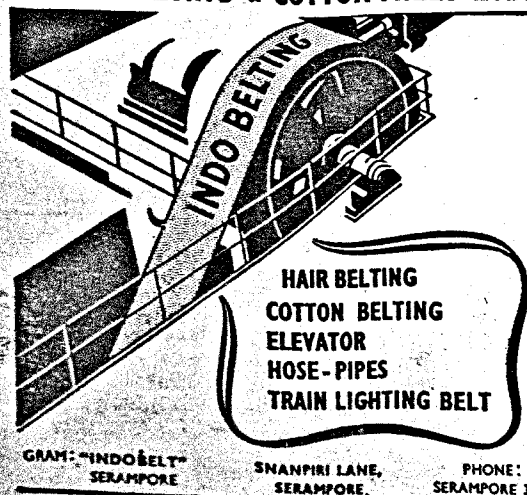
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gold standard and became a plain foreign exchange standard.

Gold is still retained as a percentage of the currency reserve in a number of countries, and the technique of currency control in many is even now to ensure that the note issue is covered by gold and/or foreign exchange to the extent of a minimum percentage, and for the balance by specially designated assets (technically known as "eligible assets"). But in the gold and foreign exchange now fulfils its original purpose. The currency authorities are no longer under an obligation to provide gold or foreign currency against the tender of notes issued by them. Redeemability has ceased to be an essential feature of the legal tender note. It is not, therefore, necessary to hold gold or foreign exchange to meet a legal obligation. In fact, opinion is growing in favour of separating gold and foreign exchange from currency reserves. It is being increasingly recognised that gold and foreign currency should be utilised as the working capital of a separate agency set up specifically to deal with problems of foreign exchange and balance of payments.

Currency and Foreign Exchange

The proposed Indian legislation to make expansion of the note issue independent of the holding of gold and foreign exchange need not, therefore, cause particular alarm or misgivings. On the contrary, it seems worth considering whether the quantitative minima provided for in the Bill should not be eliminated and a separate agency created on the British pattern to manage foreign exchange. Gold and foreign exchange resources may then be transferred to this agency. This arrangement would serve to protect the internal currency from the psychological effects of fluctuations in the holding of foreign exchange, and bring under proper attention the forces bearing on the former's value.

In this connection, the question may arise whether an upper limit should be imposed on the quantity of note issue, and any excess over this limit should require the approval of the Finance Ministry or, more appropriately, of Parliament. The method of an upper limit is used in Britain. It was also used to regulate the note issue in France between 1870 and 1928. The French method required parliamentary approval for any excess over the ceiling, whereas the U.K. method is based on the Treasury's approval within specified limits. The Australian law of 1945 makes the note issue independent of a minimum holding of gold and foreign exchange, but it does not introduce a ceiling to prevent recklessness; an amendment of 1951, however, provides in general terms that if there are differences between the Treasury and the Commonwealth Bank on any question of policy, Parliament should be informed of the action taken. It might seem that when the Government's expenses under both revenue and capital heads are subject to parliamentary control, an additional check in the form of a ceiling is not necessary. The question may, however, be regarded as more a matter of public feeling than of financial prudence. Expert opinion now is that international co-operation should help maintain the external value of money and meet the requirement of foreign exchange, while methods of "continuous control of credit" should be evolved to maintain the internal value of money. The International Monetary Fund has been set up to promote international co-operation. Various means are also being devised in different countries to ensure the "continuous control of credit".

Methods of Credit Control

The proposed legislation shows necessary awareness of the importance of continuous control of credit. The plan is based on several tentative assumptions about the availability of monetary resources. Fulfilment of the physical targets is expected to involve credit creation on a considerable scale. The amount of credit creation and its effects on prices, distribution, production and employment may be more far-reaching than the primary quantitative impact of the contemplated deficit financing of Rs. 1,200 crores. The existing Section 42 of the Reserve Bank of India Act is, therefore, to be amended so that notes issued in the course of the execution of the plan may not lead to the undesirable creation of credit and produce disturbing effect. The proposed amendment introduces the system of variable reserve ratios which was first devised in the U.S.A. and received the blessing of Lord Keynes. Legislation passed in 1933, and amended in 1935, empowered the U.S. Federal Reserve System to change the ratios of reserve to be held by member banks with Federal Reserve Banks "in order to prevent injurious credit expansion or contraction".

Scheduled banks in India are now required to hold as credit balances in their current accounts with the Reserve Bank such amounts as will not be less than the aggregate of 2 percent of their time liabilities and 5 percent of their demand liabilities. The proposed amendment allows the Reserve Bank to increase these requirements to 8 percent of time liabilities and 20 percent of demand liabilities. The language of clause 10 of the amending Bill, however, seems to permit the Reserve Bank only to increase the rates and not to decrease the higher rates. But the intention appears to be clear that the Reserve Bank should have the power to vary these rates, and it is hoped that the clause will, if necessary, be re-drafted before the Bill is finally passed. The Bill also makes some operational changes in the existing law. The balance which at present has to be held by a scheduled bank with the Reserve Bank cannot fall below the minimum requirement on any day in the week; under the proposed amendment, it will be sufficient if the average daily balance of the week is not less than the minimum. The method of calculating

minimum requirements on the basis of Friday returns is retained, but Friday will become the last day of the week instead of the first day as under the present law. Unlike the U.S. law, however, the minimum requirements continue to be calculated on the basis of all the outside liabilities of a bank, and not simply of deposits.

Variable Reserve Ratios

There is a distinct echo of Plumptre in the discussions on methods of credit control that have followed the introduction of the Bill in Parliament. Professor Plumptre, in his book *Central Banking in the British Dominions*, argues that the method of variable reserve ratios cannot be effectively employed in an under-developed economy where there is no norm of cash holding and considerable variations take place from time to time in the ratio of the cash held by banks to their deposits. It is possible, however, to question the validity of this argument. Changes in the ratios of cash holdings which take place in a so-called under-developed economy are not adventitious but are due to ascertainable factors relating to the supply of and the demand for credit. It is true that supply and demand show marked seasonal variations in an economy which is mainly based on agricultural production or which has a limited number of articles of manufacture or commerce. But, on the one hand, the pattern of the Indian economy is rapidly expanding in scope, and on the other, the Reserve Bank may well be dependent on to take into consideration seasonal factors of demand and supply when deciding on a change in the ratio of the minimum balances scheduled banks keep with it. It has, again, been pointed out that when the statutory cash reserve is raised, a bank may convert other available assets (like foreign balances, Government securities, etc.) into cash and continue credit expansion. It is also suggested that a bank is guided in its credit policy by prevailing notions about the ratio between loans and deposits, and not by the ratio between cash and deposits. It is submitted, however, that a bank will not normally consider it safe to disturb its secondary reserves. Further, if the occasion arises the Banking Companies Act may be amended to safeguard the secondary reserves of Government securities: pre-war Germany made provisions for legal control of secondary reserves. Moreover, the Reserve Bank will surely not depend exclusively on the method of variable reserve ratios for controlling and regulating credit. It is to be assumed that this method will be used where necessary, in combination with other measures, such as open market operations or control of advances, in exercise of the Reserve Bank's powers under the Banking Companies Act. There seems to be no substantial reason why the method of variable reserve ratios should not be considered as one of several useful techniques of credit control so far devised.

International Comparisons

It is, of course, necessary that, like any other method of control, the method of variable reserve ratios should be used with caution and discrimination. The passing of the law should not create an artificial sense of urgency. Although the enabling law was passed in 1933 in the U.S.A., it was not used until 1936. New Zealand introduced the method of variable reserve ratios in 1936, but is not yet reported to have had any occasion to use it. It is hoped that, as in the U.S.A., the banking authorities in India will base their action more on the basis of surplus reserves than on a reduction of the level of credit which has already been built.

The method of variable reserve ratios proposed in the amending Bill differs from that in the U.S.A. in several respects. The minimum ratio cannot exceed twice the minimum ratio in the U.S.A., but in India the maximum may go up to four times the minimum. The U.S. law permits different ratios in different regions defined for the purpose, but no provisions for regional differences have been made in the Indian measure. It may be considered whether the Bill should be modified to provide for regional changes. If neither the American method of regional variation nor the Australian method of individual variation is favoured, it may also be considered whether the provision made in the Ceylonese law for graduated increases and due notice for adjustment to an increased ratio should be adopted. It is interesting that Keynes considered such a provision an important feature of the system of variable reserve ratios.

The amending Bill empowers the Reserve Bank to ask every scheduled bank to maintain with it an additional balance to the extent of 100 percent of the excess of its liabilities over those on a date specified for the purpose. It is provided, however, that in no case will the overall balance maintained by a scheduled bank with the Reserve Bank be required to exceed 8 percent of its time liabilities and 20 percent of its demand liabilities. The proposed provision for an additional balance in India is, therefore, materially different from the system of special accounts introduced in Australia in 1941. The provisions for an additional balance with reference to increased deposits have, however, been adopted in several other countries such as Ceylon. But the provisions made for India in the proposed law seem only to contain alternative arrangements of varying reserve ratios up to the maximum of 8 percent of time liabilities and 20 percent of demand liabilities. The amending Bill seems to contain no provisions which are not in force in some country or other (although sometimes in modified form). In fact, the Bill follows modern trends in methods of credit control. Judicious application, in collaboration with scheduled banks, should make the new method a useful instrument of control.

THERE are, so far as I can see, two reasons why there has been so little talk about the weather lately. First, with neither too much heat nor too much rain for this time of year, it has not been giving us a great deal of trouble. In Calcutta, one only talks about the weather, unless one is tackling a creditor or—worse plight—is in love, when it has become a nuisance, just as one rarely discusses one's teeth until they have started to ache. Second, there has been plenty of other topics for tongues to wag over: a python in an aerated-water factory; two bridge accidents in a fortnight; a poor two-point-five percent pass in the first division in this year's school final examination; the strike at the Haringhata dairy which has caused a milk shortage; radioactive foodstuffs; an invasion of yellow-fever carrying mosquitoes; theft of hospital stores and more besides. The Talla bridge accident, in which a double-decker passenger bus was involved, seemed to me nothing short of miraculous in that only two people were reported killed (though more were injured) as a result of a twenty-foot fall. Many, I am sure, were grateful to the Corporation and the State Transport Directorate for having provided between them such a major accident at so little cost. Similar gratitude is owed the railway authorities for the collapse of the Ballygunge overbridge. It has since been discovered that senile decay had attacked the lower of the two planks and considering that Calcutta's various local authorities have decided that no discovery should be made until too late, I find this accident quite in order. It cost the city a cholera epidemic before the Corporation found out that quite one-fifth of its tube-wells fails everyday, and even at this moment citizens in many areas complain that their filtered water frequently looks as cloudy as vegetable soup. Again, it was only recently that corpulent little mountains of filth were dotting the city just when the Government was setting up a high-power "Cleaner Calcutta" Committee. This happened because a controversy was raging between the Corporation and the West Bengal police over a contract for wagons to remove the accumulating refuse. When, at a meeting last month, the Mayor was challenged from the left about the way the Corporation's work was being handled, he irately announced that it was the look-out of the ruling Party. He no doubt forgot that in most recent suburban and mofussil municipal elections power has passed to the leftists.

One of the biggest of the many personal problems facing British business men in India today is early retirement. Crushing taxation here and rising prices at home are squeezing his meagre savings at both ends. Without the assistance of the Indian Government, there is not much that can be done about tax troubles; but in this matter of rising prices there is hope. It has, for example, been proved that anybody who, at the end of the war, invested money in a reasonable selection of the equities quoted on the London Stock Exchange, and did so wisely, is now in the satisfying position of being able to realise capital equivalent to, or even in excess of, the purchasing power of the original outlay—and of having enjoyed a fair income besides. I have often said in this diary that there is no easy way to make a lot of money on any stock exchange unless you are big enough to manipulate it according to your own convenience, in which case, of course, you will scarcely be worried about your retirement anyway. But it is not too difficult for the small investor to ensure a reasonable income and a steady capital appreciation if a few commonsense rules are complied with. One of the simplest exposition of these

A DITCHER'S DIARY

is in a little book which appeared on my table the other day. Its title is *Invest £100*; but the advice it gives holds true for any multiple of that sum. It is written by Mr. Edward Westropp, one-time trust-company director and present city editor of the *Sunday Express*. The publisher's agent in India is Rupa & Co. of Bombay, Allahabad and Bankim Chatterjee Street, Calcutta. Mr. Westropp's book is certainly investment for beginners, but he manages to get into it a summary of all the most important things which anybody buying shares ought to know. I was gratified to read that he advocates a step which I myself advised here some time ago; that is to consult a reputable stock broker and listen to what he has to say.

Until last week I was of the opinion that there were two ways of how not to diplomatisise. One was not to diplomatisise at all—the other was to diplomatisise like Mr. Dulles. That is because, as most will agree, he has consistently shown an uncanny flair for saying exactly the wrong thing at exactly the wrong moment. But it seems I may have to modify my opinion of Mr. Dulles, for he is at present showing unmistakable signs that his views are undergoing an "agonising reappraisal". He appears at long last to be giving up his former position of regarding everybody as an enemy of the U.S.A. who is not an enemy of the Soviet Union. At a Press conference last week he said, or very nearly said, that after his recent visit to Moscow, Marshal Tito still signed himself Marshal Tito and not Nikita Khrushchevling. Mr. Dulles's exact words were that he saw no evidence that the Marshal "was accepting subservience to the Soviet Union" as a result of his visit. When I first read the report I thought perhaps I was fancying things. So I read it a second, then a third time. Yet the words and the meaning remained obstinately clear, and I was forced to conclude that Mr. Dulles himself was suffering from a most welcome attack of political commonsense. If it develops and is prolonged, it may relieve a serious source of embarrassment to the U.S.A.'s allies and neutralist friends, who have been hoping the recent changes in Russia will lessen rather than increase East-West tension. Of this possibility Mr. Dulles provided pleasant symptoms, for, referring to his discussions with M. Pineau, France's Foreign Minister, during the latter's recent visit to Washington, he really "went out on a limb", as he himself would no doubt put it, and said that both of them "were in agreement on the principle of East-West exchanges" in matters of trade and other relations. Mr. Dulles made another interesting point in his Press conference when he said that "Moscow's control over foreign communist parties had greatly weakened." We already know that the British, French, Italian and Indian communists are all of a dither over Moscow's present anti-Stalinist crusade, but Mr. Dulles's view seems to have received a further startling confirmation in last week's Poznan riot. This incident seems to show that if Moscow is losing control over extra-territorial communist parties, these parties in turn are losing control over themselves and their victims.

That depressed period in the world's newspaper calendar known as the "silly season" seems to have got off to a fine start this year. It would be difficult to imagine anything more ridiculous than the fuss the European Press has made over the fact that Queen Juliana of the Netherlands chose, some

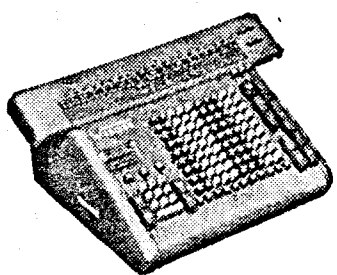
three years ago, to enlist the services of a faith-healer in the hope of restoring the sight of her daughter, Princess Marijke. The decision may have been dictated in the first place by maternal desperation rather than dispassionate reason and it is not surprising that the faith-healer's efforts were just about as successful as the doctors' who had tried before her. There the story would have ended had it not been for the German newspaper *Der Spiegel* in which, three years after the event, it was announced as the reason for a completely non-existent State crisis. Whether or not the whole thing was politically inspired (Holland was due for a general election just about that time), the world was immediately treated to as tasteless an exhibition of Press interference in the private lives of royalty as it has witnessed since the American newspapers wallowed in the Edward-Mrs. Simpson affair. Even when the political crisis story collapsed, some newspapers went to the lengths of inventing a domestic one in the marriage of Queen Juliana and Prince Bernhard. Such speculation as to why the consort did not cut short his visit to Sweden when the constitutional mix-up and impending abdication of the newspapers had themselves cooked up, was supposed to be taking place; whether the Queen would meet him at the airport and, if she did, whether or not he would get a welcoming kiss, must rank among the most disgraceful examples of mischievous nonsense for which the Press has ever been responsible. For all their shabby and rambling sentimentality, Indian newspapers have not stooped to this sort of thing yet and it is to be hoped they never will. As a newspaper man I can sympathise with those who have to struggle to find something to fill their columns at this time of the year. But to resort to such methods as these will do the Press more harm in the long run than the spread of television.

The first of this season's six chamber concerts, given by the Calcutta School of Music, was held last Wednesday. The remainder are to be held on alternate Wednesdays, beginning 11th July. The Mother Superior of Loreto House has, as usual, very kindly given permission for the whole series to be performed there. I often wonder how we should survive the constant changes of this modern world if it were not for the fact that certain traditional events turn up year after year and so help us to keep our bearings. Most things which have been lost appear, in retrospect, as unmixed blessings. Of those which remain, many suffer the fate of familiarity. It would seem as if the musical talent offered by and for ditchers, might be one of these. The first concert was not well supported; I only hope one more plaintive plea from my pen will help swell the audiences at the remaining five. I so often feel as if I am simply having a little "moan" when I champion the cause of local music, but anything which succeeds in encouraging those who so unstintingly give of their time and energy to preserve one of Calcutta's finest traditions, is well worth the risk. Spiritual backing is important, but I am sure the School is not so ethereal as to ignore the more material benefits as well, and it is these which they both need and deserve. At the next concert, the newly-formed group of madrigal singers is performing some of the works of Purcell and Vaughan Williams. This is a rare type of entertainment for music lovers and should be well worth their attention. Calcutta was never built on lost opportunities, and without the moral and financial support from those of us who are not blessed with the muse, we might one day wake up and find that yet another familiar and respected landmark has just vanished from our midst.

THE DITCHER

SQUARE ROOT?

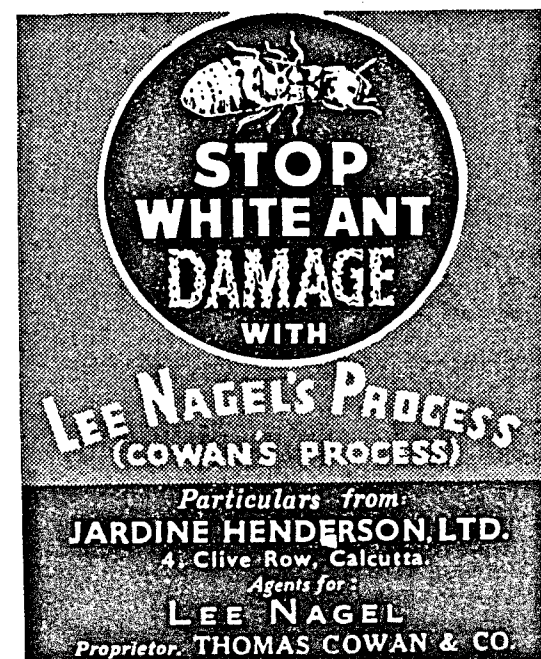
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Electricity supply shares continued a downward trend, with Ahmedabad making Rs. 96-4.

(In the following list of stocks and shares in which transactions have taken place during the past week the figures indicate: Opening Quotations—Highest for the week—Lowest for the week—Closing Quotations—Quotation for the Corresponding Closing Date a Year Ago, the last named being shown in parenthesis and will not be given where such a quotation is not available).

[illegible]

Hind—Rs. 33-8-34-4-33-8-34-4—(24-8).
Punjab National—Rs. 57-58-57-58—(44-8).

Humayan Prop.—Rs. 11-8-11-8-11-8-11-8-(11-8).
Midnapore Zemindary—Rs. 31-32-8-30-30-(39)

Do. (Pref.)—Rs. 13-4-13-4-13-2-13-2—(13-4).

The Planning Commission arrives at the conclusion that "in spite of concerted efforts for the mobilisation of the available resources and their utilisation as proposed in the second plan, the impact on the two-fold problem of employment and under employment will not be as large as the situation demands." This is hardly reassuring. What is, however, more so is the stress laid on "the importance of implementing the plan so as to maximise its production and employment potential by co-ordinating complementary investments, planning the use of resources such as water, electricity, etc. which are created by the operation of the plan and ensuring that the services of newly-created institutions and agencies are brought effectively within the reach of those whom they are intended to benefit."

Engineering and Transport

CALCUTTA PORT UNDER FIRST PLAN

ONLY ONE-THIRD OF TOTAL SCHEMES COMPLETED

BECAUSE of the shortage of time and various other factors, the Calcutta Port Commissioners have completed only 33 percent of the projects covered by the first five year plan, says an official Press Note issued last week. The expenditure so far incurred amounts to Rs. 3.48 crores. All the projects which have not been completed are being taken over to the second plan.

To handle the increased traffic during the second plan, Calcutta port has chalked out a six-point programme in order to eliminate delays in the loading and unloading of ships. Mr. N. M. Ayyar, Secretary to the Union Ministry of Transport, outlined it at a Press conference on Monday. He said that when the Government of India launched the first plan, the Port Commissioners formulated a scheme to improve port facilities, which had deteriorated during the war and due to lack of replacements. The scheme, as originally drawn up, was to involve an expenditure of Rs. 8 crores. But with the inclusion at a later stage of certain large projects, the estimated outlay rose to Rs. 12 crores. Of this amount, a little over Rs. 8 crores was to be advanced by the Government as loans, interest-free for the first seven years and repayable in 23 equated annual instalments with interest. With the exception of the river training project, such as the Fulta-Hooghly River scheme, all other items of work had either been completed or were in active progress.

Loading Ores and Coal

Mr. Ayyar declared that a notable contribution had been made under the first plan, particularly to the export trade in ores, which now amounted to about a million tons a year from Calcutta port alone. Various ore dumps scattered all over the port area had been abolished, and in their stead a central depot created, with adequate rail facilities and a storage capacity of 300,000 tons in Sonai, near the two Dock Systems. There was a proposal for the conversion of No. 5 Berth, King George's Dock, into a fully mechanised one berth. Work on the first project had been completed. It had eliminated delays in shipment and quickened the turn-round of wagons. The construction of No. 5 Berth, King George's Dock was still in progress. This scheme envisaged the loading of ores either from the dumps at the back of the quay, or from railway wagons stationed at the shed, into a series of tipping wagons mounted on trolleys travelling on a light railway track with the help of diesel locomotives, the line of motion of the trolleys being perpendicular to the quay. With the undersides of trolleys coupled to an endless wire rope worked by an electric reversible winch, the trolleys would undergo a movement towards, and away from, the quay cranes, the tipping wagons would be picked up and emptied into ship's hatches and subsequently released for filling up. This mechanical equipment was capable of loading about 2,000 to 2,500 tons of ores a day. A new mechanical coal loading plant was being erected at No. 18 Berth, Kidder-

pore Docks, at an estimated cost of Rs. 41.24 lakhs. It was likely to come into commission by the end of this year. It was of the belt conveyor type and could ship about 3,000 tons a day.

Development under Second Plan

As both money and time were short, the development schemes undertaken under the first plan had to be considerably restricted in scope with the result that only those which were considered pressing and inescapable could be included. New development schemes had now been framed under the second plan. These could be classified as follows:

(a) Strengthening the quay walls of Dock No. 1 Kidderpore Docks and construction of a general cargo berth at King George's Docks—Rs. 2,75,00,000.

(b) Construction of a new sale tea warehouse and additional transit accommodation—Rs. 1,30,00,000.

(c) Construction of new harbour craft—Rs. 4,80,00,000.

(d) Improvement of dry dock facilities and facilities for ship repairs, etcetera—Rs. 57,10,000.

(e) Purchase of mechanical handling appliances and six diesel locomotives—Rs. 40,00,000.

(f) Improvement of water supply to shipping—Rs. 55,00,000.

(g) Housing for Class III and IV staff—Rs. 1,00,00,000.

(h) Improvement of other facilities, including fire protection works—Rs. 1,11,61,000.

The total cost of the schemes is Rs. 13,02,14,000.

Eliminating Delays

To eliminate delays in loading and unloading ships, the Port Commissioners had the following proposals:

(1) Introduction of a third shift for working a selected number of vessels.

(2) Purchase of six mobile cranes to handle iron and steel.

(3) Purchase of six more mobile cranes and mechanical appliances such as fork lifts, trolleys and jetney motors.

(4) Preventing congestion at transit sheds by the creation of special dumps at various points in the port area capable of accommodating about 20,000 tons of steel and 8,000 tons of cement, the import of which in large quantities was expected in coming years. Storage accommodation was also being found for large imports of foodgrains.

(5) Re-arrangement of cranes at berths, so as to ensure that berths where ships carrying steel were unloaded would be provided with adequate crane facilities.

(6) Speeding up the execution of development projects covered by the first and second plans.

These measures, combined with steps to eliminate procedural and other delays, would enable the port to handle the additional traffic during the second plan, including the plant and machinery intended for the various steel plants, according to Mr. Ayyar. This depended to a very great degree on the maintenance of industrial peace, and the Commissioners on their part would spare

no effort to preserve peaceful relations with their labour.

BRITISH FIRM GETS INDIAN RAILWAY CONTRACT

A contract for 5,000 wheel sets worth £487,500 for the Indian railways has been secured for a British firm through the Indian branch of the United Steel Companies. Competition for the contract was keen, and bids were also put in by Italian and Japanese manufacturers of railway gear. It has been arranged that Mr. C. F. Ryan, chief of the railway materials department of the successful tenderer—Steel, Peech and Tozer, of Sheffield—should visit India to discuss technical and other matters with the officials of the Indian railways. Messrs. Steel, Peech and Tozer were recently awarded a contract to supply the U.S. Air Force with 14,000 rings for use in landing wheels. They are specialist engineers in wheel equipment.

T.W.A. ORDER FOR JET AIRLINERS

Trans World Airlines have announced an order for 30 jet Convair "Golden Arrows", called the world's fastest airliner today. The order brings to 71 the total number of modern aircraft to be acquired within the next three years.

T.W.A. had previously announced that they would add eight Boeing 707 long-haul jet transports and 25 Lockheed 1649A airliners to their existing fleet. Currently they are taking delivery of eight new Super-G Constellations, to add to their present fleet of 20 of these aircraft. Early in 1957, delivery will start on 25 Lockheed 1649A Super Constellations. Delivery of the Boeings will commence during 1959 and later that year the Golden Arrows will be added. The Golden Arrows powered by four General Electric CJ/805 engines, will cruise at a speed of 609 miles an hour at an altitude of 35,000 feet. A medium range designed jet liner, it is built to operate efficiently on flights of 200 to 3,000 miles. The jet liner is the only aircraft of its type today that will have the ability to fly in and out of 5,000-foot runways, the common maximum length of many airports.

NEW RAILWAY MARSHALLING YARDS FOR STEEL PLANTS

Two new marshalling yards are to be built on the South-Eastern Railway to cater for the goods traffic for the new steel plants at Bhilai and Rourkela. The Railway Board has ordered surveys to be undertaken immediately by the South-Eastern Railway in connection with the lay-out of these yards. The yard at Bhilai is needed for handling 13 goods trains daily carrying raw materials for the plant and three trains daily carrying finished products from the steel plant. This yard will also deal with the anticipated increase of traffic to the tune of ten goods trains daily due to heavier movement from the Central India coal fields. The yard at Rourkela will handle more than 13 trains of raw materials and two trains of finished products daily for the steel plant and also for the general traffic on the main line.

INDIA ORDERS MORE SUGAR MILL MACHINERY FROM U.K.

A Paisley (Scotland) engineering firm, which recently executed a £1 million order for machinery for sugar factories in Punjab, has received a further order from India. The new machinery is for mills in the Madras area, and will be capable of crushing 1,000 tons of sugarcane in a day. The value of this new order is estimated at £500,000. The two Punjab factories also have a crushing capacity of 1,000 tons daily, and the firm has previously manufactured machinery for sugar mills in India, the Philippines and South America. Since 1840, the manufacture of sugar-making plant has centred near Glasgow and Paisley. There are six firms in the district engaged in this work. The sugar-machinery industry employs some 4,000 people in the area.

REGIONAL BUSINESS EFFICIENCY EXHIBITION IN U.K.

Britain's first postwar regional business efficiency exhibition, to be held at Southampton in September, will be opened by Capt. D. W. Sorrell, Master of the Cunard liner *Queen Mary*. He has been invited by the organisers—the Office of Applied Science and Business Equipment Trades Association—as a tribute to his ship's 20 years of efficient Atlantic service. The opening will take place on the eve of the twenty-second anniversary of the launching of the 80,000-ton liner by the late *Queen Mary* in 1934. The office equipment industry will be showing some of Britain's latest electronic accounting machines at the exhibition. These include a machine which counts 20,000 bank-notes an hour, and another for counting coins of any shape and of all nations at the rate of 2,000 a minute.

A representative of the association states that film stars arriving on the *Queen Mary* the night before the exhibition should note that there will be on view a machine for opening fan mail at 500 letters a minute and sealing up replies at 300 a minute. The association announces that exports of British office equipment of all types during the first five months of the year attained the new record of £10,090,694. Principal customers were Australia, Canada and the United States. A notable feature was the increase in demand for portable typewriters and more complex book-keeping and accounting equipment.

Bombay

AN INDUSTRIAL WAGE POLICY FOR INDIA

CONDITIONS OF ECONOMIC GROWTH (FROM OUR BOMBAY CORRESPONDENT)

AN Indian delegate to the International Labour Conference in Geneva, Mr. Naval H. Tata, had some significant comments to make on the wage problems of this country. He said: "In a planned economy of the type India is envisaging, we are very rightly told from all quarters at all stages that all interests have to be subordinated to the general upliftment of the masses. The industrial worker, as a natural consequence under such circumstances, has to mark time, and go without further embellishments in his wages inspired by the international yardstick of international security, so long as a fair wage, as laid down by national tribunals, in conformity with the standards of national income, is paid to him. Despite international acceptance of a dynamic wage policy, he will have to be in the straitjacket of a static wage structure, without maligning the employer for his lot, because the employer for his part of the sacrifice, will be subjected to crushing taxation to create added resources for the national economy." His comments came at a time when a sub-committee of the Joint Consultative Board of Industry and Labour is busily engaged in formulating principles on the basis of which the existing wage level at any given time can be tested against the concept of a living wage. This, it is held, will enable the necessary adjustments to be carried out in accordance with agreed policy.

Presumably, the need for adjustment is felt to have arisen in view of the recent statement of the General Secretary of the Indian Trades Union Congress that a uniform increase of 25 percent in the industrial wage level was called for in present economic circumstances. Industrial circles here believe that a formal demand to this effect will be made by labour once the sub-committee concludes its deliberations and agrees on a theoretical formula to determine living wages in concrete terms. Another perplexing question that is likely to crop up for settlement between employers and workers is the problem of bonus payments. This follows the recent agreement between the Bombay Mill-owners Association and the textile workers. Based on the Ahmedabad pattern, the agreement provide for a minimum payment of 15 days' earnings to a maximum of three months' wages, depending on the surplus available with employers at the end of each financial year after allowing for taxation, depreciation and reserves for rehabilitation. If no profits are made, the management will still be liable to pay the prescribed minimum in terms of bonus.

Rising Real Wages

Working conditions in the textile industry profoundly influence Bombay's industrial labour force. Employers here believe that a similar demand will soon be made by workers in other establishments. Custom has transformed the nature of bonus from an *ex gratia* payment to an obligation, subject to the accruing of trading profits. It now seems that a further transformation is imminent, which would make bonus payments compulsory, irrespective of actual profits or losses. However, the main problem relates to the industrial wage level. The fact is that the real wages of the Indian worker have steadily risen from 78.4 in 1947 to 102.7 in 1954, taking 1939 as the base. In effect this means that the loss in real wages since 1939 has been more than made up during the first plan period. If the social security measures introduced since 1947 are taken into account, then real wages must be held to have risen from 15 to 20 percent. In terms of percentages, this represents a spectacular increase by any standards.

In support of his claim for increased wages to labour, the General Secretary of the Indian National Trades Union Congress, relied on two points. He maintained that a higher wage level was justified because the second five year plan provided for expanded employment which would mean a higher turnover requiring less profit margins for the maintenance of industry. It is difficult to follow the line of this argument. Certainly, the second five year plan provides for the creation of additional employment, but an increased wage bill in the present context does not necessarily mean an automatic increase in the rate of wages. In actual fact, a substantial proportion of the expected increase in the national income will have to be spent in paying new workers and upgrading the earnings of those who subsist on a marginal level through part-time or under-employment. Neither is it certain that this expanded employment will lead to a higher turnover in the sense that lower profit margins will be adequate for the maintenance of industry. The major development schemes envisaged under the second plan relate to heavy industry and large-scale projects which are not expected to show profits for some considerable time. The fundamental object of the second five year plan is to create the means of production. Obviously this necessitates capital expenditure of a considerable magnitude, the returns on which accrue after a certain time lag. The second point that the consumer also stands to benefit by a reduction of prices consequent on the increased output envisaged under the second plan seems to be equally fallacious. There is no reason to believe that there will be a fall in prices. On the contrary, the present indications are that the price level will rise as the second plan proceeds. The reason for this is that the plan does not envisage an increase in the output of consumer goods which would have a deflationary effect. It is no secret that the Government itself fears an inflation-

ary spiral and is standing by to take effective measures as and when necessary. One of these measures is likely to be an inflow of consumer goods from abroad. Such imports would worsen the foreign exchange position of the country, but the fact that such a step might have to be taken indicates the precarious balance of the internal price level.

Industrial and Rural Wages

In these circumstances, it is open to question whether an indiscriminate rise in wages would not actually contribute to the inflationary trend. Clearly, labour will have to make sacrifices no less than the consumer or the producer, as Mr. Tata rightly pointed out. Mr. Tata also referred to the difficulty of reconciling "an ever growing demand for an improved wage structure from an industrial worker of an urban area with the comparatively low standard of wages, amenities and social security of the non-industrial worker of the rural area." This point is well made, for clearly there must be a balance between urban and rural earnings if a lopsided development is to be avoided which would be harmful to the economy. It is curious that no attempt is made to relate wages to productivity, nor is this factor taken into account when arriving at a living wage. The *Indian Labour Gazette* comments: "During the period 1943 to 1954, the index of rural earnings has advanced geometrically at an average rate of 3.9 percent per annum. During the same period the corresponding rise in the index of productivity has been of the order of 2.7 percent. It is therefore clear that the rate of growth in real earnings has on the whole been higher than in productivity, whether we look at the question from the point of view of the rise since the pre-war years or since 1943-1944, from which year the index of real earnings showed a more or less steady upward movement."

Increased productivity implies, among other

factors, the use of modern methods of production. Mr. Tata accurately summed up the attitude of labour on this point when he said: "Take, for example, the question of modernisation of the process of production. In these days of highly competitive international markets and in the context of technological improvement all round, the need to keep pace with technological progress elsewhere is a compelling necessity to ensure the very survival of the nation. If in such a crucial decision of a country, trade unions offer passive resistance to schemes of modernisation of equipment and rationalisation of labour on grounds of temporary displacement of workers, then that country must face the inevitable dilemma with which many countries had the misfortune to deal, namely, to produce more by modernising at competitive cost to serve the interest of consumers and maintain exports by facing mutually agreed doses of rationalisation with the minimum of unavoidable unemployment—and survive; or to maintain uneconomic production at prohibitive cost to consumers, losing foreign markets by resisting retrenchment and modernisation unequivocally—and perish. So long as the workers are allowed to share equitably in the resultant profit arising through higher productivity consequent on modernisation and rationalisation, the worker can hardly be justified in choosing the latter alternative. In the ultimate analysis, he is the loser if he chooses to do so, and yet it is tragic to find that he is not convinced of the former." The trade unions would be well advised to give this warning their earnest consideration. It matters little whether the employer is a private company or a State enterprise. The fact remains that more must be produced with maximum efficiency at decreasing costs. In such a process, labour itself stands to gain the most, protected as it is by statutory safeguards. A grave responsibility rests on the trade unions of India who must now shoulder the burdens of economic development, in addition to the privileges attached to trade unionism.



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INFLATION STILL CAUSES ANXIETY

THE TREASURY'S PROGRESS REPORT MAKES GUARDED COMMENTS (FROM OUR LONDON CORRESPONDENT)

NOT all of our worries about the way the fight against inflation is going will be set at rest by a candid progress report on the economy which appears in the Treasury's latest *Bulletin for Industry*. This provides the facts and figures on which the Chancellor's recent speeches appear to have been based, but expresses only guarded satisfaction with the adjustments which have already taken place and permits itself no more than the cautious forecast that if further increases in total wages, dividends and profits—which are held equally responsible for inflation—are no more than in line with increases in the country's output, there is a reasonable prospect that the recovery made so far will be consolidated and that the rise in prices will be checked. After stating that wage rates had risen over twelve months by 8 percent, and published company profits by 11 percent, it makes this severe comment: "Increases of this kind are incompatible with price stability." This may or may not be a hint at the trend of official policy. The report supplies some of the arguments for the Chancellor's hopes of a price "plateau". Consumption seems to have fallen slightly this year, and within the total consumer demand, sales of cars and durable consumer goods have fallen heavily. The resources set free by this restraint have moved into export and productive investment, both of which have continued to expand. Exports are still rising, though more slowly, whereas although imports are also still rising their rate of increase has been even slower. This could also be due to some running down of stocks. If all this readjustment is really going in the right direction, as the report suggests it is, we should soon see a sharp recovery in total industrial production. But the great question of wages has yet to be resolved.

Steps Towards Stability

So far as lies within its power, without the resort to physical controls which its critics favour, the Government is certainly playing its part. The Prime Minister's meetings with employers, the T.U.C. and the chairmen of the nationalised industries have turned out to be much more productive than could have been hoped for earlier. All the nationalised industries except civil aviation are now committed to some form of limited or temporary price "freeze". They have, therefore, done as much as the representatives of the British Employers' Confederation and the Federation of British Industries urged that they should do. The

example has now been set. The manufacturers know that some at least of their basic materials and services will stay constant in price for a time. The ball is in their court. The next step will be a joint meeting between the Government, the nationalised industries and other employers to consider how policy can be co-ordinated in an effort to reduce inflation. This is not likely to take place, however, until after the Commonwealth Prime Ministers' conference, which has only just opened, and before it is held there may be separate meetings between the Prime Minister, the private employers and the T.U.C.

The Government has also made, at least in part, one other contribution it had to make—a £100 million cut in its own expenditure. Mr. Macmillan has presented an "interim" list of proposed economies to save £76 million a year to the House of Commons and promised a further list later. Of this, £50.5 million will come from the defence programme or from defence expenditure by civil departments (including £4 million on Civil Defence), and £25.5 million from civil expenditure. It would be impossible to give the detailed figures here, but Colombo Plan expenditure is to be cut by £80,000. The Chancellor's announcement has met with a mixed reception. Its critics are sarcastic, but the City has welcomed it as a useful contribution to the fight against inflation as representing a substantial reduction in the money put out by the Government and therefore an easing of the pressure on the country's resources. It is true, of course, that part of the savings is being achieved by postponement of spending rather than its complete elimination, but even temporary relief could be useful at the present time of abnormal pressure.

Labour Uncommitted

The response of the employers to these moves can hardly be other than favourable in view of their conditional promise to play their part if the Government and the nationalised industries played theirs. There was also a proviso regarding the co-operation of labour, of course, but so far that party to a four-cornered agreement has preferred to hold its own counsel. The employers are certain to pass the ball, and it will be interesting to study the reactions of the T.U.C. In themselves these will not be conclusive, or the last word. That rests with the individual unions—the rank and file—and he would be a brave man who would be prepared to make a forecast about them, especially now when the Government's present policies producing redundancy in certain industries are giving rise to much perturbation and even resentment. On the other hand, the situation does strengthen the hands of the employers in resisting what in fact are suicidal suggestions—such as a three-day week, as the Standard car workers have asked for to prevent the dismissal of some thousands of workers rendered redundant by automation, or the demand of the shipbuilders and the engineering unions generally for a 40-hour working week without loss of earnings and higher holiday pay—calculated to price our products out of world markets, particularly against those of Germany and Japan.

Change in Cotton Import Rules

The open general licence under which raw cotton is at present imported will be amended from 4th July to exclude raw cotton from dollar countries. This change, which is authorised by the Board of Trade, does not represent a change in the policy of the Government, which said recently that it would be unwilling to impose further restrictions upon imports; it is, in fact, a short-term measure to meet special conditions, and has been made with the full agreement of the industry. From 4th July dollar cotton will have to be imported under open individual licences, but there will be no restrictions on the amount exported. The change has been made to meet difficulties which have arisen over the import of American cotton for which dollar aid has been available.

The recent decrease in the size of lots of American cotton imported under the general licence has made the procedure necessary to document each lot irksome to the smaller traders, with the result that the lots actually documented have left untaken a large proportion both of the direct dollar aid and of the dollar amounts available under the agreement with Pakistan. Dollars have been spent needlessly, and traders have incurred unexpected interest charges in triangular transactions with Pakistan. The open individual licences will be issued on condition that importers comply with the appropriate procedure for all imports of American cotton for which dollar aid is available. The sole reason for the change is to ensure the full use of the dollar aid funds to finance the import of American cotton; at times when no dollar aid funds are available, importers will be free to import American cotton under licence in the ordinary way. Moreover, imports of cotton from dollar account countries other than the United States and of American cotton shipped from third countries will not be affected.

Foreign Exchange Relaxation

Another small restriction has been dropped in the London foreign exchange market. The Bank of England states that in future all non-residents—whether banks, individuals or private institutions—may deal direct in non-sterling currencies in London. Previously only banks were allowed access to the London market for spot and forward exchanges in non-sterling currencies. Now individuals abroad, particularly in the E.P.U. countries, will be able to deal with the London banks instead of using their own banks as intermediaries.

This may reduce the rates slightly. Similar facilities will also now be allowed to residents of Canada and the American account area.

British Participation in Overseas Development

The Bradford Dyers Association Ltd. appears to have found the answer to participation in overseas countries with a keen nationalist consciousness without too great a loss of its own interests and, indeed, to the ultimate benefit of both parties. This leading textile finishing combine has just announced the conclusion of an agreement under which it will reduce its present holding in Beida Dyers S.A.E. but will continue to be represented by five members on the board of that concern, and will be responsible for its technical direction. The transaction will increase the funds available to the British combine for financing the further development of its activities in the United Kingdom and abroad though, of course, its share of the earnings of the Egyptian company will be reduced. It has disposed of part of its interest in Beida Dyers to the Banque Misr and its associated textile companies. This amounts to 80,000 shares of £E4 each at a price of £E20 a share. Bradford Dyers will now hold only about 22 percent of the capital of the Beida company, the control of which has passed from it to the Banque Misr group. This group includes two cotton spinning and weaving concerns and a silk weaving concern, and the agreement provides that all the group's dyeing, finishing and printing shall be transferred to Beida Dyers. In order to deal with this additional work, Beida Dyers has undertaken to make substantial extensions to its works which, among other things, will enable it to process wool and rayon textiles as well as cotton. To finance these extensions, Beida Dyers will double its capital by offering to its shareholders one new share of £E4 for each existing share. The Bradford Dyers has undertaken to apply for its quota of the new issue, which will cost approximately £E225,000.

Floating Showroom for British Goods

A new line in the export trade is being planned—a floating sales showroom in the form of a ship full of samples of British goods, which will sail round the Caribbean and parts of the Latin American coast. It will visit a total of 442 ports (all having 10,000 or more inhabitants), and will deal directly with the main importers at each call. As well as providing the salesroom space, the promoters plan to give demonstrations, negotiate orders, obtain bank reports on the credit of customers, compile market reports and generally operate as a clearing-house for all orders and inquiries. It is estimated that it will cost at least £100,000, apart from the cost of the vessel, to put the whole plan into operation, but the sponsors hope that the attractions of the scheme will appeal to firms who would not normally be able to afford their own travelling representatives in these markets. Meanwhile, they are canvassing the plan in industry and will soon be putting it to manufacturers in the Midlands.

Defence Bonds Conversion

The Treasury has announced that a conversion offer will be made to holders of 2½ percent Defence Bonds bought between 1st October, 1946, and 31st March, 1947, and maturing between October, 1956, and 31st March, 1957, of which about £31 million are outstanding. Holders will be invited to exchange their holdings into 4½ percent Defence Bonds (conversion issue) on the tenth anniversary of the date of purchase. If they accept the offer, they will be paid interest at 2½ percent per annum for the period from 1st October, 1956, to the date of exchange, and at 4½ percent from the date of exchange to 31st March, 1957. The maturity premium of £1 percent will be paid on the date of exchange. If the offer is not accepted, interest on the maturing bonds will cease on the tenth anniversary of the date of purchase.

Terms of Trade Improve

Record exports and the consequent narrowing of the visible trade gap to £31.9 million are now shown to have been accompanied by a favourable movement in Britain's terms of trade, as measured by the ratio of import to export prices. While the index of import prices (1954=100) was unchanged at 106 for the third successive month, the export price index rose by one point to 105. The result was an improvement of 1 point in the terms of trade from 102 to 101.

Brevities

The official retail index price was 103 on 15th May, the same figure as at 17th April. The Ministry of Labour, announcing this, said that between 17th April and 15th May there were increases in some prices, including those of tobacco, but food prices on balance fell and there were also seasonal reductions in coal prices.

Aircraft exports this year are running 77 percent higher than a year ago—the best performance put up by any British industry. In the first five months the value was £45,440,000, and in May alone £8,338,000.

Twelve electric power experts from Asian and Far Eastern countries are to visit Britain on a study tour from 26th July to 31st July.

It is understood that the Soviet representatives who have been discussing with the Board of Trade the extension of Anglo-Soviet trade, following on the Bulgarian and Khrushchev visit to London, have suggested the visit to London of a full Soviet trade delegation. The British Government has apparently agreed in principle to this, and the details of the visit are now under discussion with the Soviet authorities.

Uttar Pradesh

U.P. OPPOSED TO CEILINGS ON LAND HOLDINGS

PLEA FOR NEW ENGINEERING AND ALUMINIUM UNITS

(FROM OUR LUCKNOW CORRESPONDENT)

THE U.P. Government has decided that ceilings on land holdings should not be imposed on existing farms, as the imposition may impair the efficiency of agricultural production. At a conference in Naini Tal convened by the Chief Minister last week, it was decided that the Government should also press for an increase in ceiling should they be fixed by the Planning Commission. In the Government's view, there is no need to fix ceilings on the existing holdings as long as they follow the cropping method laid down by the Agriculture Department. The conference also expressed the view that the more urgent need was to counteract the bad effects of fragmentation by consolidating holdings. During the first five year plan, 100 co-operative farming societies have been established in U.P. and it is proposed to establish a similar number in the second plan period. But the success of these societies is not as spectacular as has been claimed, and in recent months, the State's Minister for Agriculture, Mr. Charan Singh, has been openly campaigning against co-operative or collective farming. In his opinion, these terms are interchangeable. In a collective or co-operative system, he argues, a member might possess the right of leaving and of getting back his land, but that works for the failure of the system. On the other hand, if the farmer is not given the right to get back his land, it is difficult to persuade him into joining it.

Support for Small Farming

He holds the view that per unit production in agriculture has little relation to the size of holdings, for a plant of wheat requires the same space to grow and time to mature irrespective of whether it is sown in a small piece of land or in a vast farm. The factors which govern the yield are water, seed and manure and the amount of attention given by the farmer. All factors being equal, according to Mr. Charan Singh, the yield is likely to be more in a small unit than in a big one. He also sees in small holdings the advantage of their employment potential, and greater opportunities for the peasant to develop his personality.

The State Government has framed rules on the ownership of land which comes out of river-beds as a result of rivers changing their courses. The vagaries of rivers like the Ganga, the Ghagra, the Rapti and the Ghandak often cause disputes among landowners, and the rules lay down that all such disputes will in future be settled according to the Bengal Alluvial Diluvial Regulation of 1925. These rules cannot, of course, apply to ownership when the parties to the dispute are two State Governments. There is a long-standing border dispute between U.P. and Bihar, and both Governments have approached the Centre for a decision. A few years ago, the Ganga ate away whole villages in the Ballia district of U.P. and vast tracts of fertile land were lost. The river changed its course and the land appearing on the other side of the river was promptly appropriated by the villagers of Bihar. It remains in their possession; U.P.'s area has, to that extent, shrunk. The Centre takes the philosophic attitude that whether in Bihar or U.P., the land remains in India, but the villagers of U.P. who have been affected by the river do not share it.

State Government's Loss

While the State Government has welcomed the imposition of uniform prices of steel, it has reacted adversely to the decision on State trading in cement. The U.P. Government owns one of the largest cement factories in the country. The State Planning Minister, Mr. C. B. Gupta, has stated in an interview that equalisation of prices of indigenous and imported cement would affect the Government's revenue, as it would cost Rs. 10 a ton to the State Government and the saving of an equal amount to the private consumer. The Government has decided that indigenous cement will be used for Government constructions and that imported cement will be offered to private individuals. According to Mr. Gupta, the State will get about 20 percent of its demand, and private consumers, including institutions such as schools and hospitals, not more than 25 percent of theirs. The increase in cement prices will mean an extra expenditure of Rs. 3 crores for the Government.

Industrial Investment

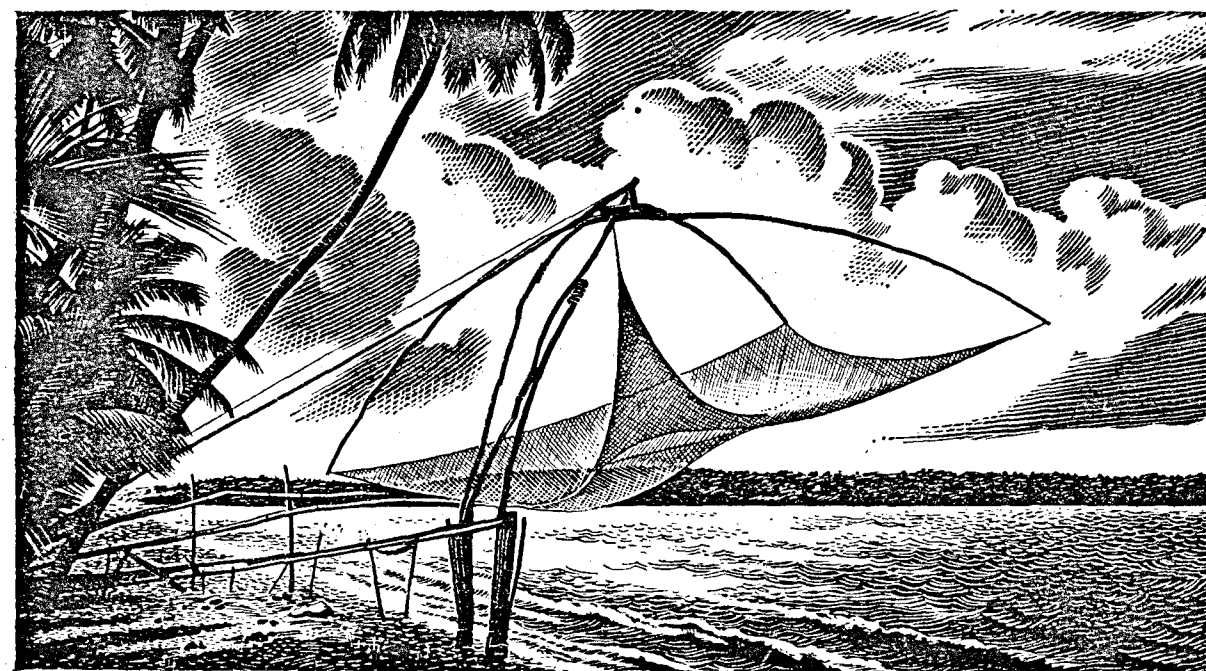
A 57-page memorandum dealing with various industries has been submitted by the U.P. Merchants Chamber to the Birla Fact-finding Committee on Industries. The Chamber at the outset complains that top Government personnel charged with the formulation of policies are adept in the art of evading issues and that this is more marked in U.P. than elsewhere. According to the memorandum, the State accounts for the employment of only about Rs. 85 crores of productive capital in about 20 manufacturing industries. These industries pay, as wages and salaries, a sum of Rs. 19 crores, in order to add only Rs. 27 crores to the value of the raw materials they used. The ex-factory value of their products and by-products is about Rs. 140 crores. These figures, if viewed against the background of U.P.'s area, population and resources,

are depressing. The net balance of trade of the State, calculated on the basis of these figures and in terms of existing rail, road and river-borne trade, is stated to be adverse.

Referring to the sugar industry, the memorandum states that the total capital employed in U.P. sugar mills is about Rs. 40 crores. The industry provides employment to about 68,000 workers a day on an average. The main problem which confronts it is the poor recovery of sugar. The cane price accounts for at least 50 percent of the cost of finished sugar. In the opinion of the Chamber, a fair price for cane should not exceed Re. 1 a maund. The present price, as statutorily fixed, varies from Rs. 1.4 to Rs. 1.7. This price applies to cane of any quality, irrespective of its sugar content. Cotton textiles are one of the oldest industries in U.P. It provides employment to about 44,000 persons daily. The mills in Kanpur were erected originally to manufacture coarse and medium cloth. Of a total of 29 mills in U.P., nine have already closed down, but three of them are expected to resume working with a change in management. The sales tax on cloth, which is higher in

U.P. than in the neighbouring States, has increased the price of cloth by 6½ percent.

Dealing with the possibilities of fresh industrial units in the State, the memorandum says: "There are immense possibilities for the establishment of structural engineering units to feed the area covered by U.P. and the neighbouring areas. Of the 10 specific categories of structural fabrication determined by the Board of the National Industrial Development Corporation Ltd., five categories can be profitably manufactured in U.P. There is also considerable scope for the establishment of an electrical engineering unit. The State Government, in consultation with the reputed firm of foreign electrical engineers, applied for permission to establish and operate a large electrical engineering unit, but this proposal was not favoured, and Bhopal has been chosen as the location. With the prospect of power being made available by 1960 at rates at which the aluminium industry gets power in other States, there is no reason why a plant for the production of aluminium from bauxite cannot come into existence if the scheme is sponsored, and supported by the State Government."



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B. BARKER,
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Plantation Topics

FALL IN U.S. TEA CONSUMPTION
HIGH PRICES REDUCE IMPORTS
AND SALES

THE year 1955, though next to 1954 in point of tea sales in the United States, was not a good year. After six years of continuous promotion, tea sales fell back instead of following the expanding pattern begun in 1952. This is the conclusion of the U.S. Tea Council's annual report reviewing the course of tea business in 1955. When the campaign started in the U.S. market, the objective was to halt the downward trend of sales and consumption. This trend was reversed, and in 1953 and 1954, the total sales increased by 6.4 percent. Then, in 1954, when one might reasonably have expected sales to move up, two things occurred further to boost tea sales in the U.S. market. First, sky-rocketing coffee prices accelerated tea sales. Secondly, tea prices, which had begun to rise in the fall of 1953, continued their ascent through 1954. This was so because it is a phenomenon of business that buyers continue to purchase in a rising market, up to a point, to protect themselves in anticipation of further price increases. It was anticipated that 1955 must be a year of consolidating gains—some artificial—which had been made in the preceding years.

Total imports and sales of tea during the year were 105.5 million lbs. and 106.6 million lbs. respectively. The last four years have seen the total U.S. tea market increase by 10.7 percent—a heartening achievement in view of the cautious predictions by most partners in the Council that the first years of operation would probably be needed merely to halt the downward trend. The U.S. tea industry's mood at the year's end was aggressive and optimistic, though it expected to have a tough year. It did. It fought a good fight and feels, with cautious optimism, that the future is good. There are several indices which are used throughout the year to measure tea's position. The general picture revealed by these indices is one of serious trouble early in the year, and recovery in the second half. Here is a brief review of what they showed during the year.

Wholesale to Retail Movement

During the first three months of 1955, wholesale to retail movement of tea was exactly even with the same period in 1954. But there were storm clouds on the horizon. High coffee prices, which had been of great help to tea in 1954, returned to a level that was for some time below normal. Then, tea at the retail level received several price increases and consumer resistance seemed to be almost instantaneous each time. At the end of the first six months of 1955, sales to groceries and institutions showed a decrease of 4 percent over a similar period in 1954. By the third quarter, the wholesale to retail movement of tea was off 10 percent. Year-end figures show a decrease of 5 percent for 1955 compared with 1954, a significant decrease, it is true, but a remarkable gain from the position at the end of nine months. Import figures tell much the same story. For the six-month period ending June, imports declined by 25 percent. The month of June alone showed imports recording a startling fall of 58 percent as compared with June 1954. From that point on, however, the situation improved and at the year's end, the net fall in imports amounted to 8.8 percent. It is, perhaps, worthy of note that the 12-month period ending 31st January 1956, was slightly ahead of the comparable preceding period.

Another indication of tea's 1955 performance was revealed throughout the year in the index of sales by packers who contribute to the Tea Council. Through the first three months, sales were even with 1954. By the end of September they were 3.5 percent behind and fell by 4.6 percent through

November. The index for December however shows sales up by five percent over December 1954, which is interpreted as a definite sign that tea has come through the year in a strong position to move forward once again. The final year-end figures show a 4.5 percent decrease in 1955 as compared with 1954.

The conclusions to be drawn from tea's experience in 1955 are:

1. Sharply fluctuating tea prices in any year cause hardship to producer and distributor alike.
2. Tea's fortune in any one year is extremely sensitive to the pressures of competition, the level of prices and the effectiveness of consumer advertising and merchandising efforts.
3. The Council's campaign needs to be sharpened and strengthened in future to produce a new period of dynamic growth for tea in the U.S.A.

The following indicates the main features of the Council's 1955 campaign and also give a brief idea of the campaign for 1956.

Consumer Advertising

Consumer advertising is the most important function of the Council, accounting for 72 percent of its expenditure in 1955. Since 1953, advertising has consisted exclusively of filmed television commercials for hot tea and a combination of television and large outdoor posters for iced tea. As funds are not sufficient to cover the entire country, the Council concentrates its hot tea advertising in 12 most important markets, which account for 40 percent of retail grocery food sales. During the iced tea season, 18 more markets are added which account for 13.6 percent of grocery food sales. In 1955, it continued this strategy, but the advertising problem became complicated by the fact that even though it was covering the same geographic pattern as in the past, the market for messages had actually increased by 50 percent due to the increased purchase of television sets by families within the Council's coverage area.

This increase in T.V. set ownership naturally led the television stations to adjust their rates upward and the Tea Council, along with other advertisers, was caught in this rising cost spiral. The average rate increase in its markets for 1955 was 19.98 percent. The Council was working with the following appraisal of the growing weakness in its schedules: (1) its audience composition had slowly been shifting from family groups to viewing situations composed predominantly of women; and (2) the average weekly frequency in most markets—i.e. the average number of times a week each T.V. home in a market received the Council's messages—was dropping by as much as 50 percent. The paradox of the situation in 1955 was that while it was reaching more "total people" than ever before as the market had increased by 50 percent, it was reaching these people less frequently; and as it reached out to more people it began to talk more and more to women and much less to the family group. Nevertheless, the efficiency of its dollar expenditure has continued to improve from an estimated cost of \$2.30 in 1953 and \$1.13 in 1954 to less than \$1.00 in 1955 for every 1,000 T.V. homes that actually received a Tea Council advertising message. Efficiency of advertising is not the same as effectiveness of advertising, however, and, as the new media plans now being developed are analysed, it is apparent that it cannot achieve the level of effectiveness it had several years ago unless it can (1) increase its frequency of impression on the total market by the 50 percent it has lost thanks to the growth of its audience; and (2) meet increased T.V. costs with increased expenditure.

Retail Support

In grocery stores, packers who contribute to the Council's campaign and retailers who handle the final sale teamed up to give its advertising slogans, themes and ideas the heaviest support ever. About 75 percent of the total 1955 tea sales occurred in

grocery stores, and the support tea received was a fine testimonial to the materials which the Council produced and made available for use in this field. In restaurants, special display material was distributed upon order every working day of 1955 to packers, importers and restaurateurs of every size and description. The Council's material for both the hot and iced tea campaign is carefully designed to fulfil three functions: (1) it must repeat the advertising themes and ideas; (2) it must be an effective tea salesman with the consumer; and (3) it must be acceptable and desirable to every type of out-of-home feeding establishment.

Media of Publicity

Besides television, other important media were chosen. About 40 major stories on tea were placed in magazines. Approximately 25,000 daily and weekly newspapers, consumer, farm, trade magazines and employee publications covering many millions of consumers received 60 publicity releases during the year. Two thousand radio stations received programme material on a regular monthly basis. Figures for radio coverage are astronomical and it is impossible to estimate the audience reached by these messages. Special attention was given to the school programme through the Council's exhibition at the Annual Convention of the American Home Economics Association. During 1955, the Council concentrated on two major projects in the out-of-home market: (1) Armed Forces tea; and, (2) the automatic tea-maker.

Research is a constant companion of the other activities at the Tea Council. It is used in its qualitative and quantitative aspects to help the Council judge market sizes and positions; to study past consumption trends and indications of future likelihoods; to assemble marketing data on competitive beverages; to study and report on physical or chemical characteristics of tea which might be of major importance to the promulgation of the campaign or to individual subscribers to the Fund.

LONDON TEA SALES

AT last week's London tea sales, the 72,603 packages on offer realised an average price of 3s 11.38d a lb., against 4s 1.11d in the previous sale and 3s 7.59d a year ago. Plain broken pekoe was quoted at 2s 11.1d a lb. nominal; in the previous sale, 3s nominal.

Prices obtained by some of the companies are given below:

	No. of packages	Average a lb.
Amalgamated	461	3/4 1/2
Amblamana	486	4/3 1/2
Anglo-American	726	4/1 1/2
Anglo-Ceylon	462	5/0 1/2
Assam Doora	1,130	3/6 1/2
Assam Frontier	1,223	6/10 1/2
Bagracote	454	2/10 1/2
Borhat	523	3/10 1/2
British Assam	219	2/11 1/2
Budha Beta	540	4/10 1/2
Central Provinces	939	4/6 1/2
Consolidated Estates	650	5/2 1/2
Cons. Tea and Lands	4,650	3/1 1/2
Dekhari	1,177	4/5 1/2
Doora	809	3/2
Eastern Produce	1,632	4/11 1/2
Imperial Company	1,231	3/4 1/2
Jhanzie	249	3/11 1/2
Jokai	1,266	4/3 1/2
Jorehaut	928	5/3 1/2
Kanan Devan	1,260	4/2 1/2
Lanka Plants	342	5/3 1/2
Lunova	1,236	4/9
Makum	936	4/10 1/2
Rajawella	786	5/0 1/2
Malayalam	835	3/9 1/2
Scot. Tea and Lands	792	5/11 1/2
Sepinjur-Bheel	390	3/0 1/2
Shakomato	779	3/6 1/2
Standard	431	5/9 1/2
Travancore	438	4/0 1/2
United Planters	594	5/3

NO CHANGE IN TEA EXPORT DUTY

The Government of India has issued a notification fixing the price of tea, for the purpose of determining the export duty, at Rs. 2-13-11 a lb. against Rs. 3-5-0 a lb. fixed on 1st June, 1956. There is no change in the existing rate of duty of 6 annas a lb.

COCHIN TEA SALES

At Sale No. 18, the 1,500,000 lbs. of tea on offer met with fair demand. Commons and Low Mediums were 2 to 3 annas lower and the Medium sorts were 1 to 2 annas easier. There was a good demand for better liquoring teas, and all Middle East types and Whole Leaf grades were fully firm.

U.K. TEA STOCKS

U.K. tea stocks in London and provincial warehouses during the week ended 22nd June totalled 106,403,990 lbs., against the previous week's 109,000,980 lbs. The total amount to be landed was 14,853,740 lbs. Deliveries during the week totalled 11,059,950 lbs. and landings 8,462,960 lbs. The total afloat on 22nd June was 35,442,546 lbs., including 22,781,990 lbs from Calcutta, 1,248,000 lbs from Chittagong, 4,500,566 lbs from Cochin and 6,912,000 lbs from Colombo.

INCREASING THE JUTE CROP

RESEARCH ON FIBRE RATIO
NEGLECTED

A PRESS Note issued recently states that the Government of West Bengal is to undertake a programme of intensive cultivation of jute under the second five year plan. The total yield of jute in West Bengal during 1950-51, it stated, was 1,496,000 sales and the target for the second plan is 2,321,000 sales. It is planned to achieve this not so much by expanding the area under jute, but by intensive cultivation through the distribution of better seed, replacement of broadcast sowing by line sowing, plant protection measures and the increased use of fertilisers. It is also proposed to encourage the growing of early varieties of white jute instead of daissee, so that a crop of aman paddy can be taken off the same land. All this is very good, but it will be noticed that there is no mention of the development by selection or hybridisation of new strains which give a greater yield of fibre per plant. The authorities have thus not yet realised that this is the key to the solution of the problem of raw jute supplies at prices which will enable jute goods to compete in world markets. Granted, this is a long-term policy, as opposed to the Government's programme which is short-term, aiming at quick results; but the latter is uneconomic in that it involves the increased production of useless material whereas the "more fibre per plant" policy means less waste.

In a recent address on jute production, Dr. P. R. Deshmukh, Union Minister of Agriculture, expressed his satisfaction at the fact that the yield of fibre per acre in 1955-56 was 14.1 percent more than in 1954-55. This satisfaction must, however, be qualified by the possibility that the increase may have been due, in part, to better weather conditions during the growing period. If this increase were apparent over a period of, say, five years, it would be more significant. In his address, Dr. Deshmukh made no reference to the yield of fibre per plant. As he is ex-officio President of the Indian Central Jute Committee, it appears that the research section of that body has not yet been impressed by the importance of this factor. It may be thought that we are stressing this matter too often, but it is so important to the well-being of the industry and the prosperity of growers that frequent repetition is necessary until it is recognised by the authorities as a key point.

As for the Government of West Bengal's plan for intensive cultivation, it is felt that propaganda for the 1957 crop should be intensified and should be getting under way now. There is visual evidence of more line-sowing this year, and wheel-hoeing is also being done on a small scale. Between now and harvest-time, the Indian Central Jute Committee's field staff could demonstrate to growers who have sown broadcast this year the advantages of line sowing. Wheel hoes could be lent to growers to prove that they are efficient and labour-saving. The advantages of timely weeding to help the growth of the plants may easily be demonstrated at present, since many fields are choked with weeds. It is necessary to do all these things now in preparation for the 1957 crop.

Raw Jute Pushes Up Gunnies

The Calcutta jute goods markets have not yet fully recovered from the slump which followed the announcement about re-sealing 2½ percent of the industry's loomage. Throughout the week, all prices fluctuated sharply, but none more than the speculative B 'twills. Operators continued to unload their holdings on a weak market, and consequently had to accept low prices. The ready position was hammered down, but forward rates continued to enjoy a substantial premium. The situation improved on rumours that the Argentine had put out feelers for hessian for delivery from July up to the end of the year. So far, there are no reports of any business having been placed, but the mere fact that interest has been shown from this source after such a long interval has influenced the market to a greater extent than the reported quantity would normally warrant. Further bullish factors have been a call by the Burmese Government for tenders or the supply of sacking cloth and bags, and the report that the Indian Government has purchased small quantities of heavy goods. All these have combined to lift the forward sections, and the weaker ready positions have risen in sympathy.

The pattern of the market showed considerable changes over the week-end, when the very strong fibre rates extended their influence to jute goods and carried them up to the week's highest level. At this stage, Calcutta mills attempted to take advantage of the rise, and were keen sellers of forward shipment goods. But their selling pressure and the rapid rise frightened potential buyers, so with demand diminishing, interest waned. Prices remained at the improved levels, however, held up by raw jute. The rise in fibre prices was accentuated over the week-end, when they jumped by Re. 1 a maund. The initial increase was started by a large mill group indicating that it wanted quick delivery jute ex Calcutta, or ready bills of lading and rail receipts. It had to get this because the jute on which it had been depending had not been delivered. As more and more sellers requested the extension of delivery dates, mills were forced to obtain ready jute to tide them over the period of the extensions. Prices soared, and matters were brought to a head over the week-end by adverse reports from upcountry agencies and transshipment

stations about the severe disruption of transport and communications as a result of flooding. The areas most affected were the Kishanganj and northern Bengal districts. As a large backlog had already developed because of the shortage of wagons at these stations, mills were hard put to it to obtain supplies. Stocks in the Cossipore markets were reported to be down to about 300,000 maunds, which was about a quarter of what they were a month ago. Imports barely averaged 25 wagons a day, which did little to alleviate the position. Conditions in the jute-growing areas showed little improvement, although the weather was more favourable. Disappointing New Crop reports increased sellers' determination to seek higher prices. Towards the close, both sides appeared to be reluctant to make a move, so business in the raw jute markets came to a standstill.

Argentine Jute Goods Stocks

An agency report says that stocks of hessian and bags at present held by the Argentine Government are estimated to be sufficient for local requirements until February 1957, according to Buenos Aires traders. These stocks were imported through the official buying agency at the old exchange rate of 7.5 pesos to the dollar, and the bags are still subject to the ceiling price of 2.43 pesos each. Current imports would have to be effected at the new rate of 18 pesos to the dollar. Traders appear unwilling to import unless the Government removes the ceiling price. The central bank, it is reported, has advised importers that it will allow the import of about 30,000 tons of hessian, but no trading is reported so far.

THE JUTE MARKETS

Manufactured Goods: At the opening of the Calcutta jute goods markets last Thursday, prices were steady on rumours of interest from the Argentine for forward shipment. B 'twills reacted with a rise of 12 annas for ready delivery and Re. 1 for October-December, bringing quotations up to Rs. 103-2 and Rs. 104 a 100 bags respectively. Hessian also advanced, and 40in. 10oz. was quoted at Rs. 37-14 for ready shipment and Rs. 38 a 100 yards for October-December. Prices fluctuated sharply throughout the day, and mills sold small quantities at the higher level, but there were very few buyers and prices soon fell back under selling pressure. Conditions improved later, especially in heavy goods, when rumours were circulated about tenders for the supply of sacking to the Burmese Government. By the time the market closed on Friday, rates had reverted to the opening levels, and steadier conditions prevailed. After the week-end, the market opened on a very firm note because of a soaring fibre market. Heavy goods advanced by Rs. 1-8 to Rs. 2, while hessian improved 6 or 8 annas. Jute goods at this stage depended entirely on the raw jute market for support. But as the sudden rise caused buyers to withdraw, and mills again showed selling pressure, prices fell. There was little change on Tuesday when an easier jute market and a general lack of buying interest for goods caused prices to ease.

At the close, the heavy goods market was slightly easier in the absence of business, but hessian was unchanged. Opening quotations on Wednesday morning were as follows:

	Ready	July	July-Sept.	Oct.-Dec.
	Rs.	Rs.	Rs.	Rs.
46in. 8oz.	31-10	31-8	31-4	31
40in. 10 oz.	38-2	38-6	38-9	38-4
B 'twills	103-10	104-4	104-12	105
Heavy Ceers				
(Plain)	102-8	103-8	104-8	105
A 'twills	125-8	126-8	127-8	128-4
Liverpools	115-8	116-8	117-4	117-8
Cornsacks	104-12	105-8	105-8	105-12

Raw Jute: There was a steadier tendency in the Calcutta jute markets at the opening last Thursday. Quotations advanced to Rs. 27-8 basis for Assam Bottoms and the general undertone was one of confidence. Sellers withdrew from the market almost completely as several mills showed interest in quick delivery jute or ready bills of lading. Premium prices were paid, and although quotations remained at the same level, buyers experienced increasing resistance from operators. Reports from upcountry agencies did little to relieve the situation, and eventually proved the main cause for the sudden bullish tendency that developed over the week-end. Communication and transport difficulties, added to the already acute shortage of wagons, brought the movement of jute almost to a standstill. With local stocks at a very low level, it was inevitable that prices should rise. General indications on Monday morning showed a rise of Re. 1 a maund to Rs. 26-8 for July shipment, but even at this rate sellers were reserved. No business was reported, but on Tuesday mills purchased about 50,000 maunds on the basis of Rs. 28 and Rs. 27-12 a maund for July shipment and ready bills of lading.

Business concluded over the week was on a very small scale, and consisted mainly of ready bills of lading or local delivery jute. Prices for Dhubri-Northern jute varied between Rs. 27 and Rs. 28 a maund basis Bottoms for one month's shipment and ready bills of lading, while other Assam

agencies got Rs. 27-8 a maund. There was a demand for Assam Tossa and premium rates up to Rs. 28-12 were paid. Local Northern and local packing jute came in for a good deal of interest; prices covered a wide range between Rs. 27-8 and Rs. 29 a maund for assortment and Bottoms only quality for ready delivery. Small lots of Daissee Mesta were also purchased at Rs. 25-8 to Rs. 26-8 a maund for July delivery.

No business was reported in New Crop jute, but Pakistan Cuttings were done for Old and New Crop at Rs. 120 to Rs. 124 a bale for July and July-August shipment.

At the close, following small business at the full market rates, quotations rose by 8 annas a maund and on Wednesday morning were as follows:

Indian Jute (Old Crop Kutch)	Landed at Mills Rs. a md. basis	Shipment
Lower Assam	28	July
Northern	28	"
Murshidabad White	27 3/4	"
Daissee ex Agency	29	"
Daissee ex Cossipore	28-8	"
Daissee Mesta	27	"
Local Packing (Northern)	28	"
Bimil	26-8 for F.A.Q.	"

New Crop (Kutch):

Lower Assam-Northern 26-8 Aug.-Sept.
Tossa is quoted at 8 annas to Re. 1 a maund above the price for white jute.

Pucca:	Rs. a bale	Shipment.
Mill Firsts 2/3	180	Aug.-Sept.
Mill Lightnings 2/3	165	"
Mill Hearts 2/3	150	"
S. G. Daissee 2/3	175	"
L. G. Daissee 2/3	160	"

Pakistan Jute (New Crop Kutch):	Landed at Mills Rs. a md. basis	Shipment.
	Bottoms	
Jat	30	August-Sept.
District	29-8	"
Pucca:	Rs. a bale	Shipment.
Mill Firsts 2/3	200	July-Aug.
Export Firsts 2/3	180	"
Export Lightnings 2/3	163	"
Jat Cuttings	115	Aug.-Sept.

The local Cossipore markets were very steady. Recent mill purchases and poor imports depleted stocks, and sellers were asking for very high prices. Very little business was reported after the week-end, although buyers were still interested at lower rates. Total imports over the week again showed a decline, and wagon arrivals amounted to only 215 wagons. At the close, quotations were based on Kishanganj jute at Rs. 28-4 a maund for garsat quality. There is nothing to report from the Daissee markets, and quotations in Sheoraphuli were based on Rs. 29 a maund for garsat quality. New Crop reports from the Daissee districts continue to be disappointing, although recent weather conditions have been more favourable than of late. A dry spell with plenty of sunshine is now required to dry the plants and promote growth.

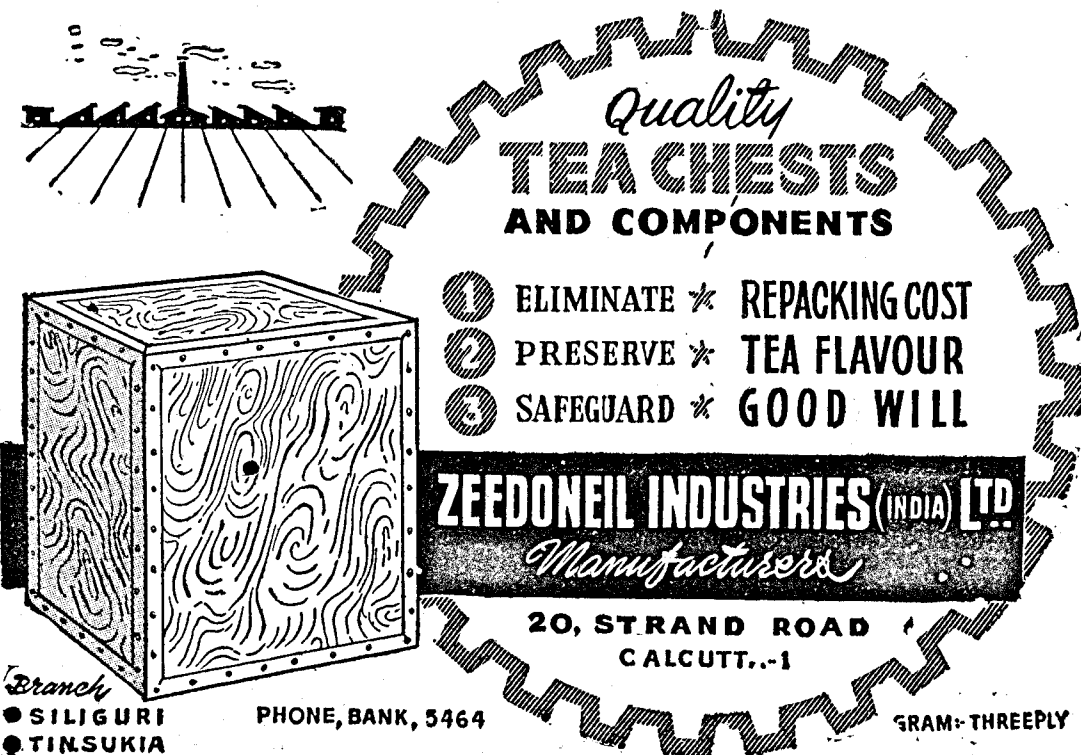
Mofussil: The main news from upcountry areas is about transport difficulties. The movement of jute has been severely handicapped because the rise in river levels has breached lines and flooded rail heads and transshipment stations. As a result, upcountry markets are very steady and sellers are reserved. At the close, quotations in Dhubri are based on Rs. 24-8 a maund basis Bottoms.

THE FOREIGN JUTE MARKETS

IMPROVEMENT IN BUSINESS
(FROM OUR DUNDEE CORRESPONDENT)

WITH Pakistan maintaining a very firm front for raw jute, buyers of jute yarns and cloth have been displaying more interest and business is somewhat better. Consumers of all jute materials have been allowing their stocks to run very low and these need replenishing. Some trades are still very depressed in the U.K., such as the motor industry and carpets, two of those which consume large quantities of jute cloth and yarns. Shippers of the fibre from Pakistan have been a bit irregular in their reports of the conditions prevailing in that country, but there seems no doubt that the position is very firm, with some prices tending to advance. While Mill Firsts are available yet at £91, because of the lack of demand for these, Mill Lightnings have risen to £82 lowest for August-September and £85 for July-August, and Mill Hearts are offered at £77 10s and £80 respectively, c.i.f. U.K. Only a week ago, Mill Lightnings were freely offered at £81 and Mill Hearts at £78 for August-September.

Daissee-3 is still at £91 for good marks and £81 for grade, with Tossa-3 at £100 and fours at £90 for grade marks, September-October, c.i.f. U.K. Dundee spinners have bought very moderately and are not much inclined to pay higher prices, though some have had to pay about £2 more than the rates mentioned above for July-August shipment. The mentioned above for July-August shipment, but it is understood that about 800,000 bales have been sold for shipment by the end of August and that a large amount of jute has to be transported to the ports in time. Hessian yarns are in rather better demand, also sacking qualities. Yarns are busier in all sizes but twists and the small sizes are dull. Demand for jute cloth remains steady but quantities are small. Prices are firm and unchanged. Samnugur Jute Company Ltd. made a trading loss of £25,741 for the year ending 31st December last. Titagur lost £37,076 and Victoria £16,091. The respective balances carried forward to this year were £58,994, £83,548 and £80,501.



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AT TEA EXPORT SALE

MIXED TREND IN DUSTS

AT Sale No. 4, held on 2nd and 3rd July offerings at the Export auction consisted of 25,400 packages. There was a better general demand for all kinds, except thin plain liquoring sorts. There was more demand for low medium teas, which were firm and sometimes dearer, but the plain and thin descriptions were easier, and most of the withdrawals were of this category. Well-made and twisted leaf grades sold well, while the C.T.C. teas on offer were keenly competed for, the very best realising high prices. Good liquoring teas from all districts were a strong feature and these generally sold at dearer rates. Darjeelings followed the trend of the previous sale, being irregular and generally easier, except for a very few flavoury sorts, which met with a good demand. There was good demand for tippy teas, and these sold well.

	Quotations	
	1956	1955
Clean Black Pekoe	1120 to 1140	2150 to 300
Plain B. P.	176 to 186	250
Medium Assam B.P.	240 to 260	270 to 280
Best CTC Assam B.P.	380 to 400	2140 to 2150

At the Internal Sale, Dust offerings amounted to 19,350 packages, comprising 12,000 chests of New

Season's and 7,350 chests of Old Season's teas. Black Middle East types and useful liquoring C.T.C.'s were keenly competed for and were generally dearer, but for the remainder of the offerings, there was only a fair demand. Mediums were an irregular 2 annas easier, while poor liquoring kinds met with a weak enquiry and withdrawals were heavy. Residue descriptions received fair support, but at generally easier rates. Darjeelings with any flavour were a strong feature.

	Quotations	
	1956	1955
Medium Doars	180	240 to 250
Dust		
Medium Assam	1120 to 1130	Nominal 270 to 280
Grainy Dust		
Best Assam	300	380 to 340
CTC Dust		

Other grades offered consisted of 240 chests of New Season's and 300 chests of Old Season's teas, for which there was a fair enquiry, but at generally lower rates.

FREIGHT RATES FALL

CHARTERING activities were at a very low ebb last week and charterers again succeeded in reducing rates. A fixture for American coal has been reported at 67s representing a further decrease of 1s. Wheat was arranged from New South Wales to India at 142s 6d for July loading or 140s if August, also from West Australia at 130s August or

127s 6d September and charterers are now quoting 127s 6d for August, 125s for September. A number of vessels were arranged to Karachi with grain from U.S. Gulf Ports at \$ (U.S.) 28.44. In the time charter section, a reduction of 1s was achieved with the fixture of a Liberty at 44s, delivery Persian Gulf redelivery Japan. A statement in the Press, attributed to Mr. N. M. Ayyar, to the effect that "working at Calcutta Port at present was going on satisfactorily" has come as a shock. It is felt that there must be some misunderstanding since Mr. Ayyar with his long experience of this Port must know that working is very far from satisfactory, and various committees have been formed in an endeavour to improve the present position.

LINSEED DULL

The market has been dull and featureless during the past week. The continued disparity between seeds and oil prices, and the lack of demand for oil, has forced several small crushers to suspend production temporarily. The availability of seeds remains poor as the movement of wagons is restricted, but the withdrawal of buyers from the market has resulted in a small price decline. The daily turnover has been negligible. Oil prices have registered a further fall in sympathy with lower overseas advices; business has been confined to meagre enquiries from local consumers. Latest quotations are as follows: Ready Rs. 21-4 a maund; July-August Rs. 21 a maund.

HIDES AND SKINS

The market was dull. Stocks were higher than in the previous week.

Bazaar Sales

(Between 26th June and 2nd July, 1956)

Cowhides: Wet salted (Ord.) 45,000 pcs. on the basis of Rs. 4-12 to Rs. 7; Wet salted (Slaughtered) 19,600 pcs. on the basis of Rs. 12 to Rs. 20.

Goatskins: Wet salted (Daisse, Killed) 73,660 pcs. on the basis of Rs. 150 to Rs. 170, Rs. 260 to Rs. 280 and Rs. 330 to Rs. 340; Assam-Dinajpur-Jalpaiguri 23,600 pcs. on the basis of Rs. 225 to Rs. 245; Patna-Pakur 1,050 pcs. on the basis of Rs. 150 to Rs. 175.

Bazaar Stocks

(2nd July, 1956)

Cowhides: Wet salted 3,29,000 pcs.
Goatskins: Wet salted 59,000 pcs. Assam-Dinajpur-Jalpaiguri 55,500 pcs; Muzafferpore-Patna-Pakur-Purneah-Kissenganj 2,11,000 pcs.

SUGAR MARKET

During the week ended 4th July, sugar sales in the Calcutta market averaged 2,500 bags daily. Arrivals a day were 3,500 bags and stocks totalled 30,000 bags. Rates for ready sugar ex-Kantapur delivery were Rs. 32-9 for ordinary grain and Rs. 33-12 for big grain. Ex-mill delivery rates ranged from Rs. 29 to Rs. 30-4. The market was steady.

SHELLAC MARKET QUIET

During the week ended 3rd July, the market was steady at the beginning, and quiet at the end. The range of quotations was as follows:

Pure Buttonlac	Rs. 145, 145-8, 143 buyers, 143-8 value.
Lemon No. 1 Shellac	Rs. 145 done and buyers, 145-8 to 143 buyers.
Lemon No. 2 Shellac	Rs. 141 to 139 buyers.
F.O. Std. 1 Shellac	Rs. 136-8 buyers, 135/136 done and buyers, 134-8 buyers.
Pure TN Shellac	Rs. 130, 128, 129-8, 128-8 buyers.
4% I.T.N. Shellac	Rs. 123, 123-8, 121, 122 buyers.
No. 1 Kusmi Seedlac	Rs. 132 to 128-8 value.
No. 2 Kusmi Seedlac	Rs. 127-8 value, 125 buyers, 124-8 value.
Fine Bysaky Seedlac (Marbhum)	Rs. 124 buyers, 124/123 done and buyers, 121-8 buyers.
Fine Bysaky Seedlac (C.P.)	Rs. 121-8, 119-8 buyers.
Ordinary Bysaky Seedlac (C.P.) under 5%	Rs. 117 done and buyers, 117-8, 115-8 buyers.
Ordinary Bysaky Seedlac (C.P.)	Rs. 112 done and buyers, 112, 110 buyers.
Kireelac	Rs. 55, 55-8, 55 buyers.

Shipments during June were 31,239 packages comprising shellac 16,577 packages, seedlac 10,581 packages, buttonlac 954 packages and others 3,127 packages.

NAMES OF COMPANIES TO BE EXHIBITED
IN LOCAL LANGUAGES

There appears to be some doubt in commercial quarters as to the language or languages to be employed in exhibiting the names of companies outside their offices or places of business as required under sub-section (1) (a) of section 147 of the Companies Act, 1956. Unlike the corresponding section (section 73) in the now repealed Indian Companies Act of 1913, which required the name of a company to be shown in the English language, section 147 (1) (a) of the new Act enjoins on all companies to print or affix their names, outside their offices or places of business in the language or one of the languages in general use in the locality. Exhibition of the names in English alone without, at the same time, showing them in the local language will not, therefore, be sufficient compliance with the requirements of the section. Attention of all concerned is drawn to this change brought about by the new Act.

COMPANY AND PUBLIC NOTICES

BENGAL POTTERIES LIMITED.

NOTICE.

NOTICE is hereby given that the Forty-fourth Ordinary General Meeting of the Bengal Potteries Limited, will be held at the Registered Office of the Company, 45, Tangra Road, Calcutta, on Tuesday, the 17th July, 1956, at 4-0 P.M. to transact the following items of business:—

1. To receive and adopt the Directors' Report, the Audited Balance Sheet and the Profit and Loss Account for the year ended 31st December, 1955.
2. To declare dividend.
3. To elect Directors.
4. To appoint Auditors for the current year.
5. Placing of the appointment of Allied Distributors & Co. as Sole Selling Agents of the Company, before the meeting under Section 294(3) of the Companies Act, 1956.
6. To consider, and if thought fit to pass the following Resolutions as special resolutions:—

Special notice under Section 261-(2) has been received from shareholders sponsoring the Resolutions.

(1) "Whereas Messrs. Bharat Ram Bhagat & Co., Managing Agents, are authorized by the Agreement of Managing Agency to appoint Directors to the Board of this Company and, as such, under Section 261-(2) of the New Companies Act, a Special Resolution is required for appointment as elected Director of any person who is an Officer of any other body corporate under the management of the said Managing Agents, and whereas Shri D. N. Sen being a Director, and hence Officer of the Jay Engineering Works Ltd., a Company under the management of M/s. Madan Mohan Lall Shri Ram & Co. (Private) Ltd., one of the partners in the Firm of M/s. Bharat Ram Bhagat & Co., and is also an elected Director of this Company, who retires this year by rotation and whereas it may be construed that M/s. Jay Engineering Works Ltd., is under the Management of M/s. Bharat Ram Bhagat & Co., Managing Agents of this Company, it is resolved that the said Shri D. N. Sen be and is hereby elected a Director of this Company."

(2) "Whereas M/s. Bharat Ram Bhagat & Co., Managing Agents, are authorized by the agreement of the Managing Agency to appoint Directors to the Board of this Company, and as such, under Section 261-(2) of the New Companies Act, a Special Resolution is required for appointment as elected Director of any person who is an Officer of any other body corporate under the management of the said Managing Agents and whereas Shri Bishan Swarup Agarwal being an Officer of the Jay Engineering Works Ltd., a Company under the management of Messrs. Madan Mohan Lall Shri Ram & Co. (Private) Ltd., who are one of the partners of the Firm of M/s. Bharat Ram Bhagat & Co., and is also an elected Director of the Bengal Potteries Ltd., who retires this year by rotation and being eligible, offers himself for re-election, and whereas it may be construed that M/s. Jay Engineering Works Ltd. is under the management of M/s. Bharat Ram Bhagat & Co., Managing Agents of this Company, it is resolved that the said Shri Bishan Swarup Agarwal be and is hereby re-elected a Director of this Company."

(3) "Whereas Messrs. Bharat Ram Bhagat & Co., are authorized by the Agreement of the Managing Agency to appoint Directors to the Board of this Company, and as such, under Section 261-(2) of the New Companies Act, a Special Resolution is required for appointment as elected Director of any person who is an Officer of any other body corporate under the management of the said Managing Agents, and whereas Lala Shri Dhar is a Director of Messrs. Madan Mohan Lall Shri Ram & Co. (Private) Ltd., partner in the Firm of M/s. Bharat Ram Bhagat & Co., and hence is an Officer of M/s. Madan Mohan Lall Shri Ram & Co. (Private) Ltd., and is also an elected Director of the Bengal Potteries Ltd., it is resolved that the appointment of the said Lala Shri Dhar as a Director of this Company be and is hereby approved."

Explanatory Note:—

With reference to Sub-Section 3 of Section 261 of the Companies Act, 1956, the references which make the Resolutions necessary are stated in the body of the Resolutions. Strictly speaking, the Jay Engineering Works Ltd., is not under the management of

the Managing Agents of this Company within the meaning of the Companies Act. However, it will be advisable to pass a Special Resolution as required under the Act on the presumption that Messrs. Bharat Ram Bhagat & Co., being a Firm of which Messrs. Madan Mohan Lall Shri Ram & Co. (Private) Ltd., is a partner, this Company and the Jay Engineering Works Ltd., may be considered to be under the management of the same Managing Agents. It is, therefore, considered advisable that these Resolutions be passed at the Annual General Meeting of the Company and accordingly notice under Sub-Section 3 of Section 261 is being given to the Shareholders.

7. To consider and if thought fit, to pass the following Resolution as Ordinary Resolution:—
- That the Registers and documents of the Company required to be maintained and disclosed under the Companies Act, 1956, an inspection of which is allowable under Provisions of the said Act, will be kept open for inspection by the persons entitled thereto, between the hours of 2 P.M. to 4 P.M. on any working day of the Company, except during such periods when such registers, etc., are closed under provisions of the said Act.
8. As per Section 176(2) of the Companies Act, 1956, every Shareholder of the Company is entitled to appoint a Proxy if he does not attend the meeting personally. The Proxy need not be a member of the Company. Proxies must be deposited with the Company duly completed 48 hours before the time of the meeting.

The Share Transfer Register of the Company will be closed from 5th July to 23rd July, 1956, both days inclusive.

By Order of the Board of Directors,
BHARAT RAM BHAGAT & COMPANY,
Managing Agents.

45, Tangra Road,
Calcutta.
Dated, 22nd June, 1956.

THE GENERAL INVESTMENT & TRUST CO. LD.

THE Board of Directors has decided to recommend to the forthcoming General Meeting of Shareholders, the following Dividends for the half-year ended 31st August, 1955.

- ON the 1st Cumulative Preference Shares at 5% per annum without any deduction in respect of taxation payable by the Company.
- ON the 2nd Cumulative Preference Shares of 6% per annum, less Income Tax and Surcharge thereon.
- ON the Ordinary Shares at 7½% per annum without any deduction in respect of taxation payable by the Company.

By Order of the Board,

BIRD & CO. (PRIVATE) LTD.,
Secretaries.

Chartered Bank Buildings,
Calcutta, 29th June, 1956.

THE INVESTMENT & FINANCE CO. LTD.

THE Board of Directors has decided to recommend to the forthcoming General Meeting of Shareholders, the following Dividends for the half-year ended 31st August, 1955.

- ON the 1st Cumulative Preference Shares at 5% per annum without any deduction in respect of taxation payable by the Company.
- ON the 2nd Cumulative Preference Shares at 6% per annum, less Income Tax and Surcharge thereon.
- ON the Ordinary Shares at 7½% per annum without any deduction in respect of taxation payable by the Company.

By Order of the Board,

BIRD & CO. (PRIVATE) LTD.,
Secretaries.

Chartered Bank Buildings,
Calcutta, 29th June, 1956.

THE UNITED PROVINCES SUGAR COMPANY,
LIMITED.

THE Directors at a Board Meeting held to-day decided to recommend to the Shareholders in General Meeting the payment of a dividend of 15 per cent for the year ended 30th September, 1955.

A notice calling the Annual General Meeting for 31st July, 1956, will be published shortly.

By Order of the Board,

JAMES FINLAY & CO., LIMITED,
Managing Agents.

Calcutta, 27th June, 1956.

THE UNITED FLOUR MILLS COMPANY,
LIMITED.

NOTICE is hereby given that the Annual General Meeting of the Members will be held at the Registered Office of the Company, No. 4, Bankshall Street, Calcutta, at 4-00 p.m. on Wednesday the 25th July, 1956, for the following purposes:—

- (1) To receive and adopt the Directors' Report and the Audited Accounts for the half-year ended 30th November, 1955.
- (2) To declare a Dividend.
- (3) To elect a Director.
- (4) To appoint Auditors and to fix their remuneration.
- (5) To consider and if thought fit to pass the following Resolution as a Special Resolution:—

"Resolved that the appointment of Messrs. Chaudri & Co. as Sole Banians of the Company on the terms and conditions set out in an Agreement dated 27th March, 1945 for the period 1st January, 1945 to 31st December, 1959, be and is hereby approved."

- (6) To consider and if thought fit to pass the following Resolution as a Special Resolution:—

"Resolved that an Agreement be entered into between the Company and Messrs. Shaw Wallace & Co. for a period of 5 years from 1st April, 1956 whereby the Company will purchase from Shaw Wallace & Co., and Shaw Wallace & Co. will sell to the Company goods of the description and quantities set out hereunder at the prices hereunder described, delivery of such goods to be as mutually agreed, such Agreement not to impose any obligation upon either Shaw Wallace & Co. or the Company for the former to sell or the latter to purchase more than the maximum quantities as specified below, but all purchases of goods in excess of such maximum quantities hereunder specified shall be purchased and sold under and in pursuance of the terms of the Agreement above referred to."

Description of Goods.	Maximum Quantity.	Price.
New Gunny Bags	2,50,000 per annum	prevailing price at dates of orders

The Transfer Register will be closed from the 18th July, 1956 to 25th July, 1956, both days inclusive.

N.B. A member entitled to attend and vote at the Meeting is entitled to appoint a Proxy who need not be a Shareholder of the Company. If it is desired to use a Proxy, the same should be completed in the manner described by Section 176(5) of the Companies Act, 1956, and delivered at the Registered Office of the Company at least 48 hours before the time fixed for the Meeting.

By Order of the Board,

SHAW WALLACE & COMPANY LTD.,
Managing Agents.

Calcutta, 25th June, 1956.

Explanatory Statement for item No. 5 above.
Under the provisions of Section 294 of the Companies Act, 1956, the appointment of Sole Selling Agents prior to the 15th February, 1955 requires to be confirmed by the Members in general meeting.

Chaudri & Co. have been actively associated with the Company since its inception and the prosperity of the Company is in no small measure due to their industry, energy and foresight. They have acted as Sole Banians for the Company for very many years and an Agreement, officially appointing them as such for 15 years as and from the 1st January, 1945, was entered into on the 27th March, 1945. The remuneration currently payable to the Sole Banians under this Agreement is as follows:—

- (1) Commission of 1% on all sales of Wheat Products with an additional ½% on all sales guaranteed by the Banians.
- (2) Commission of 1% on all sales of old gunnies, refractions and waste products.

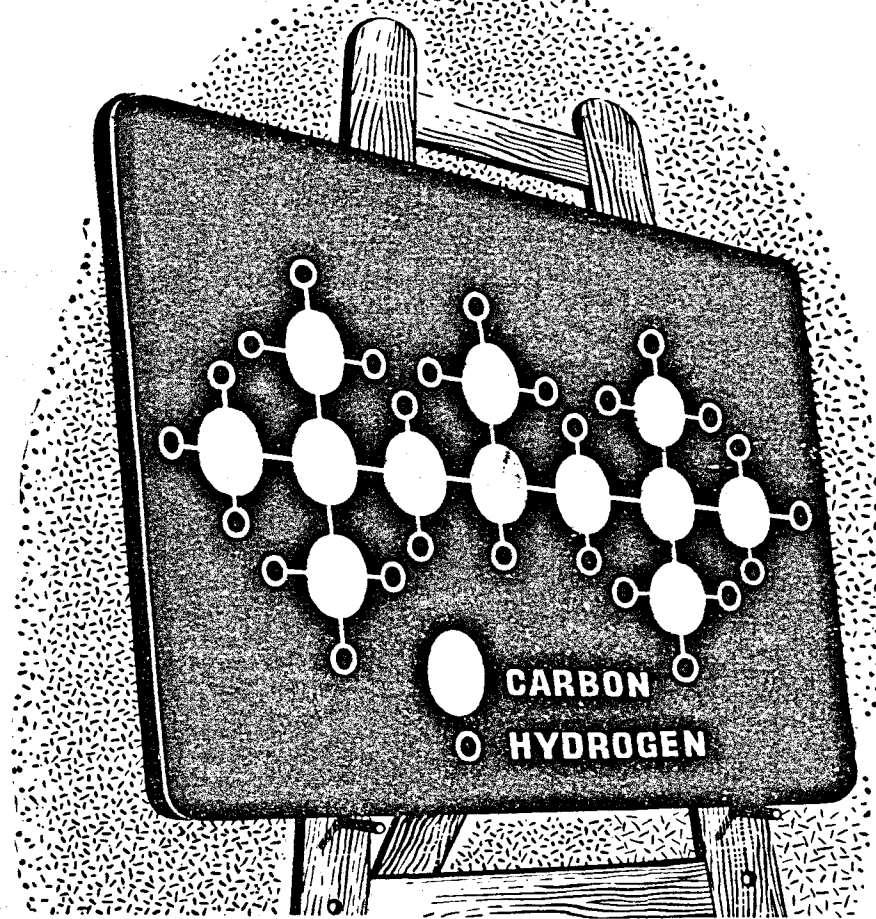
The Agreement is open to inspection by any Member of the Company at the Registered Office on any working day during normal office hours.

Explanatory Statement for item No. 6 above.
Under the provisions of Section 360 of the Companies Act, 1956, a special resolution is required to approve a contract between a Company and its Managing Agent, or an Associate of its Managing Agent, for inter alia, the sale, purchase or supply of any property, movable or immovable.

For very many years, the Company has obtained its requirements of Gunny Bags from Messrs. Shaw Wallace & Co. who, as one of the leading Calcutta shippers of Gunnies, are in a position to obtain the Company's supplies for it on favourable terms. It is therefore considered that the Company will benefit by a continuance of this arrangement.

Since the Managing Agents are a Partner in the firm of Shaw Wallace & Co., the latter might be held to be an associate of the Managing Agents within the meaning of the Companies Act, 1956, and this resolution is required to regularise this arrangement and authorise its continuance.

Mr. C. I. M. Arnold, a Director, is an employee of Shaw Wallace & Co. Ltd. and is to that extent interested in the above Agreement.



AN EDUCATION IN

Oil

This is not an abstract design in an Art Class. It is one of the chemist's symbols for the structure of hydrocarbons. And hydrocarbons are the most important ingredients in oil—that vital fluid on which India depends so much for the progress of industry, transport and agriculture.

In the Assam Oil Company, chemists, physicists and geologists are engaged all the time on research, helping to find new sources of oil, devising more efficient and more economical methods of refining oil and discovering new uses for oil.

The results of such research mean that more and more of the oil and oil products which are needed for our expanding economy come direct from India's own oilfields.



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Exchange Associations and other sources.

JOINT STOCK COMPANIES PREFERENCE SHARES

Dividends are cumulative and shares carry a preferential claim on the property for the payment of capital and on the profits for dividend except in case of companies marked otherwise. Months against names of companies indicate approximately times of payment of dividends.

Year of Issue	NAMES	Amount issued in 000 Rs.	Rate per cent	Paid-up Share Rs.	Market Quotations 4-7-56 A year ago	Year of Issue	NAMES	Amount issued in 000 Rs.	Rate per cent	Paid-up Share Rs.	Market Quotations 4-7-56 A year ago
1901	BANK.					1920	Birds Investments (Dec.)	24.00	5 1/2	100	78 1/2
	Allahabad Bank (May Nov.)	15.00	6	100	120	1918	Bombay Steam Navigation (July)	15.00	5 1/2	250	78 1/2
1905	COAL.					1920	Britannia Biscuit (Feb Aug.)	15	8	10	152 1/2
1899-1900	Bengal Nagpur (Feb Aug.)	11.25	7	100	105	1903-34	British India Corporation (Apr. Mar.)	7.50	6	5	93 1/2
1901-20	Borra (June Dec.)	4.00	6 1/2	100	110	1903-34	British India Corporation (Feb.)	81.00	8	100	126 1/2
1901-20	Burrakur (June Dec.)	22.98	7	100	109	1903-34	Burn Eng (1st & 2nd) (Feb Aug.)	13.00	7	100	138 1/2
1901-20	Burrakur (June Dec.)	4.50	5 1/2	100	73	1903-34	Burn Engineering (Feb Aug.)	15.00	6	100	121 1/2
1901-20	Chittabadi (May Nov.)	4.00	6	100	108	1903-34	Calcutta Electric Supply (Mar Sept.)	21.000	6	100	113 1/2
1901-20	Khar Katori (Mar Sept.)	1.93	5	100	12	1903-34	Calcutta Silk Manufacturing (July Jan.)	2.250	5 1/2	100	8 1/2
1901-20	New Beerhoom (Jan July)	2.00	7	100	110	1903-34	Calcutta Tramways (Jan July)	4.00	5 1/2	100	101 1/2
1901-20	Orissa (June Dec.)	2.00	6 1/2	100	110	1903-34	Carew & Co (January)	10.00	8	100	137 1/2
	COTTON MILLS.					1903-34	Chrestien Mica Industries Ltd.	30.00	5 1/2	100	59 1/2
1906	Ahmedabad Advance (Apr Oct.)	10.00	6	100	110	1903-34	Dacca Electric Supply (July)	3.50	6	100	98 1/2
1906	Bangalore (Jan July)	4.00	6	100	125	1903-34	Dalmia Cement (Bharat)	2.375	6	100	39 1/2
1906	Barrack (Oct.)	3.00	6 1/2	100	8	1903-34	Dalmia Flour Mills (Oct.)	90	7 1/2	100	133 1/2
1906	Bengal-Nagpur (Apr Oct.)	3.00	6	100	118	1903-34	Deshmukh Power Supply "A" (Jan.)	15.00	5	100	102 1/2
1906	Bowreah "B" (6 1/2) (Apr Oct.)	3.00	6	100	126	1903-34	Duncan Brothers & Co. Ltd.	12.00	4 1/2	100	93 1/2
1906	Bradbury "B" (Jan Dec.)	3.00	7	100	66	1903-34	Dunlop Rubber "First" (Jan July)	30.00	6	100	125 1/2
1906	Buckingham & Carnatic (Jan July)	14.75	7 1/2	250	324 1/2	1903-34	Dunlop Rubber "Second" (Apr.)	40.00	6 1/2	100	98 1/2
1906	Cambodia (July)	21.30	7 1/2	100	133 1/2	1903-34	East India Distilleries (Jan July)	2.200	7	100	17 1/2
1906	Central India (Apr Oct.)	1.00	5	500	531 1/2	1903-34	Eastern Investments Ltd (Apr.)	2.500	5 1/2	100	70 1/2
1906	Delhi Cloth & General (Oct.)	20.00	4 1/2	25	20	1903-34	General Investment & Trust (Feb Aug.)	1.00	5	100	75 1/2
1912	Elgin (May Nov.)	11.00	8	100	135 1/2	1903-34	General Investment & Trust (Feb Aug.)	1.00	5	100	75 1/2
1912	Elgin "B"	4.20	8	100	91 1/2	1903-34	Gladstone Lyall & Co. Ltd.	2.500	5 1/2	100	68 1/2
1912	Elphinstone (May Nov.)	25.00	7 1/2	100	87 1/2	1903-34	Gladstone Lyall & Co. Ltd.	15.00	6 1/2	100	66 1/2
1912	Kesoram (June Dec.)	20.00	7	100	130	1903-34	Gwalior Sugar (Redeemable) (Dec.)	30.00	5 1/2	100	69 1/2
1912	Khatu Alakanji (Nov.)	10.00	6	100	88	1903-34	Gwalior Sugar (Dec.)	5.00	7	100	68 1/2
1912	Kothari (Nov.)	10.00	6	100	101 1/2	1903-34	Humayun Properties Ltd. (Nov.)	12.00	6	100	101 1/2
1912	Muir (Feb Aug.)	30.00	6	100	87 1/2	1903-34	Indian Aluminium (Mar Sept.)	40.00	5 1/2	100	86 1/2
1912	New Great Eastern (Mar.)	3.00	6 1/2	100	18 1/2	1903-34	Indo Burma Petroleum (Jan July)	30.00	5 1/2	100	107 1/2
1912	New Victoria (Apr Oct.)	26.00	6	5	4 1/2	1903-34	Indian General Navy & Railways	12.88	6	100	85 1/2
1912	Palani Andavar (Mar.)	2.00	7	50	58 1/2	1903-34	Indian Cable Co. (Nov.)	1.966	7	100	140 1/2
1912	Sudeshi (Bombay) (May)	15.00	5	100	115 1/2	1903-34	Investment and Finance (Feb Aug.)	2.00	5	100	75 1/2
1912	Sudeshi (Cawnpore) (Mar.)	35.00	6	100	92	1903-34	Investment and Finance (Feb Aug.)	2.00	5	100	75 1/2
1912	Vasanta (Apr Oct.)	3.00	6 1/2	100	113	1903-34	James Wright (Jan July)	1.30	6	50	41 1/2
1912	Vishnu (Apr.)	16.00	7	500	550	1903-34	Jardine Henderson Ltd.	50.00	5 1/2	100	71 1/2
1927	JUTE MILLS.					1903-34	Jessop & Co.	10.00	5	100	102 1/2
1927	Agarpara (Jan July)	10.00	7	100	112	1903-34	Jupiter General Insurance (Sept.)	4.99	6 1/2	100	10 1/2
1927	Alexandra (Feb Aug.)	9.00	7	100	106	1903-34	Kumardhubi Engineering (June)	12.00	5	100	103 1/2
1927	Alliance (Mar Sept.)	15.00	6	100	96	1903-34	Do. Fireclay & Silica (June)	2.00	5	100	116 1/2
1927	Anglo-India (May Nov.)	40.00	7	100	112	1903-34	Marthin Burd Ltd.	30.00	5	100	104 1/2
1927	Auckland (July Jan.)	10.00	6 1/2	100	90	1903-34	McLeod & Co.	10.00	5 1/2	100	69 1/2
1927	Auckland (July Jan.)	10.00	6 1/2	100	90	1903-34	McLeod & Co.	10.00	5 1/2	100	69 1/2
1927	Daily (Jan July)	15.00	6 1/2	100	72	1903-34	Mettur Chemical & Industrial (Sept.)	10.00	5	100	75 1/2
1927	Dargah (Oct Dec.)	20.00	7	100	108	1903-34	Metal Box Co. of India Ltd.	20.00	6	100	99 1/2
1927	Delvedere (Jan July)	1.00	5 1/2	100	40 1/2	1903-34	Mitashur Paper Mills (Mar Sept.)	11.50	6	100	145 1/2
1927	Bengal (June Dec.)	10.00	5 1/2	100	80	1903-34	Mitashur Paper Mills "2nd"	11.50	6	100	145 1/2
1927	Birds (June Dec.)	23.64	7 1/2	100	101	1903-34	National Insulated Cable	10.00	5 1/2	100	80 1/2
1927	Budge Budge (May Nov.)	10.00	6 1/2	100	111	1903-34	National Tobacco (June Dec.)	25.00	5	100	80 1/2
1927	Calcutta (Jan July)	9.00	6 1/2	100	85	1903-34	Northern India Oil (Jan July)	2.00	6 1/2	100	48 1/2
1927	Caledonian (June Dec.)	10.00	6 1/2	100	112	1903-34	Poona Electric Supply Co. Ltd. (June Dec.)	4.00	7	100	103 1/2
1927	Cheviot (June Dec.)	10.00	7	100	111	1903-34	Premier Construction "First" (Apr.)	10.00	6 1/2	100	104 1/2
1927	Chittavalah (Mar Dec.)	5.00	7	100	111	1903-34	Purtapapare (Sugar) (Oct.)	15.00	6 1/2	100	99 1/2
1927	Clive (First) (May Dec.)	8.00	6	100	91	1903-34	Rammugher Cane & Sugar (Aug.)	6.00	10	15	16 1/2
1927	Clive "A" (Second) (May Dec.)	8.00	6	100	101	1903-34	Robhat Industries (Apr.)	10.00	6	100	99 1/2
1903-12	Dalhousie (July Jan.)	15.00	7	100	108	1903-34	Robhat Industries "B" (Apr.)	36.00	4 1/2	100	64 1/2
1897	Delta (June Dec.)	5.00	5	100	93	1903-34	Shaw Wallace & Co. Ltd.	75.00	6 1/2	100	87 1/2
1897	Empire (Jan July)	10.00	7	100	110	1903-34	Shree Gopal Paper	7.50	6	100	120 1/2
1897-98	Fort Gloster (Jan July)	14.00	7	100	113	1903-34	Shree Krishna Gyanodaya Sugar "A" (Oct.)	6.00	6	100	89 1/2
1897-98	Fort Gloster (2nd)	7.00	6	100	118	1903-34	Shree Krishna Gyanodaya Sugar "B"	6.00	6	100	89 1/2
1901	Fort William (May Nov.)	10.00	6 1/2	100	115	1903-34	Smith Strainetree (Chemists) (Nov.)	5.00	10	50	70 1/2
1901	Jangles (June Dec.)	4.00	7	100	101	1903-34	South Behar Sugar (Oct.)	5.00	7	100	161 1/2
1895-96	Journeap (June Dec.)	26.50	6	100	101	1903-34	Spencer & Co. "A" (Provisions) (Jan July)	23.20	6 1/2	100	91 1/2
1895-96	Justice (Apr. Feb.)	8.00	6	100	99	1903-34	Spencer & Co. "B" (Provisions) (Jan July)	36.80	6 1/2	100	101 1/2
1901	Koohly (July)	25.00	6	100	100	1903-34	Surat Electricity (Apr.)	10.00	5	100	131 1/2
1901	Howrah (Jan July)	11.00	10	100	133 1/2	1903-34	Tata Chemicals (Nov.)	60.00	5	100	117 1/2
1903-06	Howrah "A" (Jan July)	3.75	7	100	112	1903-34	Tata Iron & Steel (First) (Nov.)	99.28	7	100	121 1/2
1903-06	Hukumchanda (June Dec.)	17.50	7	100	118	1903-34	Tata Iron & Steel (Second) (May)	93.82	7 1/2	100	125 1/2
1898-99	Kankarhat (Apr Oct.)	40.00	7	100	102	1903-34	Tatapore-Balipara Tram (I) (June Dec.)	36.97	7 1/2	100	127 1/2
1903	Kankarhat (Apr Oct.)	16.00	7	100	102	1903-34	Tatapore-Balipara Tram (II) (June Dec.)	11.50	6	100	145 1/2
1903	Kedarnath (Jan Oct.)	10.00	6	100	102	1903-34	Tatapore-Balipara Tram (II) (June Dec.)	11.50	6	100	145 1/2
1907	Kelvin (Mar Sept.)	2.00	7	100	90	1903-34	Tatapore-Balipara Tram (II) (June Dec.)	11.50	6	100	145 1/2
1895-99	Kharadab (May Nov.)	10.00	7	100	111	1903-34	Tatapore-Balipara Tram (II) (June Dec.)	11.50	6	100	145 1/2
1900-01	Kinnison (July Jan.)	9.00	6	100	100	1903-34	Tatapore-Balipara Tram (II) (June Dec.)	11.50	6	100	145 1/2
1901	Landsdowne (July Jan.)	15.00	7	100	111	1903-34	Tatapore-Balipara Tram (II) (June Dec.)	11.50	6	100	145 1/2
1901	Lawrence "B" (July Jan.)	15.00	7	100	110	1903-34	Tatapore-Balipara Tram (II) (June Dec.)	11.50	6	100	145 1/2
1906-07	Lawrence "A" (July Jan.)	8.00	7	100	110	1903-34	Tatapore-Balipara Tram (II) (June Dec.)	11.50	6	100	145 1/2
1905	Naihati (July Jan.)	10.00	6 1/2	100	90	1903-34	Tatapore-Balipara Tram (II) (June Dec.)	11.50	6	100	145 1/2
1905	Nainati (July Jan.)	7.50	7	100	118	1903-34	Tatapore-Balipara Tram (II) (June Dec.)	11.50	6	100	145 1/2
1905	National (May Nov.)	10.00	6 1/2	100	78	1903-34	Tatapore-Balipara Tram (II) (June Dec.)	11.50	6	100	145 1/2
1905	Nellimaria (Apr Oct.)	5.00	7	100	119	1903-34	Tatapore-Balipara Tram (II) (June Dec.)	11.50	6	100	145 1/2
1905	New Central (Jan July)	33.00	6	100	101	1903-34	Tatapore-Balipara Tram (II) (June Dec.)	11.50	6	100	145 1/2
1905	Northbrook (Jan July)	33.00	6	100	107	1903-34	Tatapore-Balipara Tram (II) (June Dec.)	11.50	6	100	145 1/2
1905	Rameshwara (Jan July)	15.00	6 1/2	100	86	1903-34	Tatapore-Balipara Tram (II) (June Dec.)	11.50	6	100	145 1/2
1906	Reliance (Jan July)	7.00	6	100	10	1903-34	Tatapore-Balipara Tram (II) (June Dec.)	11.50	6	100	145 1/2
1901	Sammugger (Feb Aug.)	20.00	7	100	100	1903-34	Tatapore-Balipara Tram (II) (June Dec.)	11.50	6	100	145 1/2
1901	Shree Ambica (Mar Sept.)	21.50	6 1/2	100	21 1/2	1903-34	Tatapore-Balipara Tram (II) (June Dec.)	11.50	6	100	145 1/2
1901	Soorah (Feb Aug.)	11.70	7 1/2	100	99	1903-34	Tatapore-Balipara Tram (II) (June Dec.)	11.50	6	100	145 1/2
1901	Standard (July Jan.)	10.00	7	100	104	1903-34	Tatapore-Balipara Tram (II) (June Dec.)	11.50	6	100	145 1/2
1895-96	Tatagur (Feb Aug.)	10.00	6	100	91	1903-34	Tatapore-Balipara Tram (II) (June Dec.)	11.50	6	100	145 1/2
1901-02	Union (July Jan.)	21.50	6 1/2	100	111	1903-34	Tatapore-Balipara Tram (II) (June Dec.)	11.50	6	100	145 1/2
1898	Victoria (Feb Aug.)	6.00	7	100	111	1903-34	Tatapore-Balipara Tram (II) (June Dec.)	11.50	6	100	145 1/2
1901-02	Waverley (Mar Sept.)	21.50	6 1/2	100	111	1903-34	Tatapore-Balipara Tram (II) (June Dec.)	11.50	6	100	145 1/2
	MISCELLANEOUS.					1903-34	Tatapore-Balipara Tram (II) (June Dec.)	11.50	6	100	145 1/2
1908	Alkali & Chemical (Mar Sept.)	31.00	5	100	105	1903-34	Tatapore-Balipara Tram (II) (June Dec.)	11.50	6	100	145 1/2
1908	Aluminium Corpn (Oct.)	20.00	6	100	107	1903-34	Tatapore-Balipara Tram (II) (June Dec.)	11.50	6	100	145 1/2
1908	Aluminium Corpn (Oct.)	20.00	6	100	107	1903-34	Tatapore-Balipara Tram (II) (June Dec.)	11.50	6	100	145 1/2
1908	Amalg. Elec. (Belgaum) (Oct.)	5.25	5 1/2	100	91 1/2	1903-34	Tatapore				

COAL COMPANIES

O. P. F. and Dd. indicate Ordinary Preferred Ordinary Founders' and Deferred shares respectively. P. next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent	Paid-up Shares	Latest Market Quotations as available until
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1953 1954 1955	Rs.	4-7-56 27-6-56 A year ago
25,50,000	26,43,473	24,50,000	6,00,370	Amalgamated	3-9	236	8,83,393	26,953	5-5 31-5 61-71	10	231 231 241
1,00,00,000	1,96,15,288	1,40,49,223	18,85,659	Bengal P.	4-10	2	26,18,986	7,31,563	81-71 71-71 81-81	200	537 546 527
4,49,350	3,08,193	70,000	2,24,303	Bengal Bhatdee	6-12	2	15,149	4,951	11-11 11-11 11-11	10	61 61 61
2,25,000	2,52,838	5,34,591	13,809	Bengal Nagpur P.	6-12	2	16,266	57,417	NIL-NIL NIL-NIL	10	16 16 111
15,97,000	14,16,665	6,91,475	13,52,076	Bhagalpur	9	152	8,13,899	39,978	...	10	61 61 61
40,00,000	68,01,474	20,23,235	32,65,320	Bharat Collieries P.	6	335	2,52,221	27,433	...	10	71 71 71
7,15,000	15,71,904	14,27,545	66,810	Bhulanagar	6-12	106	1,65,136	7,193	NIL-NIL NIL-NIL	10	131 131 131
16,00,000	38,87,275	16,18,636	7,185	Bokaro & Ramgur	6-12	106	1,21,936	79,436	...	10	131 131 131
7,50,000	18,56,889	24,29,026	11,60,065	Bokaro P.	6-12	106	2,14,682	84,207	15-12 10-10 10-10	10	231 231 231
90,92,480	2,38,29,968	1,75,17,502	25,32,330	Burraur P.	6-12	21	11,90,330	1,15,376	11-21 21-31 31-31	10	131 131 131
49,97,000	35,80,075	750	1,75,962	Central India	3	166	1,33,037	14,019	...	10	71 71 71
6,00,000	16,67,573	13,30,519	15,732	Central Kurkand P.	6-12	323	34,743	82,768	31-31 31-31 31-31	10	121 121 121
6,00,000	1,43,676	7,32,535	35,989	Churulia	6-12	106	6,374	2,123	...	10	21 21 21
16,00,000	22,76,131	1,20,000	2,34,535	Dhomo Main	6-12	19	70,801	2,43,279	NIL-NIL NIL-NIL	10	81 81 81
2,24,000	2,234,668	2,830,653	2,372,456	East Indian	4	128	2,137,640	2,59,767	181 181 221	21	321 321 31
29,63,760	1,02,83,132	21,78,507	7,64,250	Equitable P.	6-12	19	5,71,573	93,266	10-81 71-71 71-71	10	301 301 301
10,00,000	5,74,708	2,07,486	3,22,973	Ghusick & Muslia	3	307	12,979	24,844	...	10	171 171 171
6,50,000	6,06,856	35,155	4,95,544	Guzder Kajora	6-12	20	2,41,150	2,401	...	10	111 111 111
8,00,000	2,81,843	6,75,000	5,09,694	Hurliadih	6-12	19	2,58,582	65,461	71-71 71-10 12-10	10	111 111 111
3,50,000	6,31,200	5,66,816	1,407	Kalapahati	2-8	2	1,38,130	2,21,237	171-10 NIL-NIL NIL-NIL	10	201 201 291
15,00,000	31,73,485	27,32,396	24,48,796	Karanpura Development	6-12	21	19,875	30,704	NIL-NIL NIL-NIL	100	221 241 161
20,00,000	25,67,864	2,27,825	75,106	Karanpura Collieries P.	2	21	2,23,402	2,661	NIL NIL 21	100	121 121 102
5,00,000	9,30,552	15,60,000	11,06,432	Katras Jherria	1-7	2	4,72,648	1,26,128	20-20 28-28 25-30	10	601 601 61
1,38,400	6,75,000	95,000	11,80,294	Khas Kajora P.	6-12	326	49,776	1,918	...	10	91 91 91
5,65,750	10,84,977	85,000	9,560	Mundulpur	6-12	326	79,868	79,868	NIL-NIL NIL-NIL	10	31 31 31
7,49,240	2,62,442	1,50,000	5,04,429	Nazira	12	347	82,501	25,598	...	10	71 71 71
7,00,000	5,31,418	28,617	3,81,617	New Bandepur	3-9	5	59,011	6,071	31-11 31-11 31-11	10	10 10 61
17,76,220	31,15,787	20,01,763	3,78,538	New Beerbhoom P.	4-10	2	2,64,716	94,383	31-31 31-31 31-31	10	20 20 20
6,00,000	12,34,425	85,000	69,299	New Manbhoom	3-9	202	45,002	36,426	NIL-NIL NIL-NIL	10	111 111 91
2,50,000	7,69,623	1,75,500	10,12,916	North Damuda	1-7	306	7,954	32,184	...	21	21 21 21
1,15,000	4,51,490	2,55,193	90,055	North West	3-9	2	29,656	14,968	21-NIL NIL-NIL 61-71	10	171 171 181
1,57,500	...	...	...	...	...	...	...	...	...	...	...
7,50,000	1,20,000	12,19,987	23,26,757	Ondal P.	6-12	106	22,197	56,646	10-10 5-5 5-5	10	151 151 181
8,34,000	9,21,342	10,862	3,60,015	Parasea P.	6-12	207	1,08,075	8,018	11-11 31-31 31-31	10	141 141 101
15,75,000	12,40,000	16,00,000	12,21,634	Pench Valley	3-9	236	4,18,540	33,343	71-81 81-71 71-71	10	231 231 231
2,50,000	2,62,405	7,500	11,530	Pure Sitalpur	6-12	5	2,008	18,581	...	10	61 61 31
23,95,000	37,59,038	19,17,105	39,198	Raneegunge	3-9	79	1,83,814	16,846	NIL-NIL 21-21 21-31	10	121 121 111
13,50,000	7,69,001	8,53,385	12,13,452	Rewa	6-12	236	2,76,942	28,821	10-10 71-61 81-81	10	121 121 191
20,00,000	23,74,261	7,52,027	1,01,427	Samla	12	48	1,80,660	31,543	21-21 71 71	10	141 141 11
1,25,000	1,57,243	2,20,212	2,20,212	Searsola	1	353	1,05,156	21,070	25 25 30	21	7 7 121
2,80,000	10,92,193	8,36,539	7,87,726	Seebore P.	6-12	2	2,42,112	49,299	121-121 1427-1427 1767-1767	7	29 34 261
8,00,000	32,624	5,29,306	6,32,737	Sendra	6-12	106	4,098	7,503	NIL-NIL 11-11 11-11	10	111 111 101
17,50,000	22,81,965	10,75,016	63,654	South Karanpura	2-8	21	59,079	51,533	11-11 NIL-NIL 11-11	10	91 91 121
8,00,000	1,44,000	13,69,545	21,84,339	Standard	6-12	106	1,24,337	7,937	10-10 71-71 5-5	10	251 251 201
10,00,000	15,88,085	15,075	3,910	Talcher	9	277	22,689	3,85,056	NIL NIL NIL	21	31 31 41
3,50,000	4,66,000	3,53,000	8,176	Union	6-12	279	4,033	44,167	10-71 5-21 21-21	10	141 141 171
49,98,000	30,14,812	21,550	4,20,307	Western Bengal	3	166	3,99,648	37,694	31 31 5	10	61 61 71
7,00,000	32,55,152	1,39,190	40,060	West Jamuria	6-12	19	1,31,849	1,122	NIL-NIL NIL-NIL	10	111 111 141

* 1956.

N = Nominal

COTTON MILLS

Paid-up Capital Ordinary	Number of Spindles	Net Block Account	Reserve & other Funds	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent	Paid-up Shares	Latest Market Quotations as available until
Rs.		Rs.	Rs.	Rs.				Rs.	Rs.	1953 1954 1955	Rs.	4-7-56 27-6-56 A year ago
15,00,000	14,108	356	14,62,819	1,73,478	Basanti P.	12	49	1,97,268	41,227	21	10	6 6 51
32,72,340	22,197	505	27,67,676	24,511	Batavia P.	3-9	120	1,27,187	4,79,347	...	10	31 31 40
7,11,280	36,000	932	17,17,120	2,20,369	Bengal Luxmi	9	27	3,08,176	47,810	...	10	31 31 40
27,00,000	31,476	624	23,53,000	15,50,000	Bengal Nagpur P.	6-12	236	5,23,389	18,199	21-NIL NIL-NIL	10	91 91 101
15,00,000	38,764	892	31,35,500	1,09,84,251	Birta Cotton	3	22	5,28,332	4,25,221	30 30 30	10	91 91 91
6,00,000	42,872	641	37,54,142	22,72,588	Bowreah P.	6-12	138	84,028	23,47,373	NIL-NIL NIL-NIL	100	168 165 334
30,00,000	22,000	510	7,72,303	25,93,976	Cawnpore Textiles	3	25	2,93,259	29,514	111 10 10	5	81 81 91
3,27,02,300	1,01,808	2,762	9,94,63,168	2,74,48,393	Defhi Cloth & Genl. P.	6	238	1,81,41,278	82,759	7 9 9	25	371 371 311
19,00,000	42,944	518	34,12,181	25,71,925	Dunbar	6-12	138	9,92,376	1,37,951	NIL-NIL NIL-NIL	21	300 308 201
63,00,000	54,000	1,200	22,44,751	66,33,360	Elgin P.	9	25	32,80,464	93,386	15 10 10	10	281 281 181
1,20,00,000	99,250	1,872	2,38,99,575	1,60,53,952	Kesoram P.	3	22	37,41,719	2,45,435	111 81 81	20	181 181 161
6,00,000	39,638	864	17,48,143	9,75,679	Mohini P.	12	45	9,53,316	5,158	...	10	25 25 25
39,63,289	35,864	864	17,48,143	9,75,679	Mohini P.	12	45	9,53,316	5,158	...	10	25 25 25
30,00,000	88,000	1,825	47,44,546	52,19,601	Muir P.	12	208	18,77,941	7,77,290	...	100	88 88 111
22,89,882	18,848	1,367	43,25,577	26,00,968	New Victoria P.	12	237	18,83,371	13,76,473	NIL	10	210 210 111
19,47,750	23,196	795	22,57,946	18,38,739	Rampooria Cotton	6	4	6,16,936	1,094	...	10	111 111 111
17,50,000	...	...	...	...	...	...	...	...	...	...	...	...
1,57,50,000	1,14,836	2,077	2,83,77,688	2,65,04,931	Swadeshi (Cawnpore) P.	12	333	43,71,838	7,09,029	...	100	111 111 111
40,50,000	48,754	1,310	91,31,708	1,89,73,217	Bangalore W. C. Silk P.	12	28	56,34,938	2,38,649	25 30 30	100	572 572 4071
1,78,47,800	1,20,012	2,770	3,20,71,600	1,87,39,278	Bukingham Carnatic P.	12	26	1,01,66,075	2,38,445	10 10 10	100	202 202 108
20,00,000	28,000	...	18,03,003	20,32,074	Cambodia P.	12	210	1,96,274	2,593	71 NIL 5	10	141 141 141
12,00,000	23,864	...	6,41,058	9,00,000	Coimbatore Cotton	12	188	6,53,750	61,404	...	100	370 370 285
28,75,000	12,823	407	47,91,212	7,98,681	Coimbatore Spg & Wvg	6	46	7,52,342	10,23,340	NIL	50	105 104 72
6,50,000	50,640	205	12,25,505	17,90,000	Kaleeswarar	12	139	2,05,780	7,677	...	100	3321 3321 3321
24,00,000	30,512	200	32,38,668	16,25,000	Kothari Textile P.	6	141	3,25,924	29,382	5 5 10	10	171 171 121
23,64,000	48,756	...	15,01,051	21,70,200	Lakshmi	12	186	31,41,248	2,209	...	50	220 220 156
1,75,02,480	4,65,324	...	2,15,02,107	4,13,81,878	Madura	12	108	77,86,509	18,86,813	20 20 20	15	511 511 461
12,00,000	21,858	...	8,43,189	10,32,899	Malabar Spg & Wvg.	12	240	85,193	84,039	...	200	115 115 120
60,00,000	24,252	603	20,49,893	69,00,000	Mettur Industries	3	29	48,44,863	45,835	221 35 421	100	535 535 380
13,61,780	6,000	...	14,15,992	8,90,279	Mysore Spun Silk	3	142	1,753	3,986	NIL NIL	10	71 71 71
4,00,000	20,137	...	8,36,608	5,00,000	Palani Andavar P.	12	30	7,39,437	2,687	...	50	168 168 1121
7,79,700	15,540	...	5,42,118	2,43,421	Sitaram Spg & Wvg.	3	164	87,724	3,083	...	60	168 168 1121
7,00,000	28,104	270	12,98,563	18,23,501	Vasanta P.	12	47	16,37,459	...	...	100	320

MISCELLANEOUS COMPANIES.

O, Po, C and Dd indicate Ordinary, Preferred Ordinary, Contributory and Deferred Shares respectively. P next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1953	1954	1955	Rs.	4-7-56	27-6-56	A year ago
													Rs.	Rs.	Rs.
MININGS.															
£2,369,796 30,00,000D 15,00,000Dd £318,088 £914,200 29,19,430D 2,63,673Dd 20,00,000 £375,000	.. 44,57,538 £238,420 £291,558 61,58,847 22,65,439 £445,323	£1,73,459 20,50,000 £57,484 £1,400,222 2,01,886 26,79,899 £317,487	£2,534,298 20,50,000 £112,083 £798,135 13,723 31,30,009 £234,026	Burma Mines Ltd. Chrestien Mica Industries Ltd. P. Consolidated Tin Mines Indian Copper Corporation Metal Corpn. P. Orissa Minerals Development Tavoy Tin Dredging	12 153 3 67 12 88 3 343 6-12 12	12 312 67 88 21 14	£808 25,59,886 £10,533 £798,382 -2,39,779 4,04,429 £9,059	£304 2,75,201 £22,218 £111,715 -4,51,131 1,05,053 -£19,118	Nil 7½ Nil Nil Nil	 7½ Nil 10-10 10-10	 7½ Nil 10-10 10-10	3½s 100 5Dd 5s 2s 100 2s	3¼ 17½ 8¾ 2½ 7½ 11½ 3½	4½ 17½ 8¾ 2½ 7½ 10½ 3½	2½ 10½ 6½ 2½ 4½ 2½ 2½
CEMENT, LIME, SLATE, ETC.															
43,14,600D 70,976Dd 31,70,655 10,00,000 60,00,000 26,50,000C 5,00,000Dd 10,00,000 6,00,000 75,00,000 3,22,560	41,51,412 35,51,055 24,67,605 62,91,811 71,74,062 10,37,711 45,31,555 1,63,551	21,43,429 11,49,392 25,12,725 98,26,915 69,63,829 8,62,360 2,82,000 61,287	29,64,072 14,292 3,09,949 2,11,38,275 32,938 62,353 5,83,306 2,27,012	Assam Bengal Cement Bengal Potteries Bisra Stone Lime Dalmia Cement (Bharat) P. Kumardhubi Fireclay & Silica P. Reliance Firebrick & Pottery Sone Valley Portland Cement, Sutna Stone & Lime	3 12 3-9 12 12 2-8 12 6-12	80 155 21 123 21 32 3	1,70,813 7,85,228 3,59,222 56,57,138 6,71,583 -53,746 7,75,006 69,599	6,44,675 17,540 9,142 2,87,995 41,767 7,622 88,454 632	.. 6½ 8½-5 10 15 Nil-2 7½ 5½-5½	.. 10 5-8½ 10 15 Nil- 5 5½-5½	 8½-10 12½ 15 Nil- .. 5½-6½	100C 1Dd 100 2½C 1Dd 10 10 5 10	8¼ 1½ 16½ 4½ 5 17 25 9 16½	8½ 1½ 16½ 4½ 5 17 25 9 16½	6½ 1½ 1½ 4½ 2½ 13½ 15½ 8½ 16½
CHEMICAL INDUSTRIES															
62,00,000 40,00,000 11,45,000A 11,08,900A 22,54,700B 4,95,000 5,00,000	1,50,41,342 21,91,251 40,85,439 82,695 4,29,261	42,71,273 15,000 28,62,439 69,070 10,45,949	68,648 61,675 1,30,48,919 15,903 2,27,193	Alkali & Chemical Corp. of India Batgathe & Co Ltd P. Bengal Chemical & Pharm. P. Frank Ross P. Smith Stanistreet P.	9 12 4 2 6	121 324 245 129 191	19,39,845 -3,54,305 15,31,998 46,893 4,25,809	1,19,168 -22,19,370 10,17,405 858 83,368	6 Nil .. Nil 10	6 Nil 10	8 Nil 20	10 10 100 6 5	22½ 2½ 104 2½ 11	23½ 2½ 102 2½ 17	18 1½ 103 2½ 9
ELECTRIC LIGHTING POWERS.															
19,99,600 8,00,000 17,00,000 4,91,200 £10,829,615 6,60,040 17,51,050	47,69,341 26,70,592 49,94,839 5,91,200 £10,829,615 17,68,438 38,10,419	26,19,792 6,55,886 19,56,291 5,90,855 £6,632,367 5,34,904 10,41,599	22,94,558 4,84,369 21,67,500 85,318 £5,862,367 93,184 3,39,348	Agra Electric Supply Bareilly Electric Supply Benares Electric Light Power Bhagalpur Electric Supply Calcutta Electric Supply P. Cutack Electric Supply Dacca Electric Supply P.	3-9 6-12 5-12 12 12 12 12	32 32 32 202 90 202 202	3,05,594 83,783 2,98,250 1,44,138 £1,393,591 1,24,836 3,89,244	46,084 20,090 40,517 41,818 £152,818 26,455 12,706	6-5 4½-5 6½-6½ 6½-6½ 6½-6½ Nil ..	5-5 5-5 6½-6½ 6½-6½ 6½-6½ .. 3	5-5 5-5 6½-6½ 6½-6½ 6½-6½	100 10 10 10 10 10 10	159 14 10 17½ 8 8½ 4½	152½ 14 13 13½ 9 8½ 4½	166 15½ 19½ 9 15 8½ 9½
5,21,640 22,49,550 9,10,000 5,82,390 6,99,700 35,07,380	8,42,506 42,84,132 5,44,854 17,12,120 5,43,057 85,46,049	1,65,090 1,691,996 2,51,058 1,78,813 77,521 37,10,223	3,037 6,31,532 1,13,023 83,899 3,48,185 11,51,661	Jhansi Electric Supply Jubbulpore Electric Supply Mirzapur Electric Supply Mozufferpore Electric Supply Muttra Electric Supply Patna Electric Supply	12 3-9 12 12 6-9 12	168 32 202 202 329 202	71,309 2,14,454 58,676 73,159 30,021 7,40,283	27,527 27,737 -7,070 2,295 68,005	5½-4 5½-4 Nil 3-3 7½	5½-4 5½-4 Nil 3-3 7½	5½-4 5½-4 Nil 3-3 7½	10 10 9 10 10 20	9½ 14½ 9 7½ 2½ 11½	9½ 14½ 9 7½ 2½ 11½	9½ 14½ 10½ 5½ 4½ 13½
3,00,000 9,10,000 16,80,000 56,00,000 5,98,500 4,97,500	2,93,579 7,57,951 27,99,505 1,62,42,470 6,12,490 9,83,502	74,100 2,72,300 5,36,596 35,82,369 1,71,050 4,45,371	1,99,210 1,20,399 3,38,039 1,62,349 8,31,209 6,17,317	Saugor Electric Supply Shajahanpur Electric P. Sijua (Jherraiah) Electric United Provinces Electric Upper Ganges Valley Elec. Upper Jumna Valley Elec.	6-12 9 3-9 6-12 3-9	32 202 32 21 32	18,731 65,624 329,874 5,39,998 46,891 65,313	2,643 14,394 44,269 80,098 8,329 28,289	2½-2½ 5 7½ 5-5 4½-4½ 6½-6½	2½-2½ 5 7½ 5-5 4½-4½ 6½-6½	2½-.. 5 7½ 5-5 4½-4½ 6½-6½	10 10 10 100 10 10	.. 8½ 12 145 13½ 18½	.. 8½ 12 144 13½ 18½	.. 8½ 12½ 158½ 13½ 19½
ENGINEERING & METAL															
6,00,000 50,00,000 39,61,853 12,00,000 10,00,000 £4,63,474 20,00,000 19,49,250 26,580C £2,00,000Dd 15,40,000Dd 19,49,250 26,580C £2,00,000Dd 15,40,000Dd 19,49,250 26,580C £2,00,000Dd 15,40,000Dd	1,74,689 31,82,373 49,84,558 11,00,577 43,02,291 46,63,474 14,38,021 15,53,438 35,69,979 45,57,847 40,47,783 4,44,410 34,04,843 7,28,883 1,55,63,547	6,49,870 16,39,587 30,81,020 20,99,831 6,50,000 39,75,099 1,00,000 31,62,571 2,73,15,122 57,91,359 4,09,659 29,21,646 11,68,291 5,34,613 3,51,516	2,10,157 1,37,153 42,18,134 2,31,294 2,34,380 17,672 6,594 8,62,721 31,705 55,916 2,60,33,518 3,47,063 16,63,276 1,64,34,729 15,35,612 2,00,729 7,20,534 2,93,571 90,778 12,57,737	Arthur Butler (Mozufferpore) P. Bharthia Electric Steel Braithwaite India Bridge & Roof Britannia Building & Iron Britannia Engineering British India Electric Cons. Burn P. (Engineering) Hooghly Docking Indian Galvanizing Indian Iron & Steel P. Indian Malleable Casting Indian Standard Wagon P. Indian Steel & Wire Products Jessop & Co P. Kumardhubi Engineering P. Marshall Sons (India) National Iron and Steel Saran Engineering Textile Machinery	10 12 12 6-12 3 12 6-12 4 12 12 3 3 3 10 11 21 6 3 3 12	300 31 289 24 109 167 24 32 32 32 222 32 122 290 21 170 192 25 22	1,52,744 11,67,212 27,02,716 6,16,247 2,40,407 7,37,822 91,780 40,53,237 1,81,646 5,46,700 7,12,98,649 -26,954 33,58,193 13,11,495 47,27,193 9,74,152 99,627 7,08,383 11,588 9,44,777	1,01,965 3,95,940 5,59,761 15,1,297 17,173 1,36,319 -5,26,929 96,437 46,197 41,267 4,64,401 -82,872 37,045 2,58,850 14,130 32,501 93,713 8,99,513 13,612 1,47,573	.. 7½ 14 2/7 7½-7½ 5 10 Nil-Nil 15 10 12½ 3 4 10 .. 19-.. 30 15 16½	.. 12½ 16 1/14 7½-7½ 5 10 Nil-Nil 15 10 12½ 3 4 10 .. 25 30 15 16½	10 10 10 100 10 10 100 10 				

O Po. and Dd. indicate Ordinary, Preferred Ordinary, Contributory and Deferred Share respectively. P. next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

SOUTH INDIAN MISCELLANEOUS COMPANIES

RUBBER COMPANIES

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Cash & Securities	Acquire on cultivation	Output Rubber	Estimated Rubber	NAMES	Accounts closed	Managing Agents	Net Profits less taxation	Dividends	per cent	Paid-up per Share	Latest Market Quotations as available (until)		
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.				Rs.	1952	1953	1954	3-7-56 Rs	26-6-56 Rs	A year ago Rs
17,32,000	9,36,216	1,06,283	4,44,630	2,052	1,45,400	..	Be Be Rubber	3	276	..	..	..	5	4 1/2	4 1/2	4 1/2
17,94,186	29,68,801	18,13,093	7,65,883	7,270	15,10,886	16,68,000	Cochin Malabar P.	2	210	7,67,900	..	25	15-15 1/2	9 1/2	9 1/2	9 1/2
4,00,000	3,25,576	27,150	62,784	423	1,77,648	..	Cottanad Plantations P.	3	12	69,330	..	..	10	21 1/2	21 1/2	14 1/2
4,00,000	10,03,233	6,84,049	1,37,660	2,535	2,25,786	..	Kalpetta	2	270	1,13,150	..	..	10	34 1/2	34 1/2	25 1/2
27,00,000	64,93,184	13,10,432	11,84,449	4,923	7,35,401	..	Midland Rub & Prod P	3	270	4,89,174	..	..	10	22 1/2	22 1/2	19 1/2
6,00,000	6,84,332	2,130,820	1,96,495	1,273	1,83,230	..	Peninsular Plantations	4	259	2,12,012	10	15	20-15 1/2	32 1/2	32 1/2	18 1/2
13,50,000	36,52,296	2,21,378	1,73,719	2,456	7,64,246	..	Rajagiri Rubber & Prod	8	270	3,33,502	..	..	10	24 1/2	25 1/2	18 1/2
1,00,000	21,06,376	25,000	1,69,125	1,672	5,25,438	..	Tecolay Rubber P	3	172	1,92,914	..	..	10	11 1/2	11 1/2	10 1/2
41,00,000	6,21,749	13,13,944	13,12,632	6,939.5	10,32,214	10,15,000	Ravancore Rubber & Tea	12	9	14,96,765	..	10	15	12 1/2	13 1/2	11 1/2
40,00,000	11,55,155	1,65,000	3,74,540	1,150	3,68,304	..	Tropical Plantations	12	271	2,04,029	..	..	25	..	..	26 1/2
26,28,580	6,72,252	2,11,412	2,49,541	738	3,74,873	..	Vaikundam	12	114	80,799	..	..	10	29 1/2	29 1/2	17 1/2

BOMBAY MISCELLANEOUS COMPANIES

O Po. F Dd. G. and R indicate Ordinary, Preferred Ordinary, Founders', Deferred, Guarantee and Rebate Shares respectively P. next to the names of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares If any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits Including taxation	Carry forward	Dividends per cent.			Paid-up per Share	Latest Market Quotations as available until		
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1953	1954	1955	Rs.	3-7-56	26-6-56	A year ago Rs.
CEMENT															
12,67,59,333	16,16,27,689	6,15,51,096	3,90,26,918	Associated Cement	7	53	4,71,77,960	5,62,770	9½	8½	10	100	189	191	187
ELECTRIC LTG POWER															
6,99,95,600	11,08,94,307	69,91,218	20,82,140	Ahmedabad Electricity	9	146	35,75,580	188	6½	6½	5	100	96½	96½	107½
2,92,83,500	4,18,62,358	52,34,507	65,30,599	Andhra Valley Power Supply P	6	267	46,19,171	25,735	7½	7½	7½	1,000	1177½	1,183½	1,375
1,62,50,000	1,90,34,397	34,92,925	4,61,194	Bombay Subarban Elec. Sup.	3	146	16,94,290	203	7	7	7	100	113½	112½	126½
38,08,200	17,49,053	4,75,323	14,87,557	Poona Electric Supply P.	12	229	3,86,015	21,171	..	..	7½	100	146	146	146
2,34,45,225	3,37,65,356	63,82,045	58,39,875	Tata Hydro-Elec. Power sup. P	6	267	37,75,537	21,171	7½	7½	7½	100	126	129	143½
5,02,78,750	8,98,37,405	1,41,56,578	1,29,22,549	Tata Power P.	6	267	77,32,961	27,952	7½	7½	7½	1,000	1,280	1,267½	1,495
ENGINEERING & METAL															
83,42,200	20,17,852	57,16,605	18,77,516	Alcock Ashdown	12	268	11,78,891	44,704	..	..	..	100	353½	352½	263½
6,00,000	36,058	4,53,124	91,033	Jost's Engineering	3	115	1,17,555	5,394	15	15	8	50	96	96	96
40,00,000	11,26,513	6,00,000	9,74,664	Larsen & Toubro P.	3	351	14,60,736	28,740	10	10	10-10*	10	133½	133½	133½
40,95,100	81,25,753	2,02,500	49,333	Machinery Mfgs. Corpn. Ltd. P.	3	320	2,02,006	64,676	Nil	Nil	Nil	100A	..	..	..
1,10,00,000	15,00,978	16,66,194	7,06,260	McKenzie	7	283	1,49,085	64,938	..	..	..	100	96½	96½	96½
2,50,000	5,834	1,00,53,052	1,79,52,042	Premier Construction P.	12	284	3,35,178	59,102	20	25 5/6	28 1/3	300	194½	191½	154½
1,31,250	7,83,56,426	26,78,952	44,49,439	Tata Locomotive & Eng. P.	3	69	3,303	50,350	Nil	Nil	Nil	100	146	147	138
4,18,72,400	23,97,91,753	12,54,91,333	9,61,90,447	Tata Iron & Steel P.	3	269	4,62,47,072	5,52,548	28	14	14	750	199	202½	241½
9,63,75,000	23,97,91,753	12,54,91,333	9,61,90,447	Tata Iron & Steel P.	3	269	4,62,47,072	5,52,548	28	14	14	750	199	202½	241½
INSURANCE COMPANIES															
20,00,000	23,84,913	95,96,033	British India General	12	297	4,24,629	1,18,606	1,18,606	..	..	..	10	133	133	133
5,15,000	11,04,94,687	8,95,48,481	Empire of India Life	12	253	..	..	..	..	..	..	100	675	675	675
8,46,120	36,33,999	46,38,803	Indian Mercantile	12	75	..	1,13,109	..	..	..	..	20	45½	45½	45½
18,74,940	25,01,134	2,61,49,442	Jupiter General P.	12	55	..	38,351	4,63,316	Nil	Nil	..	15	9½	9½	9½
1,06,81,590	1,68,81,793	27,25,18,952	New India	12	179	..	43,58,653	71,250	13½	16 2/3	..	15	49	46	47
6,00,000	67,63,74,430	63,46,53,420	Oriental Life	12	298	..	..	..	..	..	..	200	3,855	3,855	7,150
15,99,270	29,41,360	59,86,789	Vulcan	12	255	..	6,05,803	2,81,242	10	10	..	10	15½	15½	15½
MISCELLANEOUS															
90,79,065	31,95,468	3,97,409	12,61,996	Air Service of India	6	336	15,61,405	37,22,790	..	..	..	15	..	..	..
47,97,250	21,34,989	35,75,182	78,89,034	Belapur Sugar	9	42	53,89,000	61,389	..	..	..	50	235½	237	313
50,00,000	2,20,64,303	4,12,86,155	2,67,27,639	Bombay Burmah Trading	5	285	47,93,172	61,990	..	..	..	125	636½	650	487½
42,00,000	1,21,04,053	31,74,431	31,14,908	Bombay Steam Navigation P.	6	256	4,54,215	30,135	..	16	21	50	241½	245	201½
45,00,000	19,47,386	1,28,40,992	Industrial Investment Trust	12	299	..	5,81,909	2,83,126	4½	4½	4½	100	72	72	72
99,99,250	1,36,558	4,76,114	Kemp (Chemists)	3	87	..	4,99,559	4,78,677	..	10	..	200	215	215	215
8,00,000	5,74,05,779	1,81,13,445	National Rayon Corpn.	12	352	..	63,19,604	5,72,076	9	10	..	100	213½	213½	181½
1,57,71,400	18,36,63,413	12,46,31,677	Scindia Steam Navigation	6	198	..	32,72,555	22,72,555	5	2½	2½	10	18½	18½	15½
9,39,98,069	27,45,055	57,30,000	Shivrajpur Synd. (Manganese)	11	146	..	35,49,059	21,561	70	80	80	10	99	102	73
7,00,000	1,96,71,944	13,51,214	Tata Chemicals P.	6	269	..	13,55,026	57,597	Nil	Nil	Nil	10	181	181½	143½
1,39,95,990	70,97,267	28,13,586	Tata Oil P.	3	269	..	9,47,111	13,236	7	9	8	25	57½	56½	43½
70,07,475	1,46,45,903	2,43,20,936	Western India Match	12	274	..	74,05,281	5,61,984	11	11	11	100	185	185	185½

*1956

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Block Account	Reserve & other Funds	NAMES	Accounts closed	Managing Agents	Net Earning	Carry forward	Dividends per cent			Paid-up per Shares	Latest Market Quotations as available until		
Rs.	Rs.	Rs.				Rs.	Rs.	1953	1954	1955	Rs.	4-7-56	27-6-56	A year ago
												Rs.	Rs.	Rs.
CALCUTTA														
17,24,000	20,62,356	2,00,804	Ahmedpur Kutwa S.S.G.	3	165	—29,367	..	2½	2½	2½	100	58½	58½	58
21,69,300	33,24,679	6,00,722	Arrah Sasaram D B G	3-9	32	1,491	810	3—3	3—3	3—	100	73	73	72
34,00,000	41,30,202	3,11,049	Bankura Damodar River S.S.G	3	165	46,607	..	2½	2½	2½	100	57½	57½	53½
19,00,000	29,09,643	4,91,171	Baraset Bakrhat D.B.G.	3-9	331	18,844	1,18,863	..	..	..	100	10	10	19
17,80,000	21,78,786	2,20,877	Burdwan Cutwa S.S.G.	3	165	78,839	..	4	2½	2½	100	57½	57½	63½
31,00,000	35,46,010	29,296	Chaparmukh Sighat S.S.G.	3-9	32	45,823	7,100	129—129	1½—1½	1½—	100	53½	53½	49½
4,75,000	3,20,040	4,75,006	Cherra Chhatrak Ropeway	3	88	7,071	9,917	12½	5—	Nil	5	7½	7½	6½
2,47,650	2,75,015	65,326	Darjeeling Ropeway	3	101	18,097	4,549	11	2½—	2½	10	7	7	3½
22,50,000	60,65,477	12,50,000	Dehri-Rontas	3	335	5,10,908	26,753	6½	7½—	10	10	13½	13½	12½
11,49,700	20,10,843	1,57,174	Futwah Islampur S.S.G.	3-9	32	—1,02,611	5,714	98—98	99—1	1—	100	56½	56½	56½
16,00,000	50,48,405	20,39,596	Howrah Amta D.R.G. (P)	3-9	32	51,543	72,160	3—3	3—3	3—	100	53½	53½	72½
6,00,000	13,78,138	4,41,518	Howrah Sheakhala D.B.G.	3-9	32	1,81,260	18,320	3—3	3—3	3—	100	37	37	54½
19,50,000	27,95,689	2,47,135	Kalighat Falta S.S.G.	3	165	—1,99,473	..	2½	2½	2½	100	58½	58½	60
8,91,100	15,16,175	10,551	Katakhal-Lala Bazar S.S.G.	3	165	31,257	..	4½	5	..	100	73½	73½	74½
15,00,000	62,15,417	22,45,137	Shahdara Delhi Saharanpur	3-9	32	—1,10,300	14,031	6—6	6—6	6—	100	125	128½	152
1,75,000	5,41,779	2,04,841	Tezpore Balipara Tramway P.	3-9	165	—43,574	5,944	..	..	..	100	..	..	..
Managing Agents: Messrs.														

Managing Agents Managing Directors and Secretaries with their Respective address.—(Contd.)

320 F. W. J. Penn—United Breweries Ltd., Bangalore-1.	329 Sri G. D. Bhagat—15, Shib Thakur Lane, Calcutta.	339 M. G. Investment Corp., Ltd.—127, Mahatma Gandhi Road, Fort, Bombay.	348 Sahu Jain Ltd.—11, Clive Row, Calcutta.
321 F. O. Williams—14, Old Court House St., Calcutta.	330 Mahindra & Mahindra Ltd.—Gateway Building, Apollo Bunder, Bombay.	340 K. O. Cheriyan—Travancore, Subhas Road, Calcutta.	349 Chandmull Batia—7, Canning Street, Calcutta.
322 Messrs. Tata Sons, Ltd.—New India Assurance Buildings, Mahatma Gandhi Rd. Fort, Bombay-1.	331 N. L. Roy & Sons—Canning St., Calcutta.	341 U. N. Chatterjee—2, Royal Exchange Place, Calcutta.	350 K. E. Agarwal—Empire House, Hornby Road, Fort, Bombay.
323 Anderson Wright & Co.—7, Wellesley Place, Calcutta.	332 M. Paspati, 21, Ravelin Street, Fort, Bombay.	342 U. N. Chatterjee—2, Royal Exchange Place, Calcutta.	351 E. & P. (Management), Ltd.—J. K. Building, Douglas Road, Ballard Estate, Bombay.
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William Jacks
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STRENGTHENING THE INDEFINABLE

THE GROWING IMPORTANCE OF THE COMMONWEALTH

THIS year's Commonwealth Prime Ministers' conference has raised more than the usual number of questions, and has done just as little as any other to provide the answers. The Commonwealth is one year older, but it is still as great a mystery and every bit as definition-defying as it has always been. It remains all things to all members. It is gaining in moral significance and losing in strategic. Its form is indistinct, its objects obscure and its unity tangled in a mass of conflicting ideology. Yet it has emerged from this year's discussion stronger than ever and bursting with hopes for the future. It seems, in other words, to have acquired that characteristic of being able to thrive on compromise and contradiction which has always been associated with the nation whose empire its various members once comprised. It is possible that those who are seeking something more tangible in form and positive in purpose are doomed forever to disappointment, if not to damage the Commonwealth concept altogether. Or perhaps the present unco-ordinated stage represents merely the building of a moral platform from which can be launched the more positive and concerted policies of the future. The riddle remains, and the conference which has just been concluded in London has done conspicuously little to solve it.

There is no doubting the advantages of an annual meeting of democratic Prime Ministers, whether Commonwealth or otherwise. The exchange of views is of inestimable value, so is the opportunity of reconciling a variety of differing viewpoints on any particular matter which may invite radical changes in thinking. That is why discussion at this year's conference has featured so prominently and successfully the changes at present taking place in the Soviet Union. That is a topic on which democratic Governments throughout the world may share similar points of view, whether in fact they continue to identify the interests of their respective countries with a "neutralist" policy or a committed one. The meeting has, therefore, provided something more than a forum in which the problem of Ceylon's British bases can be settled amicably and the difficulties of the Kashmir dispute be appreciated for the intricate problem they are. It has helped towards formulating a democratic outlook towards a phenomenon of world-wide interest and significance, one which is bound to be reflected in all subsequent policy decisions made individually by the various participants. More than any single topic since the war, that of Russia's changes has helped to crystallise the like-mindedness of the Commonwealth countries which everybody has suspected but which nobody has yet identified satisfactorily. It is certainly premature and incorrect to say that the passive and the active attitudes towards the cold war have been reconciled, but it does appear that a basis of mutual sympathy might have been created which will bring these two differing and often conflicting attitudes of the free world closer to a single concerted democratic point of view.

*

Opportunities for the discussion of differing viewpoints are not the only ones the Prime Ministers' conferences provide. The warm welcome given Mr. Nehru by Britain's leaders and general public was ample evidence of the respect which a western nation, brought up until recently to think of an eastern one in purely colonial terms, now has for that country's independence. Despite the efforts of the mass-circulation Beaverbrook Press, and many die-hard politicians besides, to convince the average Briton that he has been robbed of an empire and that Mr. Nehru is the symbol of that deed, it is quite clear that he does not believe a word of it—that he now accepts India as a nation whose independent views, as much as its sovereignty, must be respected. What is true of India, will soon be true of Malaya, the West Indies, Nigeria, the Gold Coast and the many

other nations which will soon be enjoying full national status. The tenure of colonialism in those places will be shortened because public opinion in the imperial country finds its disappearance easier to accept, and the changeover will be smoother because the colony can see from India's example that continued association with its former rulers, which it unconsciously recognises as being both inevitable and desirable, can be tolerated without any loss of self-respect. It is true to say that the existence of the Commonwealth and the opportunities for co-operation which it provides, are among the chief influences accelerating the peaceful transformation of what was once the British Empire into a group of independent powers united in their adherence to individual freedom and democracy.

*

The strategic aspect of the Commonwealth association has been considerably modified by the arrival of the hydrogen bomb. So have considerations of strategy the world over. That does not mean, as a body of opinion in the east sometimes appears to think, that all questions of national defence are now outdated. Throughout the entire course of

remains more private than is good for it. Finally, there is ceaseless Leftist propaganda against what is called capitalism; the methods are unscrupulous, and lies are pressed into service without shame but, falling on the soil of massive ignorance, they are exceedingly fruitful.

The case for industry has so far gone by default, and assiduous propaganda by the other side has by now planted so many suspicions in the public mind fed on the popular Press, that many industries are today faced with a situation of extreme difficulty. Parliament and the State Assemblies no longer contain men who are able to speak for industry, and the search for an alternative forum cannot be said to have begun yet. With the public unformed, and hence unprepared for apparently unpopular revisions in prices, the Government hesitates to decide quickly, however firmly it may be persuaded of the need for increases. The influence of the expert Press does not reach the larger public, and the lay Press, like a popularly-elected Government, is understandably unwilling to extend support to industry. The industrialist in these circumstances is entitled to feel aggrieved at the lack of courage in the Government and the popular Press, but the facts of life in a democracy are unlikely to be altered thereby. It may also be useful, to enquire whether private industry's efforts to help itself have not been inadequate.

Two basic premises have to be accepted before a new approach can be made to the problem of private industry's public relations. One, if private industry does not speak for itself nobody else will. Labour will always find eloquent spokesmen, and the consumer has a vote in hand with which to secure the politician's support. In other countries economic realities sometimes receive recognition from academic economists; here the latter are few in number, often politically obsessed, and almost always remote from economics outside the textbooks. That an award by a labour tribunal can so affect the cost structure of an industry as to make its economic running impossible without a corresponding revision of the selling price has here to be pointed out by the industry itself. Secondly, account will now have to be taken of the larger audience industry has to address itself to. Until recently it was enough to hold private discussions with a Minister and his departmental secretary; if they were convinced of the case, decisions were taken. Now, the Minister has to remember that he is a politician and depends on his electorate. If industry comes forward to educate the public on its affairs, it will in some ways help the Government to take "unpopular" decisions. Preparing the public for them is now industry's duty.

Newspapers are dependent on advertisements which industry provides, but it is not always remembered by all advertisers that a newspaper's capacity to attract advertising depends on the quality and quantity of the circulation it commands. And this fact often makes it difficult for the popular Press to help industry with editorial support. The industrial correspondent is an important member of the staff of most newspapers in the west; he hardly exists in this country. Thus industry appears in the daily Press either in the somewhat esoteric columns of the city page, which many readers do not even look at, or on an ordinary page if there has been some trouble. The normal working of industry, its continuous technical progress, its frequent efforts to reduce costs, are matters which the popular Press rarely deals with. If there were a constant flow of industrial information there would be very little need for editorial support, misguided attempts to secure which can only make matters worse. It is information which is indeed, rather than loud propaganda, and the daily Press might consider recruiting able industrial correspondents, even as industry should make more information available to the Press. Silence is often the confinner of suspicions.

The whole problem of public relations has to be considered on a long-term basis, and quick returns are ruled out. Manufacturers can publicise only their own products; it is the industrial associations which can create a climate of public opinion which will be resistant to interested propaganda by the less responsible but more vocal politicians. Over the years there has been a steady erosion of public confidence in private enterprise, to which industry's apathy may have made a sizeable contribution. On the one hand there have been crude attempts by a class of advertisers to "buy" editorial opinion, and on the other the more important industries have maintained a lofty and dignified but ill-advised silence, while persistent propaganda from the Left has created an atmosphere thick with prejudice. In this matter individual industrialists appear to display an increasing and welcome awareness of the needs of the times we live in; they advertise, they hold Press conferences, they entertain newspapermen, and they take the public into confidence. The time may now have come to supplement their efforts with collective action on the part of industry. It is a delicate job, admittedly. Its urgency is equally unquestionable. In the democratic set-up India has boldly chosen for herself, nothing will be done without popular sanction, and it is to the people industry must begin to submit its case.

CHOOSING A HOME FOR LIFE INSURANCE

THE CASE FOR CALCUTTA

RUMOUR has it the Government of India has already decided to establish the headquarters of the nationalised life insurance industry in Bombay. It is to be hoped rumour is wrong. Bombay has some good points in its favour. It already accommodates the head offices of the Reserve Bank and the State Bank. It has been the nominal centre of life insurance for some years. And its stock exchange is, at the moment, the country's leading market for the type of security in which the newly-nationalised industry will be chiefly interested. But Calcutta's case remains overwhelming. It is solely because the concentration of financial institutions has gone too far that Bombay has so many apparent advantages to offer, although it is only as recently as a year ago that the headquarters of the State Bank were permanently established there, much against the better judgment of some of its senior officers who regretted the loss of first-hand contact with the other important industrial and commercial centres and no doubt foresaw many of the difficulties which are now being encountered.

The only part of Bombay's claim which is based on any other ground than that the bad should be made worse, is the fact that it is already what might be termed the nerve-centre of life insurance. This is true enough, but it is also a fact that one of the objects under nationalisation is precisely to relieve this over-centralisation. At the moment, the predominance of western over eastern India in life insurance matters is purely marginal and largely artificial. If insurance were to be allowed to distribute itself according to where its business is concentrated—and even more significant—where it may be expected to grow in future, eastern India would undoubtedly have it. The claim that most of the expert and experienced insurance staff is to be found in Bombay, is no answer to the fact that this staff will have to move anyway if the industry is to be decentralised, and in that case why should the key personnel not come to Calcutta? If Bombay fears the unemployment which Calcutta has to tolerate whether it likes it or not, there is always the consolation that the industry is expected to grow swiftly in the next few years and those officers and workers left behind by the move will be rapidly absorbed by the expected increase in business.

The advantages of locating the headquarters of nationalised life insurance in Calcutta are obvious enough. This centre has recently been neglected, even one might say, snubbed, when it has come to Government policy matters, and worse still, it feels it. The recent suggestion for making Bombay the commercial capital of India has been regarded in Calcutta business circles as symptomatic of the sentimental preference which appears to exist at the Centre for that city against its older rival. It was by no means an acknowledgment of fact; Calcutta is the centre for India's two largest foreign-exchange earning industries, jute and tea, and of its two most strategic industries, coal and steel, and of its most rapidly-expanding activity, engineering. Against this Bombay has to offer—cotton textiles. Even the old claim that Bombay was stable and law-abiding compared with Calcutta has been disproved by the recent examples of rioting and bloodshed, which have not, as yet, been paralleled in West Bengal in spite of the strong feelings which also exist here about States' reorganisation. This area of India offers proximity to the main interests on which the life insurance funds ought to be concentrated. Calcutta's stock market quotes a list of industrial shares which is certainly not to be matched by anything the Bombay exchange has to offer. There, the Government-security section of the market is a good one, but it has grown fat simply because activity has been deliberately concentrated on it. If the economy is to get the full benefit of the life insurance funds instead of their being shuffled slavishly and unimaginatively into Government securities, then the Calcutta market is certainly the place for them.

When all other claims have been produced by either side, it remains a depressing fact that the concentration of financial activity in one centre of this vast country "has increased, is increasing, and ought to be diminished." It can hardly be the Government's interpretation of the nation's economic advantage that Bombay's facilities should continue to be developed while those of Calcutta fall into disuse. Nor can it be the Government's wish that the new industries which are springing up in this area be starved of adequate financial attention. It is surely neither economically nor politically advisable that Calcutta should continue to feel that through some accident of history or twist of national sentiment, it is being deliberately deprived of its true rôle in India's affairs in favour of the Centre's pampered child, Bombay. No doubt every effort will be made, if Bombay is eventually chosen, to see that Calcutta gets its fair share of

the industry's investment business, but it would be surprising if in fact it did. What is more likely is that the Calcutta stock market will continue to decline and eventually pass completely into the hands of the gambling interests which are already struggling so hard to dominate it, while established industries go short of funds and new ones site themselves elsewhere, so increasing local unemployment already expanded by a huge influx of refugees. One factor remains and that is perhaps the most important one telling against the choice of Bombay. The influence of the Reserve Bank over all forms of financial activity is already too strong and too deadening. The resignation of Dr. Mathai is proof of the damage which hidebound and uninitiated authority can do to a purely commercial institution. If this is allowed to happen to life insurance the country will suffer grievously and the Government's hopes and promises about nationalisation will all be lost. Whichever city is eventually chosen for the headquarters of life insurance, for this reason alone, it should not be Bombay.

CRUMBS FOR THE COAL OWNERS

THE Government of India last week notified the end of its bromide supplies by announcing a long-awaited decision on the interim increase in coal prices. Both investors and the industry, who will be mainly responsible for the increase in output proposed under the second five year plan, are disappointed. The reaction of the former is indicated by the fact that the initial feeble recovery in coal shares has not been maintained. The industry has expressed its views more precisely, explaining that the interim increase does not cover the rise in costs resulting from the implementation of the recent all-India Industrial (Colliery Disputes) Tribunal award. After considerable time and some thought, coal mining associations came to the conclusion that accepting the award would cost them at least Rs. 4 a ton more. But collieries in West Bengal and Bihar, which produce by far the greater part of the country's coal, have been allowed an interim price increase of only Rs. 3 a ton. For other areas, prices have been raised by amounts ranging above and below this figure—from Rs. 5 a ton for an Orissa producer to Rs. 2 a ton for mines in Vindhya Pradesh. These prices came into effect last Thursday.

Press reports indicate that the conduct of negotiations on this question may not have been entirely happy. The mineowners started by saying that accurate estimates of the increase in costs, backed by actual working experience, would not be available for six months or so. The interim calculations presented to a Government which does not like anybody except itself increasing prices can hardly have created a strong enough impression. The Government, on the other hand, does not seem to have found anything wrong with the calculations, and yet has chosen not to accept them in their entirety; if it had accepted them, it would have given the minimum price increase the colliery owners asked for. The assertion that it did not know until 26th June whether or not the mining associations were going to appeal against the Industrial Tribunal's award can scarcely be strictly correct; it did know that they were not going to appeal, but for reasons best known to itself chose to wait until the formal time limit for the appeal had expired. This caused a quite unnecessary delay, which may not have worried the Government much, but which has lost the industry at least Rs. 2 crores extra since the Industrial Tribunal award came into force. In view of reports that the size of the price increases had been decided well before their formal announcement last week, a more faithful official explanation of the delay seems to be necessary.

The coal mineworkers' reaction to the interim price increase has been curious—to say the least. Since they criticise it for having been allowed at all, it might be imagined that the commodity accounts for a large part of their household expenditure, but this is simple nonsense. The attitude they take suggests that they are not particularly interested whether the industry works economically or not. For people who have never bothered to look into a coal company balance-sheet for several years, the notion is probably quite acceptable that the industry can go on spending more and more on wages and amenities for labour without ever harming itself. In fact, however, its economic working is as much in the interests of labour as of anybody else. If a colliery fails to yield a return on the money which has been invested in it, the time will come when it will close down and sack the people it has been employing. Furthermore, some of the malpractices by which a few disreputable colliery owners evade their obligations to workers and consumers are being directly fattered by the short-sightedness which holds that expenditure need not be limited by revenue.

CURRENT COIN

Prosperity for Containers.—The rising demand for consumer and producer goods is expanding the scope for container manufacturers. The biggest of them—the Metal Box Company of India Ltd.—has recently reported a rise of nearly Rs. 13 crores in sales during the year ended last March. The profit is Rs. 27.55 lakhs higher at Rs. 62.82 lakhs, and the chairman, Mr. H. Chiswell Jones, describes the improvement as "a return to the more normal profit levels obtaining when the public first acquired an interest in the equity capital of the company." (His review for the year appears on a later page). The prospects for the current year, he says, are good, and "it is hoped by virtue of increased turnover to maintain this profit level, notwithstanding the increased costs." Supplies of tinplate, which is the main raw material, remain a source of worry. India's production is well below demand, and Metal Box is importing half its own total requirements. Tinplate output is being expanded, and an additional rolling mill has been installed, but the extra tonnage of steel required to operate it has not yet been obtained, although imported supplies should be available very shortly. When they do become regularly available, 10,000 tons more of tinplate will be produced, but there will still be a large gap between supply and demand. The costs of raw materials (and of transport) have risen; bigger stocks of these materials have to be maintained, and this has increased the strain on the company's finances. Part of the increases in costs have had to be passed on to customers, but economies of larger production have also been achieved. New developments continue to make progress. The expansion in demand for aluminium pilfer-proof seals has been satisfactory. There has been progress in the manufacture of polyethylene bags, some printing machinery has been installed and more is on order. As Mr. Chiswell Jones points out, the potential demand for products made from this material is considerable, and two world-famous manufacturers have announced plans to produce polyethylene flake in India. Metal Box has installed additional equipment to manufacture industrial components; order-books in this case are substantial and many new enquiries are being received. Metal components are being made for the electrical, automobile, radio, duplicating machine and bicycle industries, and Mr. Chiswell Jones expects that the list will soon be longer. Altogether, the share market joins in the optimism of the company's chairman, and expresses the fact by treating Metal Box scrip as among the more attractive of the investment counters.

Warning to General Insurance.—With life insurance nationalised, and by that act, the Government having acquired controlling interest in three general companies, thought in the industry has turned to the means of preserving what now remains in private hands. The Government announced some time ago that it had no intention of taking over general insurance. But the industry, apparently, is not inclined to set much store by that, because in the course of the Parliamentary debate on the life insurance nationalisation legislation, Mr. Deshmukh threatened to re-examine the issue, should the Government continue to receive reports and evidence of alleged malpractices in this branch of insurance business. That the general insurers have taken Mr. Deshmukh's warning seriously is evident from the speech of Mr. K. C. Desai at the twenty-eighth annual general meeting of the Indian Insurance Companies Association which he addressed as chairman recently in Bombay. Reminding his colleagues of Mr. Deshmukh's warning and the special difficulties which general insurance business will have to face with the nationalisation of life insurance, Mr. Desai impressed on them the need for running the business on efficient and sound lines so that the Government will not have any excuse for carrying out the threat. He did not think that general insurance was a suitable field for State enterprise, as it was essentially international in character (the estimated net premium income in 1954 of Indian general insurance companies outside India aggregated about Rs. 9 crores as against Rs. 7 crores inside India), and it was not "basic" to the economy of the country. It was interlinked closely with private industry and trade. Besides, it was much too complex a business requiring a great degree of flexibility of management and adaptability to differing conditions. He therefore hoped that the Government would not take it over. But private enterprise could not work smoothly without the Government removing some of the impediments which the Company law had created for the industry. The effect of this law, said Mr. Desai, would cause "unnecessary hardship to insurance companies in the day-to-day operations and increase their management expenses as a result of the duplication and extra clerical work involved, without bringing any compensating advantage to the insuring public." As it is, the nationalisation of life insurance will add to the establishment and administrative expenses of the composite general companies, as well as deprive them of the services of trained and experienced staff. He therefore hoped the Government would exempt insurance com-

panies from the provisions concerned. He also hoped that no preferential treatment would be shown those companies in which the Government now has a controlling interest.

Steel Strike Consequences.—The steel industry has shut down its coke ovens, blast furnaces, and open hearths until a new wage agreement can be reached, reports the First National City Bank of New York in its latest monthly newsletter. The strike will mean over two million tons lost each week. The effects of curtailment in steel supplies will be felt slowly in some areas but very quickly in others, for while stocks of some types of steel in users' hands are high, other types, particularly structural shapes, pipes, and heavy plates, are extremely short. Even a brief strike will intensify shortages and cause hardships in such important industries as construction, oil-well drilling and railroad equipment building. *Iron Age* estimates that more than half of steel users will be hit hard within two weeks of a strike starting. In the automobile and related industries, on the other hand, steel stocks are known to be high. Whatever happens, steel output is stated to drop during the summer months. A strike would substitute sudden, chaotic liquidation, accentuating the imbalance of steel stocks, for the orderly, though protracted, process of using up stocks while holding back on orders for the more plentiful items. A peaceful settlement would allow greater emphasis on output of items in short supply and permit much-needed repairs to facilities which have been running at capacity for many months. A long strike would be followed by a mad scramble to rebuild steel inventories, which, as in 1952-53, could easily lead to another cycle of overstocking and liquidation. In terms of general industrial activity, it would change the stable or moderately-declining pattern which has been commonly anticipated to a V-shaped drop and rebound. The longer the strike, the wider its

Contents

India Inviting U. K. Economists	44
Calcutta and Life Insurance	34
Private Enterprise and the Public	33
Crumbs for the Coal Owners	31
Progress in Cotton-Growing	45
Economic Progress since the War	36
Aims of Land Reform in India	48
U. K. Payments Surplus	46
Little Support for Dakshina Pradesh	47
Ditcher's Diary	37
Money	39
Stocks and Shares	41
City Cable	44
Jute	49
Commodity Markets	51
Plantation Topics	53
Engineering	54
Calcutta Markets	55
Books	56

effects will spread. Apart from the industries which sell to and buy from the steel mills, the economy at midyear shows no striking change from the months before. The usual summer lull in production and trade is starting from a relatively high level this year. However, the vacation slackening in output, which nowadays often means the closing of entire plants or industries for the vacation period, may be accentuated by the need of a number of industries to reduce stocks. Even without a steel strike, many would look for a little more than the usual drop in industrial operations. On the other hand, few expect the slackening to have depressing effects on consumer buying or business spending.

LEISURELY RAILWAY TRAINS

IN September last, in connection with the new contract for the conveyance of mails between Bombay and Brindisi or Marseilles, we advocated acceleration of the train service between Calcutta and Bombay, and pointed out that, instead of the journey occupying three nights and two days, as at present, it was quite feasible to reduce the time to considerably below 48 hours. We called attention to the fact that, for several weeks in 1955, the English mails and passengers were actually taken from Calcutta to Bombay in 43 hours. We have given the matter renewed attention, having recently had the opportunity of contrasting the crawl from Bombay to Allahabad with the up-to-date service from Allahabad to Howrah. It is difficult to understand why the through speed of 21 miles an hour between Bombay and Allahabad has been tolerated for so long. The East Indian Railway took up the question last year, and made definite proposals for a through train at a speed similar to that run in 1939. Nothing has so far come of the proposals, except that the Chamber of Commerce has suggested to Government that a conference be held to consider the matter and come to a conclusion. Nearly a year has passed before this first step has been taken, and if progress is not somewhat less deliberate in the future, we shall have the Peninsular and Oriental steamers running at the enhanced speed, and still the present most unsatisfactory train service between Calcutta and Bombay.

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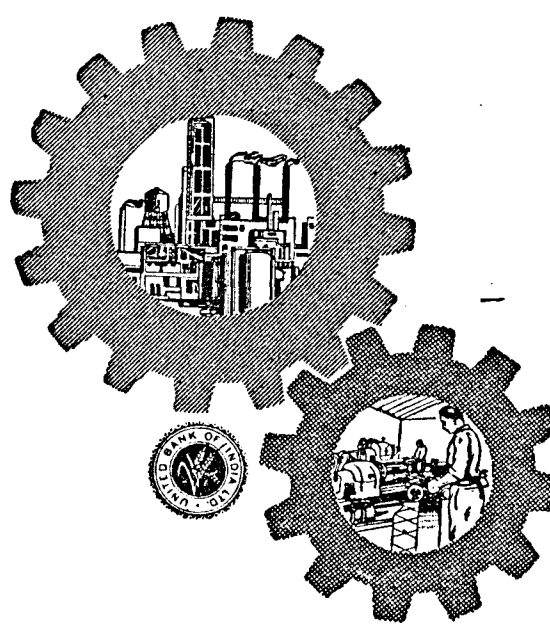
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ECONOMIC PROGRESS SINCE THE WAR

U.N. SURVEY ANALYSES WORLD TRENDS

THE economic record of the past decade is superior to that of the decade following the first world war, according to the *World Economic Survey*, 1955, published by the United Nations. At the same time, the problem of mass poverty in a large part of the world remains as stubborn as ever, and it may be questioned whether the scope and scale of present programmes represent the objective of optimum contribution towards the objective of economic development. In its history of the first post-war decade, the *Survey* further declares:

1. The total volume of output of factories, farms and mines in the private enterprise economies rose by about two-thirds from the prewar period to 1954.
2. The gap in production between the developed and under-developed areas has been growing.
3. The expansion of world trade during the past 10 years has been much more rapid than during the corresponding years after the first world war.
4. Increases in industrial production in the centrally planned economies have been relatively large, but not directly comparable to the growth in private enterprise economies.

Slowing Down of Expansion

The *Survey* devotes the first three chapters to the postwar decade, and the last three to developments in 1955. The review of the postwar decade complies with a request of the Economic and Social Council which asked the Secretariat to undertake such a review in connection with the Council's 10th anniversary. Discussing the current situation, it states that expansion was the keynote of change during 1955 in the industrially developed, private enterprise economies, while progress in under-developed countries was uneven. The outlook for the developed countries in 1956 is for a slowing down in expansion, and as a result, some less developed countries foresee a setback in export markets. As for the centrally planned economies in 1955, industrial expansion and better harvests contributed to higher activity, and plans under way continued to provide for rapid growth in heavy industry, with greater emphasis than before on agriculture.

The *Survey* states that although damage and destruction were greater in the second world war than in the first, recovery and growth of output has been more rapid and more widespread. Nevertheless, the history of the period does not justify untempered optimism; on the contrary, it provides ground for serious concern. Such growth as has taken place has been due only in part to favourable long-term forces; to a significant extent it has also been based on special and temporary supports. In only a few of the under-developed countries has per capita economic growth been consolidated to a point where it may be considered self-cumulating. The earth has become capable of supporting a far larger population than ever before. Industrial output has made great strides. In the under-developed countries, perhaps the most significant advance to date lies not so much in the physical expansion of productive capacity as in the evolution of a social climate favourable to economic development. In the industrial countries, full employment has been maintained. The growth in productivity and employment has produced substantial increases in per capita incomes, and brought some progress in international economic balance.

Political Tensions

On the other hand, political tensions have led to a division of the world economy into two virtually isolated sectors, each devoting a considerable proportion of resources to military rather than civilian uses. The problem of international economic balance is far from solved. Economic growth in under-developed countries has not kept pace with the rate in industrial countries. It would be imprudent, moreover, to project the record of the first postwar decade into the second, especially in so far as favourable developments in the past 10 years have been the result of purely short-term influences. As for stability, the record of the post-war period is one of rapid growth accompanied by oscillation between inflationary and deflationary pressures in industrial countries. Fluctuations in the demand of the developed countries have had adverse effects on the economic progress of under-developed countries, particularly through the extreme fluctuations in export prices for primary products.

The *Survey* states that "significant as the post-war decade of growth has been in other respects, it cannot yet be said that the world has effectively come to grips with the problem of economic development." In this as in other economic problems, the primary responsibility rests with the countries themselves. Cumulative economic growth cannot be imported from without; it must be nourished from within. At the same time it is universally recognised that the responsibility is not confined to under-developed countries, but is shared by the whole world. While international help has been forthcoming in many ways, private and public, bilaterally and multilaterally, it may be questioned whether the scope and scale of present pro-

grammes represent the world's optimum contribution towards the accepted objective of economic development.

The *Survey* divides the postwar decade into four phases: immediate postwar crisis; the general awakening to the long-term character of postwar economic problems; the raw materials boom and collapse associated with the Korean hostilities; and the current expansion. At the end of the war, agricultural production had been disorganised by hostilities and in Europe, industry was hit no less hard than agriculture. Reconstruction and rehabilitation of production and trade proceeded more rapidly than after the first world war, due in large measure to international aid.

Dollar Scarcity

Beginning with 1949, it became clear that certain basic problems had not disappeared. International disequilibrium took the form of a worldwide dollar shortage. Western Europe's recovery did not suffice to solve this problem due to structural changes in world production and trade which limited the scope for exchanges between western Europe and the rest of the non-dollar world. In many under-developed countries, expansion of productive capacity was temporarily checked by a drop in export revenues generated by a brief recession in the United States. From mid-1950 to the end of 1952, the situation was dominated by the raw materials boom and its collapse, and the period of readjustment associated with Korean hostilities. During the boom phase, demand was most intense in the United States. The expansion of output in western Europe did not lag far behind, however, and in the under-developed countries output expanded, though more slowly, under the stimulus of higher export earnings. When it became evident that military operations and outlays would be limited, the raw materials boom collapsed. Since about 1953 the world has embarked on a new phase of expansion. It was interrupted only briefly by a mild recession in the United States in 1953-54, which lasted about a year but had little adverse effect on the world economy. This worldwide expansion has once again, in the course of 1955-56, revived fears of inflationary pressure and balance of payments deficits in several countries of western Europe.

The total volume of production of factories, farms and mines in the private enterprise economies rose by about two-thirds from the prewar period to 1954, according to the *Survey*. The increase since 1948 has been approximately as large as the rise from the prewar level to 1948. Growth has been more rapid in the developed than in the under-developed countries, especially so in the phase before 1948.

Among the developed countries, the rise in production since 1948 has been higher in western Europe than in North America; but whereas the former had not yet fully recovered the prewar aggregate level of output in 1948, the latter had already exceeded that level by more than two-thirds. In 1954, North American production was more than twice as high as before the war; in western Europe the increase was about 40 percent.

Available data, the *Survey* says, indicate that the growth in aggregate production of under-developed countries since the prewar period is of the same order of magnitude as in western Europe. Largely due to the expansion of petroleum and other mineral production, expansion since 1948 has been greatest in the Middle East and African regions. The rate was also high for most of Latin America. In south-eastern Asia, from 1948 to 1954, the rate was somewhat higher than that achieved during the same period in Latin America as a whole. Population growth absorbed a substantial proportion of the rise in output, especially in under-developed countries.

Capital Formation

Investment in developed countries expanded substantially compared with the immediate prewar years. Whereas in North America, the expansion had already taken place by 1948, in western Europe nearly all the rise in investment has been accomplished since 1948. In under-developed regions, capital formation has also risen significantly. South-eastern Asia, with a much lower per capita average income than Latin America, has not been able to devote as large a proportion to investment as has Latin America. The rate of growth of primary production has everywhere lagged very considerably behind that of manufacturing. Since primary production accounts for about four-fifths of the total commodity output of the less developed countries but for less than one-third of the total in the developed regions, these discrepant rates make for a considerable lag in the total output of the less developed countries.

The lag between manufacturing and primary production is mainly due to two facts. At higher levels of income, the demand for food rises proportionately less than the demand for other goods. Furthermore, the raw material content of manufacturing has declined due to economies in the use of raw materials as a result of technological progress, a greater amount of re-processing of already used materials, the substitution of synthetic for natural materials and more elaborate fabrication of final output.

The expansion in manufacturing has been the chief force contributing to postwar growth. Under the influence of expanded capital formation and defence expenditures the highest rates of growth during the postwar years in both western Europe and North America have been established by the chemical and engineering industries. Staple consumer goods industries have been slow in expanding both because private incomes have risen less than national output and because demand for these products has not risen parallel with the rise in private real incomes. The *Survey* finds that in the less developed countries where manufacturing is, in the main, directed to the production of consumer goods, gains have been sufficient, in certain products, to raise the share of this group of countries in the total production of the private enterprise economies. Increases in output of heavy industry, on the other hand, have been over-shadowed by developments in the economically advanced regions.

International Trade and Payments

The expansion of world trade during the past 10 years has been much more rapid than during the corresponding years following the first world war, the *Survey* declares. By 1955 the total volume of world trade was about 50 percent higher than in 1938 and 1948. In contrast, by 1928, the tenth full year after the end of the first world war, the volume of world trade was less than 30 percent above the level of 1913.

Trade has been held back much less than might have been expected by the various limitations and controls prevailing. Indeed, a careful examination of the lag between world trade and world output since 1938 shows that a major part of the lag is due to circumstances having nothing to do with trade restrictions.

The *Survey* says that the first of these circumstances is the fact that a larger share of world output is now being produced in countries whose imports are small in relation to their output or income. The second circumstance is the lag in food consumption in relation to income, together with the reduction in the raw material import content of manufacturing which has accompanied the structural shift in the industrial countries from light to heavy industries; consequently, trade in primary products has lagged in relation to total world trade and still more in relation to world manufacturing output.

This is not to say that the impact of restrictive national policies upon the growth of international trade has been unimportant, the *Survey* emphasises. Nevertheless, most countries are now spending a higher fraction of their incomes on imports than in 1937, and those spending a smaller proportion do not consist exclusively of countries maintaining import controls.

While trade in primary products has lagged, trade in manufactured goods has risen rapidly. By 1954, exports of manufactures from the leading producers were about half as large again as in 1948 and about 60 percent above the 1938 level. The major change in the composition of these exports since 1938 has been a sharp decline in the share of textiles and a great increase in exports of machinery, transport equipment and chemicals.

These shifts, according to the *Survey*, correspond to the lag in world consumption in relation to world production brought about by much higher rates of capital formation and defence expenditure than had prevailed in 1938. Moreover, under-developed countries have been able to promote factory production of textiles and conserve limited foreign exchange resources for purchases of capital equipment.

Regional Trading

One of the characteristic features of the development of the world economy since the first world war has been the dividing up of the world market into compartments of varying degrees of exclusiveness, the *Survey* points out. Approximately three-fifths of world exports in 1953 consisted of exchanges within the three main trading areas—the centrally planned economies, the dollar area and the European Payments Union area. A common characteristic of these three areas is that each involves an industrial core together with affiliated areas possessing more or less complementary economies. Somewhat less than one-fifth of world trade in 1953 consisted of the trade of these three main areas with one another; and the remainder, amounting to rather more than one-fifth of the total, consisted of trade of the rest of the world.

The *Survey* declares that physical reconstruction after the war seems to have been more easily accomplished than the achievement of a balance in international transactions. While the recovery in production has been accompanied by a marked improvement in balances of payments, the problem of what has been called the "concealed" dollar gap seems to persist; at the current level of exchange and trade restrictions, the residual dollar gap on commercial transactions was approximately \$2.4 billion in 1954 and \$3.4 billion in 1955. This did not give rise to serious difficulties because the "gap" was substantially less than the total of economic aid and military expenditures overseas of the United States Government.

Part of the persistent imbalance in international trade and payments has its roots in efforts to promote capital investment and industrial development, the *Survey* states. It is not unnatural for countries, especially those which are under-developed, to take the view that the concept of international balance was too narrowly conceived in the past; and that an adequate rate of economic growth is itself an indispensable ingredient of "international balance."

THOSE who felt pleased, and rather proud that for once Calcutta was going to ignore the call to hartal and continue its lawful occupations were, of course, bitterly disappointed. One might say, with pardonable cynicism, that they ought to have known better. The State Government's stand did show promise, for a time, of developing into outright defiance. But the reality turned out to be rather half-hearted, if a welcome improvement on the performance at previous hartals. What finally assured last Saturday's hartal the fair measure of success it enjoyed, was neither the determination of the organisers nor a lack of it on the part of the authorities; it was nothing more or less than the apathy of the general public. The fear of intimidation was probably enough to keep many people at home, but the rest appear to have stayed away from their work for no better reason than that transport was scarce (although there was more than enough to go round), it was threatening rain, or the chance of a half-holiday was too good to miss. The conclusion seems clear enough. The many occasions on which the Leftists have been allowed to bring the life of this city to a standstill on a particular day of their own choosing are now quite numerous enough to convince Calcutta's citizens that there is no longer any point in standing up to their threats. Last Saturday's gesture from the State Government was simply inadequate for showing the timid or the lazy that the forces of law and order are capable of maintaining it if they wish. This is a regrettable business, and especially so when it is seen what manner of people, are offering the violence before which the authorities have so often capitulated. It is becoming true to say, for instance, that on hartal days, the road and rail traffic of this city is allowed to fall victim to its mischievous children. The symbol of West Bengal's legitimate linguistic claims is fast becoming that of a small boy with a stone in his hand and a whole day in which to do what damage he pleases. And if the evidence of last week-end is anything to go by, it is going to remain so for a long time yet.

I read somewhere quite recently of a person who, on informing a French film director (or critic) that India's was the world's second largest film industry, was taken aback by the curt reply: "What a waste of celluloid!" In spite of the admiration I can feel for some Indian films, I do not consider this comment was too cynical. I have seen quite a number of Indian films and have enjoyed the best of them. But in my opinion the ordinary film produced in this country achieves a very poor standard, and it is only fair that an industry should be judged not so much by its best products, which in any case are bound to be rare, as by its average ones. These thoughts occurred to me when I read in some newspapers earlier this week that the Bengal Film Journalists Association had awarded certificates of merit to as many as ten films and forty different people connected with the industry. Perhaps all of them deserved recognition, but I do feel that the standard of judgment should be rigorous, and that there should be no trace of suspicion that anything else counts other than merit. Furthermore, too much honour can be demoralising. Pather Panchali is doubtless a fine film, and I am glad to say I was among the first to give its talented director the praise due to him. But when I count the number of times he has been fêted for producing just this one work, I shudder to think of the consequences. This happens perhaps because there are too many regional bodies for judging films and awarding recognitions. It can scarcely be considered a healthy development. Another question that occurs to me is why should such awards be confined to feature films alone? I recently saw a Government of India documentary on Kashmir

A DITCHER'S DIARY

which seemed to me in no way inferior to the best produced anywhere. If I were a committee of film awards, I would certainly have voted it a prize.

One feels something of a philistine suggesting education be treated as a commodity; yet it seems to me that is a definition it should be made to fit considering the conditions prevailing in India today. The spectacle of a long and motley queue of distinction-holders, as well as near-failures, lining up for the July admission to colleges in Calcutta, Delhi and other places, is enough to worry even the least sensitive among us, and certainly to turn our attentions once more to that fashionable target of attack—the Indian universities. These institutions represent what one might call the education-manufacturing industry, the chief fault of which, especially in recent years, has been steady over-production, with an astonishingly indiscriminate selection of raw materials. It surprises me that a Government which spends so much time (quite rightly, of course) talking about the need to maintain standards, does so little to uphold them in a field where they are obviously badly needed. It is easy for the Education Ministry—when it takes time off from arranging cultural delegations to eastern Europe and the like—to say that the lack of money prevents it from giving its own people better education. But the fact is, in all probability, that not much more money is needed than it has already got. There are many defects in India's educational system which are well enough known already, but they are so often ignored that I may perhaps be pardoned for mentioning them again. An outstanding one is that, as the extent of unemployment among the educated shows, the country does not need all the people who emerge from its universities each year. Another is that so many more of these people would find better jobs than they do now if this education and training were of first-class quality. Why they should not be is a question to which there are many answers; but the most important ones I feel, are that the initial selection of entrants is indiscriminate; that overcrowding in colleges is sometimes serious enough for students to mistake their classes for a dockers' Maidan rally; that harassed professors do not, as a result, have the time to attend to the needs of their more intelligent students; and that much of the riff-raff which creeps in from the third division is not interested in education at all, but only in certificates. These, the universities go on handing out quite liberally. I know it is not fair or sensible to try to present simple, cut-and-dried solutions to such complex problems. But I think a useful and inexpensive beginning might be made if more professors were to give their time to fewer and better students. We might then find that education will come to mean more than the expounding of half-baked marxism first in coffee houses, and then in the flickering glow of burning buses and tramcars.

The British Labour Party's new policy statement is a startling document, considering that so moderate and balanced a man as Mr. Gaitskell must have had a hand in it somewhere. There is only one thing clear about it—that the Party has not yet learned the lesson that extravagant promises made out of office can be a hopeless embarrassment when back in it. I cannot think that Mr. Attlee would have made such a silly mistake. But that is not all. How any Party in its right

senses can propose higher taxes to remedy a situation which, or so it appears to suggest, has been left completely untouched by a quarter of a century of the highest rates of taxation in the world, is a mystery to me. I cannot see its being popular among Labour's usual supporters either; a large number of skilled workers have already crossed the surtax threshold and there are many more who are not far off it. The proposals for ending the scandal of rent restriction by nationalising the property affected by it should go down very well with landlords, most of whom will welcome the opportunity of disposing of assets on which the return has been pegged for the last fifteen years or so while the expenses of maintenance have increased with the age of the property and the rise in the cost of living. But I cannot see its being accepted by the municipalities, which will no doubt be expected to pay the lion's share of the bill. There lies the whole weakness of this policy—it will have to be paid for by precisely those people whom it is intended to benefit. That is because it is designed to deal with problems which were out of date a good ten years ago, and will be even more so by the time the Labour Party returns to power. Perhaps the most regrettable feature of the whole policy statement is that it is so completely uncalled for. The pendulum is bound to swing in Labour's favour soon, so why weigh the Party down with a mess of impossible promises the effect of which can only be to delay the return to power or, if there are some misguided attempts to implement it, make sure that the next period of opposition is longer than it need be?

I note this week with no small pleasure that the *Vanamahotsava* is with us once again. What I always like so much about it is the agreeable way it lends itself to forgetfulness—once it has come and gone, one need not give it another thought until next year. In this way it resembles a poor novel, of which we read the beginning and ignore the rest. Of course, this parallel has its flaw, because, whereas an indifferent novel can be forgotten for good, the custodians of this botanical ceremony see to it that we are reminded of it every twelve months. I most emphatically disassociate myself from those cynics who suggest that the organisers' main motive in doing this is to see their own pictures in the newspapers. And as for the dancing and singing that accompany the planting of a tree on this occasion of the *Vanamahotsava*, I am prepared to accept these may have a beneficial effect upon its growth; my grounds for this belief are based on an article I read recently in an American magazine where it was argued that plants are very susceptible to music and grow faster and better under its influence. The trouble is that the music and cavortings to which a sapling may be treated on these occasions is merely a kind of advance compensation for the neglect it is fated to suffer afterwards. I wish figures were available of the young trees, planted with so much ceremony in past *Vanamahotsavas* in this city, which have survived human neglect and the depredations of Calcutta's stray cattle. None, of course, have been compiled, because, apparently, there is little necessity. We all know the result even without statistics. I have often wondered if Calcutta's citizens are really so happy they can do without "gloomy, dreamy, friendly trees"? Or, are they like that female character in Somerset Maugham who, on the only occasion she left London to visit the countryside, was driven back by the chirping of birds roosting in high branches? They would simply not let her sleep.

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Company Meeting

THE METAL BOX COMPANY OF INDIA LIMITED

CHAIRMAN MR. H. CHISWELL JONES'S REVIEW

The Twenty-third Annual General Meeting of The Metal Box Company of India Limited will be held on Wednesday, 18th July, 1956 at 59C, Chowringhee Road, Calcutta.

The following is a copy of the Review by the Chairman, Mr. H. Chiswell Jones, which has already been circulated to the members.

SALES

During the year under review there was a high level of investment in national development. Investment activity created a rising demand for packaged goods—paints, pharmaceuticals, baby-foods, processed fruits and vegetables, lubricating oils, etc. Enterprising salesmanship and efficient production enabled us to play a significant role in satisfying this demand.

National investment during the Second Plan will create an expanding level of demand and the supply of goods to satisfy this will be a condition both of the success of the investment programme and of continued political stability. To this end your company and its customers have a major contribution to make; the processed food industry in particular is strategically placed. It is to receive active encouragement in the Second Plan and the allocation for horticulture has been increased from Rs. 1 crore to Rs. 9 crores. These measures are to be welcomed as the addition of processed fruits and vegetables to the national diet will make for important improvements in public health and preventive hygiene. The development of this industry involves co-operation between large and small scale industry since the safe preservation of food requires precision-made cans that only high-speed equipment—equipment inseparable from large scale industry—can produce while at the other end horticulture is a part of intensive small scale agriculture. This pattern of co-operation is already established between the canners, the horticulturists and ourselves.

During the year we made solid contributions to the food and the other industries we serve. In Bombay we commenced manufacture of open top cans for the canning industry. The work of the newly opened

Research Division at Calcutta on materials and finishes contributed effectively to improved quality and our access to the extensive research laboratories of our Technical Consultants in the U.K. continued to provide an invaluable part of our service.

There are, however, some ominous signs: the programme of taxation, increases in railway and ocean freights and the rise in food prices are implied threats to purchasing power. Transport and the shortage of steel and cement are capable of braking the country's economic growth. We have made a good start in the current financial year but there is no room for complacency. We are planning in a spirit of optimism tempered with caution.

PROFIT

The increase in sales of nearly Rs. 1½ crores and the further diversification of our business resulted in a return to the more normal profit levels obtaining when the public first acquired an interest in the equity capital of the Company.

Prospects for the current year are good and it is hoped by virtue of increased turnover to maintain this profit level notwithstanding the increased costs referred to later.

RAW MATERIALS

It has been another year of anxiety in the matter of tinplate supply. Indigenous tinplate production remains well below demand and although The Tinsplate Company have installed an additional rolling mill, they have not been able yet to obtain the extra tonnage of steel to operate the mill. Supplies of imported steel have been promised for the middle of this year but even when this is regularly available and processed, the extra 10,000 tons of tinplate produced will still leave a large gap between supply and demand. Our own imports are currently 50% of our total consumption.

Because of the time taken to obtain shipments from abroad we have had to raise our stock levels of raw materials thus increasing the strain on our finances.

The price of materials and transport has risen during the year and part of the increases had to be passed on to our customers.

We are reluctant to pass on to our customers anything but direct increases in the price of tinplate, which is our main raw material, and we have met increased costs by production economies made possible by greater overall demand. Nevertheless, there is a limit to our ability to absorb price increases of a general nature and there are presently signs of inflationary pressures which could very quickly upset our price structure. Government are clearly aware of these and have indicated that they have weapons with which they can speedily deal with the problem should it assume serious proportions. I hope they will not hesitate to do so.

There are two aspects of recent price increases which I must stress. The first is the heavy additional burden on the Company's cash resources which follows from higher raw material costs and bigger inventories—the second is that we find ourselves completely priced out of a number of export markets in neighbouring countries. The cost to Government of a drawback of the Steel Equalization fund contribution on tinplate used for containers exported from India would be small—the gain in foreign exchange would be substantial; very much more so if it extended to filled as well as empty containers.

INDUSTRIAL RELATIONS

From May 1955, when work was resumed at Calcutta after the disturbances there, we have had a period of complete industrial peace and at all factories negotiations and consultations with our employees have been conducted in an atmosphere of harmony and a keen desire to reach understanding. The excellent relations throughout the year have materially contributed to the satisfactory trading results and I am happy to say that we recently concluded with our employees a Prosperity Bonus Agreement covering the next three years.

Training of staff continues to receive our careful attention. We have an excellent cadre of young Management Trainees and each year we send more Indian officers abroad for training. Our Technical Consultants recently sent the Head of their Staff and Personnel Division to discuss how they can best serve us in this all important matter of training. His visit was of the utmost value.

To a degree the success of the Second 5 Year Plan will depend on an adequate supply of technicians. We are making our contribution by offering facilities for practical training in our factories to students and graduates from universities, engineering colleges and technical training centres. We have also offered our co-operation to Government in the encouragement of training in scientific management.

Labour Welfare continues to engage our attention. We are operating a most successful Scheme under which sick leave not utilised during the year is offered by employees to a Pool and such leave, to a maximum of 4 months, may be used for the benefit of any employee unfortunate enough to contract T.B. In the treatment of serious cases the Company also meets 75% of the cost of special drugs and medicines. In the two years working of the Scheme more than 20 employees have been completely restored to health and have been able to resume their employment with us. A Benevolent Fund is in operation at all Branches, the Company's contribution being based on the total amount subscribed by the employees. We have also extended recreational facilities to include sports, cinema shows and libraries.

DEVELOPMENTS AND NEW PROJECTS

We have made good progress in our new developments. The expansion in demand for aluminium pilferproof seals has been satisfactory and manufacture in Calcutta, foreshadowed in my last Review, has now commenced with consequent savings in freight costs to many customers.

Progress in the manufacture of polyethylene bags has continued, some printing machinery has been installed and more is on order. The potential demand for products made from this material is considerable and plans have been announced by two world famous manufacturers for the production of film of polyethylene flake—the basic raw material required.

Additional equipment for the manufacture of industrial components has now been installed—we have a substantial order book and a large number of new enquiries which augur well for the future. We are presently producing metal components for numerous manufacturers in the electrical, automobile, radio, duplicating machine and bicycle industries—the list will extend in the near future and we are proud of the contribution we are making to the expansion of these vital industries.

Plans have been completed for the erection of the new manufacturing and office buildings at Calcutta adjoining the new printing factory. We expect the new buildings to be ready in about twelve months time and this will permit us greatly to improve our plant layout, provide adequate office accommodation and generally achieve better working conditions. An extension to the Madras factory is under consideration and we plan to install additional printing equipment there to meet the growing demands for lithographed containers in that area. The Research Division in its first year of operation has made a valuable contribution towards the improvement of indigenous metal decorating materials. The Division has established close technical liaison with our principal suppliers and standardized numerous specifications covering both supply and application resulting in improved container quality. In line with our policy of purchasing indigenous materials wherever possible, the Division has assisted suppliers in satisfactorily producing a number of materials hitherto imported—others, still under test, show considerable promise.

I wish to acknowledge our indebtedness to our Technical Consultants, The Metal Box Company Limited, London, for their continued advice and guidance in all matters affecting the progress and well-being of our Company. We are most fortunate in being able to call on their vast store of knowledge and experience.

STAFF

This has been a year of intense activity and unremitting effort on the part of the staff. The excellent results achieved would not have been possible without their sustained enthusiasm and loyal support. The Board join me in expressing our thanks to them all for their splendid efforts.

Finance in India and Abroad

GOVERNMENT OFFERS THREE NEW LOANS

BORROWING PROGRAMME FOR 1956

THE Government disclosed its eagerly-awaited borrowing programme for the current financial year when it announced last week-end that three new issues, designed to raise Rs. 150 crores, are to be offered to the public on 16th July. The approach is being made at a time when the money market is far from showing its seasonal slackness and when it might be expected that such a large amount—Rs. 150 crores more than the Finance Minister originally announced as being necessary—would be difficult to secure. In fact, it is unlikely there will be any difficulty at all in raising this amount, partly because the issue of three separate loans guarantees appeal to all classes of prospective lenders but chiefly because holders of 3 percent Victory Loan 1957 are to be invited to convert their holdings, which mature in about a year's time, into the new loans. The present outstanding on this Victory Loan amount to over Rs. 114 crores and if most holders accept the proposition, and by far the largest holder is the Reserve Bank itself, the net amount which the market will be called upon to subscribe may not exceed Rs. 50 crores. Conversion is offered at Rs. 99.13 percent with interest paid up to 15th July. Thus, no special inducement is being offered to holders to convert their holdings. The terms of the new loans appear in the Reserve Bank's announcement on page 41. It will be seen that besides the expected long-medium dated National Plan Bonds issue at 3½ percent, redeemable at par on 16th July, 1967, and offered at Rs. 99.8 percent, there is a short-dated 3½ percent bond, redeemable at par on 16th July, 1962, issued at Rs. 98 percent and a long-dated loan at 3½ percent, redeemable at par on 16th July, 1971, issued at Rs. 98.8 percent. The lists will open on 16th July and will remain so for three days, unless it is decided that subscriptions have exceeded requirements. The Government reserves the right to retain subscriptions up to 10 percent in excess of Rs. 150 crores. The fact that the subscription period is shorter this year by two days suggests confidence in the issues. This will no doubt be well-founded because the terms of all three are in line with those prevailing on existing loans and therefore fit neatly into the present rate structure. The 3½ percent 1962 and the 3½ percent 1971 offer yields which are slightly below those of comparable loans, but compensate for this by their higher running yields. The short and medium-dated issues should appeal specially to banks and other similar institutions while the long-dated should enjoy a good response from insurance companies and provident funds. Interest on all three loans is subject to income-tax and is payable half-yearly.

The return of the State Bank of India for the week ended 29th June, 1956, shows a rise of Rs. 2.41 crores in total deposits to Rs. 226.03 crores. Investments in Government securities are down by Rs. 31 lakhs to Rs. 89.33 crores, while other authorised investments remain unchanged at Rs. 10.49 crores. Advances, including loans, cash credits and overdrafts, and bills discounted and purchased, have decreased by Rs. 1.63 crores to aggregate Rs. 134.26 crores. Cash and balances are, in consequence, shown at Rs. 19.98 crores, or Rs. 2.65 crores higher.

The statement of the position of scheduled banks for the week ended 29th June, 1956, discloses Demand and Time liabilities at Rs. 638.11 crores (Rs. 6.12 crores on account of borrowings from banks) and Rs. 452.88 crores (Rs. 3.22 crores), compared with Rs. 634.65 crores (Rs. 8.40 crores) and Rs. 449.63 crores (Rs. 3.22 crores), respectively, in the previous week. Cash and balances with the Reserve Bank have increased by Rs. 2.69 crores and Rs. 3.57 crores to Rs. 40.07 crores and Rs. 51.83 crores, respectively. There is a drop of Rs. 45 lakhs in investments to Rs. 347.63 crores. Advances and bills discounted at Rs. 757.47 crores reveal a decrease of Rs. 2.30 crores. The ratios to total liabilities of cash and balances, and of advances and discounts, are, in consequence, shown at 8.4 percent and 69.4 percent, against 7.9 percent and 70.1 percent.

The new sub-section (3) inserted in section 49d of the Income-Tax Act by the Finance Act, 1956, provides for the grant of appropriate relief to residents of India on income assessed to Pakistan, if such income has also been included in the Indian assessment and taxed as non-agricultural income. The relief is equal to the Pakistan agricultural income-tax or the Indian income-tax, whichever is less, on the doubly taxed income. Claims for relief under the new provision have to be made by the assessee concerned within the time limit prescribed in section 50 of the Income-Tax Act, namely, four years from the last day of the financial year commencing next after the expiry of the previous year in which the income doubly taxed accrued, or arose to him. No form, is, however, prescribed for making a claim. Under the new sub-section (4), the above relief has been made applicable retrospectively from the assessment year 1948-49 onwards. As the time-limit of four years for making claims for relief for the assessment years 1948-49, 1949-50, 1950-51 and 1951-52 has already expired, specific provision has been made in the new provision itself extending the time limit to 31st March, 1957, for these four assessment years. Those who wish to claim relief for these assessment years should file the claims before the Income-Tax Officer concerned before the extended date.

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NEWLY REGISTERED COMPANIES

East Anglia Plastics (India) Ltd.—Director, Mr. B. Dasgupta, 6A, Surendra Nath Banerjee Road, Manufacturers of and dealers in plastic moulding powders and compounds. Capital Rs. 1 crore.

M. Bhattacharyya and Co. Private Ltd.—Director, Mr. H. C. Bhattacharyya, 73, Netaji Subhas Road, Homoeopathic chemists and pharmacists. Capital Rs. 5 lakhs.

Mechanical and Electrical Engineering Co. Private Ltd.—Agents of firms or companies engaged in mining. Capital Rs. 5 lakhs.

S. N. Ghose and Sons Private Ltd.—Director, Mr. A. K. Ghose, Sheoraphuli, Hooghly. Dealers in jute goods. Capital Rs. 5 lakhs.

Howrah City Engineering Company Private Limited.—Director, Mr. J. Dutt, 75, Panchanatala Road, Howrah. Iron foundries. Capital Rs. 5 lakhs.

THE CALCUTTA MONEY MARKET

DEMAND REMAINS HIGH

Wednesday, 11th July.

VERY little sign of slackness has appeared in the money market during the past week. There has been a little overall return of funds, but the general tendency for money to remain tight for this time of year has by no means been modified. The offtake of the sugar industry is still high and that on account of raw jute storage is actually increasing. The Government's loan issue is being launched in a market which could scarcely be less favourable for its reception considering the time chosen. The interbank market is slightly easier and the call rate is unchanged at 7½ percent, lenders over.

After last week's burst of activity, the bill market has been conspicuously quiet in the past few days. A few scattered gunny bills were all that the market had to report. Remittance has also been poor. Sterling remains weak, and the U.S. dollar rate is unchanged at 47½.

Silver was steady on fresh support and the price advanced from the previous week's level of Rs. 171-4 to Rs. 171-12, quoted today. The rate for ready was quoted at Rs. 172. The London price was unchanged at 78½d. The price of foreign silver in New York was the same at 30½ cents.

Gold was quiet in the absence of demand and fell from Rs. 102-8 to Rs. 102-2. The sovereign at Rs. 66-3 showed a decline of 5 annas.

During the week ended 6th July, Government of India Treasury Bills for Rs. 76,43,75,000 were sold in favour of the Reserve Bank.

A rise of Rs. 7.83 crores to Rs. 1,482.50 crores in notes in circulation was the outstanding feature of the return of the Reserve Bank of India for the week ended 6th July, 1956, while the total note issue was Rs. 35 lakhs lower at Rs. 1,502.58 crores. Notes held in the Banking Department consequently fell by Rs. 8.18 crores to Rs. 20.08 crores. Deposits declined all round. Deposits of the Government of India and other Government accounts fell by Rs. 2.61 crores and Rs. 8.40 crores to Rs. 54.23 crores and Rs. 4.77 crores, respectively. Balances of commercial banks at Rs. 50.55 crores were Rs. 3.94 crores lower. Balances held abroad rose by Rs. 6.89 crores to Rs. 41.86 crores but investments dropped by Rs. 5.73 crores to Rs. 37.31 crores. Other loans and advances fell from Rs. 69.68 crores



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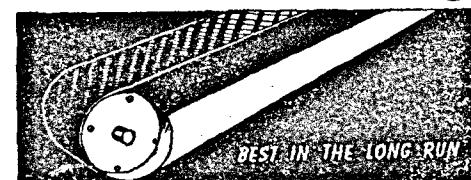
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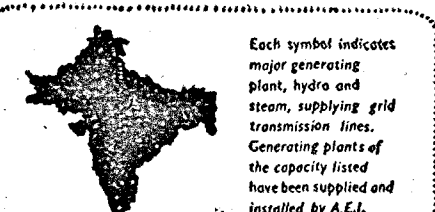
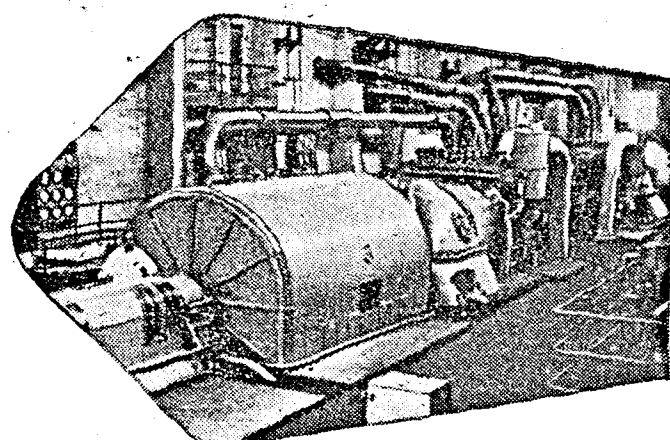
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- Pykara, Mettur, Papanasam and Moyar 48,000 KW
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Stocks and Shares

WEEK OF DEPRESSED PRICES AND RESTRICTED TURNOVER

GOVERNMENT-LOAN TERMS WELL RECEIVED

Wednesday Evening.

THE Calcutta stock market has passed a week of declining prices and heavily-restricted turnover. Both the investment and the speculative sections have been neglected until today, when the arrival of the clearing appears to have put a moderate amount of much-needed life into the latter. The chief reason for the general quietness has been the reaction to the Government's loan announcement and now this is out of the way, there may be some interest shown in speculatives once again. The raids by police and customs officials on the homes of certain prominent Calcutta business men have also helped depress sentiment. Apart from these items, it is still quite obvious that the quiet and hesitant undertone which has ruled for so long in the market is the result of doubts and pessimism about general economic prospects. Until the market, especially the investment section of it, can gain some confidence in its future, there seems little chance of any sustained activity developing, in spite of the fact that, at present price levels, there are many bargains to be had. Indian Irons improved slightly before today's clearing to close at Rs. 33-6.

The main sections, including Government securities, have without exception been dull and subdued.

Details of the week's trading follow.

Last week's announcement by the Government of India inviting subscriptions for the issue of 3½% Bonds 1962, 3½% National Plan Bonds Third Series 1967 and 3½% Loan 1974, for a total amount of Rs. 150 crores, was well received by the market because the terms fit in with the existing interest rate structure.

Subscriptions may be in the form of cash or of securities of 3% Victory Loan 1957 and will be received from 16th July, 1956. All three issues will be closed without notice as soon as it appears that the total subscriptions to the bonds and loan in cash and in 3% Victory Loan 1957, amount approximately to Rs. 150 crores, but in any case not later than the close of business on 18th July, 1956.

Details of the new issues are given below:

	Issue Price	Gross Yield	Gross Redemption Yield	Net Yield
3½% Loan 1962	98	3.32	3.61	2.74
3½% " 1967	98 8	3.55	3.67	2.74
3½% " 1974	98 8	3.81	3.87	2.87

Interest in existing Government loans has declined for the time being as fresh funds will naturally flow into the new issues which in some cases will have to be obtained by the sale of other securities. Three percent Conversion Loan ruled quiet and the price eased further to Rs. 77-1. Among short-dated loans 3% 1957 was steady at Rs. 99-13 but 3% 1958 was fractionally easier at Rs. 99-10. Among medium-dated loans 3% 1959-61 was taken at around Rs. 98-2-6 while 3% 1963-65 was marked at Rs. 95-2 and 3% 1964 at the same rate; 3½% 1960 had buyers up to Rs. 96-6-6 due to the approach of the half-yearly interest date (15th July), but 2½% 1952 was weak with sellers over at around Rs. 93-15. National Plan loans were dull with sellers of 3½% 1961 at Rs. 99-9 while both 3½% 1964 and 1965 were on offer at Rs. 98-12. Long-dated loans were easier with 3% 1963-65 quoted at Rs. 93-4 and 3% 1970-75 at Rs. 90-15.

State loans were extremely dull with retail business passing in 4% issues maturing in 1967.

Jute preference shares continued to be freely offered while there was a fair demand for selected miscellaneous issues. In jute, a small lot of Auckland was crossed at Rs. 90-8 and New Central were done at Rs. 106-8. Northbrook were placed at Rs. 86. Among miscellaneous issues, British India Corporation were taken at the higher rate of Rs. 128 and Duncan Brothers were marked at Rs. 64. Martin Burn changed hands at Rs. 104-8. Orient Paper 2nd Preference were crossed at Rs. 74-6 as were Richardson & Cruddas at Rs. 85-8. Rohtas Industries "B" Preference were offered at Rs. 64 and Titagur Paper 8% were taken at Rs. 140-8.

In the banking section, Bank of Bikaner were taken at the higher rate of Rs. 19-14 while Hind Bank were crossed at Rs. 34-8. Punjab National were slightly easier at Rs. 56-8, but United Commercial improved to Rs. 52-8. United Bank of India were crossed at Rs. 4-7.

In the railway section, Arrah-Sasaram were taken at Rs. 72. Dehri Rohtas changed hands at around Rs. 13-8 while Shahdara (Delhi) Saharanpur were freely offered at Rs. 125, without attracting buyers.

Cotton shares were dull and neglected although there were few price changes. Bengal Nagpur were unchanged at Rs. 9-6 as were Cawnpore Textiles at Rs. 8-15. Dunbar at Rs. 302 and Elgin at Rs. 288-12. Kesoram, however, met with selling pressure and were marked down further from Rs. 18-13

to Rs. 18-4. New Victoria were dealt in freely at around Rs. 2-10.

Coal shares came in for little business and in most cases closing quotations were below those prevailing at the beginning of the session. Here is a chart showing representative price movements.

	Opening 5-7-56 Rs.	Closing 11-7-56 Rs.
Amalgamated	22 8	22 4
Bengal	540	539
Burrakur	13 15	13 9
Central India	7 9	7 4
Equitable	30 2	29 14
Katras Jherriah	60 8	60
New Beerbhoom	19 8	19 4
Western Bengal	7	6 13

There was little or no trading in jute shares for yet another week and selling orders were almost impossible to execute. Here are the week's representative price movements.

	Opening 5-7-56 Rs.	Closing 11-7-56 Rs.
Agarpara	11 12	11 10
Alliance	125	120
Barnagore	132	128
Budge Budge	133	128
Chandpady	155	152
Chitavalsah	14 6	14
Kinnison	168	161
Howrah	22	21 8
National	23 8	22 8

Little interest was shown in electric supply shares, but there was no change in prices. Agra were dealt in at Rs. 159, Calcutta at Rs. 13-7 and Patna at Rs. 11-10.

A mere handful of sugar shares were dealt in during the week. Belsund changed hands at Rs. 11-11 and Cawnpore at Rs. 19-11. Ramnugger met with enquiry during the earlier part of the period under review and were at one time taken up to Rs. 29-8; subsequently sellers appeared and the shares closed easier at Rs. 28-14. Shree Krishna Gyanoday changed hands at around Rs. 13-4.

Engineering shares were subdued because of the weakness in Indian Iron & Steel which at one time were marked down to Rs. 34-14 against an opening quotation of Rs. 35-15; tonight's closing quotation is Rs. 35-6. Braithwaite & Co., were unchanged at Rs. 28 while Britannia Engineering were marked down from Rs. 18-12 to Rs. 18-4 and Burn were depressed further to Rs. 354. Richardson & Cruddas were marked back from Rs. 26-10 to Rs. 25-14 as were Jessop & Co., from Rs. 36-8 to

GOVERNMENT OF INDIA

3½ PER CENT. BONDS 1962. ISSUE PRICE Rs. 98
PER Rs. 100 (NOMINAL). REPAYABLE ON THE
16TH OF JULY 1962

3½ PER CENT. NATIONAL PLAN BONDS—THIRD SERIES
(3½ PER CENT. 1967). ISSUE PRICE Rs. 98-8 PER
Rs. 100 (NOMINAL). REPAYABLE ON THE 16TH OF
JULY 1967

3½ PER CENT. LOAN 1974. ISSUE PRICE Rs. 98-8 —
PER Rs. 100 (NOMINAL). REPAYABLE ON THE
16TH OF JULY 1974

Subscriptions to the above bonds and loan will be received simultaneously and will be limited to a total of Rs. 150 crores (approximately). Subscriptions may be in the form of (i) Cash/Cheque or (ii) Securities of the 3 per cent. Victory Loan 1957 which will be accepted at Rs. 99-13 for every Rs. 100 (Nominal) tendered for conversion. Interest will be paid on the 3 per cent. Victory Loan 1957 tendered for conversion up to the 15th of July 1956 inclusive.

Interest on the new bonds and loan will be payable half-yearly on the 16th of January and the 16th of July.

Subscription lists will open on the 16th of July 1956 and close on the 18th of July 1956 or earlier without notice.

Applications for the bonds and loan will be received at—

- (1) Public Debt Offices of the Reserve Bank of India at Bombay, Calcutta, Delhi, Madras and Bangalore;
- (2) Branches of the State Bank of India except in the States of Hyderabad and Mysore;
- (3) Branches of the Hyderabad State Bank in Hyderabad State; and
- (4) Branches of the Bank of Mysore Ltd., in Mysore State.

For full particulars apply to any of these offices or branches or treasuries.

RESERVE BANK

ISSUE DEPARTMENT

(In 000's of Rupees)

	Week ended 6-7-56	29-6-56	8-7-55
Liabilities—			
Notes in Banking Dept.	20,07.80	28,26.58	19,15.05
Notes in Circulation	14,82,30.25	14,74,01.17	13,21,63.90
Total Notes issued	15,02,58.05	15,02,93.75	13,40,78.95
Assets—			
A Gold Coin and Bullion	40,01.71	40,01.71	40,01.71
Foreign Securities	6,36,61.29	6,46,55.04	6,52,04.02
Total of A	6,76,63.00	6,86,56.75	6,92,05.73
B Rupee Coin	1,07,32.92	1,07,68.62	1,05,08.41
Rupee Securities	7,18,62.13	7,08,68.38	5,43,64.81
Total	15,02,58.05	15,02,93.75	13,40,78.95

BANKING DEPARTMENT

Liabilities—			
Capital Paid-up	5,00.00	5,00.00	5,00.00
Reserve Fund	5,00.00	5,00.00	5,00.00
National Agricultural Credit (Long-term) Fund	15,00.00	10,60.00	—
National Agricultural Credit (Stabilisation) Fund	1,00.00	—	—
Deposits—			
(a) Central Govt.	54,23.21	56,84.01	84,07.03
(b) Other Govts.	4,76.69	13,17.19	17,66.70
(c) Banks	50,55.52	54,49.19	46,86.96
(d) Others	12,64.44	13,07.82	14,90.00
Bills Payable	6,19.99	5,31.83	6,23.51
Other Liabilities	25,15.90	42,82.28	22,52.07
Total	1,79,55.95	2,05,72.32	2,02,26.27

Assets—			
Notes	20,07.80	28,26.58	19,15.05
Rupee Coin	1.97	6.14	4.32
Subsidiary Coin	3.58	4.47	6.07
Bills Discounted Int.	2.00	2.00	62.30
Govt. of India Treasury Bills	7,63.32	8,33.53	5,34.12
Balances held abroad	41,86.99	34,96.90	63,31.73
Loans to Govt.	2,34.75	2,36.75	86.00
Other Loans etc.	61,07.86	69,58.42	41,62.09
Investments	37,31.36	43,03.86	61,23.95
Other Assets	8,56.32	18,93.67	5,93.64
Total	1,79,55.95	2,05,72.32	2,02,26.27

SCHEDULED BANKS

(In 000's of Rupees)

	Week ended 29-6-56	22-6-56	1-7-55
Demand Liabilities—			
(a) Borrowings from Banks	6,11.74	8,39.90	7,68.78
(b) Others	6,31,99.64	6,26,25.42	5,93,03.16

Time Liabilities—			
(a) Borrowings from Banks	3,22.30	3,22.30	3,73.02
(b) Others	4,49,65.70	4,46,40.86	3,94,16.16
Borrowings from State Bank Demand Liabilities	5,36.44	6,87.57	3,98.82
Time Liabilities	40,06.63	37,38.10	36,59.40
Cash	—	—	—
Balances with the Reserve Banks	51,82.58	46,25.51	47,26.20
Balances with other banks in current account	14,76.21	10,57.48	11,74.63
Money at calls and short notice	11,19.52	10,92.99	15,43.76
Investments in Central and State Govt. Securities	3,47,62.82	3,48,07.65	3,50,46.00
Advances	6,11,23.08	6,09,25.91	5,08,88.35
Inland Bills purchased and discounted	98,78.79	1,02,05.71	69,35.25
Foreign Bills purchased and discounted	47,45.25	48,45.68	39,47.86

CLEARING HOUSE RETURNS

Week ended	Rs. (thousands)	Calcutta	Bombay
6-7-56	61,99.85	—	—
29-6-56	60,73.57	61,83.52	—
22-6-56	60,57.96	58,47.94	—
15-6-56	52,85.29	63,34.05	—

STATE BANK OF PAKISTAN

ISSUE DEPARTMENT

(In 000's of Rupees)

	Week ended 22-6-56	Week ended 15-6-56
Liabilities—		
Notes in Banking Department	11,22.65	12,47.28
Notes in Circulation	2,84,56.92	2,88,15.10
Total Notes issued	2,95,79.58	3,00,62.38
Assets—		
A Gold Coin and Bullion	11,19.58	11,19.58
Sterling Securities	96,98.38	96,98.38
Government of India Securities	26,38.95	26,58.95
India Notes representing assets receivable from the Reserve Bank of India	43,02.58	43,02.58
Govt. of Pakistan Securities	6,70.15	6,52.95
B Rupee Coin	1,15,39.88	1,20,39.88
Held with Reserve Bank of India pending transfer to Pakistan	—	—
Gold Coin and Bullion	19.02	19.02
Sterling Securities	4,40.63	4,40.63
Govt. of India Securities	1,00.90	1,00.90
Rupee Coin	29.51	29.51
Total	2,95,79.58	3,00,62.38

BANKING DEPARTMENT

Liabilities—			
Capital Paid-up	3,00.00	3,00.00	3,00.00
Reserve Fund	3,00.00	3,00.00	3,00.00
Deposits—			
(a) Central Government	9,05.84	10,44.96	—
(b) Provincial Government	7,06.80	7,64.97	—
(c) Banks	27,44.67	22,75.55	—
(d) Others	24,88.40	24,41.95	—
Bills Payable	1,65.00	1,53.40	—
Other Liabilities	7,27.95	7,46.06	—
Total	84,28.74	80,27.29	—
Assets—			
Notes	11,22.66	12,47.28	—
Rupee Coin	—	—	—
(a) Pakistan	8	9	—
Subsidiary Coin	—	—	—
(a) Pakistan	11	8	—
(b) India	—	—	—
Bills Purchased and Discounted—			
(a) Internal	—	—	—
(c) Govt. Treasury Bills	12.13	17.92	—
Loans and Advances to Govt.	—	—	—
Provincial Govt. Debtor Balances	—	—	—
Other Loans and Advances	3,23.00	3,40.55	—
Investments	54,98.48	48,63.99	—
Other Assets	15,64.28	15,57.38	—
Total	64,28.74	80,27.29	—

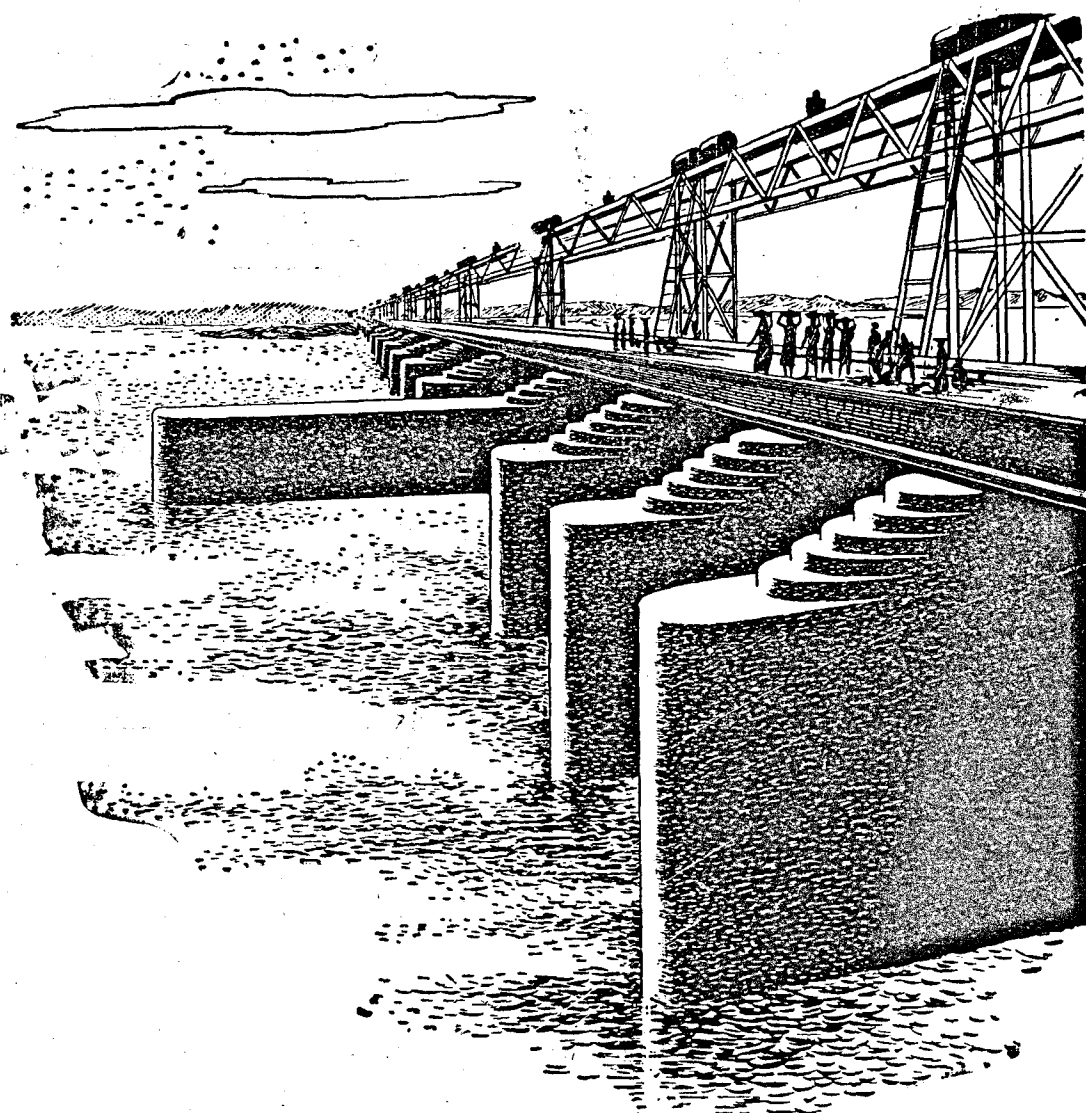
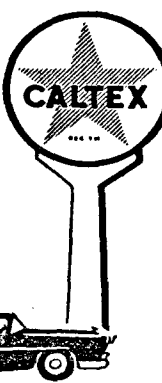
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UNCERTAIN CONDITIONS IN STOCK MARKETS

GILT-EDGED RISE ON NEW CONVERSION OFFER

London, 11th July.

THE general performance of the stock markets prior to the week-end was satisfactory, but uncertain conditions developed later. No definite trend developed as a whole, and business generally was at a low level. The favourable effects of the Chancellor of the Exchequer's moderately optimistic review of the economic situation soon wore off, and the continuing labour troubles in the motor and steel industries gained the upper hand as market factors. In addition, the holiday season is getting into its stride and conditions in the markets are usually quiet at this time of year. The main event in gilt-edged was the long-awaited announcement of the authorities' proposals for dealing with the £223 million National War 2½ percent bonds due for redemption next month. This uncertainty had been hanging over the market for some weeks, and the news that holders were being offered straight conversion into a new 4½ percent 1962 stock with no cash subscriptions invited removed it. The market responded accordingly and showed an all-round advance at the beginning of the week, particularly in short-dated stocks. The improvement was helped by the view in some quarters that gilt-edged were at, or not far short of, the bottom. The realisation that there were plenty more borrowers in the queue restrained the market and some reaction took place later. The strength of Japanese bonds, and to a lesser extent of Germans, provided the feature of the foreign bonds market, while in rails some issues went strongly ahead on dividend hopes, and on talks of a possible American bid. Dollar stocks moved up in response to Wall Street's advance. Business in industrials was small and selective, prices for the most part moving within narrow limits. The Financial Times Industrial Ordinary index was a point or so better compared with the previous level. Interest broadened in gold shares prior to the week-end and prices advanced, but there was no follow-through subsequently, and prices slipped back. The finance house and Free State issues were the chief beneficiaries. Diamonds improved but coppers fell back. Other base metals were well maintained. Oils recorded substantial gains in active dealings, and despite subsequent profit-taking, were considerably higher on the week. Shells were outstanding and the British-controlled Trinidad Petroleum shares were active on reports that an American bid is pending. Rubbers and teas held steady, with the former a few pence better where changed.

The Money Market

Following the turn of the half-year and the release of funds called in earlier, conditions in the money market throughout the past week were very comfortable. For the first two or three days, money was in abundant supply and the authorities worked in reverse to mop up the excess money. There was some contraction in the supply during the later part of the week, but not to the extent expected, this being partly due to a heavy buying of 2½ percent National War Bonds by the Treasury in front of the conversion offer announced on Friday. One feature during the week was a heavy demand for bills, which resulted in discount houses having their books greatly depleted. They made a strong bid at the week's tender to replace their lost holdings and raised their bid by 6d to secure a quota of 61 percent. The Treasury was able to borrow at the average rate of 10½ 1/8d, or 1s 7d less than a week ago. Applications for £280 million worth of 91-day Treasury bills totalled £452,390,000 and were allotted at an average rate of 10½ 1/8d, against 10½ 5/8d in the previous week. Offerings this week comprise £280 million worth of 91-day bills. The Bank of England return for the week ended 4th July showed that the bankers' deposits were £5 million lower at about £233 million while notes in circulation were £13 million higher at around £1,906 million.

Stock Market Prospects

The Investors' Chronicle market newsletter writes: Gilt-edged steadied after Monday's fall. Japanese and German bonds remain firm. After an

all-round decline on wage claims, industrials turned firmer with bear-covering among the steels and elsewhere. Kaffirs have been firm. Oils suffered profit-taking, but there is no evidence that their general up-trend has been reversed. Britain's credit squeeze is beginning to work and the Government shows no signs of relaxing it in any way. Perspective is required. Redundancy in the motor industry makes headlines but it is very small. The long-term outlook is hardly so bad as some yields on motor shares indicate. Earnings are bound to fall heavily, but prices are becoming attractive for long-term investors. Steels also have suffered a severe setback, but investors would do well to sit tight.

Hongkong Gold Firm

Linseed oil was featured by a sharp rise of over £10 a ton on strong Continental demand at rising prices. There are reports claiming that Russian buying is behind the current demand, but these are viewed with doubt by U.K. traders, while the rise is considered overdone. Most U.K. selling offers were withdrawn with nominal indications up to £129 c.i.f. compared with £118 prior to the week-end. U.K. buyers were rarely over £125 c.i.f., but Continental operators were paying a much higher rate. Canadian linseed oil was substantially higher. Edible oils improved with more enquiries circulating. Nigerian bulk groundnut oil was sold to the Continent at £130½ c.i.f., while the U.K. paid £135 c.i.f. for South African bulk oil over the week-end. Groundnuts were rarely mentioned by the Nigerian Board still reserved as sellers. Soyabean oil improved on higher advices from the origin. By contrast, coconut-oil was easier under the pressure of cheap offers of Philippine copra and increasing offers of Indonesian copra at a low level. Straits bulk oil was sold Rotterdam to £28 c.i.f., while Dutch oil, offered ex-tank Rotterdam, dipped to the parity of £25½ on the news of business in Philippine copra at \$169 to \$169½ c.i.f. August-September to north Europe.

Sharp Rise in Linseed Oil

The Hongkong gold market was very firm with increased activity, but caution was noticeable at the end of the week in the face of expected heavy arrivals from Macao and profit-taking. The firmness was attributed to the weakness of sterling, and the strength of American dollar in Hongkong, which broke through the six-dollar level. At the opening on Tuesday, prices advanced initially, then reacted slightly on Wednesday and rose again by Saturday. When the carry-over charges were fixed at 110 cents in favour of sellers, profit-taking ensued and the closing price was \$111.260½. Despite the local advance, forward contracts eased slightly to \$(U.S.)37.88. The official offtake was 3,810 tials and unofficial 15,560 tials. Arrivals from Macao during the week were expected to be around 50,000 ounces.

Thin Rubber Market

Prices moved erratically during past week in a thin and unsettled market. Demand for early shipment parcels contributed largely to a rising trend, but business was mostly of a technical nature. Factory demand was reported as small. The market frequently relapsed into quiet moods with sharp recessions. Dealers at times were reluctant to trade except when outlets were reasonably assured. The disappointing U.S. steel position and further cutbacks in U.S. car production militated against optimism, though at the close, values were about 3/6d higher on balance. An improved demand and scarcity of sole crepe on the spot made for a firmer market, and quotations were advanced to the basis of 40d a lb. for ½ inch smooth No. 1 on the spot.

U. K.-Pakistan Textile Trade

The Board of Trade has announced that the British and Pakistan Governments have agreed on arrangements supplementary to the U.K.-Pakistan agreement of 29th April, 1955 whereby \$5 million worth of cotton textiles were supplied by the U.K. to Pakistan with payment in the form of raw cotton made available by the U.S. Government as part of its aid-to-Pakistan programme. The announcement says that this is to be regarded as an emergency operation in which Britain has agreed to supply to take up certain balances of the original aid programme which have not been fulfilled by other textile suppliers, and in order to avoid disappointment and wasted effort, it is important that exporters be clear on the time limits which circumstances impose. Both the yarn and raw cotton must be shipped not later than 30th October.

BRITISH ECONOMIC EXPERTS INVITED TO INDIA

GOVERNMENT APPROACHES WRITERS AND JOURNALISTS

(FROM OUR NEW DELHI CORRESPONDENT)

London, 9th July.

A MIXED team of economists and financial editors may be visiting India during the next cold weather season. The Government of India, it is learnt, is inviting Mr. Donald Tyerman of the Economist, Mr. A. L. Burn, financial editor of The Times, Mr. Andrew Shonfield of the Financial Times, Mr. Richard Fry of the Manchester Guardian, Professor R. F. Kahn and Professor E. A. G. Robinson from Cambridge University, Professor W. Arthur Lewis from Manchester University, Mrs. Barbara Wootton and Mr. R. H. S. Crossman, Member of Parliament, to visit India. They are being asked to see things for themselves and advise on the implementation of the second five year plan. They may also advise their country, if they so wish, to make the maximum contribution to the success of the plan. Much of the credit for the move goes to the Indian Commerce and Industry Minister, Mr. T. T. Krishnamachari.

Project for Aero-Engine Factory

The Defence Secretary, Mr. M. K. Vellodi, who has been here, has finalised negotiations with the Bristol Aircraft Company for setting up an aero-engine factory and with the Folland Aircraft Company to assist in manufacture in India of a light-weight fighter.

Machine-Making Industries

An industrial mission sponsored by the Colombo Plan organisation and the Federation of British Industries will visit India during the next cold weather season to prepare blueprints for starting machine-making industries in India and assist in implementing the second five year plan. Sir Eric Coates, who led the steel delegation last year, is mentioned here as likely to head the new mission.

Cement and Boiler Machinery

Negotiations are nearing completion under which Vickers will assist in setting up in India plants for cement-making and boiler-manufacturing machinery. Vickers have also shown interest in undertaking the construction of a second ship-building yard.

Durgapur Steel Plant Tenders

The Indian Steelworks Construction Company, which has been commissioned to set up the Durgapur steel plant, has submitted tenders in their final form. They are being scrutinised. The Secretary to the Iron and Steel Ministry, Mr. S. Bhoothalingam, who is in Germany, is expected here later this month for final discussions before signing the agreement.

Floating Loans in Europe

The Joint Secretary to the Finance Ministry, Mr. B. K. Nehru, has been here appraising the climate for floating loans on the London money market. During his stay, he has also finalised the details of two loans, one from the British Government and the other from British banks, to finance the Durgapur steel project. During his visit to Belgium, Switzerland and other European countries, he will try to ascertain the prospects of raising loans to finance the second five year plan.

ELECTRICITY OUTPUT DURING MARCH

Power generation in India during March this year increased by 50.1 million kWh over that of February. During the month, 715 electricity undertakings produced 798.5 million kWh of power, of which 651.0 million kWh were sold to ultimate consumers. One generating undertaking at Vikarabad in Hyderabad, and a purchasing undertaking at Gowan in Bihar, were the new additions. The figures of output and sale of electricity for March 1955, are 696.1 million kWh and 568.3 million kWh and for March 1956, they were 200.4 million kWh and 165.7 million kWh respectively.

Bombay

SUBSTANTIAL PROGRESS IN COTTON-GROWING

OUTPUT OF LONG AND MEDIUM STAPLES INCREASING

(FROM OUR BOMBAY CORRESPONDENT)

THE annual report issued by the Indian Central Cotton Committee indicates that substantial progress has been made in cotton-growing in this country. The cotton year ended 31st August, 1955, was the best ever. A record quantity of 4,298 million bales was produced, against 3,965 million bales in the previous year. The area under cotton rose from 17.2 million acres in 1953-54 to 18.3 million acres last year, thus exceeding the target of 18 million acres set for the current season. The States of Bombay, Punjab, Saurashtra, P.E.P.S.U., Rajasthan and Mysore mainly contributed to the increase. The increase in the cotton area continues, encouraged by the present prices and favourable weather conditions at the time of sowing. The official all-India final estimate puts the current year's area at 20.23 million acres. Production, however, is expected to fall to 3,993 million bales because of unfavourable weather conditions later, notably in Madhya Pradesh, Hyderabad, P.E.P.S.U., Andhra, Uttar Pradesh, Mysore and Kutch.

The progress has been remarkable, considering that the cotton supply position after Partition was extremely serious. While 409 of the sub-continent's textile mills remained in India, 22 percent of the acreage under cotton, producing 38 percent of the total crop, fell within Pakistan. India was compelled to import approximately 1.1 million bales during the immediate post-Partition years at an annual cost of Rs. 100 crores of foreign exchange to keep her mills in full production. The position now is materially changed. Self-sufficiency in staple lengths of less than 1-1/16 inch has been achieved. The present cotton imports of about 600,000 bales a year relate to growths of staples of about 1-1/16 inch from the United States, Egypt, the Sudan and Africa. An increasing quantity of domestic cotton is being consumed within the country. The report observes that the offtake of Indian cotton has risen from 3.59 million bales in 1952-53 and 3.86 million bales in 1953-54 to 4.124 million bales last year. Although total consumption has also increased, the proportion of foreign cotton has decreased. This is all to the good since it helps save foreign exchange.

Long and Medium Staples

An encouraging feature is that the production of long and medium staples is increasing. The report observes: "It is noteworthy that the increase in the area and production of cotton in 1954-55 has been mostly in the long and medium staple varieties. The production under these groups in the year was 1,587 million bales and 1,886 million bales respectively, against 1,42 million bales and 1,662 million bales in the previous year. The percentages of production of long, medium and short staple cotton to the total in 1954-55 were 37, 44 and 19, against 36, 42 and 22 in 1953-54." This represents an improvement of approximately 14 percent in long staple growths since 1950-51. A considerable increase in the production of long staple cotton is necessary if India is to achieve complete self-sufficiency, but the report observes that the "evolution and acclimatisation of such cottons is a long process and the country will have to depend upon imports of these cottons for some more years." There has been an improvement in another direction also. The yield per acre has gone up from 93 lbs. in 1947-52 to 116 lbs. in 1954-55. Wide disparities, however, still persist. In the irrigated areas of Punjab, P.E.P.S.U. and Madras, the yield per acre is 200 to 250 lbs., while in the dry areas the yield is no more than 60 to 100 lbs. depending on the vagaries of the monsoon. Multi-purpose irrigation projects will no doubt help improve the situation but other steps are also being taken, such as the distribution of seed of improved varieties, the application of manure, the extension of irrigation facilities, the adoption of improved cultural practices and the control of insect pests and diseases.

Research Work Continues

The Committee reports that its research work is continuing, the major part of it being concerned with the improvement in quality and yield. The Technological Laboratory in Bombay continued to work on the problem of evolving new varieties. As many as 2,863 samples were received at the laboratory for testing during the year under review. In all, 46 research and 18 seed multiplication centres are functioning. As a result, the area under improved varieties has been steadily increasing and it is estimated that the total area covered by pure seeds was 6.9 million acres, and taking into account the natural spread of varieties, the area under improved varieties was 9.4 million acres. In addition to technological research, fundamental agricultural research is being conducted at the Institute of Plant Industry, Indore, and on inter-specific hybridisation in Surat. Applied research work is essentially concerned with particular conditions and as such is conducted on an individual basis in each cotton-growing State. In the main, most of these research schemes are financed entirely by the Committee while the cost of a few schemes is shared by the Committee and the State Governments concerned. The Government of

India too has made sizable grants from time to time to help meet the expenditure on research and extension. It is hoped that this valuable work will continue and India, already the second biggest producer of raw cotton in the free world, will achieve self-sufficiency in all varieties within the foreseeable future.

Cloth Markets More Active

Meanwhile, there has been some activity in the spot cotton market and prices have improved slightly because of renewed spinner interest. This is believed to be a reflection of a corresponding increase in activity in the cotton piecegoods market. Although there has been no increase in the actual turnover, there have been several enquiries from important upcountry consuming centres, particularly Punjab, Delhi and West Bengal. The export market remains dull. Total exports for the first half of this year are estimated at 389.41 million yards, against 449.57 million yards in the corresponding period of last year. Export conditions are likely to improve somewhat following the issue of limited import licences in Indonesia. East Africa too is showing renewed interest.

The cotton futures market has not improved in sympathy with the spot market. Prices have fluctuated within narrow limits, with the volume of business confined to about 10,000 bales a day. Most operators have adopted a cautious attitude pending further reports on the 1956-57 crop. Rain in all the major cotton-growing areas has led to the belief that the 1956-57 crop will be exceptionally good. Foreign cotton is equally dull and it is believed that the recent announcement about the import of American cotton relates to the triangular Indian-Burmese-American deal. Further clarification is awaited on the implication of this transaction, and the manner in which it is to be carried out.

INDUSTRIAL USES OF ATOMIC ENERGY

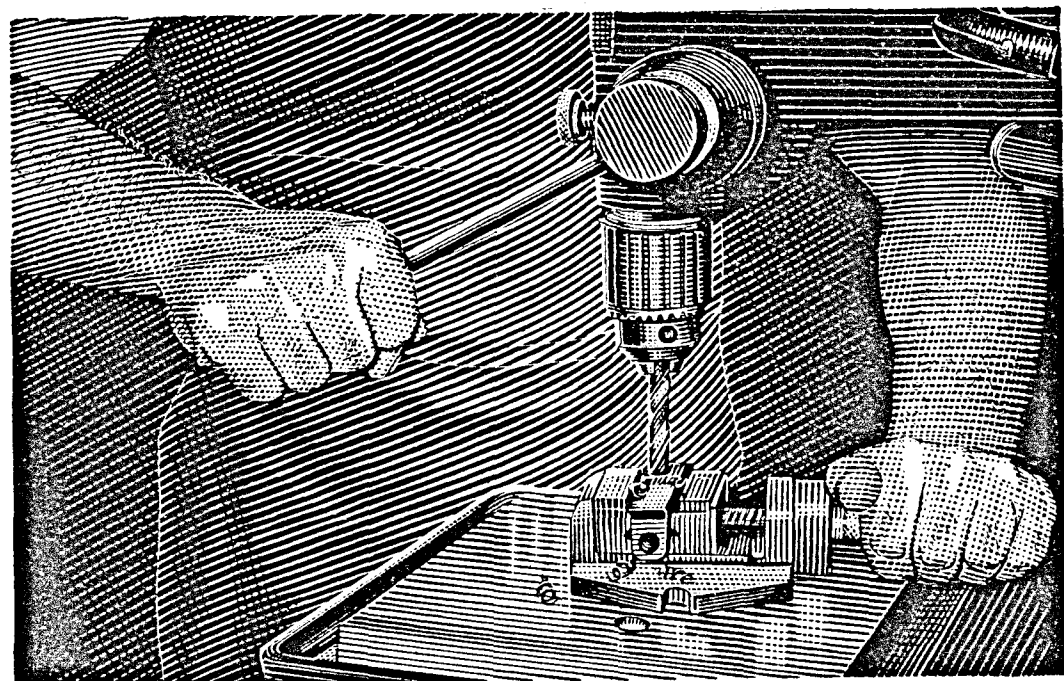
IN two broadsheets (*Atoms in Industry* I and II 2s 6d each) P.E.P. has brought together in convenient form a summary of the available material on the economics and organisation of the production of nuclear energy. The pamphlets deal with the industrial uses of nuclear energy, its contribution to the national economy and some of the international problems raised by its development. Every industrial innovation, the broadsheets point out, is different from anything that has gone be-

fore, but in a special sense this is true of the introduction of nuclear energy into British industry. For the first time a national monopoly in scientific research and technical "know-how" is being released to private industry, as a result of war and post-war concentration of effort on defence. It is possible that private industry, left to its own devices, would have developed peaceful uses of nuclear energy; it is certain that without the help and guidance, first of the Ministry of Supply, and later of the Atomic Energy Authority, this would have taken many more years.

The Atomic Energy Authority is a public research and development organisation but the large-scale implementation of nuclear power is a matter for private industry. Industry has played an important role in the building of Britain's first atomic power station at Calder Hall, and it is industry which will build power stations for the Electricity Authority. Discussion of the economics of nuclear power have not so far suggested the likelihood of any great revolution in power costs. The prospect of generating electricity for 0.3d a unit instead of the present 0.6d—that is halving the cost—is very pleasant, but should not lead to dreams of an era of plenty. In industry, isotopes are essentially tools for detecting, measuring, tracing and inspecting. In many cases, measuring instruments may be considered as electronic instruments which employ a radioisotope as a source of electrons. Versatility and range of application are the outstanding characteristics of isotopes. In many uses they are simple and cheap. This does not detract from their importance, but rather emphasises their value and potential.

Price of Isotopes

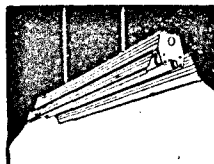
The calculation of the true economic cost of radioisotopes is even more difficult than that of nuclear power. In fact, these calculations are not very important because the price of isotopes is at present set by that ruling in U.S.A. This appears curious in view of Britain's leading position in world trade in isotopes, but is explained by the fact that the U.S.A. was originally ahead in the production and sale of isotopes, and have retained the position of price leaders. The development of atomic energy must be considered as one of the three most promising technological lines of industrial progress in the next half-century. It must take its place alongside the discovery and development of new materials, especially metals and plastics, and of new properties in old-established materials; and the engineering advances which are leading towards automatic control of manufacturing processes.



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U.K. PAYMENTS SURPLUS FOR FIRST HALF OF 1956

THE CHANCELLOR TO PURSUE CURRENT POLICY

(FROM OUR LONDON CORRESPONDENT)

THE Commons debate on the economic situation was a disappointment, though it furnished the Chancellor of the Exchequer with an opportunity to reaffirm his intention to maintain his present policy, which he contends is at last showing signs of results. In this connection he disclosed that there was a current payments surplus of "not less than £100 million" for the first half of this year, the outcome partly of a narrowing of the trade gap (with exports running 10 percent higher than last year—after allowing for the 1955 carry-over from the 1954 dock and rail strikes—and imports no more than 1½ percent higher) and partly of an improvement in net invisibles. With the second half of the year normally less favourable to the payments balance than the first, as witness last year's first half-year surplus of £15 million followed by a deficit of £118 million in the second half, there is little ground for undue optimism in this year's better showing, but at least it justifies Mr. Macmillan's claim that "it looks as if the economy is beginning to move towards the position of balance that we want." Investment in industry is still rising, and if only the labour now being rendered redundant in the motor industry—which was the Opposition's main point of attack—could be diverted to the other industries still crying out for labour, and more especially the mines and railways and the other engineering industries, costs could be held and our competitive position in world markets on delivery dates and the like considerably strengthened. The Government's expenditure cuts are a useful contribution.

The slight encouragement afforded by Mr. Macmillan's disclosures was offset by the somewhat poor impression made by the June gold and dollar figures, released earlier. As expected, they showed a fresh increase in the reserves, but the rise was only \$16 million, against the \$41 million increase in May. This surplus was arrived at after paying \$8 million in service of the Canadian loan, \$4 million on the Economic Co-operation Administration loan, and \$2 million on bilateral settlements with creditors in the European Payments Union. There were dollar receipts during the month of \$2 million as defence aid from the United States, and of \$16 million in respect of the surplus earned with the European Payments Union in the previous month. Last month's residual surplus, \$12 million, went against a comparable figure of \$11 million for May and of \$49 million in April. That position can, therefore, be said to have been fairly well maintained. On the other hand, the reappearance of a £9 million deficit with E.P.U., compared with the £3 million surplus in May, is disconcerting, even though much of it is probably attributable to the strength of the deutschmark. The indications are certainly that there will be a moderate reduction in the reserves during the period of autumn strain, and indeed the increase

could soon vanish if the overseas sterling countries ran into trouble later this year, as they well might.

Production Decline

In the first five months of 1956, the index of industrial production averaged 139, compared with 138 for the same months last year. Stagnant production was perhaps the best that could be expected at a time when a major adjustment of effort was being urged by Government policy and it has been consoling to see the adjustment actually being made. Consumer goods output, particularly durable consumer goods such as cars, has been falling, while output of capital goods has been rising. So far, one might have said, so good. But the preliminary figure for May is a shock. From information received so far, the index is expected to be 135 to 136, compared with 140 for May, 1955. The index in April dipped below its level of a year earlier, but that was because of the Easter holiday. For the first time the index is now, for May, appreciably lower than a year earlier over a comparable working period.

The ban on overtime by the maintenance men in the steel industry is one cause. For the first time for many years steel production in May was lower, by 1½ percent, than a year earlier. The heaviest fall is, of course, in passenger cars, output of these being 21 percent lower in May, 1956, than in May, 1955. The loss is not offset by a gain of 3 percent in commercial vehicles. Cotton yarn is down by 12 percent and man-made fibres are unchanged compared with a year previously. It is encouraging to find coal output so far this year running some 600,000 tons higher than for the same period of last year.

Four-Sided Talks

Sir Anthony Eden may propose that the next meeting between the Government and industrial leaders should be a four-sided one. Representatives of the Trades Union Congress, it is suggested, should be invited. With Ministers, chairmen of the nationalised industries and representatives of the Federation of British Industries and British Employers Federation, they would hammer out a procedure for placing redundant workers in vacant jobs in industries with export prospects. A meeting is already projected between Ministers, the chairmen of the nationalised industries and the private employers. Several Ministers now feel that this might suggest that the Government is "ganging up" with employers against organised labour. Labour's response, so far, has been uncompromising. Some leaders it is true, have warned the rank and file of the economic difficulties and the necessity for increased efficiency and production to accompany requests for increased wages, but resolutions favouring fresh demands form a feature of the agenda of most of the union conferences now being held, while the steel workers and car factory employees are both threatening strikes, which would have disastrous effects on the economy as a whole.

Textiles for "Aid" Cotton for Indonesia

Another triangular transaction under the American aid programme, similar to that arranged with Pakistan and Burma, has just been announced by the Board of Trade. Another market in Asia, Indonesia, will take cotton textiles from this country, which, in its turn, will take up raw cotton released for the purpose by the United States. The value of the cotton yarn and piece goods involved is in the region of £1,000,000. Lancashire traders wishing to participate in the transaction will have the benefit of the new, simplified import licensing arrangements for raw cotton originating in dollar countries which came into operation this week. The change has been made specifically to meet the difficulties which have arisen in earlier three-cornered transactions involving American dollar aid cotton. In place of the open general licence, open individual licences, valid for twelve months, will be issued for imports of raw cotton originating in dollar account countries and consigned from any country. These licences will permit unlimited imports. Dollar cotton not of U.S. origin and United States cotton shipped from third countries may be imported in the ordinary way under these licences at all times.

Indonesian imports of cotton piece goods fell from 626,480,000 yards in 1953 to 505,840,000 yards in 1954, and to 450,760,000 yards last year, the United Kingdom's share of the trade in those years being respectively 15,280,000 yards, 3,560,000 yards, and 6,520,000 yards. An assured market for a few million yards in the next few months would thus be no less welcome in Indonesia than in Pakistan or Burma. Under the new licensing arrangements, there are better grounds for hoping that the deal will be carried out smoothly and that all the textiles concerned will be sold and all the raw cotton bought. The many spinners (and raw cotton merchants) who have hitherto been slow to participate in these transactions will be obliged, if they wish to buy United States cotton, to make use of the American aid dollars, as one leading spinning combine has already done. As regards the other part of the transactions, both Indonesia and Burma have their own distinctive styles in cotton cloth, including fine goods and fancies. Orders for these cloths would give Lancashire traders much satisfaction, and it is to be hoped that they can be prepared for shipment within the stipulated periods.

Insurance Progress

Although the inflation of values has had a big effect on the volume of premiums, it is good to learn from the statement of Mr. J. A. Pollen to the annual general meeting of the British Assurance Association that the industry has shown real

growth following upon the remarkable activity of the postwar years in Britain, the United States and nearly all the major industrial countries. Total net premiums written by British insurance companies in 1955 rose from £1,021 million to a new record of £1,098.3 million. In the fire and accident departments premium receipts rose more rapidly than in any other year since 1952. Fire premiums were up from £213.7 million to £224.3 million and accident premiums from £307.9 million to £339.5 million. Even in the marine department the downward trend of the three preceding years was checked and premiums rose from £59 million to £61 million. Among the life companies business was also active last year. Ordinary life premiums rose from £310.6 million to £335.7 million and industrial life premiums moved up from £131.8 million to £138.4 million.

Mr. Pollen also presented to the meeting some revealing figures of insurance companies' investments. Holdings of British Government securities dropped last year from £1,269.4 million to £1,242.6 million. That total represents a proportion of only 28 percent, against 30.6 percent, of total investments. The proportion has continued to decline since 1947, a movement paralleled in the between-war years 1927-37. The explanation is that, during the second world war, as in the case of the first, insurance companies devoted practically all of their new money to the financing of the war through subscription to Government stocks. In times of peace the companies have devoted themselves rather to the financing of industry. They have assisted in the provision of homes through loans on mortgages to private individuals. Last year's figures show a continuation of both these trends. Mortgage loans jumped from £450.1 million to £531.8 million. Holdings of Ordinary stocks were up from £584.0 million to £679.8 million. The proportion of total investments now held in Ordinary stocks by British insurance companies, taken as a whole, is 15.4 percent. This compares with 14.1 percent in 1954, 10.6 percent in 1947, and as little as 3.4 percent as far back as 1927.

Capital Spending by Industry

The Board of Trade is to ask about 600 companies, including the largest in the country and a representative number of smaller ones, to make a forecast of their expected capital expenditure during 1957. It was agreed that discussions between the Board and the Federation of British Industries earlier this year that there was a particular need for the Government to have an indication as early as possible of the likely level of capital expenditure in 1957. The information which is now being sought is a longer forecast than is contained in industry's contribution to the Board's enquiry into capital spending, which was begun last year, and for which all the companies now being approached regularly supply information. They have already given forecasts of their likely expenditure under this head in 1956. The forecasts for 1957 will be asked for in the normal way at the end of September. In asking now for a preliminary estimate, the Board says that it is realised that this may present companies with some difficulty, but in view of the importance of the information it is hoped that they will be able to comply with the request, which has the full support of the F.B.I. It is pointed out that forecasts supplied in earlier years have proved valuable. As credit restrictions take some time to show their effects, it is essential to be able to look farther ahead and some indication of the expenditure expected in 1957 will be of great help in trying to assess future changes in the demand on resources.

First Quarter's Revenue

Treasury returns issued for the first quarter of the financial year disclose no surprises. They show, as is usual, a substantial excess of expenditure over revenue, which will doubtless be eliminated during the big tax-gathering season in the final quarter. Ordinary revenue at £982.6 million is nearly £61 million higher than in the corresponding quarter of last year. But ordinary expenditure, including self-balancing items and sinking funds, has risen from £1,042 million to £1,140.8 million. The result is an "above the line" deficit for the quarter of £158.2 million, compared with a deficit of £120.3 million a year ago.

The effects of the credit squeeze are discernible in the "below the line" position, which covers expenditure largely of a capital nature. Here the first quarter deficit, reflecting a sharp reduction in loans to local authorities, is down from £136.7 million to £49.2 million. This leaves the overall deficit, taking "above and below the line" items together, at £207.5 million, against £257.1 million at this time last year.

Reviews

Recent negotiations between the Mitsui Steamship Co. Ltd., Tokyo, and the Far Eastern Freight Conference for the admission of the Mitsui Line as members of the Conference have failed to produce any agreement. The Mitsui Company found that the terms proposed to them were unacceptable, and were rejected. The Mitsui Company will, therefore, continue to operate outside the Conference, and intend fully to maintain their services as hitherto.

The International Tin Agreement came into force this week. This was decided in London by representatives of Governments that have signed and ratified it.

The Governments of Singapore and Malaya have agreed in principle to establish a joint central bank for the two territories. Until the constitutional future becomes clear, a decision has been postponed on the form and organisation of the bank. There will be parallel banking laws in the two territories.

Madras

DAKSHINA PRADESH MOVE GETS LITTLE SUPPORT

DEMAND FOR MORE INDUSTRIES IN THE SOUTH

(FROM OUR MADRAS CORRESPONDENT)

THE Tamil Nad Congress Committee, in considering the issue of Dakshina Pradesh, did not approve of the agitation on a controversial matter. While being in favour of the Amritsar Congress resolution, the T.N.C.C. Executive at its meeting obliged Mr. Kamraj Nadar with a compromise resolution. Seven members, including Mr. Bhaktavatsalam, were absent. Mr. Nadar spoke rather firmly and pointed out that as the Bihar-West Bengal merger scheme had already been withdrawn, Tamil Nad should not commit itself on an issue which was controversial and unnecessary. A plea for Congress unity also came from him. The general view was summed up in advance of the T.N.C.C. meeting by Mr. T. T. Krishnamachari in his observation that Dakshina Pradesh is no longer a live issue.

Trouble in Mysore, where the Chief Minister's position has been shaken by the no-confidence move initiated by a majority of M.L.A.s, has undermined the position of those pleading for a merger on the model of the Andhra-Telangana combination. A visiting Hindu Mahasabha leader too was unenthusiastic about Dakshina Pradesh. It is clear that the agitation has failed. Of course, the Congress claim is that the elections are ahead and the T.N.C.C. must be able to take the field with one mind, though in the choice of candidates outside leaders will take a hand. The Congress in Madras city is asking for a drive for membership, and is backing the Government's campaign against street betting on cotton numbers and illicit distillation, complaining, incidentally, about the excessive issue of licenses for the sale of denatured spirit.

During his visit to Madras city, Lala Lakshmiapat Singhania, declared that co-operation between the private sector and the Government is essential. After the Industrial Policy Resolution, the former should not harbour doubts. At the same time, the Federation Committee at its Coimbatore meeting set down its views against the proposals of Mr. Kaldor. It pointed out that all enquiries into the tax system had overlooked the point that the proportion of tax receipts to the national income over last two decades had remained more or less constant, though the rates of taxation had been stepped up. The Federation rejected the charge that it had become a tool in the hand of the Government, and that it did not tell the facts to the Government. The charge was made at a party given by Mr. G. D. Nayudut but was flatly denied by Mr. Singhania. He urged that the policy of a democratic Government could not be disregarded by commercial organisations, which could only oppose by sending M.P.s to put forward their views. Whether the Federation will try to get in M.P.s who uphold its views is not clear, but the loyalty of Indian business men to the Government at present is plain. The criticism of the plan is over details, but not over the principles, and the Federation is getting ready with a committee to prepare projects for private enterprise.

Steel and Transport

The Hardware Merchants Association of Tuticorin heard Mr. Cleetus of Tatas describe the changes in the trade over the last 20 years. He said that the preference for foreign steel had disappeared, but profit margins were stationary while costs and prices were rising. He praised the Government's decision to set up three new steel works as bold and commendable, and agreed that large-scale imports were necessary. The shortage of railway transport and congestion at the ports were dealt with in Mr. Cleetus's review. He said that the economy required conversion of the existing metre-gauge lines into broad gauge lines, and was surprised that the Ernakulam-Quilon line was to be built as metre gauge. The preponderance of metre gauge railway lines in South India was unhelpful. With the coming of uniform prices for steel, it was possible, according to Mr. Cleetus, to increase the consumption of steel in the south. Fabrication rather than manufacture represented the line of development, and industrialists should grasp the opportunity presented by the additional power supply, once the Neiveli field got going. At the same conference, Mr. C. Subramaniam pointed to the difference between capital invested in West Bengal and that in Madras, and remarked that whatever industrial growth had taken place in the past was largely due to the British. Mr. S. Anantharamakrishnan, chairman of the Simpson Group, pleaded for development of the private sector by concerted efforts.

Aluminium Plant

The assurance that a big aluminium plant will be set up in Mettur by the Government has made an impression. The choice of Mettur is logical, though recurring power cuts must cause inconvenience. The seasonal shortage is almost out of the way, and when the Kundah scheme is ready, difficulties will not arise. As Mysore too suffers from occasional power shortage due to poor monsoons, the experience of Madras is not peculiar. Nevertheless, the textile industry feels that development of the weaving side is necessary and millowners, while meeting Mr. T. T. Krishnamachari in Madras,

argued that in allotting looms, the claims of Madras should be recognised. In the past, spinning mills were encouraged to make cloth also, and if new Government-owned spinning mills furnish yarn for handlooms in the future, South Indian mills will have to produce cloth for export. West Africa is still a promising market and prospects in Burma are likely to improve now that India is again the chief source of Burma's imports. Co-operative marketing is held to be a panacea for the handloom industry's ills, and the Government rebate is helping raise local consumption of handloom cloth. But it is the new high tax on mill cloth, including medium varieties, that is largely responsible for diverting consumers to handloom goods.

Development Problems

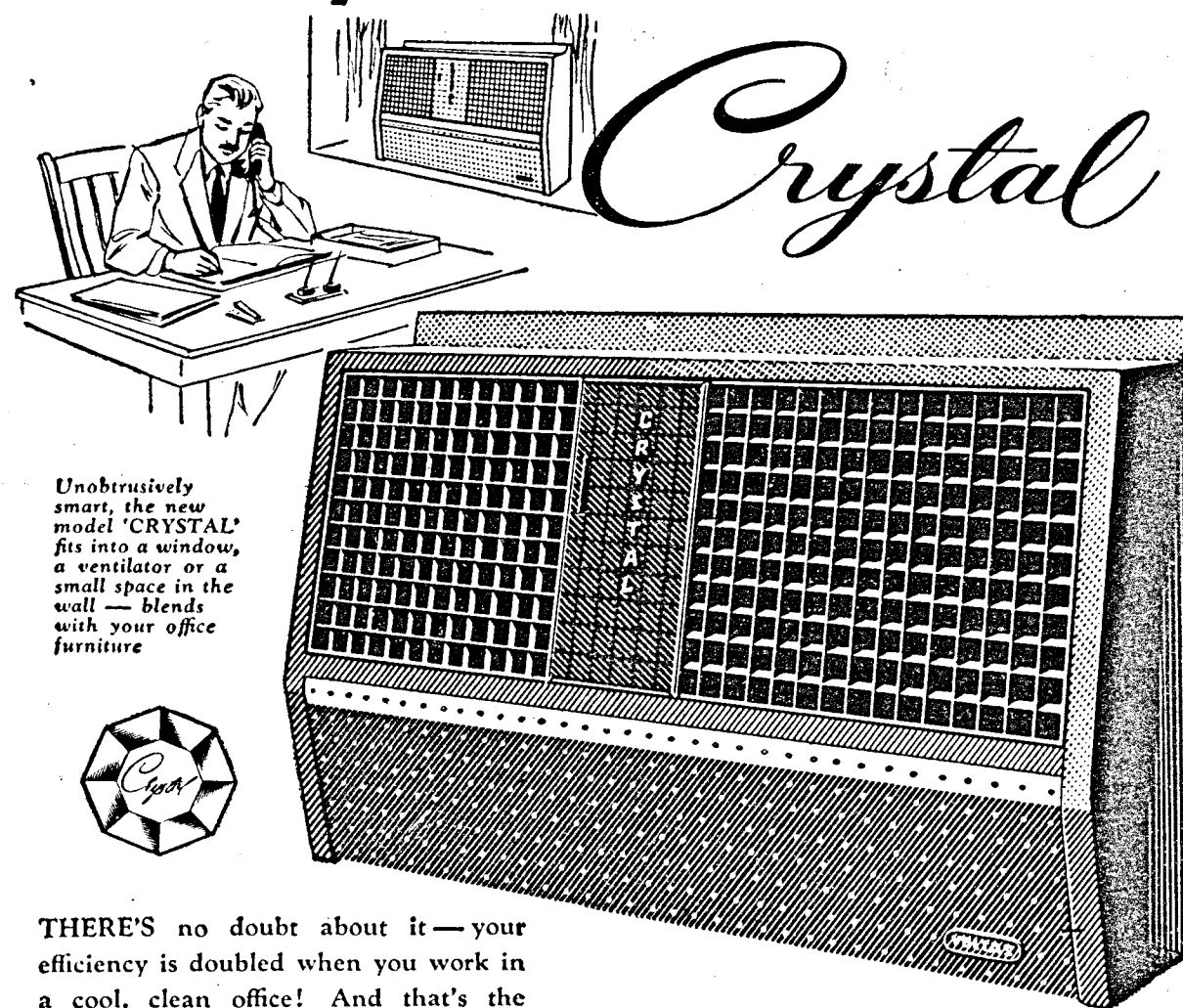
At the official talks on development, the Director of Agriculture noted that in community projects, the emphasis was not on agriculture, as in the N.E.S. areas which did more to raise output. While the plan hopes for an increase of 40 percent in food production, Madras officials expected only a 25 percent increase. Industry will need more raw materials and price stability is regarded as vital for the success of the plan, especially if exports have to be increased for earning foreign exchange and while at the same time meeting increased home demand for food. Small cultivators are entitled to more help in the future, according to the Chief Secretary who feels that in the past big landlords received more attention. The review called attention to the need for more fertilisers. The Indo-Agri factory in Avadi is going to increase its production of mixed fertiliser for sale in the south. The company, managed by a

well known concern in India has deputed an Indian officer for study of the latest methods.

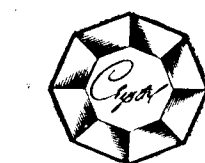
Industries Department Report

The report of the Industries Department for the year ended March 1956, was scarcely noticed in the Press. Intensive geological survey continued and occurrences of mica in the Nilgiris were noted. The Department runs polytechnics at eight centres and new ones have sprung up this year. The institute of leather technology showed interest in the making of sports goods and arranged for demonstration of tanning. The department helped the cottage match industry to secure chlorate of potash and paper for litho presses. Experiments by Dr. B. B. Dey on the manufacture of strychnine from *nux vomica* seeds are described as being on a laboratory scale. The setting up of a pilot plant to ascertain costs is held to be necessary. A fall in potency and quality accompanied the rise in shark liver oil production. The Calicut plant set up during the war to counter the shortage of cod liver oil has been helping the chemists and better packing is contemplated. The soap factory in Calicut has been training soap makers. It helped the cottage industry while raising its own output and sale. The future of the institute is settled by the S.R.C. The Government has recently made it clear that no assets would be removed and the reports of elephants being withdrawn from plantations in Malabar and of immature teak trees being felled indiscriminately have been answered by a denial pointing out that nothing detrimental to Malabar is undertaken on the eve of the separation. Comments in certain newspapers led to a statement, asking officials to maintain the status quo in official property and assets.

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THE AIMS OF LAND REFORM IN INDIA

MORE PROSPERITY AND BETTER LIFE FOR THE FARMERS

(BY A SPECIAL CORRESPONDENT)

WITH the abolition of the zamindari system and of other intermediaries in land between the cultivators and the State, land reform measures in India have been regarded as an important method of increasing rural prosperity and agricultural production. The aim is not only to make agriculture more profitable for the farmers, but also to eliminate disparities and promote social and economic justice. The abolition of zamindari was an essential step for bringing the actual cultivator into direct relationship with the State, for the payment of land revenue and for inducing him to adopt efficient methods of farming with the assistance and advice offered by official agencies. Absentee landlordism was not conducive to maximising the use of land or its yield.

It was present not only in the zamindari system, but also in areas covered by the ryotwari system in Madras, Bombay and other States, where big landowners held lands directly from the State and got them cultivated by tenants or sub-tenants. Since there was no regulation of rents, wide disparities in rates and in methods of payment prevailed. The logical step was to follow up the abolition of zamindari with measures which would bring ryotwari areas to roughly the same level. Later on, further steps could be taken to bring into existence a class of peasant proprietors, who would own the land they cultivated or who would be able gradually to secure possession of it by paying compensation to owners.

Complicated Problems

A number of complicated problems have arisen in this process. One of these is to determine the criteria on which demarcations of family holdings and the extent of land which an owner may retain for his personal cultivation should be made, and to determine the principles according to which ceilings on holdings may be imposed. Other problems relate to the fixing of fair rents and removing the wide disparities (rents range from 10 per cent of the gross produce in Bombay to 80 per cent in the Tanjore district of Madras), and imposition of land taxes and water and other rates by States on an equitable basis. These problems have become more complex as many States lack authentic and proper land records. Few land surveys have been conducted, on the basis of which settlement of the different categories of land for purposes of levying land revenue, particularly in areas in which the zamindari system prevailed until recently, could be made. Despite these difficulties, the Planning Commission's attempt to formulate a set of basic principles is commendable. The Commission prescribes, for example, that personal cultivation should invariably provide for cultivation through servants or hired labour, but the principal elements in it are preparedness on the part of the owner to bear the risks, personal supervision of the work by him and contribution of his own labour. In other words, it should provide for the "entire risks of cultivation being borne by the owner and personal supervision exercised by the owner or a member of his family" by residing in the village through the larger part of the cultivation season.

The right to take back lands for personal cultivation by owners generally, and in particular by those serving in the defence services, is inalienable. Nevertheless, in view of the acknowledged principle that the tenant's rights in the land he cultivates should not be infringed and that in fact his rights to the ownership of such land under certain conditions and on the payment of compensation to the owner should be recognised, the exercise of the owner's right to take back leased lands for his own cultivation has to be circumscribed by restrictions, especially to prevent the arbitrary ejection of tenants and mala fide claims for return. An important method of doing this is to prescribe by law how much land can be returned to the land-

owner after taking into consideration the land he already has for his personal cultivation, and also to impose a time-limit within which, after the passage of legislation, firstly, an application can be made for return and, secondly, actual return can be effected. The Planning Commission has suggested that the extent of land returnable to the owner should, generally speaking, be the difference between area already in his possession and the limit of a family holding, as fixed by law within the State concerned. The time-limit for indicating intention to resume possession should be six months after the passage of the law, and for actual transfer, five years thereafter.

Equitable Rents

Two connected problems are the fixation of equitable rents and of ceilings on land holdings. The wide disparities in the former have already been referred to, but only some States have passed legislation. The Planning Commission, while asserting that "a rate of rent exceeding one-fourth or one-fifth of the produce should be regarded as requiring special justification", complains that "progress in the regulation of rents has been uneven and in several States legislation lags behind". Critics attribute the reluctance of State Governments to take action to political considerations; in any event, the second plan period should witness, as far as possible, fixation of rents at the rates suggested by the Planning Commission, and also appropriate measures providing for commutation of produce rents into cash rents, and fixation of maximum rent as a multiple of land revenue.

As for the imposition of ceilings on individual holdings of land, the Planning Commission draws special attention to the principle that "there should be an absolute limit to the amount of land which an individual may hold", which was commended in the first five year plan. It calls upon State Governments to take steps towards that end during the second plan period. The problem bristles with difficulties on account of such factors as local variations in the quality of land, disparities in the cost of agricultural operations, and the principles that should govern the determination of ceilings (for example, whether it should be on the basis of family holdings and, if so, what should be the extent of a family holding). While to prohibit the acquisition of land holdings beyond a prescribed limit by individuals is feasible, issues pertaining to ceilings on existing holdings and methods of enforcing the ceiling limits require careful consideration, as is shown by the wide disparities in the limits enforced in States such as Bombay, Hyderabad, West Bengal, Saurashtra and others where the reform has been attempted. The census of land holdings conducted in some States should help in the process, but as has regrettably been acknowledged by the Planning Commission, no serious thought has so far been given to the problem in a number of others. It is widely felt that ceilings on land holdings are justified both from the economic and social standpoints. But practical considerations impede its immediate implementation, and this is evident in the hesitancy displayed by State Governments. The Planning Commission itself has accepted the need to exempt certain categories of land from the ceiling rule, one of which is the necessity "to ensure that efficiently managed farms which fulfil certain conditions are not broken up", and another is exemption of plantation lands, which have necessarily to be large if they are to be economically run. There is also the overall need to take into account the effect of restricting farm sizes on food production. Altogether caution is called for in the implementation of reforms.

Co-operative Management

The scheme of land reforms formulated by the Planning Commission has to be viewed not only in the short-term context of bringing land tenures throughout the country into conformity with the broad objectives of national planning, namely, removal of glaring economic inequalities and promoting a socialist pattern of society, and transforming it into an instrument for making two blades of corn grow where only one grew before; but also in the long-term context of the need to reorganise rural life and promote efficient land management. The

Commission wishes to establish a rural economy in which the management of land would be on a co-operative basis, for the common good of all the landowning persons in a village, by organising co-operative farming societies. Co-operation has a number of enthusiastic supporters in India, despite a disappointing record of practical working in the past, and the democratic principle inherent in it is acknowledged. In recent years, there have been some notable achievements to its credit, particularly when multipurpose co-operative organisations came widely into existence in postwar years. But it is doubtful whether co-operation in large-scale farming would make rapid headway in this country.

The Planning Commission, in its second five year plan report, proposes the extension of co-operative farming throughout the country during the next ten years. Even if the need for the change is conceded, it is open to question whether the time-limit prescribed is realistic or practical, and whether it considers that the highly individualistic Indian farmer will require a good deal of convincing before he accepts the management of all aspects of cultivation in a village by a co-operative farming society. Ultimately, he will probably accept it when he realises that membership of a co-operative farming society ensures him an easy supply of his essential requirements of agricultural implements, equipment, seeds, fertilisers etcetera and that it also takes care of the marketing of his farm produce. A word of caution is however essential in implementing the recommendation so strongly made by the Planning Commission; State Governments should take particular care to see that the democratic process of securing the peasant proprietor's concurrence to co-operative land management is not departed from, lest it produce an adverse reaction and pave the way for some form of collective farming, which is popular with Communist régimes but obnoxious from the point of view of the sturdy, individualistic farmer everywhere.

Better Rural Life

Co-operative farming on the whole seems a useful aim for India. It would spread a system in which a number of small farmers in every village own manageable plots of land cultivated by themselves or with hired labour, wherever necessary. There would be common ownership of the instruments of cultivation and the other things needed to make agricultural farming profitable, thus giving a great advantage to the farmer unable to afford them by himself alone. It is also a system which facilitates other improvements, such as consolidation of holdings, equitable and fair sharing of irrigation sources and a better rural life. Although it is not as easy an ideal to attain as is being imagined, the ultimate goal is to entrust land management to a democratic and elected organisation like the village panchayat, which, while strengthening the co-operative basis of land organisation, would be the final arbiter in settling local disputes or claims to land. It could also look after the village common and ensure proper utilisation of vacant lands and other connected matters.

In considering the land reforms proposed in the second five year plan, it should be remembered that many of them are for the more distant future, while others are already in different stages of implementation by State Governments. The report of the Land Reforms Committee appointed by the Andhra Government, just published, illustrates how, while recognising the need and the rationale of the Planning Commission's scheme, the Committee feels the importance of compromises with local practices in Andhra, if public support is to be secured. One direction in which it considers such compromises essential relates to the continuance of the tenancy system, which permits the leasing of land to tenants for cultivation. The fundamental fact is that in no other sphere is the instinct of conservatism so strongly rooted as in the sphere of land ownership. Still, as land reforms are an essential and integral part of the plan for national progress, effective action in implementing them is needed and it is for the Planning Commission to see that it is forthcoming.

Jute

I. J. M. A. STOCK FIGURES AND ARGENTINE BUYING LIFT HESSIAN

SACKING RELATIVELY SUBDUED: SUBSTANTIAL BUSINESS IN RAW JUTE

EVENTS during the early part of the past week instilled some much-needed confidence into the Calcutta jute goods market. Several overseas buyers indicated their interest in forward shipment goods, and as these positions were already showing premiums, mills took advantage of the situation to unload fairly large quantities. For sacking, Australia was the main buyer, and its interest in cornsacks early in the week had a steadying influence. The entry of the Argentine for hessian pushed up rates in this section, and the bullish tendency persisted until immediately after the week-end, when it was announced that hessian stocks, for the first time this year, had recorded a drop. The stock figures had the reverse effect in sacking, where an increase of 10,000 tons nullified any advantage that overseas interest had created. Although the near delivery sections were comparatively neglected, they tended to remain firm, partly in sympathy with the forward section but mainly as a result of speculative activities, which, even though on a much reduced scale, were a decisive factor in the week's working.

Raw jute received considerable support from Calcutta mills, and business for at least 200,000 maunds was put through by one or two large groups. Most of it was done before the sale of gunnies, so it was not of a double nature. Delivery also was not for the same period as for gunnies, but was confined almost entirely to quick delivery jute, which in many cases carried with it a guaranteed delivery clause. This encouraged further speculation about mills' stocks of jute, and it was inevitable that stories of shortages should have circulated. The fact that mills were willing to pay full market rates in these transactions strengthened sellers' ideas, and prices became very firm. Large quantities of jute were taken up in Cossipore, and in spite of the improvement in imports, stocks showed very little change. In the agencies, imports also increased, but most arrivals were put to stock as the transport position was still uncertain and wagon allotments remained very small. Reports on recent arrivals of New Crop jute have not been very favourable; most of it is immature, due to early harvesting to prevent flood damage.

Large Increase in Jute Goods Stocks

It was announced on Monday that stocks of jute goods held by member mills of the I.J.M.A. had increased by 6,200 tons to 125,900 tons during June. The initial bearish tendency this announcement created was tempered by the fact that for the first time since December 1955, hessian stocks had fallen. The actual reduction was 3,100 tons and brought hessian stocks to 37,500 tons, or 29.8 per cent of the total. Sacking stocks increased by 10,300 tons; at 82,000 tons, they were the highest for 34 months and constituted 65 per cent of the total. Miscellaneous manufactures have shown a steady decrease since March, when they were higher than ever before and constituted 10 per cent of the total stocks. In June, they were only 6,400 tons, which was a little over 5 per cent of the total. It is thought that stocks are now at their peak, and with the cut in production taking effect from Monday next, the total should show a gradual decline.

THE JUTE MARKETS

Manufactured Goods: The jute goods markets had a decidedly bullish tendency on the opening last Thursday, brought on initially by the steady trend in fibre. Rates advanced by Re. 1 in heavy goods, for B Twills to be quoted at Rs. 104-10 for ready and Rs. 106 for October-December shipment. Hessian also rose under this influence and 40in. 10oz. gained 4 or 6 annas; the near positions stood at Rs. 38-7 and the forward positions at Rs. 38-10. Prices fluctuated narrowly throughout the day and showed a further improvement when news of overseas interest, mainly in sacking, was received. This was confined to forward shipment, and it is understood that fairly good business was done in cornsacks at full market rates for shipment to Australia over September-December. Speculative activity in the fatka market kept the ready section firm, and prices showed a 5-anna increase. Over the week-end, further business in the fibre markets influenced gunny prices, and continued overseas interest for both sacking and hessian caused heavy goods rates to jump 6 or 10 annas and hessians 2 or 5 annas. B Twills were quoted at Rs. 105-8 a 100 bags for ready shipment and Rs. 106 for October-December, while 40in. 10oz. hessian rose to Rs. 38-11 a 100 yards for ready shipment and showed a premium of 1 anna over forward shipment. During the day, this section received further support when it was announced that hessian stocks were down, and rates again advanced 2 or 4 annas. Sacking fell due to the large increase in stocks, and B Twill prices eased 4 or 6 annas.

At the close, quotations were as follows:

	July	August	September	Oct.-Dec.
Rs.	Rs.	Rs.	Rs.	Rs.
40in. 8oz.	31-12	31-8	31-6	31-2
40in. 10oz.	38-11	38-15	38-14	38-10
B Twills	104-4	104-8	104-8	104-10

Heavy Cees (Plain)	103	104	104-4	104-10
A Twills	125-8	127-8	128	128-12
Liverpools	116-8	117	117-8	118-8
Cornsacks	105-10	105-12	105-12	105-12

Raw Jute: Several Calcutta mills took up large quantities of raw jute last week. Prices were forced up and maintained by this activity. Interest was mainly centred on quick delivery jute, the maximum delivery period extending to one month. Many contracts incorporated a guaranteed delivery clause, and this brought storms of protest from some sellers, who objected to business of this nature being finalised, as it infringed the resolution passed by their Association banning such contracts. Quotations at the beginning of the week were 8 annas up on last week's closing rates, and were based on Assam jute at Rs. 28-3 a maund basis Bottoms for July-15th August shipment. Most of the business was concluded at this rate and it prevailed throughout the week. Mills' interest in quick delivery jute caused the majority of sellers to adopt a reserved attitude. Although the import position, both in the upcountry agencies and the local Cossipore markets, showed a decided improvement, operators persisted with these opinions and prevented prices from falling. After the week-end, mills' interest fell. Although no business was reported and the general tendency was quieter, there was no alteration in the quoted rates. Sellers showed a keenness to sell, however, and it was evident that with a bid in hand lower prices were possible. Buyers stayed completely out of the market, so the possibility was not tested.

Business reported during the week was about 250,000 maunds, and was mostly done at the full market rates. Dhubri-Northern white jute passed at Rs. 28 to Rs. 29 a maund basis Bottoms for one month's guaranteed shipment and ready bills of lading, and Assam Tossa at Rs. 28-8 to Rs. 29-4 a maund for the same shipment. Business in Local Northern jute was heavy and prices ranged from Rs. 28-8 to Rs. 29-8, according to the delivery period. The latter price was paid for Bottoms only quality. Some local packing (jungli) jute was bought at

Rs. 28 a maund basis Bottoms for July delivery. Small lots of Daissee Mesta changed hands at Rs. 26-8 to Rs. 27 a maund basis Bottoms for one month's shipment. A mill group early in the period purchased about 3,000 bales of cuttings on the basis of Rs. 132-8 a bale for D.T.C.'s and Rs. 130 a bale for N.C.'s for ready delivery.

New Crop jute was neglected. The only business recorded was Dhubri-Assam at Rs. 28 a maund for July-August shipment, and Rs. 29 for Old and/or New Crop jute for one month's shipment.

At the close, the market was easier and opening quotations on Wednesday morning were as follows:

Indian Jute (Old Crop Kutcha):	Landed at Mills Rs. a md. basis Bottoms	Shipment.
Lower Assam	28-8	July
Northern	28-8	"
Daissee ex Agency	29	"
Daissee ex Cossipore	28-8	"
Daissee Mesta	28	"
Local Packing (Northern)	28-8	"
Bimili	27	"

New Crop (Kutcha):
Lower Assam/Northern 27-8 July-August
Daissee (White) 27-8 "

Tossa is quoted at 8 annas to Re. 1 a maund above the price for white jute.

Pucca:	Rs. a bale	Shipment.
Mill Firsts 2/3	185	Aug. Sept.
Mill Lightnings 2/3	170	"
Mill Hearts 2/3	155	"
S. G. Daissee 2/3	175	Sept.-Oct.
L. G. Daissee 2/3	160	"

Pakistan Jute (New Crop Kutcha):	Landed at Mills Rs. a md. basis Bottoms	Shipment.
Jat	30-8	August-Sept.
District	30	"
Northern	29-8	"
Pucca:	Rs. a bale	Shipment.
Mill Firsts 2/3	200	Aug.-Sept.
Export Firsts 2/3	180	"
Export Lightnings 2/3	165	"
Jat Cuttings	122-8	July-Aug.

Imports into the local Cossipore markets have shown an improvement and last week, a total of 320 wagons arrived at the sidings. A fair amount of business has been done, and mills have paid high prices for quick delivery jute. Consequently, quotations have tended to rise in spite of the easier Calcutta markets, and at the close are based on Kishenganj jute at Rs. 28-12 a maund for garsat quality. This is about 8 annas higher than last week.

Mofussil: Upcountry agencies report that imports have increased rapidly over the past week



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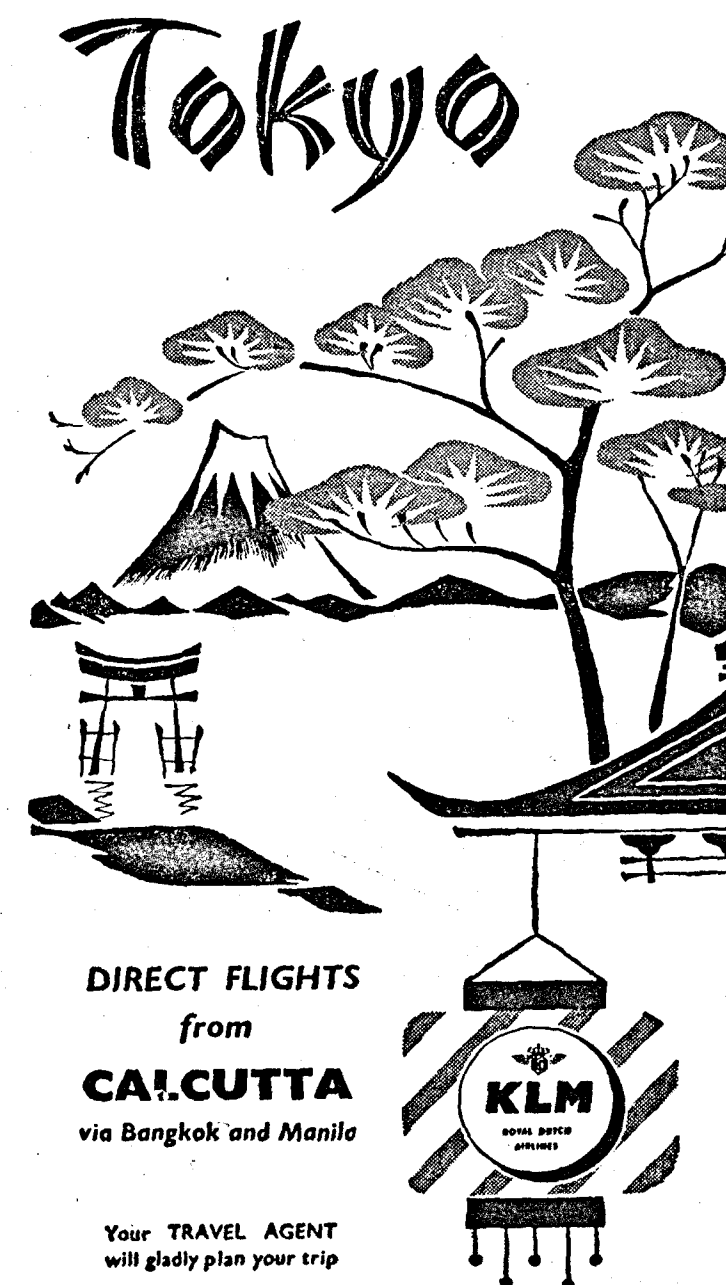
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B. BARKER,
Manager

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N. M. CHOKSHI, General Manager.

I.J.M.A. STOCK FIGURES FOR JUNE								
The Indian Jute Mills Association reports the total stocks of jute goods at the end of June 1956, as follows :								
Description	30th June 1956		31st May, 1956		Increase over (+) or decrease from (-) last month		30th June 1956	
	Lakh Yds.	000 Tons	Lakh Yds.	000 Tons	Lakh Yds.	000 Tons	Lakh Yds.	000 Tons
Hessian Cloth and Bag	14.10	37.5	15.16	40.6	-1.06	-3.1	18.54	48.6
Standard Hessian							15.96	42.5
(included in above)	10.49	28.2	10.39	28.1			8.24	36.0
Sacking Cloth and Bag	19.62	82.0	16.94	71.7	+2.68	+10.3		
Standard Sacking							5.55	27.7
(included in above)	15.76	64.2	13.49	55.7				3.0
Others		6.4		7.4		-1.0		
Grand Total		125.9		119.7		+ 6.2		87.6
(000 Tons only)								
N.B.—These figures are based on replies received and represent all members of the Association and Gagalbhairav with estimates for three non-member mills.								

and a fair amount of inter-seller covering has been done. Prices have eased, but are still above the parity of Calcutta rates. The movement of jute has shown little improvement, and large stocks are accumulating at the rail-heads. Quotations in Dhubri at the close are based on Rs. 25 a maund basis Bottoms for New Crop jute.

In Pakistan, imports into all agencies are increasing, and in Narayanganj have averaged about 35,000 maunds a day, mostly loose jute. Here again, covering business has been done on a fairly large scale, and at the close, quotations in Narayanganj are based on C Bottoms at Rs. 25-8 a maund.

GUNNY SHIPMENT STATISTICS

The following figures include coastal shipment relating to manufactured jute goods for shipment from the Port of Calcutta. These are gross figures based on shipping bills presented.

	Hessian Bags (Tons)	Cloth (Tons)	Total (Tons)
1st to 30th June, 1956	3,284.4	30,646.6	33,931.0
1st to 31st May, 1956	3,921.1	25,008.4	28,929.5
1st to 30th April, 1956	3,149.8	28,379.7	31,529.5
	Sacking		
1st to 30th June, 1956	27,982.6	2,071.3	30,053.9
1st to 31st May, 1956	37,747.1	2,877.0	40,624.1
1st to 30th April, 1956	39,950.6	1,734.7	41,685.3

PROSPECTS FOR PAKISTAN CROP

(FROM A CORRESPONDENT IN EAST PAKISTAN)

WEATHER conditions in the jute-growing areas of East Pakistan improved during the last ten days of June. In the northern areas, river levels dropped, although they remained high in most of the other districts and a certain amount of flooding was being experienced. It is thought that a fair percentage of the crop has been damaged

and estimates vary from 10 percent to 20 percent of the total sowings. Cutting continues in most districts and can so far be estimated at about five annas. In some lowland areas cutting has been completed, but it is proceeding in the midlands.

The jute year 1955-56 closed on 30th June on a favourable tone and saw the highest quantitative jute exports in the past three years. There was almost no carry-over at all. Exports of jute during the year ended 30th June, it is estimated, touched a record figure of well over 5.7 million bales. The total jute available during 1955-56 was estimated at over 6.7 million bales including a carry-over of more than a million bales from the 1954-55 crop. Fortunately, exports, combined with increased home consumption, have left almost no carry-over this year. The prices of jute in the home market, as well as export earnings, were boosted after the devaluation of the Pakistani rupee. The minimum export price of £80 a ton remained in force during the year, while the export duty, after devaluation, was raised from Rs. 15 to Rs. 20 a bale.

The prospects for the current year's jute crop are reported to be fair. World demand is expected to be steady, while the placing of raw jute exports on O.G.L. is expected to help speedy disposal. The requirements of the local jute industry have increased and may amount to over 11 million bales a year if the progress of the industry is maintained. Unofficial estimates put the 1956-57 jute crop at over 6.8 million bales.

THE FOREIGN JUTE MARKETS

FALL IN PRICES

(FROM OUR DUNDEE CORRESPONDENT)

AT the moment, the raw jute market is showing signs of breaking. This may be the result of the improvement in weather conditions in Pakistan, with fears of damage diminishing. Early shipment jute is still a bit above the minimum prices in the case of Mill Lightnings and Mill Hearts, but Mill Firsts can be bought at £91 any shipment, c.i.f. U.K. The position has been rather irregular lately. While Mill Hearts rose from £77 10s to £78 as the lowest quotations, the value of Mill Lightnings dropped from £82 10s to £82, August-September. For earlier shipment £2 to £3 a ton is still quoted for these two grades. On the other hand, dark jute is still offered quite freely at the minima of £91 for good marks of Daissee-2/3 and £81 for grade, with Tossa-2/3 at £100 and fours at £90 for grade marks, September-October. Old crop material is of little interest for shipment, but a few sales are taking place here in spot lots at around present shipment rates. In the early part of last week, the Pakistan jute mills were reported to be buying fair quantities of jute for quick despatch, as they had run short of supplies. Some Dundee spinners have also been interested in early shipment jute this season and have paid extra charges to obtain it. They are hopeful that the material will be available. Reports say that the crop is about one month earlier than normal, but that a big demand has been made for early jute because of the small carry-over from last season. Curtailment of production is still in vogue in the Dundee mills and factories, and there is still no sign of any betterment. It is thought, however, that the position will improve after the holidays are over in the first week of August. The trade here has come through one of the quietest spells it has seen for a long time. Prices for jute yarns and cloth are still firm and unchanged. Hessian yarns are at 14.19d for 8 lb. cops and 14.77d for 8 lb. spools. Hessians are quoted at 12.41d a yard for 40in. 10oz. and 10.20d for 8 oz. These rates are all less 3 per cent respectively, all f.o.b. Calcutta.

Calcutta goods have shown little change at 58s 3d for 40in. 10oz. and 45s for 7½oz., July, and 58s 9d and 44s 9d August, with B Twills at 160s and 160s 6d respectively, all f.o.b. Calcutta.

FRENCH JUTE GOODS PRODUCTION

Production of yarns and cloth by the French jute industry declined during April as compared with the previous month, reports the *Jute Bulletin* of the Indian Central Jute Committee. The spinning mills reported an output of 8,850 tons (provisional) against 9,846 tons (revised) in March, while the weavers produced 6,800 tons against 7,388 tons (revised). Production figures for the month of February, previously given as 8,900 tons of yarn and 6,700 tons of cloth, have been revised downward to 8,835 tons and 6,546 tons respectively. The output for the first four months of the current year aggregated 36,702 tons of yarns and 27,504 tons of fabrics against 34,816 tons and 27,733 tons for the first quarter of 1955.

Commodity Markets

COTTON INDUSTRY EXPANSION RESUMED

WORLD TRADE IN CLOTH SHOWS SLIGHT DECLINE

THE expansion in the rate of activity of the cotton industries of the non-Communist part of the world, which seemed to have come to a halt during 1955, appears to have been resumed in the first few months of 1956. This is disclosed in the Cotton Board's latest *Quarterly Statistical Review*, just released to members of the industry. In the first quarter of this year, cotton yarn output in those countries for which figures are available, including all the principal exporters of cotton textiles, was about 2 percent greater than in the first quarter of 1955. The greatest rate of expansion compared with a year ago appears to have been achieved by Germany, together with the relatively new industries of Pakistan, Hongkong and Egypt. The U.S.A., Canada, the Netherlands and Spain have also registered appreciable increases in yarn output in the course of the last twelve months, while there has been little change in Japanese, Indian and Belgian production. At the other end of the scale, the United Kingdom has suffered a more severe reduction in output than any other important cotton manufacturing country; cotton yarn production in France, Italy, Switzerland and Portugal also appears to have been appreciably lower in the first quarter of this year than it was twelve months previously.

World trade in cotton piece goods declined slightly, possibly seasonally, in the first quarter of this year; in total, the volume of trade was very little different from what it was in the corresponding quarter of 1955. Once again the most impressive export performance was that of Japan: shipments from that country expanded slightly once more to reach a new post-war record level. Exports from the United Kingdom and Hongkong declined again, and were well below the level of the first quarter of 1955. Shipments from both the U.S.A. and India are believed to have been slightly greater than in the preceding quarter, although rather less than in the first quarter of 1955. French exports declined again, and remain far below the level of a year ago. The trade of most of the other Western European countries in the first quarter of this year was greater than in the corresponding period of last year.

World trade in piece goods of man-made fibres declined rather sharply in the first quarter of this year; it remained at a very high level by any previous standards, the increase compared with the corresponding quarter of 1955 being about 7 percent. The main cause of the decline was a sharp drop in Japanese exports, the volume of which was still the second highest quarterly total on record. German and French exports of rayon and synthetic-fibre fabrics are also believed to have fallen rather steeply, but the U.K., the U.S.A. and Italy managed to expand their shipments slightly.

U.K. Still Losing Ground

Last autumn's modest recovery in the rate of activity of the United Kingdom cotton industry, occasioned primarily by a seasonal increase in orders from the home market, has not been maintained in 1956. The seasonal down-turn in home market demand in the first half of this year, together with renewed uncertainty about the prospective level of raw cotton prices, which has induced merchants to cut their commitments even further and to run down stocks as far as possible, have been sufficient to depress the level of activity again. Last autumn the daily rate of production climbed back to a level 14 percent below the previous peak in the case of spinning and 15 percent below in the case of weaving, compared with a low point almost 20 percent below the peak at the worst point of the recession. This level of output was not regained after the Christmas holidays; the latest figures show a drop in the daily rate of production of 17 percent below the peak in spinning (in May) and 18 percent in weaving (in April). What improvement there has been in output since the worst days of the recession has been virtually confined to the man-made fibres sector of the industry. Even in that section, however, output remains well below the level of two years ago, with the exception of one or two items such as cotton-spun rayon mixture yarns and purely synthetic fabrics. The recent decline in the production of tyre cord and fabric presumably reflects the difficulties being experienced by the motor-car industry.

Exports of cotton piece goods declined still further, from 129 million square yards in the fourth quarter of 1955 to 120 million in the first quarter of 1956. As yet there seems to be no prospect of any marked improvement in the level of trade: the April figure of shipments in fact totalled only 38 million square yards. The decrease in the first quarter is entirely accounted for by a sharp reduction in shipments to Britain and French West Africa: these markets took only half the quantity of cotton cloth from Britain that they had taken in the corresponding quarter of 1955. Shipments to Pakistan also dropped as deliveries under the American aid scheme were completed. Exports to Australia and New Zealand were virtually unchanged at the comparatively low level to which they had fallen in the preceding quarter, but shipments to South Africa and Rhodesia expanded fairly satisfactorily, and trade with the U.S.A. and India continued at a comparatively high level. There was, however, a slight expansion in exports of rayon and mixture piece goods during the first quarter of this year. Imports of cotton piecegoods increased sub-

stantially from 59 million square yards in the fourth quarter of 1944 to 75 million in the first quarter of 1956; in April they totalled 26 million square yards and in May 32 million. India, Hongkong and Japan all sent greater quantities in the first quarter. Imports of certain made-up articles, particularly shirts and towels, have also increased again to an alarming extent.

U.S. Boom Over

Latest reports from the United States suggest a slight weakening of the boom in the cotton industry. Cotton cloth output in the fourth quarter of 1955, the latest for which figures are available, was nearly 6 percent greater than in the corresponding period of the previous year, while in the first quarter of this year cotton consumption was about 4 percent greater than a year earlier. The increase compared with twelve months previously continued in the next two months, but the difference was much less than in earlier months. Stocks of cloth at the mills were still being reduced, in the first few months of the year, but the previous year and order books began to decline in consequence. The margin between the average price of cloth and that of cotton also began to narrow in February and March. More recently there have been reports of mills changing from a six-day to a five-day week, the impact of Japanese competition in the home market usually being one of the reasons given. The man-made fibres section of the industry seems to have suffered a setback in activity rather earlier than the cotton section. In the fourth quarter of 1955 output of fabrics of rayon and of synthetic fibres were still respectively 3 percent and 15 percent greater than in the corresponding period of the previous year, but in the first quarter of this year consumption of both rayon staple and synthetic staple by spinning mills was less than it was a year earlier.

Exports of cotton piece goods from the United States showed a further slight improvement in the first quarter of 1956, although the volume of trade remained below the level reached in the same period of last year. The main influence was a very sharp expansion in deliveries to Canada, which reached a very high level by the standard of recent years. In contrast, shipments to the Philippines were drastically reduced, and the trade with Indonesia dwindled still further. Exports of both rayon and synthetic fibre fabrics also expanded somewhat in the first quarter of this year. Imports of cotton piece goods increased once more to a level of 50 million square yards in the fourth quarter of 1955, and again to 25 million square yards in January, 1956, including 20 million square yards from Japan.

All-Round Improvement in Japan

The prolonged enforced curtailment of cotton yarn output in Japan finally succeeded in bringing stocks of finished products down to manageable proportions, and prices in consequence rose throughout the early months of the year. As a result the curtailment of cotton yarn output was relaxed from 12 percent of 1954 production to 8 percent in April and to 4 percent in May and June, and it is reported that it will be abandoned altogether after July. In the first quarter of this year, cotton yarn output was about the same as in the first quarter of last year, but cotton cloth output showed an increase of about 4 percent. There was a sharp increase in both yarn and cloth production in April as a consequence of the relaxation of the production curtailment. Meanwhile, output of yarns and fabrics of man-made fibres has continued to expand: in the first quarter of this year production of spun yarns was 22 percent greater than in the corresponding period of last year, while output of fabrics of rayon and synthetic fibres registered an increase of 23 percent. Plans for the extension of rayon staple capacity have already begun to raise fears of over-production.

In the first quarter of 1956 export shipments of cotton piece goods, at 363 million square yards, slightly exceeded even the preceding quarter's record post-war level; there was, however, a sharp drop in exports to 89 million square yards in April. Shipments to the United States in the first quarter were virtually unchanged at 48 million square yards, equivalent to annual rate well in excess of the export quota of 150 million square yards laid down by the Japanese Government. The main feature of the quarter's trade was a tremendous increase in shipments to Hongkong, which was Japan's largest single market during the quarter. Most of this cloth is believed to be destined for re-export to Indonesia, which itself took a greatly increased amount direct from Japan during the quarter. Exports to Burma also expanded notably as, to a lesser extent, did those to Indo-China and the Philippines. Shipments to most of Japan's other main markets contracted. This was particularly the case with Pakistan, where deliveries under the American aid scheme came to an end, and Siam, but the United Kingdom, British West Africa, Singapore, Australia, the Netherlands and Iraq all took smaller quantities of Japanese cloth. There was a sharp contraction in Japanese exports of rayon piece goods from 270 million square yards in the final quarter of 1955 to 236 million in the first quarter of 1956; shipments of 91 million square yards in April seem to indicate, however, that the former level has been regained. The main losses in the first quarter were in trade with British East Africa, Ceylon, Siam, the U.K., South Africa and the Philippines.

India Shows Some Recovery

Production of cotton yarn and mill-made cotton cloth in India declined more than seasonally in the first quarter of this year, principally because of the January riots in Bombay and a labour dispute in Nagpur. Nevertheless, output was slightly greater than in the first quarter of last year. Domestic

demand remains good, and stocks of cloth have been reduced to extremely low levels. Prices have been rising as a consequence of the small cotton crop. It is reported that the Government has licensed the establishment of 65 new spinning mills in South India, with a capacity of 700,000 spindles; presumably these will serve the handloom industry in that area. Sea-borne exports of cotton piece goods from India declined from 191 million square yards in the third quarter of 1955 to 171 million in the fourth quarter. It is believed that there was a slight increase in the first quarter of this year. The main cause of the fourth-quarter decline was a sharp reduction in shipments to British West Africa and Indonesia, while the United Kingdom, Aden and Burma also took rather less Indian cloth. On the other hand, exports to British East Africa, Ceylon, Australia and Ethiopia were well maintained, and there was some increase in trade with Singapore and the Sudan. The export duty on coarse and fine cloth has been removed, and it is understood that the establishment of an Export Credit Guarantee Scheme is under consideration by the Government in an effort to stimulate exports.

Western Europe Patchy

There are continuing signs of improvement in the rate of activity of the western European cotton industries. In the first quarter of this year, cotton yarn output in these countries considered as a whole may have been about 1 or 2 percent greater than in the corresponding periods of both 1954 and 1955. Western Germany continues to lead the way with a sizeable increase in production compared with a year ago. Yarn output in France seems to be recovering gradually, but output of cloth, especially of spun rayon fabrics, is still well below the first quarter 1955 level. Italian production of cotton yarn and cloth is also still well down compared with a year ago, but output of spun rayon and mixture yarns appears to be increasing rapidly. The rate of activity in the Dutch and Belgian industries seems to be fairly steady, the former at a level rather above and the latter slightly below that reached at the beginning of last year.

WHOLESALE PRICE INDEX HIGHER

THE official wholesale price index (base: year ended August 1939=100) rose by 0.1 percent to 401.4 during the week ended 23rd June, compared with 401.1(R) for the previous week. The index was 2.6 and 16.5 percent higher than in the corresponding weeks of the previous month and of last year. The index for Food Articles rose by 0.2 percent to 373.6, as a result of an advance in the price of tea for internal consumption (new crop) (+6%), coffee (+2%) and gum in Muzaffar nagar (+1%). Dal arhar (-3%), gram (-2%) and wheat in Hapur (-1%) showed declines. The effect of the higher prices of raw silk (+4%), gingelly seed in Jhansi and manganese ore (average export price) (+2% each), and rapeseed in Kanpur (+1%) was offset by the lower prices of gingelly seed in Bombay and lac (-3% each), castorseed in Bombay and linseed (-2% each) and rapeseed in Calcutta (-1%). Consequently, the index for Industrial Raw Materials remained unchanged at the previous week's level of 480.6 (revised). There was a fall of 0.5 percent to 395.0 in the index for the Semi-Manufactures group, mainly because of a decrease in the prices of zinc (-4%), mustard oil, linseed oil and gingelly cake (-3% each) and coconut oil in Cochin (-2%). The prices of castor oil in Calcutta and gingelly oil (+2% each) showed marked advances. The Manufactures group index remained unchanged at 377.9. The index for the Miscellaneous group rose by 1.9 percent to 522.6, due to a rise in the prices of bricks and tiles (+5%), chillies and tobacco leaf, both in Calcutta (+3% each), and cashewnuts (2%). There was a fall in the price of turmeric in Calcutta (-12%).

INDEX NUMBERS BY GROUPS AND SUB-GROUPS

(Base. Year ended August 1939=100)

Groups and Sub-Groups	23-6-56	16-6-56	Week Ended 26-5-56	25-6-55
I. Food Articles:				
Cereals	474	475(R)	453	336
Pulses	345	353	355	246
Others	248	245(R)	216	229
II. Industrial Raw Materials:				
Fibres	489.6	480.6(R)	484.2	389.9
Oilseeds	459	459	459	403
Minerals	539	540	558	358
Others	470	468(R)	480	406
III. Semi-Manufactures:				
Leather	395.0	396.8	386.9	329.0
Mineral oils	406	407	404	389
Vegetable oils	208	208	208	201
Cotton Yarn	544	552	559	368
Metals	475	476	480*	419
Oilcakes	329	330	279	244
Others	416	424	424	338
IV. Manufactures:				
Textiles	361	361	361	330
Jute	377.9	377.9	376.9	369.5
Cotton	411	411	411	406
Rayon and Silk	388	388	386	416
Woolen	419*	419*	416*	406*
Metal products	451*	453*	485*	467*
Others	264	264	264	285
V. Miscellaneous:	377	377	371	343
All Commodities:	286	286	286	286
	522.6	513.1	508.2	563.2
	401.4	401.1(R)	391.1	344.5

R=Revised. * = Estimated.

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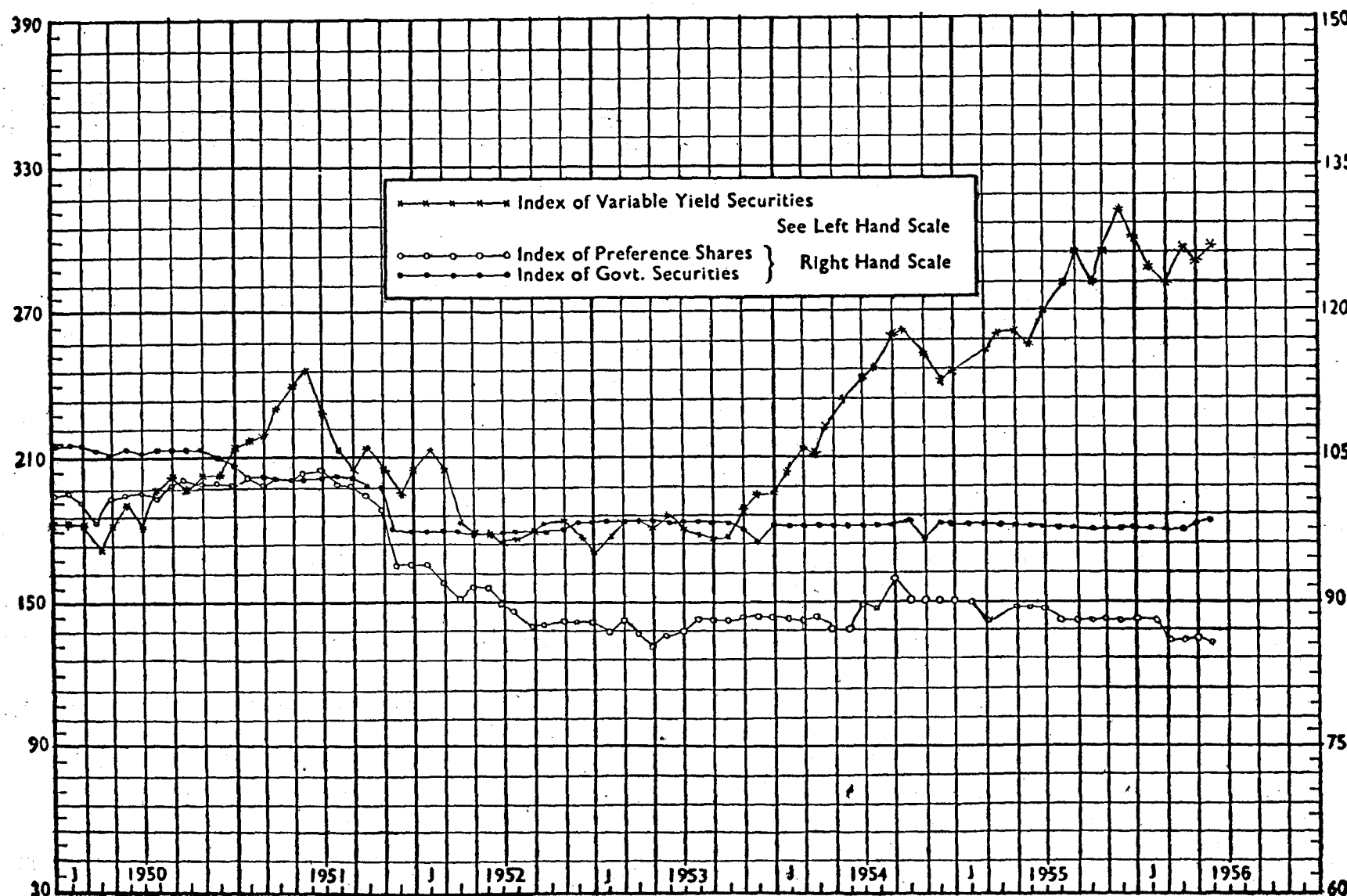
"CAPITAL" STOCKS AND SHARES INDEX*

The Capital Stocks and Shares Index (Base: 1939) has now been brought up to May, 1956. Compared with April, the May index for government securities reveals a rise of 0.2 points, while that for preference shares discloses a drop of 1.1 points.

There were increases in banks 4.2 points, coals 4.0 points, jutes 6.0 points, minings and oils 1.5 points, cements 11.9 points, engineering 19.8 points, teas 3.0 points, papers 73.6 points, sugars 1.0 point and miscellaneous 2.1 points, while cottons decreased by 0.4 points.

Combining all the factors, the Capital variable yield securities index shows that the index for stock prices in the above classes of shares advanced by 8.3 points during May, 1956.

Variable-Yield Securities													
	Index of Govt. Securities	Index of Preference Shares	Banks	Cotton Mills	Coals	Jute Mills	Mining and Oil	Cement, Lime etc.	Eng. and Metal Works	Tea Shares	Paper Mills	Sugar Shares	Others
Weights	---	---	7	12	9	11	10	6	17	4	7	6	11
Combined Index	---	---	---	---	---	---	---	---	---	---	---	---	100
1952.													
June	97.7	89.6	131.7	206.2	191.9	159.9	85.1	86.1	154.6	234.2	503.6	149.2	205.8
July	97.2	89.0	133.0	202.5	190.9	157.5	89.1	88.7	157.2	232.1	516.2	152.5	221.5
August	97.0	87.6	130.4	202.9	192.4	161.9	92.8	88.3	158.3	227.4	507.6	152.5	221.5
September	97.0	87.6	128.0	200.8	189.9	163.0	97.1	89.8	156.9	217.2	538.7	150.9	213.6
October	97.7	87.7	129.1	192.6	186.8	170.6	99.9	93.0	162.0	207.9	543.3	150.5	217.7
November	98.1	87.8	128.8	189.7	181.2	159.5	94.7	89.1	156.2	192.2	522.1	144.9	217.2
December	98.1	87.4	131.4	188.5	175.1	150.0	92.2	89.6	159.3	166.7	517.5	139.5	218.2
1953.													
January	98.0	86.4	131.9	188.9	167.5	144.0	105.4	88.9	162.6	179.1	517.5	133.5	223.9
February	97.9	87.8	133.5	199.6	176.6	147.2	101.4	91.9	163.3	189.7	549.3	148.9	224.2
March	98.2	86.4	136.7	204.1	184.8	144.0	95.8	92.1	165.3	196.0	569.2	155.9	224.2
April	98.1	85.1	135.9	203.7	181.2	144.0	95.3	92.1	168.7	192.2	548.6	153.9	219.3
May	97.8	86.8	136.7	208.7	183.2	148.0	99.6	94.3	173.4	179.1	569.2	164.1	222.9
June	97.6	88.6	135.1	199.2	172.6	144.4	97.1	93.2	166.0	203.7	560.6	161.9	213.6
July	97.6	88.5	134.0	197.6	156.3	135.3	88.8	88.3	162.0	177.8	539.4	162.6	213.1
August	97.7	88.6	131.7	192.6	160.3	132.1	97.1	89.3	160.9	204.1	547.3	169.9	216.3
September	97.5	88.7	135.1	223.9	164.9	136.1	109.4	93.0	173.7	207.1	583.1	171.9	227.0
October	97.5	88.7	135.1	201.7	167.5	144.4	112.5	97.5	180.0	247.4	628.1	171.9	230.1
November	96.1	88.7	134.0	201.7	167.5	144.4	112.5	97.5	180.0	247.4	628.1	171.9	230.1
December	97.8	88.3	138.8	209.5	169.5	140.0	108.5	97.1	184.8	236.8	610.1	168.2	232.2
1954.													
January	97.8	88.2	135.6	217.7	175.1	135.7	130.3	95.4	192.2	244.0	681.2	178.6	239.9
February	97.8	88.0	132.7	217.7	176.6	142.0	148.8	92.8	205.3	242.7	713.0	181.6	254.9
March	97.9	88.3	130.1	223.1	171.5	134.1	140.8	94.1	207.6	258.4	753.4	178.9	248.7
April	97.8	87.6	134.8	222.7	176.6	136.9	134.9	92.4	221.8	261.4	781.2	183.9	255.9
May	97.8	86.9	133.2	220.7	180.7	133.7	153.7	95.4	217.4	288.9	835.5	188.9	261.6
June	98.0	90.7	128.0	238.4	199.5	148.4	171.5	103.3	244.6	314.4	862.7	192.5	289.6
July	98.3	89.3	127.7	236.7	200.5	146.0	162.9	108.5	253.0	350.9	926.3	196.9	294.1
August	98.2	92.6	126.7	238.4	215.3	158.3	179.2	115.4	266.4	379.7	1009.8	198.6	309.5
September	97.9	90.6	129.1	240.8	203.1	163.8	183.8	118.0	270.1	381.0	987.3	206.3	309.5
October	96.9	90.2	128.8	243.4	193.4	136.9	173.1	120.9	255.0	384.0	1012.5	205.3	299.7
November	98.6	90.4	122.8	233.5	179.7	149.2	150.6	109.2	277.6	377.6	916.4	201.6	275.0
December	97.8	90.0	122.8	217.7	185.8	155.1	159.2	107.7	248.3	371.7	936.3	207.0	279.1
1955													
January	97.9	90.3	126.7	218.2	191.9	150.7	160.2	112.8	301.1	399.3	1019.7	205.3	286.3
February	97.8	88.3	122.5	209.5	185.8	146.0	158.0	107.4	297.4	376.8	984.0	202.6	278.6
March	97.8	89.0	120.7	214.0	189.9	153.1	157.7	112.4	309.5	392.1	1040.3	212.6	285.3
April	97.9	89.2	121.2	216.1	199.5	152.7	149.2	113.3	304.1	373.8	1054.2	201.3	289.4
May	98.0	89.0	119.1	215.7	192.9	146.4	152.5	112.4	302.7	347.1	1042.3	195.6	283.2
June	98.1	89.8	118.8	224.3	202.6	150.3	179.8	113.9	315.5	391.2	1105.2	190.3	289.4
July	98.2	87.7	112.8	249.1	211.7	150.3	204.1	121.0	322.9	378.9	1148.3	210.6	302.3
August	98.0	87.8	124.1	241.3	214.3	156.3	231.8	126.8	351.1	366.2	1147.0	224.3	303.3
September	98.1	87.7	119.9	242.5	206.1	149.6	222.3	120.4	336.0	354.7	1099.3	217.3	297.2
October	98.3	87.1	120.1	257.8	203.1	142.8	225.0	130.3	363.9	355.0	1176.8	224.3	317.8
November	98.1	87.7	125.4	278.0	222.4	147.5	212.2	136.3	375.0	349.2	1304.7	223.6	350.3
December	98.3	87.1	131.9	261.5	216.8	140.0	234.2	131.1	356.5	291.1	1301.3	218.6	332.2
1956													
January	98.3	88.4	129.9	245.8	218.4	136.0	225.9	124.4	334.3	292.8	1258.9	198.3	312.1
February	98.3	86.4	122.0	246.6	209.7	132.9	217.0	120.6	331.6	296.1	1242.4	193.6	301.8
March	97.9	86.2	123.3	277.1	207.7	119.3	229.0	124.1	355.5	331.8	1310.0	185.6	298.2
April	98.0	86.7	123.5	275.1	202.1	115.8	226.9	124.2	345.4	321.2	1287.4	181.9	296.6
May	98.2	85.6	127.7	274.7	206.1	121.8	228.4	136.1	365.2	324.2	1361.0	182.9	298.7



*Publication 5th August, 1937, First Revision 16th October, 1941, Second Revision 9th January, 1948.

Plantation Topics

THE PROSPECTS FOR NORTH INDIAN TEA

CAUTIOUS OPTIMISM OVER OUTPUT AND DEMAND TRENDS

IN its annual report for 1955-56 on the north Indian tea markets, the Calcutta broking firm of Messrs. A. W. Figgis and Co. Private Ltd., says that some of the salient factors which may affect future market trends are as follows:

"First, there is the question of production. The past year saw the second record crop in successive seasons, and there seems little reason to doubt the capacity of the industry to complete the hat-trick this year, particularly in view of the heavy cropping conditions brought about by early monsoon conditions. This, of course, is a bearish factor, the only true antidote to which is the settlement of a new International Tea Agreement, which could only be to India's advantage. Unhappily, this still seems remote because of the preference of other producing countries to make tea while the sun shines rather than to endeavour to create a sound basis for the future of world trading. Naturally, under these conditions, India cannot be expected to impose a restriction policy of her own, but it is our hope that the wide gap in the past season's prices between good teas and poor teas, and in particular the uneconomic rates received for stalky residue types, will encourage producers in a quality rather than quantity plan and that commonsense will impose its own brake on a runaway policy of over-production.

"At the other end of the process is consumption. It is estimated that consumption within India has shown a welcome rise over the past season, and it is hoped that with the implementation of the Tea Board's plans for tea centres in the larger cities, and a stepping up of propaganda generally, this will be further expanded. Herein lies one of the most vital essentials for future prosperity.

Deliveries in U.K.

"In the U.K., still by far India's largest customer and likely to remain so, there is a moderate stock position which should augur favourable conditions for buyers to operate on this market. Deliveries have been steady at a satisfactory rate over the past year, and though the enormous advances made by other beverages cannot but be viewed with concern, the trade in the U.K. is well alive to this danger and will undoubtedly do everything in its power to combat it. These same competitors are met on an even greater scale in America and Canada, but here again intensive propaganda is being employed, particularly on the proper methods of preparing tea. Other countries show increases or decreases from year to year, but Indian tea appears to be holding its own in the majority, and rumours have been prevalent for some time that Russia may take as much as 20 million lbs. from the new season's production.

"Having considered the pictures of probable supply and demand, it is considered that a feeling of cautious optimism is justified. Nevertheless, the balance is extremely lightly poised, and any increase in an already high cost of production could have grave consequences. The Government has it in its power to afford some relief to the industry by modifying the present financial burdens it now has to bear, and it is felt that any move in this direction would go far towards restoring a measure of confidence now so sadly lacking and would assist in maintaining, or even more to the point, improving, India's position vis-à-vis other producing countries in the tea markets of the world."

RUBBER BOARD REPLANTING SCHEME DEFENDED

COMMITTEE TO DRAFT NEW COFFEE PRICE POLICY

(FROM A SOUTH INDIAN CORRESPONDENT)

THE twenty-second meeting of the Rubber Board was held in Cochin on 12th June. The chairman, in his introductory speech, defended the replanting scheme sponsored by the Board. His main argument in its favour was that the replacement of the present aged and worn-out rubber trees with high-yielding strains would help produce natural rubber at a competitive price with synthetic products. One serious objection to that there will be a loss of production during the replanting period and to this the chairman's answer was that by subjecting the area selected for replanting to yield stimulants and slaughter-tapping, a loss in production could be averted. Besides, new areas will come into bearing year after year and this will partly offset the loss in production that will result from replanting. The chairman strongly expressed himself against giving preference to new planting and the main point he raised in support of this view was the lack of suitable land for rubber growing. The Board has nevertheless decided to recommend the inclusion of a scheme for the expansion of the rubber area by 100,000 acres. Viewed against the need for higher production to attain self-sufficiency, the Board's decision to explore the possibility of rubber cultivation in the Andamans and to appoint a sufficient number of field staff to give advice to growers is welcome.

Rising Coffee Production

The chairman of the Coffee Board, observed at the Board's (already partly reported in 28th June issue of Capital) half-yearly meeting held on 22nd June in Bangalore that the coffee industry in South

India was now getting into a period when a crop of over 80,000 tons would be just normal. The 1955-56 season's crop had set a record with pool receipts so far exceeding 33,175 tons. In the Board's opinion, next year's crop prospects were equally bright, and it estimated production at about 33,000 tons.

After reviewing the crop and stock position, the Board has decided to recommend the export of 3,700 tons over and above the 4,100 tons exported already. Despite surplus production, the Board is still holding on to its old policy of keeping a heavy buffer stock, to the tune of over 5,000 tons. In the planters' opinion the holding of such a buffer stock is merely being over-cautious and it is unnecessary in the conditions now prevailing. In this connection, it may be recalled, the chairman of the Coorg Planters Association said that the holding of a large buffer stock would in effect mean the locking up of a considerable quantity of coffee, which, if released before the onset of the monsoon, could earn very high prices in the export market. He also pointed out that if the surplus coffee was released for export at the end of the season, with the quality deteriorated in storage and with the new crop arriving, it could be sold only at reduced prices. Sales during March and April, 1956, were marked by fairly high prices, but since then the prices have been falling.

Internal Consumption

The Board's earlier estimate of internal consumption did not materialise during the first five months of the year, the average monthly off-take being 1,825 tons. At this rate, the total requirements of the internal market may not exceed 22,000 tons during 1956, as against the Board's estimate of 23,000 to 24,000 tons. The Coffee Board however has been taking steps to increase home consumption in view of the steady production increase. Coffee consumption in the South has already reached a fairly high level. It would therefore not be advisable for the Coffee Board to shift the emphasis of its propaganda campaign from the South to the North which it proposes to do.

According to the latest decision of the Coffee Board, the planters will get another 2 annas 8 pies a point, making a total payment of Rs. 2-6-8 a point for the 1954-55 season's crop. The Board has resolved to pay a bonus of 4 points for Robusta coffee. This will come to about Rs. 9 a cwt. Another welcome decision of the Board is its appointment of a Committee to draft a new price fixing policy that will be more acceptable to growers and others concerned.

LONDON TEA SALES

AT last week's London tea sales, the 44,535 packages on offer realised an average price of 3s 10.68d a lb. against 3s 11.38d in the previous sale and 3s 8.36d a year ago. Plain broken pekoe was quoted at 2s 10½d a lb. nominal; in the previous sale, 2s 11½d nominal. Prices obtained by some of the companies are given below:

No. of packages	Average per lb.
Anglo-American	444
Assam Frontier	872
Bogawantalawa	390
Budla Beta	494
Buxa Doars	264
Central Provinces	594
Ceylon Land & Produce	192
Ceylon Tea Plantations	138
Consolidated Estates	450
Cons. Tea and Lands	108
Doors	919
Eastern Produce	1,344
Imperial Company	761
Kanan Devan	246
Lethenty	168
Lunava	1,158
Malayalam	1,068
Ouvul	426
Ragalla	138
Singlo	525
Standard	510
Tea Corporation	331
Travancore	576
United Planters	546

U.K. Tea Stocks

U. K. tea stocks in London and provincial warehouses on 29th June, amounted to 107,335,250 lbs. against 106,403,990 lbs. in the previous week. Total amount to be landed on 29th June, was 12,145,540 lbs. Deliveries during the week totalled 9,944,880 lbs. Landings during the same period were 10,876,140 lbs. Total afloat on 29th June was 33,516,143 lbs. including 19,386,860 lbs. from Calcutta.

COCHIN TEA SALES

At Sale No. 19, 1,500,000 lbs of tea were on offer. There was a much better all-round demand. Prices were unchanged except for Black Leaf and best liquoring types which were dearer.

NORTH INDIAN TEA CROP REPORTS

The following summary of crop and weather telegrams has been received from different districts for the month of June 1956.

Upper Assam: Weather generally wet and seasonable but cool and unseasonable in Panitola; immediate prospects fair to good; outturn last month normal to good; floods have damaged communications in Dibrugarh.

Central Assam: Weather generally wet and dull but hot in Golaghat; outturn last month about normal; immediate prospects fair to good; trunk road at Khowang breached by floods and contact with Dibrugarh restricted; very little pest and disease left in Jorhat.

Lower Assam: Immediate prospects fair to good; rainfall for the month has been excessive; outturn last month poor to normal; looper severe on some gardens but is now lifting.

North Cachar: Immediate prospects fair; unusually heavy rain with floods reported throughout the district; wet weather is interfering with outturn; outturn to date slightly under last year; black rot prevalent in some districts; red spider blight lifting in North Cachar.

South Cachar: Immediate prospects fair; outturn last month normal to good; unusually heavy rain with floods reported from portions of the district; floods have interrupted communications at Hallakandi and despatch of crop will be considerably delayed; red spider

Engineering and Transport

EXPANSION PLANS OF U.K. STEEL INDUSTRY

BID TO BECOME THIRD LARGEST IN THE WORLD

AT a time when Britain's share in the big new development projects abroad is perturbing officials in London, it is interesting to glance at Britain's own steel industry—especially at its new show-piece in Velindre, South Wales. The plant at Velindre, on which work was started in 1953, and whose cold-rolling mill (to prepare hot-rolled strip for tinning) is beginning to operate this July, will be, when fully operating, the biggest producer of electrolytic tinplate in Britain. It is the newest, but not the last, unit in the vast complex of the Steel Company of Wales; and this company comprises already the biggest industrial unit in all British industry. (As companies, Imperial Chemical Industries, Unilever and others are much bigger, but they are looser organisations, not coherent producing units.) The British steel industry has been seriously troubled in recent weeks by a dispute between managements and maintenance men, in consequence of which the latter have refused to work overtime and maintenance has had to be done during production shifts. Such disputes are unusual in this industry, where relations between management and labour are normally very harmonious. The effects (represented by a reduction of output of crude steel by almost 6 percent in May, compared with April, to a level slightly below that of May last year) emphasise the importance of key workers in modern industry.

Cheapest Steel Producer

In general, however, this is one of the most dynamic industries in Britain, and its various units have in hand big plans for expansion. Some units began their expansion early and undertook the greater part of it while costs were relatively low; others assessed the potential demand more tardily and will in future bear the costs of heavier capital commitments. But on the whole, despite rises in the costs of fuel and raw materials and transport, the industry remains one of the cheaper steel-producers in the world. As such, it is of inestimable benefit to the metal-using industries. The annual rate of output of crude steel in Britain has now comfortably surpassed 20 million tons, and there is keen rivalry between this country and Western Germany for the position of the world's third producer (after the U.S.A. and Russia). The Iron and Steel Board estimated recently that production would increase 1½ million tons this year (compared with 1½ million tons last year) to 21½ million tons, the prospective increase being mainly in sheet and tinplate. Longer-term estimates envisage an expansion of demand to the region of 28 million tons annually, which the industry plans to satisfy.

However, since these estimates were made, some months ago, doubt has arisen whether in fact British industry will need as much steel as had been supposed. The recession of demand for motor-cars,

refrigerators, and other steel-using goods, has already perceptibly affected the demand for steel. New capacity is coming into production. New methods of preserving steel (of which an appalling quantity is wasted every year by rust) promise that in due time, the replacement demand will be much reduced. The industry is not at present troubled by the recession of demand, for an important marginal supply has been provided in recent years by imports. From the viewpoint of the British economy as a whole, this is a very important consideration. Last year, for instance, at least one-third of the deterioration of the trading position with the dollar area was attributable to imports of steel from North America. These imports have been severely reduced this year—at a very opportune time, when imports of grain have been accelerated by last year's poor harvest and when payments for oil and tobacco are, if not abnormally large, at least abnormally early.

Rising Consumption

Further expansion of the British steel industry is, however, in the nature of an act of faith. It is true that when the huge projects in South Wales and elsewhere were planned soon after the end of the war even experts doubted whether, at the costs then prevailing, they could be justified by future demand—abroad as well as at home—and that such doubts were proved groundless. On the contrary, it can now be seen that the need for steel has been at least underestimated since the war, and consistently underestimated since the decade of the decade are not necessarily a true guide to the future. Estimates of demand for goods in general, not only for goods which are made of steel, but also for other goods which, if required in larger quantities, will involve additions to their producers' fixed assets. As steel is wanted for export as well as at home, and as steel-producing capacity is increasing abroad, these estimates of demand must be so complex that they may be wildly inaccurate. It is wise to focus attention on the main steel-using industries and on the trend of demand for capital goods.

It is no secret that the severe troubles of the British motor industry have raised doubts in company board-rooms whether the plans for expanding aggregate output by some 50 percent over the next few years are realistic. This leading steel consumer will probably need much less steel than was assumed last year. The capital industries (including shipbuilding and industrial construction) have enough work on hand to keep them busy for a considerable time; but industrialists and economists agree that the rate of new orders will probably be much reduced a few months hence. Stocks of steel were accumulating in Britain earlier this year, and it may be that, despite the labour troubles, the long-lasting scarcity of steel will be overcome this year. Such a development would strengthen the country's whole economic position, on the one hand saving precious dollars and on the other, enabling export orders to be executed more promptly. The full benefits of the steel industry's efficiency (the techniques of South Wales are at present attracting American attention) would then be realised.

THE NEW PATTERN OF OUTER AIR DEFENCE

MIXED POWER-PLANT FIGHTERS BEING BUILT

MACH 2 fighter aircraft climbing vertically at 350 m.p.h., powered by turbojet and rocket engines, armed with missiles which "lock on" to enemy bombers at a range of several miles—that is tomorrow's pattern of outer air defence which will be supplemented by ground-launched guided weapons over home territory. The British aircraft industry is actively engaged in developing aircraft and engines to fill these requirements and, although security prevents the publication of details, a certain amount of information has been released. Avro and Saunders-Roe are at present building mixed power-plant fighters, the 720 and S.P.53. The make and type of engines to be used are secret. A number of engine manufacturers are engaged in rocket-engine development, one of the first to be announced being the Armstrong Siddeley Snarler. The same company makes the Screamer, while de Havilland are soon to start flight trials with the Spectre.

The need for the mixed power-plant fighter has been brought about by the formidable performance of modern bombers. Today, high sub-sonic speeds at above 50,000 feet are commonplace and soon speeds of 900 m.p.h. or more in the stratosphere can be expected. Such a bomber would approach its target at 15 miles a minute, thus making fighter aircraft that can reach, perhaps, 60,000 to 70,000 feet in a very few minutes, a vital necessity. An turbojet-engine loses power at altitude. An engine which gives 20,000 lbs. thrust at sea level will develop only 7,000 lbs. at 60,000 feet and has a practical limit of 70,000 feet. A rocket-engine, on the other hand, operates independently of the surrounding atmosphere as it carries its own oxidant. But its fuel consumption is heavy. A typical rocket motor would consume about 50 tons of fuel an hour if run at full throttle—an unlikely event. Fuel weight is compensated to a certain extent by very low engine weight. The Snarler weighed only 215 lbs. for its thrust of 2,000 lbs.

Two Approaches

There are two approaches to designing mixed power-plant fighters. One, typified by the French Trident, advocates the use of rocket engines as the main power units with a relatively small turbojet for cruising. The other school of thought, with de Havilland as its sponsor, maintains that a large turbojet engine should provide most of the power, using rocket-engines as boosters. This manufacturer has published a flight plan for an interceptor powered by a Gyron and two Spectres. For take-off and initial climb, Gyron with re-heat is used, to be augmented by Spectres to maintain the rate of climb at high altitudes and to accelerate prior to "locking on" to the target. Gyron with re-heat is used when approaching the target, augmented by rocket power for manoeuvring in combat. For return to base, turbojet without re-heat is used.

Calcutta Markets

STRONG GENERAL DEMAND AT TEA EXPORT SALE

BETTER SUPPORT FOR QUALITY DUSTS

AT Sale No. 5, held on 9th and 10th July, export offerings consisted of 23,000 packages, for which there was a very strong and general demand, and all descriptions sold at dearer rates. The best C.T.C. teas were in very strong demand and were sometimes as much as Re. 1 a lb. dearer, while the more ordinary sorts of this description were also in good demand and were often several annas dearer. Medium Assams with quality liquors were a strong feature and these were generally 4 to 8 annas dearer. Dooars and low medium Assams were 1 to 1½ annas dearer and there was more demand for the plain and thin liquoring types which were about 1 anna dearer. Whole leaf grades sold at slightly higher rates and the more flavoury Darjeelings sold well. Tippy teas were also a strong feature.

Quotations

	1956 Rs.	1955 Rs.
Clean Black Pekoe	1 14 to 1 15 0	3 2 0
Plain B.P.	1 9	2 7 6
Medium Assam B.P.	2 4 to 2 6 0	2 9 0 to 2 10 0
Best CTC Assam B.P.	4 0 to 5 0 0	3 0 0 to 3 2 0

At the Internal Sale, Dust offerings were 11,050 chests, consisting of 7,950 chests of New Season's and 3,100 chests of Old Season's teas. There was a better demand. Black leaf teas suitable for the Middle East and the best C.T.C. Assams were the strongest feature, and generally advanced by 4 to 8 annas. Once again, poor liquoring commons and low mediums were a weak feature and declined by 1 to 2 annas, while medium Assams and Darjeelings received good support and were 1 to 2 annas dearer and sometimes more. Residue types received fair support and sold at about last rates.

Quotations

	1956 Rs.	1955 Rs.
Medium Dooars Dust	1 6 0 to 1 7 0	2 7 to 2 8
Medium Assam Grained Dust	1 12 0	2 9 to 2 11
Best Assam CTC Dust	3 4 0 to 3 8 0	3 1 to 3 2

Leaf offerings consisted of 232 chests of New Season's tea and 184 chests of Old Season's tea, for which there was a fair demand at dearer rates. The green teas on offer, however, received very little support, and were mostly withdrawn.

FREIGHT MARKET FIXTURES

THE recent rumours about the release of "mothball" ships have now been partially confirmed by a Washington announcement that eight such vessels have been released to the Isbrandtsen Company for the carriage of coal on French account for one year up to 15th July, 1957. It is understood that applications for 70 more are still pending, 30 of which are for I.C.A. programmes. Some strength was imparted to the North American trades with the announcement that German charterers will be in the market for 300,000 tons of grain, split over North America, St. Lawrence and the River Plate, with shipments over July-September. Tonnage is still sought for 200,000 tons of sugar Cuba-India commencing August-September. In the Indian ore trades, Mormugao-Japan paid 12½ f.i.o. for September loading and there are rumours of Chinese-operated tonnage fixed to Eastern Germany. Rice from Rangoon to Chittagong was arranged at 77s 6d f.i.o. and North Pacific-Karachi wheat was done at \$(U.S.)24 A 10,000-ton oilburner accepted 36s for the voyage out of India, via Poland, with delivery U.K.

SUGAR MARKET

During the week ended 11th July, sugar sales in the Calcutta market averaged 3,000 bags daily. Arrivals a day were 5,000 bags and stocks totalled 25,000 bags. Rates for ready sugar ex-Kantapur delivery were Rs. 32-2 for ordinary grain and Rs. 33-8 for big grain. Ex-mill delivery rates for ordinary and big grain sugar were Rs. 28-8 and Rs. 29-4 respectively. The market was quietly easy.

LINSEED

After a weak opening and further losses during the early part of the past week, prices have rallied, and a better sentiment has prevailed. Seeds have been in short supply and crushing has taken place on a very limited scale, with accumulated stocks of oil still in the hands of a few crushers. The improvement in the oil section has been stimulated by better advices from London and reports of a bid from Russia for about 3,000 tons of Indian linseed oil. Latest quotations are as follows:

Ready Rs. 21-6 a maund; July-August Rs. 21-4 a maund.

HIDES AND SKINS QUIETLY STEADY

The market ruled quietly steady. Stocks were less than in the previous week.

Bazaar Sales

(Between 3rd July and 9th July, 1956)
Cowhides: Wet Salted (ord.) 17,000 pcs. on the basis of Rs. 4-12 to Rs. 7; Wet Salted (slaughtered) 19,500 pcs. on the basis of Rs. 12 to Rs. 20.

Goatskins: Wet Salted (Daissee, killed) 63,400 pcs. on the basis of Rs. 150, Rs. 235 to Rs. 275, Rs. 270 to Rs. 300 and Rs. 345 to Rs. 355; Assam-Dinajpur-Jalpaiguri 15,200 pcs. on the basis of Rs. 235 to Rs. 245; Fakur-Patna 8,400 pcs. on the basis of Rs. 180.

Bazaar Stocks

(9th July, 1956)

Cowhides: Wet Salted 1,95,000 pcs.

Goatskins: Wet Salted (Daissee, killed) 54,500 pcs.; Assam-Dinajpur-Jalpaiguri 48,000 pcs.; Muzafferpore-Patna-Pakur-Purneah-Kissenganj 2,16,000 pcs.

SHELLAC MARKET DULL

During the week ended 10th July, the market was quiet at the beginning, steady at mid-week and dull at the end. The range of quotations was as follows:

Pure Buttonlac	Rs. 142 value, 144 done, 145, 144 buyers.
Lemon No. 1 Shellac	Rs. 142, 144, 143 buyers.
Lemon No. 2 Shellac	Rs. 138/139 done and buyers, 138 buyers.
F.O. Std. 1 Shellac	Rs. 133-8 buyers, 135 done and buyers, 136 buyers, 135 done.
Pure TN Shellac	Rs. 128 buyers, 129 basis done and buyers 127-8 buyers.
4% I.T.N. Shellac	Rs. 120-8, 122-8, 120-8 buyers.
No. 1 Kusmi Seedlac	Rs. 127-8, 128-8 value.
No. 2 Kusmi Seedlac	Rs. 123-8 value, 125 buyers, 124 value.
Fine Bysaky Seedlac (Manbhumi)	Rs. 120-8 buyers, 122 done and buyers.
Fine Bysaky Seedlac (C.P.)	Rs. 119/120 buyers, 119 done and buyers.
Ordinary Bysaky Seedlac (C.P.) under 5%	Rs. 113-8 buyers, 114 done and buyers, 114-8, 114 buyers.
Ordinary Bysaky Seedlac (C.P.)	Rs. 109, 110, 109-8 buyers.
Kireelac	Rs. 55, 56, 55 buyers.

Shipments during July until the 6th were 5,115 packages comprising shellac 2,893 packages, seedlac 1,228 packages, buttonlac 272 packages and others 722 packages.

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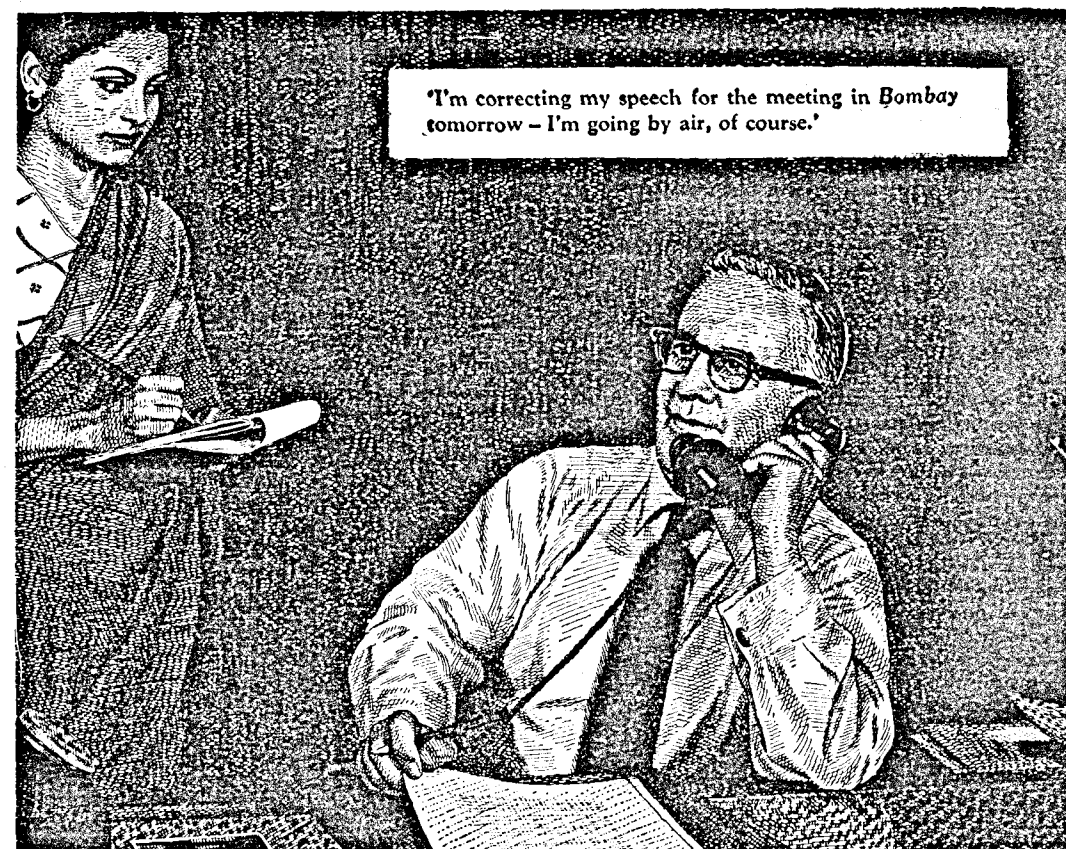
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Books and Publications

PLATITUDES ON MANAGEMENT

The Essence of Management. By Mary Cushing Niles. (Orient Longmans Private Ltd. 460 pages. Price Rs. 12).

Mrs. Niles's book contains some interesting information and useful suggestions, but these are hidden in a pile of platitudinous and elementary stuff which, one imagines, most individuals with average intelligence and common sense must already be aware of. "Good" or "scientific" management, she says, "achieves a social objective with the best use of human and material energy and time, and with satisfaction for the participants and the public". The first few pages are devoted to explaining the need for good management and to definitions of management concepts, and the rest to describing what is good management and how it can be achieved. There are a few useful chapters, such as the one on methods of securing work improvement, but in contrast there are bits like the one describing a supervisor's responsibilities. This presents the vacuous conclusion that a supervisor should be able to plan his work, handle problems and see that the work runs smoothly; he should not bother his superior unnecessarily, but should promptly refer to him matters requiring his attention. Or, to take another example, Mrs. Niles makes the exciting discovery that the prerequisites for an order to be accepted are: (a) it should be understood by the person (it is explained that an order given in Turkish cannot be understood unless the person knows the language); (b) the person must be able to do it; and (c) he must be willing to do it or at least not be actively unwilling.

It is doubtful whether a person can learn good management merely by reading books, especially books such as Mrs. Niles's. The training of a manager is a very complicated affair. As Lord Heyworth said in his address to the annual general meeting of shareholders of Unilever Limited in London this year, "there is no general scheme of training into which every one will fit, no universal and all-embracing sausage-machine into one end of which you can put in a trainee and expect a trained manager to emerge at the other". Books have some value in that they focus the attention of the reader on certain fundamental aspects which he is likely to overlook in common day-to-day routine. But they can never be detailed guides on how to be a good manager. One cannot become a good manager by reading and memorising meaningless stuff saying sub-division and specialisation is a good thing, but over-specialisation and over-sub-division should be avoided. No book can tell what exactly is the correct degree of sub-division and specialisation. Mrs. Niles's book may be interesting if read selectively, but it would be at once brave and useless to go through it from cover to cover.

SPECIALLY FOR INVESTORS

Calcutta Stock Exchange Official Year Book, 1956. Edited and compiled by A. K. Sur. (Published by the Calcutta Stock Exchange Association Committee. Price Rs. 12-8. Pages 524).

The 1956 edition of the Calcutta Stock Exchange Year Book maintains its usually good standard as a reference book for the investing public. It is up to date in every respect and the range of information provided is extensively wide.

The Investor's India Year-Book, 1956. Compiled by Place, Siddons and Gough. (Published by Orient Longmans, Calcutta. Price Rs. 20. Pages 393).

This is the forty-second edition of Messrs. Place, Siddons and Gough's *Year-Book* which has established itself as a good guide for the investor. The production of the Year Book is of the usually high standard.

Investors Encyclopaedia, 1955-56. Compiled by Kothari and Sons. (Published by them at Armenian Street, G.T., Madras. Price Rs. 20. Pages 1,540).

This impressive publication covers practically every Indian joint stock company whose shares are quoted on leading stock exchanges. Few things however remain to be desired. The article of Mr. Shantilal Mangaldas, former president of the Federation of the Indian Chambers of Commerce and Industry, on the new Company Law was written while the legislation was still a Bill, and the compilers would have done well to have the article revised after it was passed into law. In the jute section, the compilers say that "India enjoys a monopoly in jute produce and manufacture". That may have been true a few decades ago, but it is farthest from the truth today. This serious factual error could have been easily avoided. Barring these, it lives up to its name as an investors' encyclopaedia, and for all the information contained in this monumental volume, it will give good value for the buyer's money.

BOOK RECEIVED

Indian Non-Ferrous Metals Directory and Handbook (1956). (Published by the Indian Non-Ferrous Metals Manufacturers' Association, India Exchange, Calcutta. Price Rs. 10; pages 260.)

COMPANY AND PUBLIC NOTICES

SAUGOR ELECTRICITY SUPPLY COMPANY LTD.

NOTICE is hereby given that an Annual General Meeting within the meaning of the Companies Act, 1956 (being the forty-ninth Ordinary General Meeting of the Company) of the above-named Company will be held at its Registered Office No. 12, Mission Row, Calcutta on Thursday, the 16th August, 1956 at 11-10 a.m. for the following purposes:—

1. To consider and pass the audited Accounts for the half-year ended 31st December, 1955 and the Balance Sheet as at that date and to adopt and receive the Reports of the Board of Directors and the Auditors thereon.

2. To declare a Dividend.

3. To appoint Directors in place of those retiring. And, in this connection, Special Notice as required by Sections 261 and 281 of the Companies Act, 1956, is hereby given that at the meeting the following resolution will be proposed as a Special Resolution, namely:—

"That Mr. P. N. Banerjee, who is an associate of the Managing Agents of the Company and who has attained the age of 65 years, be and is hereby appointed a Director of the Company, and that the age limit prescribed by Section 280 of the Companies Act, shall not apply to him."

4. To consider, and if thought fit, to pass with or without modification the following resolution, namely:—

"Resolved that with effect from the commencement of the Companies Act, 1956, the consent of the Company be and is hereby accorded to the Board of Directors borrowing and continuing to borrow monies for and on behalf of the Company in excess of the aggregate of the Paid Up Capital of the Company and its free Reserves, that is to say, reserves not set aside for any specific purpose, and that such borrowing shall be exclusive of temporary loans obtained or from time to time to be obtained from the Company's Bankers in the ordinary course of business."

5. To appoint Auditors and fix their remuneration.

The Register of ordinary shareholders of the Company and the Transfer Books will be closed from the 10th August, 1956 to the 16th August, 1956, both days inclusive.

A member entitled to attend and vote at the meeting is entitled to appoint a Proxy who need not be a member, to attend and vote instead of himself.

By Order of the Board,

MARTIN BURN LTD.,

S. N. MUKERJEE,

Managing Director,

Managing Agents.

12, Mission Row,

Calcutta.

The 9th July, 1956.

Explanatory Statement.

1. In connection with item No. 3 of the above Notice Mr. P. N. Banerjee, whose first appointment as a Director of this Company dates as far back as 1931, falls within the definition of the Companies Act, of an associate of the Managing Agents. Consequently it will be necessary in accordance with Section 261 of the Companies Act, 1956 for a Special Resolution to be passed to cover his appointment as a Director of the Company. In addition since he is now of the age of 72 years it will be necessary under Section 281 of the Act for the resolution re-appointing him as a Director to declare that the age limit provided under Section 280 shall not apply to him. Special Notice of the intention to move this resolution, as required by both Section 261 and Section 280 of the Act, has been received by the Company.

2. The Resolution under item No. 4 of the above Notice is self explanatory and, when passed, will provide the authority required under Section 293(1)(d) of the Companies Act, 1956.

THE EQUITABLE COAL CO., LTD.

NOTICE is hereby given that the payment of Interest for the period from 1st January to 30th June, 1956 on the 5½% Registered Debenture Stock 1963-68 of the Company is being made to those Stockholders whose names appeared on the Company's Register on the 30th June, 1956 or in accordance with their instructions.

For THE EQUITABLE COAL CO., LTD.,

MACNEILL & BARRY LTD.,

A. H. FORSTER,

Secretary,

Managing Agents.

2, Fairlie Place,

Calcutta, 3rd July, 1956.

THE INVESTMENT & FINANCE CO. LTD.

NOTICE is hereby given that the One Hundred and Nineteenth Ordinary General Meeting of the Shareholders will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta, on Friday, the 3rd day of August, 1956, at 11-00 A.M. for the purpose of receiving the Report of the Directors, passing the Audited Accounts for the half-year ended 31st August, 1955, declaring the Dividends recommended by the Directors, electing a Director and appointing Auditors and for transacting any other ordinary business of the Company.

The Share Registers of the Company will be closed from the 19th July, 1956 to 3rd August, 1956, both days included.

By Order of the Board,

BIRD & CO. (PRIVATE) LTD.,

Secretaries.

Chartered Bank Buildings,

Calcutta, 29th June, 1956.

NOTE: 1. A member entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote in his stead. Such proxy need not be a member of the Company.

2. The Dividends, if sanctioned, will be paid on or after 10th August, 1956, to those shareholders so entitled whose names appear in the Company's books on the 3rd August, 1956, or to their mandatees. No application for Dividend Warrants will be necessary.

THE GENERAL INVESTMENT & TRUST CO. LTD.

NOTICE is hereby given that the Ninety-fourth Ordinary General Meeting of the Shareholders will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta, on Friday, the 3rd day of August, 1956, at 11-05 A.M. for the purpose of receiving the Report of the Directors, passing the Audited Accounts for the half-year ended 31st August, 1955, declaring the Dividends recommended by the Directors, electing a Director and appointing Auditors and for transacting any other ordinary business of the Company.

The Share Registers of the Company will be closed from the 19th July, 1956 to 3rd August, 1956, both days included.

By Order of the Board,

BIRD & CO. (PRIVATE) LTD.,

Secretaries.

Chartered Bank Buildings,

Calcutta, 29th June, 1956.

NOTE: 1. A member entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote in his stead. Such proxy need not be a member of the Company.

2. The Dividends, if sanctioned, will be paid on or after 10th August, 1956, to those shareholders so entitled whose names appear in the Company's books on the 3rd August, 1956, or to their mandatees. No application for Dividend Warrants will be necessary.

THE UNITED PROVINCES SUGAR COMPANY LIMITED.

NOTICE is hereby given that an Annual General Meeting (being the Thirty-second Ordinary General Meeting of the Company) will be held at the Registered Office of the Company, 2, Netaji Subhas Road, Calcutta, on 31st July, 1956, at 3 p.m., for the following purposes:—

(1) To receive and consider the Audited Accounts for the year ended 30th September, 1955, the Balance Sheet as at that date and the Reports of the Board of Directors and the Auditors thereon.

(2) To declare a Dividend.

(3) To appoint Directors in the place of those retiring.

(4) To appoint Auditors and fix their remuneration.

The Share Register of the Company will be closed from 18th July to 31st July, 1956, both days inclusive.

By Order of the Board,

JAMES FINLAY & CO., LIMITED,

Managing Agents.

2, Netaji Subhas Road,

Calcutta, 6th July, 1956.

Note:—(1) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself, and the proxy need not be a member.

(2) The dividend, if declared, will be paid on or after the 31st July, 1956, to those shareholders so entitled, whose names appear in the Company's Books on the 31st July, 1956, or to their mandatees.

BAREILLY ELECTRICITY SUPPLY CO. LTD.

NOTICE is hereby given that an Annual General Meeting within the meaning of the Companies Act, 1956 (being the fifty-fourth Ordinary General Meeting) of the above-named Company will be held at its Registered Office No. 12, Mission Row, Calcutta, on Thursday, the 16th August, 1956 at 11-0 a.m. for the following purposes:—

1. To consider and pass the audited Accounts for the half-year ended 31st December, 1955 and the Balance Sheet as at that date and to adopt and receive the Reports of the Board of Directors and the Auditors thereon.

2. To declare a Dividend.

3. To appoint Directors in place of those retiring. And, in this connection, Special Notice as required by Sections 261 and 281 of the Companies Act, 1956, is hereby given that at the meeting the following resolution will be proposed as a Special Resolution, namely:—

"That Mr. P. N. Banerjee, who is an associate of the Managing Agents of the Company and who has attained the age of 65 years, be and is hereby appointed a Director of the Company, and that the age limit prescribed by Section 280 of the Companies Act, shall not apply to him."

4. To consider, and if thought fit, to pass with or without modification the following resolution, namely:—

"Resolved that with effect from the commencement of the Companies Act, 1956, the consent of the Company be and is hereby accorded to the Board of Directors borrowing and continuing to borrow monies for and on behalf of the Company in excess of the aggregate of the Paid Up Capital of the Company and its free Reserves, that is to say, reserves not set aside for any specific purpose, and that such borrowing shall be exclusive of temporary loans obtained or from time to time to be obtained from the Company's Bankers in the ordinary course of business."

5. To appoint Auditors and fix their remuneration.

The Register of ordinary shareholders of the Company and the Transfer Books will be closed from the 10th August, 1956 to the 16th August, 1956, both days inclusive.

A member entitled to attend and vote at the meeting is entitled to appoint a Proxy who need not be a member, to attend and vote instead of himself.

By Order of the Board,

MARTIN BURN LTD.,

S. N. MUKERJEE,

Managing Director,

Managing Agents.

12, Mission Row,

Calcutta.

The 9th July, 1956.

Explanatory Statement.

1. In connection with item No. 3 of the above Notice Mr. P. N. Banerjee, whose first appointment as a Director of the Company dates as far back as 1931, falls within the definition of the Companies Act, of an associate of the Managing Agents. Consequently it will be necessary in accordance with Section 261 of the Companies Act, 1956 for a Special Resolution to be passed to cover his appointment as a Director of the Company. In addition since he is now of the age of 72 years it will be necessary under Section 281 of the Act for the resolution re-appointing him as a Director to declare that the age limit provided under Section 280 shall not apply to him. Special Notice of the intention to move this resolution, as required by both Section 261 and Section 280 of the Act, has been received by the Company.

2. The Resolution under item No. 4 of the above Notice is self explanatory and, when passed, will provide the authority required under Section 293(1)(d) of the Companies Act, 1956.

CAWNPORE TEXTILES, LIMITED.

NOTICE is hereby given that the Share Transfer Books of the Company will be closed from the 18th July to 4th August, 1956, both days inclusive.

By Order of the Board,

Per Pro BEGG, SUTHERLAND & CO.,

PRIVATE LTD.,

K. M. WILCOX,

Secretary,

Managing Agents.

Kanpur: U.P.

7th July, 1956.

Internationally famous British Company of enamelled hollowware manufacturers invite enquiries from interested concerns of sound financial position for setting up a modern mass production factory in India to produce enamelled ware using their own unique method. Please reply Box No. 4785, C/o Capital (Private) Ltd., Post Box No. 14, Calcutta-1.

UPPER GANGES VALLEY ELECTRICITY SUPPLY CO. LTD.

NOTICE is hereby given that an Annual General Meeting within the meaning of the Companies Act, 1956 (being the fifty-first Ordinary General Meeting of the Company) of the above-named Company will be held at its Registered Office No. 12, Mission Row, Calcutta, on Monday, the 20th August, 1956 at 11-0 a.m. for the following purposes:—

1. To consider and pass the audited Accounts for the half-year ended 31st December, 1955 and the Balance Sheet as at that date and to adopt and receive the Reports of the Board of Directors and the Auditors thereon.

2. To declare a Dividend.

3. To appoint Directors in place of those retiring. And, in this connection Special Notice as required by Sections 261 and 281 of the Companies Act, 1956, is hereby given that at the meeting the following resolution will be proposed as a Special Resolution, namely:—

"That Mr. P. N. Banerjee, who is an associate of the Managing Agents of the Company and who has attained the age of 65 years, be and is hereby appointed a Director of the Company, and that the age limit prescribed by Section 280 of the Companies Act, shall not apply to him."

4. To appoint Auditors and fix their remuneration.

The Register of ordinary shareholders of the Company and the Transfer Books will be closed from the 14th August, 1956 to the 20th August, 1956, both days inclusive.

A member entitled to attend and vote at the meeting is entitled to appoint a Proxy who need not be a member, to attend and vote instead of himself.

By Order of the Board,

MARTIN BURN LTD.,

S. N. MUKERJEE,

Managing Director,

Managing Agents.

12, Mission Row,

Calcutta.

The 9th July, 1956.

Explanatory Statement

In connection with item No. 3 of the above Notice Mr. P. N. Banerjee, whose first appointment as a Director of the Company dates as far back as 1932, falls within the definition of the Companies Act, of an associate of the Managing Agents. Consequently it will be necessary in accordance with Section 261 of the Companies Act, 1956 for a Special Resolution to be passed to cover his appointment as a Director of the Company. In addition since he is now of the age of 72 years it will be necessary under Section 281 of the Act for the resolution re-appointing him as a Director to declare that the age limit provided under Section 280 shall not apply to him. Special Notice of the intention to move this resolution, as required by both Section 261 and Section 280 of the Act, has been received by the Company.

BALMER LAWRIE & CO. LTD.

NOTICE is hereby given to the Members of the above-named Company that the Annual General Meeting will be held at the Registered Office of the Company, 21, Netaji Subhas Road, Calcutta, on Monday, 20th August, 1956, at 12 noon, to consider the Report of the Board of Directors and the Report of the Auditors, the Profit & Loss Account for the year ended 31st December, 1955, and the Balance Sheet as at that date, to declare a dividend, to transact other ordinary general business of the Company and the undermentioned special business.

Special Business.

NOTICE is also hereby given of the following proposed Resolutions:—

1. "That the act of the Directors in extending and renewing, on the same terms and conditions, for a further period of fifteen calendar months commencing from 1st January, 1955, the Agreement dated 21st February, 1951, made between the Company of the one part, and Mr. Alec Mansfield of the other part, appointing him a Manager of the Company, and the further act of the Directors in granting to Mr. Mansfield leave of absence not exceeding twelve calendar months during such extended period be and are hereby ratified."

2. "That subject to the approval of the Central Government, if required, (for which an application has been made), sanction be and is hereby given to the payment made or to be made of a sum or sums not exceeding Rs. 25,000/- as a contribution to the Company's approved Superannuation Fund for the year 1955 in respect of Mr. C. D. Wilson, a Director of the Company."

NOTICE is also hereby given that the Register of the Members of the Company will be closed from 6th August, 1956 to 20th August, 1956, both days inclusive.

Note:—A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his stead. Such proxy need not be a member of the Company.

By Order of the Board,

D. MANSON,

Secretary.

21, Netaji Subhas Road,

Calcutta.

25th June, 1956.

COMPANY MEETINGS AND DIVIDENDS
DECLARED OR PROPOSED

Name of Company	Date	Hour I.S.T.
Bengal Potteries, Ltd.	17-7-56	4 p.m.
United Flour Mills Co., Ltd.	25-7-56	4 p.m.
Presidency Jute Mills Co., Ltd.	30-7-56	3 p.m.
United Provinces Sugar Co., Ltd.	31-7-56	3 p.m.
Fort Gloster Jute Mfg. Co., Ltd.	31-7-56	3-40 p.m.
Investment & Finance Co., Ltd.	3-8-56	11 a.m.
General Investment & Trust Co., Ltd.	3-8-56	11-5 a.m.
Karapurna Development Co., Ltd.	4-8-56	10 a.m.
Bareilly Electricity Supply Co., Ltd.	16-8-56	11 a.m.
Saugor Electricity Supply Co., Ltd.	16-8-56	11-10 a.m.
Upper Ganges Valley Electricity Supply Co., Ltd.	20-8-56	11 a.m.
Balmer Lawrie & Co., Ltd.	20-8-56	Noon.

DIVIDENDS DECLARED OR PROPOSED.—Katras

Jheriah Coal Co., Ltd.—35 p.c.; Presidency Jute Mills Co., Ltd.—2½ p.c. (o); Saran Engineering Co., Ltd.—Annas 4 per share; Devashola (Nilgiri) Tea Estates Co., Ltd.—15 p.c. (f); Balmer Lawrie & Co., Ltd.—10 p.c. (f); Saugor Electricity Supply Co., Ltd.—2½ p.c.

O.—Ordinary Dividend. In—Interim Dividend.
P—Preference Dividend. f—Less Income Tax.
P.O.—Preferred Ordinary Dividend. f—Final Dividend.
D.—Deferred Dividend. Cm.—Cumulative.
f Less Tax at 85 6d in the £

THE INDIAN TUBE COMPANY
(1953) LIMITED

A TATA-STEWARTS AND LLOYDS ENTERPRISE

General Services Screwed and Socketed Tubes, Class 'A', 'B' & 'C' (Galvanised and black) to B.S. 1387, upto and including 6" n.b., and Pipe Fittings.

Power Cold drawn, Hot finished and Electric Resistance Weld Boiler Tubes.

Poles Tramway, Transmission, Lighting.

Public Services Air, Gas, Water and Sewage Mains.

Mechanical Seamless and Electric Resistance Weld Tubes for Rollers, Conveyors and other mechanical purposes.

Steel Strip High Tensile Steel Box strapping and Cold Rolled Steel Strip for manufacturing purposes.

Enquiries and Orders for Screwed and Socketed Tubes and fittings ex-stock should be addressed direct to our Warehouse Offices.

Head Office: 41, Chowringhee Road, P.O. Box 270, Calcutta.

Telephone: 44-5224 (5 lines)

Branch Offices and Warehouses:

18, Fosberry Road, 39, Hide Road, Sewree, Kidderpore, Bombay-15, Calcutta.

Telephone: 45-4561.

Works: Jamshedpur, Bihar.

STEWARTS AND LLOYDS OF INDIA,
PRIVATE LIMITED

Fabrication and Erection of complete pipework installations for Steam, Gas, Compressed Air, Fuel Oil, etc.

Coils for Refrigeration and other industrial uses. Light Structures of Tubular construction. Water Well Casing. Oil Country Goods.

Head Office: 41, Chowringhee Road, P.O. Box 270, Calcutta.

Wednesday 11th July, 1956.

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GOVERNMENT LOANS					PORT TRUST LOANS					IMPROVEMENT TRUST LOANS									
Amount Outstanding Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.	Amount Rs.	Interest per cent	Year of issue	Repay- able	Market quotations Rs.	Amount Rs.	Interest per cent	Year of issue	Repay- able	Market quotations Rs.	Amount Rs.	Interest per cent	Year of issue	Repay- able	Market quotations Rs.
GOVERNMENT OF INDIA					CALCUTTA					BOMBAY					CALCUTTA				
2,48,91,47,000	3	1946	1986 or later	76½	90,24,300	4	1914	1974	99	36,50,000	4	1904	1964	99½	25,00,000	5½	1929	1959	107
8,93,35,000	3	1896-97	At the option of the Govern- ment of India after 3 months' notice.	77½	76,90,100	4	1915	1975	99	35,00,000	4	1905	1965	99½	50,00,000	4	1934	1964	99½
					68,02,300	3	1921 1st	1981	82	15,00,000	4	1906	1967	99½	30,00,000	3	1936	1966	90
57,00,69,000	2½	1946	1961	93½	1,50,00,000	6½	1921 2nd	1981	144N	44,00,000	4	1907	1968	99½	50,00,000	3	1937	1967	91
45,63,07,000	2½	1946	1960	96½						20,00,000	3	1938	1963-68	96	30,00,000	4	1952	1962	99½
50,35,63,000	3	1951	1958	99½	£292,600	5	1923	1953-83	£79½	75,00,000	4	1908	1969	99½	1,02,00,000	4	1956	1968	99
					£901,000	5	1924	1954-84	£79½	40,00,000	4	1900	1970	100					
1,16,17,46,000	3	1938	1963-65	95½						56,00,000	4	1910	1971	100					
1,10,11,78,000	3	1943	1966-68	93½											50,00,000	4	1899	1959	99½
75,86,72,000	2½	1947	1962	93½	98,21,600	5½	1926 1st	1956-86	100	75,00,000	4	1911	1972	100	30,00,000	4	1901	1961	99½
					99,84,500	5	1926 2nd	1956-86	100½										
		1948	1962	93½	1,49,49,500	5	1927	1957-87	102						30,00,000	4	1902	1962	99½
		2nd issue			1,49,30,000	5	1928	1958-88	103						60,00,000	4	1903	1963	99½
30,33,10,000	3	1950	1964	95½											60,00,000	4	1904	1964	99½
14,77,48,000	2½	1946	1976	82½	80,00,000	4	1931	1991	95	STERLING LOANS					30,00,000	4	1905	1965	99½
63,30,26,000	4	1926	1969-70	101½	£235,100	3½	1932	1962	£91½						20,00,000	4	1906	1966	99½
1,15,05,83,000	3	1945	1970-75	90½	50,00,000	3	1935	1965	97½						15,00,000	4	1907	1967	99½
1,14,08,89,000	3	1944	1957	99½	50,00,000	3	1946	1976	84½	£892,600	5	1923	1953-83	£87½	30,00,000	4	1908	1968	£95½N
5,85,73,000	4½	1928	1958-68	102½						£901,000	5	1924	1954-84	£87½	£566,600	4	1909	1969	95½
75,29,00,000	3½	1953	1961	99½	50,00,000	3	1945	1-2-2005	74	£835,100	5½	1932	1962	£96	£333,000	4	1910	1970	100
1,13,65,64,000	3	1945	1959-61	99½	50,00,000	3	1945	1-2-1975	85						25,00,000	4	1912	1972	99½
1,58,17,07,000	3	1954	1964	98½	2,31,07,100	3½	1936-37	1956-66	95½						18,00,000	4	1913	1973	99½
1,03,67,92,000	3½	1955	1965	98½	25,00,000	3	1938	1963-68	90						20,00,000	4	1914	1974	99½
		BOMBAY			50,00,000	3	1946	2006	74						25,00,000	4	1916	1976	99½
3,50,00,000	3	1943	1956	99½	50,00,000	2½	1947	1977	79½						40,00,000	5	1919	1957-79	103
3,44,00,000	3	1944	1958	98½	50,00,000	3	1948	1978	83½						66,00,000	6	1920	1955-80	118½
6,00,00,000	3	1949	1962	93½	50,00,000	3	1949	1959	97						25,00,000	5	1926	1956-80	101
3,00,00,000	3	1950	1960	98	50,00,000	3	1949	1959	97						25,00,000	4	1927	1961-80	99½
3,00,00,000	3½	1951	1962	98½	50,00,000	3	1950	1960	82										
3,50,00,000	4	1952	1964	101½	1,00,00,000	3	1950	1960	95½										
5,00,00,000	4	1953	1963	101½	50,00,000	3	1951	1961	81½	31,47,169	3½	1947	1977	A					
		MADHYA PRADESH			50,00,000	4	1953	1963	100	9,88,000	3	1947	1977	A					
50,54,200	3	1943	1956	99½	50,00,000	4	1953	1963	98½										
52,29,000	3	1946	1958	96½	50,00,000	4	1953	1963	98½	3,00,000	3	1949	1979	A	10,00,000	3½	1936	1966	84
2,03,00,000	3	1948	1964	93	77,00,000	1956	1966	97½											
1,00,00,000	3½	1951	1962	98½															
		MADRAS																	
1,29,76,600	3	1939	1959	96½															
1,25,10,000	3	1943	1956	99½															
1,08,00,000	3	1944	1958	96½															
2,32,19,000	3	1945	1960	96½															
3,90,93,200	2½	1946	1961	93½															
4,47,00,000	3	1950	1960	96															
5,00,00,000	4	1952	1964	100½															
5,00,00,000	4	1953	1963	100½															
		UTTAR PRADESH																	
1,69,39,800	3	1936	1961-66	90½															
3,23,96,800	3	1944	1958	98½															
2,36,31,300	3	1945	1960	95½	36,00,000	5	1928	1958	103										
2,41,19,800	2½	1946	1961	93½	25,00,000	5	1929	1957	102						71,700	6	1925	1955	100½
2,00,00,000	3½	1951	1962	98½											2,67,300	6	1925	1955	101½
2,00,00,000	4	1952	1964	100½	25,00,000	5	1929	1958	102½	20,60,000	4	1913-15	1974	100	15,00,000	3½	1951	1961	107½
5,00,00,000	4	1953	1963	100½	15,49,000	3½	1951	1960	97						15,00,000	3½	1952	1962	107½
		WEST BENGAL			16,33,000	3½	1951	1961	97½										
1,75,00,000	3½	1951	1962	98½	66,88,000	3½	1951	1966	97½										
2,00,00,000	4	1952	1964	100½	10,00,000	5½	1932	1962	108	10,00,000	5	1920	1980	111½					
3,00,00,000	4	1953	1963	100½															
5,00,00,000	4	1955	1967	100½															
		MYSORE																	
2,95,85,200	5	1933	1953-63	101½															
5,99,72,900	4	1936	1956-61	99½	33,91,000	3½	1935	1965	94	25,00,000	5	1928	1958	104½					
5,08,05,700	3	1946	25-1-1958	99½	72,50,000	4½	1954	1979	100	26,21,500	5	1929	1959	104½					
3,00,00,000	3	1953	15-7-1963	100½															
		COCHIN			60,00,000	3	1936	1966	90	2,00,00,000	3½	1951	1966	94½					
30,00,000	3½	1936	1956-61	99½	47,60,000	3	1938	1968	90	6,25,00,000	3½	1947	1977	86½					
1,00,00,000	3	1945	1955-58	98½	17,64,400	3½	1942	1959	96½										
		TRAVANCORE																	
50,00,000	3½	1936	1956	99½	31,13,600	4	1939	1956	99½	2,50,00,000	3½	1949	1979	86½					
		HYDERABAD			21,10,000	3½	1942	1972	92										
3,34,70,000	4	1953	1963	100	15,56,800	4	1940	1957	99½	4,00,00,000	3½	1950	1965	92½					
2,12,21,800	4	1955	1967	99½	2,22,72,000	4	1955	1985	..										

A=Held by the Govt. of India.

JOINT STOCK COMPANIES PREFERENCE SHARES

Dividends are cumulative and shares carry a preferential claim on the property for the payment of capital and on the profits for dividend except in case of companies marked otherwise. Months against names of companies indicate approximately times of payment of dividends.

Year of Issue	NAMES	Amount Issued in 1000	Rate per cent	Paid-up per Share	Market Quotations		Year of Issue	NAMES	Amount Issued in 1000	Rate per cent	Paid-up per Share	Market Quotations	
					11-7-56							11-7-56	
					Rs	A year ago						Rs	A year ago
BANK.													
1901	Allahabad Bank (May Nov.)	15.00	6	100	120	131 1/2	1920	Birds Investments (Dec.)	24.00	5 1/2	100	78 1/2	80 1/2
COAL.													
1905	Bengal Nagpur (Feb Aug.)	11.25	7	100	105	118	1935-36	British India Corporation (Feb.)	31.00	8	100	138	145
1896-97	Dorrea (June Dec.)	4.00	6 1/2	100	110	119	1935-36	Burns Engineering (Feb Aug.)	15.00	6	100	121	124
1901-20	Durrani (June Dec.)	22.92	7 1/2	100	109	125	1935-36	Calcutta Electric Supply (Mar Sept.)	21.00	5	100	111 1/2	112 1/2
1940	Burrakut (June Dec.)	4.50	6 1/2	100	108	120	1935-36	Calcutta Silk Manufacturing (July Jan.)	2.00	6	100	55	60
1938	Quilable (May Nov.)	4.00	6	100	108	120	1935-36	Calcutta Tramways (Jan July)	2.25	6 1/2	100	81	84
1931	Khas Kajora (Mar Sept.)	1.93	5	10	12	13	1935-36	Carew & Co (January)	4.00	6 1/2	100	137	143
1920	New Beerhoom (Jan July)	2.00	7	10	12	13	1935-36	Cawnpore Sugar Works (Feb Aug.)	10.00	5 1/2	100	59	63
1898-99	Udal (June Dec.)	2.00	6 1/2	100	110	113	1935-36	Chandigarh Industries Ltd.	30.00	5 1/2	100	99	94
COTTON MILLS.													
1906	Ahmedabad Advance (Apr Oct.)	10.00	6	100	110	110	1935-36	Dacca Electric Supply (July)	3.50	6	100	98	100
1884	Bangalore (Jan July)	5.00	6	100	125	128 1/2	1935-36	Dalmia Cement (Bharat)	2.37	6	100	39	35 1/2
1938	Basanti (Oct.)	5.00	6 1/2	10	8	9	1935-36	Delhi Flour Mills (Oct.)	96	7 1/2	100	132	133
1896	Bengal Nagpur (Apr Oct.)	4.00	7	100	99	118	1935-36	Deshgarh Power Supply "A" (Jan.)	16.00	5	100	93	92
1900	Bowreah "A" (Apr Oct.)	5.00	6	100	125	126	1935-36	Deshgarh Power Supply "B" (Jan.)	16.00	5	100	93	92
1900	Bowreah "B" (S) (Apr Oct.)	5.00	6	100	125	126	1935-36	Dunlop Rubber "First" (Jan July)	30.00	6	100	125	126
1919	Bradbury "B" (Jan Dec.)	14.75	7 1/2	250	324 1/2	324 1/2	1935-36	Dunlop Rubber "Second" (Apr.)	40.00	6 1/2	100	96	101
1920	Buckingham & Carnatic (Jan July)	21.30	7 1/2	100	144	133 1/2	1935-36	East India Distilleries (Jan July)	22.00	7	100	17 1/2	17 1/2
1928	Cambodia (July)	1.00	7	100	122 1/2	125	1935-36	Eastern Investments Ltd (Apr.)	2.50	5 1/2	100	65	70
1912	Central India (Apr Oct.)	50.00	5	500	531 1/2	531 1/2	1935-36	General Investment & Trust (Feb Aug.)	1.00	5	100	75	77 1/2
1912	Delhi Cloth & General (Oct.)	20.00	4 1/2	25	20	20	1935-36	General Investment & Trust (Feb Aug.)	1.00	5	100	75	77 1/2
1912	Elgin (May Nov.)	11.00	6	100	135 1/2	143	1935-36	Gillanders Arbuthnot (Apr Oct.)	2.50	6 1/2	100	68	73
1943	Elgin "B"	1.20	5	10	91	91	1935-36	Gladstone Lyall & Co. Ltd.	15.00	6 1/2	100	69	69
1919	Elphinstone (May Nov.)	25.00	7 1/2	100	87 1/2	87 1/2	1935-36	Godfrey Phillips India Ltd.	30.00	5 1/2	100	68	68
1919	Kesaram (June Dec.)	20.00	6	100	130	133	1935-36	Gwalior Sugar (Decem.)	5.00	7	100	68	68
1925	Khatua Makani (Nov.)	10.00	6	100	88	88	1935-36	Humayan Properties Ltd (Nov.)	12.00	6	100	10	10 1/2
1937	Kothari (Nov.)	12.00	6	100	103	104	1935-36	Indian Aluminium (Mar Sept.)	40.00	5 1/2	100	86	71
1900	Mulr (Feb Aug.)	30.00	6	100	87	89	1935-36	Indo Burma Petroleum (Jan July)	30.00	7 1/2	100	103	103
1913	New Great Eastern (Mar.)	3.00	5 1/2	200	18 1/2	18 1/2	1935-36	India General Navy & Railways	115	115	115	85	78
1920	New Victoria (Apr Oct.)	28.00	6	5	3	3	1935-36	Indian Cable Co (Nov.)	12.88	6	100	33	27
1933	Palani Andavar (Mar.)	2.00	7	50	58 1/2	58 1/2	1935-36	Indian Standard Wagon (Aug or Sept.)	1.96	7	100	140	141 1/2
1935	Swadeshi (Bombay) (May)	15.00	5	100	115	111	1935-36	Indian Iron & Steel	2.69 1/2	5	100	108 1/2	108
1927	Swadeshi (Cawnpore) (Mar.)	35.00	6	100	92	88 1/2	1935-36	Investment and Finance (Feb Aug.)	2.00	5	100	75	77 1/2
1931	Vasanta (Apr Oct.)	3.00	6 1/2	100	113	120	1935-36	Investment and Finance (Feb Aug.)	2.00	6 1/2	100	65	70
1938	Vishnu (Apr.)	16.00	7	500	550	550	1935-36	James Wright (Jan July)	1.30	6	50	41	38
JUTE MILLS.													
1927	Agarpara (Jan July)	10.00	7	100	112	112	1935-36	Jardine Henderson Ltd.	50.00	5 1/2	100	71	70 1/2
1905	Alexandra (Feb Aug.)	4.00	7	100	100	106	1935-36	Jessop & Co	10.00	5	100	102	105 1/2
1896	Alliance (Mar Sept.)	15.00	6	100	96	103 1/2	1935-36	Jupiter General Insurance (Sept.)	4.99	6 1/2	10	10	10
1917	Anglo-India (May Nov.)	40.00	7	100	112 1/2	121 1/2	1935-36	Kumardhubi Engineering (June)	12.00	5	100	103	108
1908	Auckland (July Jan.)	10.00	5 1/2	100	90	90 1/2	1935-36	Do Fireclay & Silica (June)	12.00	5	100	116	116 1/2
1945	Auckland (July Jan.)	15.00	4 1/2	100	72	76	1935-36	Martin Burn Ltd.	30.00	5	100	104 1/2	105
1918	Bally (Jan July)	20.00	7	100	108	117 1/2	1935-36	McLeod & Co.	10.00	5 1/2	100	69	73
1896	Bengal (Oct Dec.)	22.00	5 1/2	100	108	117 1/2	1935-36	McLeod & Co.	40.00	5	100	75	83
1906	Belvedere (Jan July)	1.00	7	25	111 1/2	121	1935-36	Mettur Chemical & Industrial (Sept.)	20.00	6	100	99	88 1/2
1940	Bengal (June Dec.)	10.00	5 1/2	100	80	92	1935-36	Metal Box Co of India Ltd.	30.00	6 1/2	100	96	97
1919	Birga (June Dec.)	23.64	7 1/2	100	101	106	1935-36	Mysore Chemical Mfg (Sept.)	2.00	5	100	92	92 1/2
1896	Budge-Budge (May Nov.)	9.00	7	100	111	120	1935-36	National Insulated Cable	25.00	5 1/2	100	80	80
1934	Calcutta (Jan July)	5.00	6 1/2	100	112	118	1935-36	National Tobacco (June Dec.)	10.00	5 1/2	100	71	71
1919	Caledonian (June Dec.)	10.00	6 1/2	100	112	118	1935-36	National Tobacco (Jan Dec.)	2.00	6 1/2	100	78	78
1919	Chetiv (June Dec.)	10.00	7	100	111	118	1935-36	Northern India Oil (Jan July)	20.00	6	100	40	55
1919	Chitavalah (Mar Dec.)	5.00	7	100	110	113	1935-36	Poona Electric Supply Co. Ltd. (June Dec.)	4.00	7	100	103 1/2	103 1/2
1900	Clive (First) (May Dec.)	8.00	6	100	91	93	1935-36	Premier Construction "First" (Apr.)	10.00	6 1/2	100	104	104
1905	Clive "A" (Second) (May Dec.)	8.00	7	100	101	105	1935-36	Premier Construction "Second" (Apr.)	15.00	6 1/2	100	99 1/2	99 1/2
1903-12	Dalhousie (Jan Jan.)	15.00	7	100	108	117	1935-36	Purtalappore (Sugar) (Oct.)	6.00	10	10	15	16
1897	Delta (June Dec.)	5.00	6	100	93	94	1935-36	Ramnagar Cane & Sugar (Aug.)	4.00	6	100	99 1/2	140
1912	Empire (Jan July)	10.00	7	100	110	115	1935-36	Rohas Industries (April)	20.00	7	100	121 1/2	124
1899-98	Fort Gloster (Jan July)	14.00	7	100	83	124	1935-36	Rohas Industries "B" (Apr.)	86.00	6 1/2	100	64	70 1/2
1948	Fort Gloster (2nd)	7.00	5	100	118	85	1935-36	Shaw Wallace & Co. Ltd.	75.00	6 1/2	100	84 1/2	84 1/2
1911	Fort William (May Nov.)	10.00	7	100	115	128 1/2	1935-36	Shree Gopal Paper	7.50	6	100	120	125
1916	Janges (June Dec.)	4.00	6	100	110	113	1935-36	Shree Krishna Gyanodaya Sugar "A" (Oct.)	6.00	6	100	89	101
1895-04	Jourapore (June Dec.)	28.50	6	100	101	108	1935-36	Shree Krishna Gyanodaya Sugar "B" (Nov.)	12.00	5	100	75	60 1/2
1935	Hastings (Aug Feb.)	25.00	6	100	100	106	1935-36	Smith Stanistreet (Chemist) (Nov.)	5.00	10	50	70	60 1/2
1913	Hooghly (July)	11.00	10	10	134	153	1935-36	South Behar Sugar (Oct.)	5.00	7	100	161 1/2	161 1/2
1890	Jowrah (Jan July)	3.75	7	100	112	123	1935-36	Spencer & Co. "A" (Provisions) (Jan July)	23.20	6 1/2	100	91	91
1903-06	Jowrah "A" (Jan July)	17.50	7	100	110	118	1935-36	Spencer & Co. "B" (Provisions) (Jan July)	36.80	8 1/2	100	110	111
1919	Hukumchand (Jan Dec.)	40.00	7	100	102	114	1935-36	Star Paper (Apr Oct.)	10.00	5	100	82	82
1898-04	Kamarnathi (Apr Oct.)	15.00	6	100	102	105	1935-36	Surat Electricity (Apr.)	5.00	6 1/2	100	131	131
1900	Kamarnathi (Apr Oct.)	10.00	6	100	102	105	1935-36	Tata Chemicals (Nov.)	60.00	5	100	117 1/2	117 1/2
1935	Kedarnath (Jan July)	2.00	7	100	105	90	1935-36	Tata Hydro Electric Power (Sept Mar.)	89.28	7	100	121 1/2	121 1/2
1907	Kelvin (Mar Sept.)	10.00	7	100	110	120	1935-36	Tata Iron & Steel (First) (Nov.)	75.00	6 1/2	100	166 1/2	170
1895-09	Khardah (May Nov.)	9.00	6	100	100	106	1935-36	Tata Iron & Steel (Second) (May)	193.82	7 1/2	100	126	128 1/2
1900-1	Kinnison (July Jan.)	15.00	7	100	111	119	1935-36	Tata Power (May Nov.)	86.97	7 1/2	100	127 1/2	127 1/2
1910	Lansdowne (July Jan.)	15.00	7	100	110	117 1/2	1935-36	Tatapore-Balipara tram (1) (June Dec.)	2.25	6	100	147	153
1912	Lawrence "A" (July Jan.)	15.00	7	100	111	117	1935-36	Titagarh Paper Mills (Mar Sept.)	11.50	6	100	147	153
1906-07	Lawrence "B" (July Jan.)	10.00	5 1/2	100	110	117	1935-36	Titagarh Paper Mills "2nd" (Mar Sept.)	15.00	4 1/2	100	88	93
1905	Naihati (July Jan.)	7.50	7	100	118	120	1935-36	Vellore Electric (Sept Mar.)	1.25	6	100	8	8
1945	Naihati (July Jan.)	10.00	4 1/2	100	78	76	1935-36	Vizagapatam Electric Supply (July)	1.00	6 1/2	100	82 1/2	82 1/2
1917	National (May Nov.)	5.00	7	100	119	126	1935-36						
1939	Nellimarla (Apr Oct.)	5.00	7	100	119	126	1935-36						
1915	New Central (Jan July)	5.00	6	100	101	104	1935-36						
1908-39	Northbrook (July Jan.)	33.00	7	100	109 1/2	116	1935-36						

COAL COMPANIES

O. P. F. and Dd. indicate Ordinary Preferred Ordinary. Founders' and Deferred shares respectively. P. next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent	Paid-up per share	Latest Market Quotations as available until
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1953 1954 1955	Rs.	11-7-56 4-7-56 A year ago
25,50,000	26,43,478	24,50,000	6,60,570	Amalgamated	3-9	236	6,83,393	26,953	5-5 31-5 61-71	10	231 231 241
1,00,00,000	1,96,15,288	1,40,49,223	18,85,659	Bengal P	4-10	2	26,18,986	7,31,563	81-71 71-71 81-81	200	5381 537 532
4,49,350	5,08,193	70,000	2,24,300	Bengal Bhatdee	6-12	2	15,140	4,951	11-11 11-11 11-11	10	61 61 61
2,25,000	2,52,838	5,34,591	13,809	Bengal Nagpur P	6-12	2	16,266	57,417	Nil-Nil Nil-Nil Nil-...	10	16 16 111
15,97,000	14,16,665	6,91,475	13,52,071	Bhalgorah	9	152	8,13,899	39,978	...	10	61 61 71
40,00,000	68,01,474	20,23,235	32,65,320	Bharat Collieries P	6	335	2,52,221	27,433	...	10	71 71 71
7,15,000	15,71,994	14,27,545	66,818	Bhulanbarree	6-12	106	16,884	1,65,136	Nil-Nil Nil-Nil Nil	10	131 131 131
16,00,000	38,87,275	16,18,636	7,185	Bokaro & Ramgur	6-12	315	1,21,935	79,196	...	10	121 121 121
7,50,000	18,56,839	24,29,026	11,60,065	Borra P	6-12	106	2,14,632	84,707	15-121 10-10 10-10	10	23 23 291
90,92,490	2,38,29,968	1,75,17,502	25,32,133	Burrakur P	6-12	21	1,19,930	1,15,376	11-21 21-31 31-31	10	131 131 141
49,97,000	35,80,075	750	1,75,962	Central India	3	166	1,33,037	14,019	21 21 21	10	71 71 81
8,00,000	16,67,573	13,30,519	15,752	Central Kurkend P	6-12	323	34,743	82,768	31-31 31-31 31-31	10	21 21 11
6,00,000	1,33,676	1,33,676	7,32,536	Churulia	6-12	106	6,374	2,129	...	10	81 81 81
2,240,000	2,23,131	1,20,000	35,989	Dhemo Main	6-12	19	70,891	2,43,279	Nil-Nil Nil-Nil Nil	10	31 31 31
29,63,760	2,23,668	2,38,065	2,72,456	East Indian	4	128	2,137,640	5,89,767	181 181 221	21	31 31 32
10,00,000	2,02,83,132	76,84,250	21,79,507	Equitable P	6-12	19	5,71,573	93,266	10-81 71-71 71-71	10	301 301 32
6,50,000	6,74,708	2,07,486	3,32,973	Ghusick & Muslia	3	307	12,979	24,844	...	10	171 171 171
8,00,000	5,06,856	33,155	4,95,544	Guzdar Kajora	6-12	20	24,150	2,401	...	10	111 111 111
3,50,000	2,81,843	67,900	5,09,694	Hurriladih	6-12	19	2,58,532	65,461	71-71 71-10 12-11	10	31 31 11
15,00,000	6,31,200	5,66,816	1,407	Kalahari	2-8	2	1,38,130	21,237	171-10 Nil-Nil Nil-Nil	10	201 201 291
5,00,000	31,73,485	27,32,396	24,48,796	Karanpura Development	6-12	21	19,875	30,704	Nil-Nil Nil-Nil Nil-...	100	22 22 161
20,00,000	25,67,864	2,27,825	75,106	Karanpura Collieries P	2	21	2,23,402	2,661	Nil Nil 21	100	121 121 125
1,38,400	6,75,000	95,000	11,06,432	Katras Jheriah	1-7	2	4,72,848	1,26,128	20-20 28-28 25-30	10	91 91 91
5,65,750	10,84,977	85,000	9,569	Khas Kajora P	6-12	326	49,776	1,918	...	10	91 91 91
7,48,240	10,84,977	15,000	9,569	Mundulpur	6-12	326	79,868	79,868	Nil-Nil Nil-...	10	31 31 31
7,00,000	5,13,418	26,617	5,04,429	Nazira	12	347	82,501	25,598	...	10	7 7 7
17,76,230	31,15,787	20,01,765	61,694	New Bandar P	3-9	5	59,011	6,071	31-11 31-11 31-11	10	10 10 61
6,00,000	12,34,425	69,929	3,78,538	New Beerboom P	4-10	2	2,64,716	94,385	31-5 31-5 31-5	10	111 111 101
2,50,000	7,69,623	1,75,500	69,929	North Damuda	3-9	202	45,002	36,426	Nil-Nil Nil-Nil Nil-...	10	21 21 21
1,15,000	4,51,490	2,55,193	10,12,916	North West	1-7	306	7,954	32,184	...	10	21 21 21
7,50,000	1,20,000	12,19,987	23,26,757	Ondal P	6-12	106	22,197	56,646	10-10 5-5 5-5	10	151 151 181
8,34,000	9,21,342	10,862	4,36,015	Parasea P	6-12	207	1,08,075	8,018	11-11 31-31 31-31	10	141 141 141
15,75,000	12,40,000	16,00,000	12,21,654	Pench Valley	3-9	236	4,18,450	33,343	71-81 81-71 71-71	10	221 221 221
2,50,000	2,42,405	7,500	11,530	Pure Sitalpur	6-12	5	2,008	18,581	...	10	61 61 31
23,99,500	37,59,038	19,17,105	39,198	Rengunge	3-9	79	1,83,814	16,846	Nil-Nil 21-21 21-31	10	131 131 121
13,50,000	7,69,000	8,53,385	12,13,452	Rewa	6-12	236	2,76,942	28,521	10-10 71-61 81-...	10	221 221 191
20,00,000	23,74,261	7,52,027	1,01,427	Samla	12	48	1,80,660	31,543	21-21 71 71	10	141 141 11
12,50,000	1,57,243	2,02,212	2,02,212	Searsole	1	353	1,05,156	21,070	25 25 30	10	7 7 121
2,80,000	10,92,193	8,36,598	7,87,726	Seebore P.	6-12	2	2,42,112	49,299	121-121 142-142 175-175	10	29 29 271
8,00,000	23,624	5,29,306	6,32,757	Sendra	6-12	106	4,098	7,503	Nil-Nil Nil-11 11-11	10	111 111 111
17,50,000	22,81,985	10,75,016	63,654	South Karanpura	2-8	21	59,079	61,533	11-11 Nil-11 11-11	10	91 91 181
8,00,000	14,06,600	13,69,545	21,84,359	Standard	6-12	106	1,24,337	7,937	10-10 71-71 5-...	10	251 251 201
10,00,000	15,58,085	15,075	3,910	Talcher	9	277	22,689	3,85,056	Nil Nil 21-...	10	31 31 41
3,50,000	4,66,000	3,33,000	8,176	Union	6-12	279	4,033	44,167	10-71 5-21 21-...	10	141 141 141
19,98,000	30,14,812	21,550	4,20,307	Western Bengal	3	166	3,99,468	37,694	31 31 31	10	61 61 71
7,00,000	32,55,152	1,36,190	40,000	West Jamdria	6-12	19	1,31,849	122	Nil-Nil Nil-Nil Nil-...	10	111 111 111

* 1956.

N = Nominal

COTTON MILLS

Paid-up Capital Ordinary	Number of Spindles	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent	Paid-up per share	Latest Market Quotations as available until
Rs.		Rs.	Rs.	Rs.				Rs.	Rs.	1953 1954 1955	Rs.	11-7-56 4-7-56 A year ago
15,00,000	14,108	356	14,62,919	1,73,478	Basanti P	12	49	1,97,268	41,227	21 21 21	10	6 6 51
32,72,340	22,197	505	27,69,676	23,18,909	Benares P	3-9	120	1,27,187	4,79,347	...	10	11 11 11
7,11,280	36,000	932	17,17,120	2,20,369	Bengal Luxmi	3	27	3,66,176	47,818	...	10	38 38 401
27,00,000	31,476	624	23,53,000	15,50,000	Bengal Nagpur P	6-12	236	5,23,389	18,199	Nil Nil 10	10	91 91 91
15,00,000	38,764	992	31,35,500	1,09,84,251	Birla Cotton	3	22	5,28,332	42,221	Nil Nil 30	10	95 95 80
6,00,000	42,872	641	37,54,142	22,72,588	Bowreah P	6-12	138	84,028	23,47,373	Nil Nil Nil-30	100	168 168 434
30,00,000	28,000	510	7,72,303	25,93,976	Cawnpore Textiles	3	25	29,519	29,514	Nil Nil Nil	10	5 5 81
3,27,02,900	1,01,808	2,762	9,94,63,168	2,94,83,803	Delhi Cloth & Genl. P.	6	238	1,81,41,278	82,759	9 9 9	25	371 371 311
19,00,000	42,944	518	34,12,181	25,71,925	Dunbar	6-12	138	9,92,376	1,37,951	Nil Nil Nil-21	100	300 300 220
63,00,000	54,000	1,200	22,44,751	36,36,360	Elgin P	9	25	32,80,464	93,366	15 10 10	10	281 281 191
12,00,000	59,250	1,872	2,38,99,575	1,60,53,952	Kesoram P	3	22	37,41,719	24,45,35	111 81 81	20	181 181 171
33,98,288	35,864	864	17,48,143	9,75,679	Mohini P	12	45	9,53,316	5,158	...	10	25 25 25
30,00,000	88,000	1,825	47,45,546	52,19,001	Muir P	12	208	18,77,941	7,77,290	...	10	88 88 118
22,89,882	78,848	1,367	42,54,577	26,00,968	New Victoria P	12	237	18,83,371	13,76,473	Nil 21 21 21	10	21 21 21
19,47,750	23,196	795	22,57,946	18,38,739	Rampooria Cotton	6	4	6,16,936	1,094	Nil 61 Nil	10	111 111 111
5,00,000	1,14,836	2,077	2,83,77,688	2,65,04,931	Swadeshi (Cawnpore) P.	12	333	43,71,838	7,09,029	Nil 61 Nil	10	111 111 111
17,50,000	48,754	1,310	91,31,708	1,89,73,217	Bangalore W. C. Silk P	12	26	56,34,938	2,38,649	25 30 30	100	575 572 478
1,78,47,800	1,20,012	2,770	3,20,71,800	1,87,39,278	Buckingham Carnatic P	12	26	1,01,66,075	2,38,445	10 10 10	100	203 203 179
20,00,000	23,864	...	18,03,003	20,32,074	Cambodia P	12	210	1,96,274	27,593	71 Nil 5	10	141 141 131
12,00,000	23,864	...	6,41,058	36,53,502	Coimbatore Cotton	12	188	6,33,750	61,404	...	100	375 370 290
20,76,220	72,832	407	47,91,212	22,22,227	Coimbatore Spg & Wvg	6	146	7,52,342	10,23,340	Nil 5 5	100	104 105 72
6,50,000	50,640	295	12,25,505	17,90,000	Kaleswarar	12	139	2,05,190	7,677	...	100	332 332 332
24,00,000	30,512	200	52,38,868	16,25,000	Kothari Textile P.	6	141	3,25,924	29,832	...	10	171 171 171
23,64,000	48,756	...	15,01,051	21,70,200	Lakshmi	12	186	31,41,248	2,209	...	50	228 220 1971
1,75,02,480	4,65,324	...	2,15,02,107	4,13,81,878	Madura	12	108	77,86,509	18,86,813	20 20 20	15	51 51 481
12,00,000	21,856	...	8,43,189	1,55,363	Malabar Spg & Wvg.	12	240	1,01,66,075	2,38,445	...	100	115 115 115
60,00,000	24,252	603	20,49,893	69,00,000	Mettur Industries	3	29	48,44,863	45,835	21 25 421	100	533 535 251
13,61,760	8,000	...	14,15,992	8,90,279	Mysore Spun Silk	3	142	1,753	3,886	Nil Nil Nil	10	71 71 4
4,00,000	20,137	Nil	8,36,608	3,00,000	Palani Andavar P	12	30	7,39,337	2,687	...	50	168 168 115
7,79,700	15,540	416	5,42,118	2,43,421	Sitaram Spg & Wvg.	3	164	87,724	3,083	...	60	...
7,00,000	28,104	270	12,98,563	18,23,501	Vasanta P	12	47	16,37,459	...	...	100	335 320 234

J Liquid Assets.

BOMBAY COTTON MILLS

O. P. C. and Dd. indicate Ordinary Preferred Ordinary. Contributory and Deferred Shares respectively. P. next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Number of Spindles	Net Block Account	Reserve & other Funds	Cash & Securities	NAMES OF MILLS	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent	Paid-up per share	Latest Market Quotations as available until
Rs.		Rs.	Rs.	Rs.				Rs.	Rs.	1953 1954 1955	Rs.	10-7-56 3-7-56 A year ago

TEA COMPANIES

O, Po and Dd indicate Ordinary, Preferred Ordinary and Deferred Shares, respectively. P next to the name of the company indicates that the Company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital				Net Block Account	Reserve & other Funds	Accounts under Tea	Outturn and Average Price realised for crop				Estimate	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Dividends per cent			Paid-up Share	Latest Market Quotations as available until		
Ordinary							1953		1954		1955					1952	1953	1954	Rs.	11-7-56	4-7-56	A year ago
Ra.				Ra.	Ra.		Lbs.	As. P.	Lbs.	As. P.	Lbs.				Ra.					Ra.	Ra.	Ra.
CACHAR																						
3,00,000	3,40,887	1,75,000	862	2,71,440	30-1	2,89,040	39-11	..	Aruntipore	12	88	1,72,877	Nil	Nil	Nil	10	12	12	131	131	131	
4,00,000	6,26,259	49,878	465	..	..	..	..	..	Baitakhal	12	35	43,307	Nil	..	..	..	..	..	..	..	..	
10,00,000	17,71,849	8,13,800	1,480	8,01,327	31-1	8,90,263	40-10	8,19,040	Central Cachar	12	128	5,98,904	Nil	Nil	71	100	100	100	100	100	100	
2,50,000	57,753	Nil	194	3,80,734	3-1	1,00,450	4-2-5	6,87,760	Chandypore	12	128	66,346	Nil	Nil	Nil	116	116	116	123	123	123	
7,00,000	6,99,137	11,300	649	3,74,480	27-11	3,91,320	38-6	4,40,000	Eastern Cachar	12	202	2,48,284	Nil	Nil	Nil	10	91	91	121	121	121	
12,00,000	18,43,015	11,50,000	2,153	14,44,180	27-5	17,59,920	35-0	16,00,000	Hattikihira	12	202	13,22,356	Nil	25	46	10	221	221	301	301	301	
4,50,000	2,97,000	1,65,222	588	..	..	..	..	..	Kallinugur Khoreal	12	313	91,071	Nil	Nil	Nil	15	100	110	110	115	115	
3,60,000	2,40,000	2,51,794	599	3,44,610	31-4	3,40,507	16-8	3,20,000	Kunchunpore	12	33	3,31,927	Nil	Nil	271	10	141	141	211	211	211	
7,00,000	3,25,000	2,50,000	1,350	1,44,302	32-4	7,33,267	47-6	7,84,000	North Western Cachar	12	63	2,21,677	Nil	Nil	20	100	264	264	264	264	264	
1,84,500	3,00,329	Nil	486	4,54,180	29-5	..	..	..	Pathamara P.	12	202	1,64,441	Nil	Nil	..	10	141	141	251	251	251	
2,60,000	3,90,325	1,15,592	618	4,54,180	29-5	5,04,120	36-6 4/5	5,84,000	Roopacherra	12	165	4,33,780	Nil	Nil	10	10	221	221	211	211	211	
5,25,000	3,25,000	6,28,514	688	5,94,410	33-9	6,76,900	41-11	5,60,000	Rungamattie	12	53	5,75,715	Nil	20	35	50	104	105	144	144	144	
4,00,000	6,88,316	5,52,313	662	4,79,400	38-7 1/5	4,49,336	36-7 1/5	5,20,000	Sonai River P.	12	14	3,73,677	Nil	Nil	123	10	191	191	271	271	271	
3,75,000	5,02,307	4,31,250	1,050	..	..	4,63,320	..	5,12,000	Tilhak	12	95	5,22,670	Nil	Nil	20	10	12	101	101	101	101	
DARJEELING																						
3,99,750	6,89,413	4,157	562	1,19,351	33-9	1,14,311	29-11	1,44,000	Bloomfield	12	101	73,268	Nil	Nil	Nil	10	33	33	61	61	61	
2,79,900	4,72,561	1,25,000	407	1,06,586	42-3	1,41,174	62-0	1,60,000	Chamong	12	279	1,34,309	Nil	Nil	20	10	17	17	201	201	201	
3,75,900	3,75,900	3,11,928	991	..	..	..	..	..	Darj. Tea Chinchona	12	139	1,15,088	Nil	71	40	100	250	250	290	290	290	
2,00,000	1,74,363	1,62,659	488	1,04,560	39-10	1,35,760	52-5	1,28,000	Darj. Tea Chinchona	12	139	1,15,088	Nil	71	40	100	250	250	290	290	290	
2,00,000	5,13,500	3,53,585	500	2,84,204	49-11	2,84,204	49-11	2,84,204	Darj. Tea Chinchona	12	200	1,03,183	Nil	Nil	25	10	190	190	315	315	315	
7,00,000	6,25,000	3,10,770	1,049	5,84,322	38-0	6,53,740	58-31	6,68,000	Darj. Tea Chinchona	12	279	1,34,309	Nil	71	40	100	250	250	290	290	290	
10,32,300	5,57,576	11,18	761	4,38,233	34-3	5,26,515	48-81	5,80,000	Darj. Tea Chinchona	12	279	1,34,309	Nil	71	40	100	250	250	290	290	290	
4,00,000	3,67,134	3,00,000	816	3,09,520	42-4	..	..	..	Darj. Tea Chinchona	12	165	8,04,823	Nil	10	20	10	13	13	161	161	161	
1,59,900	1,75,390	1,10,239	463	1,53,521	42-1	1,82,080	62-4	1,84,000	Darj. Tea Chinchona	12	165	8,04,823	Nil	10	20	10	13	13	161	161	161	
2,99,900	3,40,000	3,00,000	689	3,72,742	34-9	4,35,016	53-4	4,40,000	Darj. Tea Chinchona	12	279	1,34,309	Nil	71	40	100	250	250	290	290	290	
1,00,000	1,50,000	1,07,500	505	1,53,571	40-2	1,81,153	53-3	1,80,000	Darj. Tea Chinchona	12	279	1,34,309	Nil	71	40	100	250	250	290	290	290	
3,00,000	5,02,368	2,61,118	778	..	..	..	..	..	Darj. Tea Chinchona	12	279	1,34,309	Nil	71	40	100	250	250	290	290	290	
3,00,000	4,85,000	3,73,387	500	1,47,598	35-8	1,68,697	54-5	1,76,000	Darj. Tea Chinchona	12	63	1,73,643	Nil	21	15	10	131	131	151	151	151	
2,05,000	4,20,500	2,68,427	570	1,03,418	38-5	1,58,740	50-8	1,60,000	Darj. Tea Chinchona	12	63	1,73,643	Nil	21	15	10	131	131	151	151	151	
1,40,000	1,40,000	4,77,000	341	1,72,121	40-8	1,80,720	58-0	1,80,000	Darj. Tea Chinchona	12	63	1,73,643	Nil	21	15	10	131	131	151	151	151	
3,00,000	4,80,000	..	389	1,64,462	39-1	1,77,704	53-5	2,40,000	Darj. Tea Chinchona	12	63	1,73,643	Nil	21	15	10	131	131	151	151	151	
6,25,000	3,90,413	1,45,592	747	1,63,189	44-4 1/5	2,05,035	47-0	2,40,000	Darj. Tea Chinchona	12	63	1,73,643	Nil	21	15	10	131	131	151	151	151	
9,00,000	9,27,823	1,95,871	683	2,36,381	35-81	2,64,000	50-41	2,80,000	Darj. Tea Chinchona	12	101	2,87,270	Nil	Nil	5	10	51	51	91	91	91	
3,00,000	2,89,000	3,90,000	554	2,67,892	40-51	2,89,738	60-31	2,80,000	Darj. Tea Chinchona	12	101	2,87,270	Nil	Nil	5	10	51	51	91	91	91	
6,25,000	1,10,947	3,74,585	382	3,30,160	37-04	3,76,000	54-5	3,90,000	Darj. Tea Chinchona	12	101	2,87,270	Nil	Nil	5	10	51	51	91	91	91	
3,20,000	4,86,000	9,62,401	7184	3,64,018	38-2	4,40,947	48-81	4,00,000	Darj. Tea Chinchona	12	101	2,87,270	Nil	Nil	5	10	51	51	91	91	91	
9,01,350	10,96,000	2,90,000	1,666	6,68,939	35-6	7,11,945	50-53	7,76,000	Darj. Tea Chinchona	12	101	2,87,270	Nil	Nil	5	10	51	51	91	91	91	
DUARS																						
15,00,000	17,66,862	34,25,000	2,540	29,22,880	32-41	30,81,680	51-2	32,00,000	Banarhat	12	2	51,07,307	171	45	120	100	50	50	60	60	60	
6,00,000	20,53,853	18,70,000	1,105	14,08,864	32-3	13,91,320	43-7	13,77,200	Baradighi	12	128	18,94,414	5	30	65	10	50	50	60	60	60	
9,00,000	6,05,410	11,03,942	1,112	13,97,257	30-9	..	..	..	Bhatkawa	12	165	1,53,561	Nil	71	40	100	250	250	290	290	290	
9,00,000	9,00,000	6,00,000	1,343	12,02,359	32-2	11,94,886	52-5	12,00,000	Bhatkawa	12	63	1,20,478	Nil	Nil	20	100	192	192	240	240	240	
6,00,000	6,00,000	3,33,082	602	5,53,226	34-5	6,04,104	35-10	6,00,000	Bhatkawa	12	63	1,20,478	Nil	Nil	20	100	192	192	240	240	240	
6,00,000	5,97,972	12,00,000	901	4,82,560	32-2	10,68,880	49-4	11,20,000	Bhatkawa	12	63	1,20,478	Nil	Nil	20	100	192	192	240	240	240	
3,00,000	2,16,475	2,50,000	500	4,41,787	32-4	4,01,294	43-8	4,48,000	Bhatkawa	12	63	1,20,478	Nil	Nil	15	100	266	266	353	353	353	
1,20,000	1,70,317	2,64,000	265	2,14,320	32-6	2,24,800	49-1	2,80,000	Bhatkawa	12	63	1,20,478	Nil	Nil	15	100	266	266	353	353	353	
3,50,000	5,11,776	3,00,000	447	4,59,440	28-9	4,75,840	39-9	5,20,000	Bhatkawa	12	63	1,20,478	Nil	Nil	15	100	266	266	353	353	353	
5,00,000	1,38,430	1,12,233	937	3,98,080	32-2	7,62,720	47-4	8,00,000	Bhatkawa	12	63	1,20,478	Nil	Nil	15	100	266	266	353	353	353	
10,30,000	14,08,462	19,75,674	996	11,68,881	29-4	12,26,000	47-11	14,57,249	Bhatkawa	12	99	15,05,463	Nil	16	24	25	231	231	231	231	231	
24,00,000	20,00,000	14,48,782	2,427	32,32,773	32-5	30,88,842	44-1	31,20,000	Bhatkawa	12	63	1,20,478	Nil	25	60	100	220	220	375	375	375	
32,00,000	52,36,920	60,63,335	2,365	60,95,289	32-6	63,71,277	4															

O Po. and Dd. indicate Ordinary Preferred Ordinary Contributory and Deferred Share respectively. P. next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

O., Po., C. and Dd. indicate Ordinary, Preferred Ordinary, Contributory and Deferred Shares respectively. P. next to the name of the company indicates that the company also has Preference Shares. * Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Net Profit Including taxation	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
								1953	1954	1955		Rs.	Rs.	Rs.
Rs.	Rs.	Rs.	Rs.			Rs.	Rs.	1953	1954	1955	Rs.	Rs.	Rs.	
SUGAR BREWERIES, ETC.														
11,00,000	6,45,722	3,75,000	10,90,564	New Savan Sugar and Gur	5	140	95,437	52,205	10	7 1/2	10	61	61	
9,00,000	7,28,559	17,64,000	58,734	Purtabpur Sugar P.	10	25	5,08,340	6,871	10	7 1/2	10	15 1/2	15 1/2	
16,59,820	26,52,127	35,00,000	4,84,050	Rammugger Cane & Sugar P.	8	1	18,11,504	20,350	20	15	20	28 1/2	28 1/2	
19,99,600	25,62,553	39,88,213	13,92,315	Raza Sugar	10	92	10,78,193	3,144	10	..	10	20 1/2	20 1/2	
8,00,000	4,42,169	6,54,702	1,85,115	Ryam Sugar P.	6	25	14,37,998	24,340	5	5	10	20 1/2	20 1/2	
11,54,651	18,37,529	9,91,321	3,91,321	Samastipur Central Sugar	6	25	1,93,022	8,477	5	Nil	10	13 1/2	13 1/2	
72,52,286	36,65,708	1,63,444	1,63,444	Shree Krishna Gyanoday Sugar P.	6	335	12,99,571	34,046	15	15	17 1/2	15 1/2	15 1/2	
2,90,000	13,54,588	1,16,635	11,66,353	Shree Kishan Sugar	7	140	1,90,051	7,901	10	Nil	10	4 1/2	4 1/2	
9,99,950	14,54,274	1,54,304	1,42,696	Sitalpore Sugar	6	94	1,39,515	1,39,515	Nil	Nil	10	4 1/2	4 1/2	
16,00,000	6,07,904	7,99,778	4,22,572	United Provinces	9	341	4,23,880	39,061	5	12 1/2	10	20 1/2	20 1/2	
8,00,000A	38,92,306	21,57,556	3,60,236	Upper Ganges Sugar P.	6	227	10,24,552	82,931	25	25	25	94 1/2	94 1/2	
14,00,000B	14,24,740	23,74,426	10,72,924	Upper India Sugar	4	302	16,80,986	86,393	..	15	20	28 1/2	28 1/2	
MISCELLANEOUS														
8,00,000	2,20,232	1,56,200	9,53,526 1/2	A Firpo (Restaurateurs)	10	85	84,518	4,475	..	..	10	4 1/2	4 1/2	
1,50,00,000	1,40,80,594	6,21,715	51,061	Air India Ltd.	12	269	—6,02,785	—14,30,401	Nil	..	100	..	..	
2,00,00,000	2,58,39,656	68,01,534	50,022	Air India International Ltd.	12	322	10,51,340	30,205	Nil	..	100	..	..	
47,50,000D	1,31,03,534	15,00,000	5,97,941	Aluminium Corp. P.	3	132	12,82,024	32,582	Nil	Nil	100	10 1/2	10 1/2	
2,50,000D	42,43,917	14,50,000	55,36,059	Anderson Wright, Ltd. P.	12	1	4,94,322	24,401	6	7 1/2	10	11 1/2	11 1/2	
20,00,000	10,11,675	37,63,779	14,41,315	Angelo Bros.	8	268	11,84,131	3,43,961	12 1/2	12 1/2	20	22 1/2	22 1/2	
30,00,000	17,54,454	27,66,205	5,49,034	Assam Match	12	274	8,35,902	1,18,335	12 1/2	12 1/2	10	18 1/2	18 1/2	
13,99,998	21,25,615	28,30,285	64,182	Assam Saw Mills & Timber	9	21	—97,045	—5,14,537	Nil	Nil	Nil	3 1/2	3 1/2	
20,00,000	52,44,822	9,53,460	48,10,716	Associated Hotels of India P.	8	204	12,44,032	9,249	..	..	10	7 1/2	7 1/2	
80,01,400	33,60,000	79,13,763	61,74,805	Balmer Lawrie & Co.	12	304	21,23,529	5,49,717	20	13	100	165 1/2	165 1/2	
12,00,000	2,65,000	8,24,898	1,30,023	Barance Co.	3-9	128	2,12,123	22,708	7-7	7 1/2-7 1/2	10	10 1/2	10 1/2	
50,00,000	76,411	Nil	30,72,417	Bharat Timber Trading P.	6	128	—6,43,164	—1,19,103	..	..	100	44	44	
20,00,000	19,53,822	Nil	19,59,059	Bengal Airways Ltd.	6	22	—3,19,589	—3,19,229	..	..	100	51	51	
25,97,020	7,95,430	7,95,430	62,81,006	Birds Investments P.	3	160	5,89,372	1,15,707	12 1/2	12 1/2	10	16 1/2	16 1/2	
45,97,020	71,47,573	27,44,814	2,71,408	Britannia Biscuit P.	9	50	8,44,363	1,98,348	5	10	10	18 1/2	18 1/2	
22,50,000	13,98,798	14,18,775	3,38,373	British Ceylon Corporation P.	12	6	27,75,295	1,85,955	10	7 1/2	10 1/2	10 1/2	10 1/2	
3,25,000	59,89,736	41,30,524	2,50,83,650	British India Corporation P.	12	33	—30,23,938	—27,36,584	10	11	Nil	11 1/2	11 1/2	
32,50,000A	2,10,569	5,83,876	1,16,62,949	Calcutta Gas Co (Propr.) Ltd. P.	9	235	6,87,704	22,189	5	5	6	7 1/2	8 1/2	
5,00,000	5,92,780	2,40,684	1,02,976	Calcutta Silk Manufacturing P.	3-9	213	45,211	22,586	..	..	10A	4 1/2	4 1/2	
90,00,000	17,68,710	67,71,168	2,49,58,018	Duncan Brothers & Co. Ltd.	12	169	49,24,559	4,28,060	10	12	100	121 1/2	121 1/2	
1,60,00,000	2,94,69,004	3,14,86,174	4,04,73,323	Dunlop Rubber Co. (India) P.	12	96	96,72,154	11,71,685	15	15	10	29 1/2	30	
51,26,000	1,51,26,000	1,48,29,523	1,48,29,523	Eastern Investments Ltd. P.	12	21	23,82,240	3,06,138	9	9	100	147	170	
75,00,000	13,79,357	43,83,826	1,02,21,271 1/2	F. & C. Osler (India) Ltd. P.	3	84	—4,26,249	—5,26,954	5	..	10	11 1/2	11 1/2	
7,50,000	12,02,139	16,59,676	25,63,120	French Motor Car	3	51	19,33,237	1,02,899	..	..	5	20 1/2	20 1/2	
14,00,000	14,92,000	10,02,000	11,384	Ganges Rope	3-9	19	89,571	27,194	10-10	7 1/2-7 1/2	7 1/2-7 1/2	18 1/2	18 1/2	
2,25,900	17,68,100	17,68,100	4,86,072	General Investments Trust P.	2-8	21	13,938	7,556	21-21	21-21	21-21	75	43	
65,00,000	34,81,813	42,00,000	1,09,55,826	Gladders Arbuthnot & Co. Ld. P.	3	105	29,71,809	1,51,360	21-21	21-21	21-21	13 1/2	13 1/2	
20,00,000	27,68,043	5,00,324	12,84,357	Cladstone Lyall & Co. Ltd. P.	12	209	7,02,792	34,255	..	..	10	13 1/2	13 1/2	
40,00,000	31,71,333	7,81,000	98,384	Godfrey Phillips (India) Ltd. P.	12	310	19,01,201	11,96,811	17 1/2	10	20	25 1/2	24 1/2	
30,00,000	32,90,010	17,22,203	6,22,424	Great Eastern Hotel	3	225	5,30,579	16,373	..	..	250	239	239	
10,00,000	17,38,764	1,61,173	9,221	Hindusthan Ice & Cold Storage	9	..	43,377	24,274	..	..	5	11	11	
35,20,000	31,95,729	19,00,000	19,72,453	Hoare Miller & Co. Ltd.	12	294	—91,339	67,868	Nil	Nil	10	63	63	
15,16,000	7,28,49,459	7,23,36,779	5,90,97,499	Imperial Tobacco	3	325	8,18,18,053	25,00,733	..	6	8	15 1/2	15 1/2	
1,60,00,000	2,41,97,583	3,33,999	10,13,114	Indian Aluminium Co., Ltd. P.	12	293	26,79,662	14,18,074	Nil	Nil	9	22 1/2	22 1/2	
1,52,89,220	98,54,740	1,62,50,000	3,90,322	Indian Cable P.	3	34	77,23,781	28,98,462	10	10	12 1/2	35 1/2	36	
5,00,00,000	22,07,269	2,20,000	11,69,467	Indian National Airways	12	93	36,302	—12,62,971	..	..	10PO	8 1/2	8 1/2	
1,23,75,000D	8,57,270	3,08,800	8,08,202	Indian Rubber Manufacturers P.	3	173	4,07,268	1,36,845	..	..	10D	13 1/2	13 1/2	
2,00,00,000	6,57,319	9,18,487	10,03,705	Indian Wood Products	9	88	17,28,038	2,76,619	21-21	21-21	30	39 1/2	39 1/2	
50,00,000	4,64,735	1,45,787	11,19,693	Investments and Finance P.	2-8	21	41,660	5,201	25-25	21-21	21-21	65	65	
2,40,000	15,362	4,46,244	3,20,757	Ivan Jones Ltd.	9	194	1,39,321	36,496	..	..	2	2 1/2	2 1/2	
5,87,500D	2,23,827	2,97,161	6,66,695	James Wright P.	12	281	62,875	5,299	6	5	50	4 1/2	4 1/2	
1,17,500Dd	51,23,909	55,00,000	3,73,43,997	Jardine Henderson Ltd. P.	3	39	41,68,361	4,70,107	Nil	Nil	100	100	122 1/2	
6,34,000D	3,17,363	6,02,958	3,21,617	Macfarlane & Co.	3	133	—14,078	—4,849	..	..	50	20 1/2	20 1/2	
66,000Dd	82,21,000	44,53,21	3,30,53,361	Maeneill & Barry Ltd. P.	3	334	37,93,029	621,756	7 1/2	7 1/2	100	40 1/2	40 1/2	
1,50,00,000	36,41,510	54,56,063	1,85,74,341	Martin Burn Ltd. P.	9	309	71,18,020	2,03,456	13 1/2	13 1/2	10	24 1/2	24 1/2	
1,37,33,000	72,01,459	72,01,459	2,34,00,559	McLeod & Co. P.	12	282	25,04,502	1,87,834	10	17	100D	240	240	
4,00,00,000D	11,37,19,458	72,01,459	3,30,53,361	McLeod & Co. P.	12	282	25,04,502	1,87,834	10	17	100D	240	240	
5,00,000D	11,37,19,458	72,01,459	3,30,53,361	McLeod & Co. P.	12	282	25,04,502	1,87,834	10	17	100D	240	240	
1,15,00,000	1,10,37,201	69,74,249	7,33,599	Metal Box Co. of India Ltd. P.	8	167	62,82,600	16,24,249	10	10	10 1/2-10 1/2	28 1/2	28 1/2	
20,00,000	19,89,407	74,12,935	11,31,121	National Insulated Cable P.	3	7	30,26,600	2,22,282	10	10	10	25 1/2	25 1/2	
10,00,000	31,74,413	40,40,000	2,67,663	National Rolling & Steel Ropes	6	7	18,05,549	31,724	5 1/2	15	10	9 1/2	9 1/2	
79,97,000	61,91,295	78,53,576	23,37,205	National Tobacco P.	12	79	12,66,160	9,03,430	Nil	5	10	12 1/2	13 1/2	
23,32,100	1,32,262	5,11,187	29,55,297	New India Investment Corp.	12	35	1,18,595	1,72,173	10	..	75	65	65	
50,00,000	2,1,265	36,49,630	75,67,949	Oceania Steel & Co. Ltd.	12	321	17,51,273	99,624	..	7 1/2	100	..	..	
14,98,250	92,250	37,231	1,58,195	Premnath Transport	8	295	51,966	45,126	21 1/2	..	10	11 1/2	11 1/2	
1,75,000	2,95,955	1,98,739	1,70,032	Publicity Society of India	3	145	1,15,866	45,517	Nil	25	4	12 1/2	12 1/2	
2,25,00,000	1,04,34,982	6,41,684	28,78,531	Rallis India Ltd. P.	3	332	—22,02,273	—63,99,179	12 1/2	Nil	Nil	100	40 1/2	
1,14,00,000	4,08,39,719	1,57,70,028	22,22,147	Rohit Industries P.	10	335	83,77,395	4,91,624	10	15	15	23 1/2	24	
75,00,000	51,59,869	54,00,000	1,58,04,403	Shaw Wallace & Co., Ltd. P.	12	278	32,37,377	3,65,299	10	12 1/2	10	13 1/2	13 1/2	
1,00,000	45,479	94,865	73,329	Spence's Hotel	6-12	111	—35,475	—64,659	..	..	2	1	1	
2,10,200PO	4,25,514	16,00,000	3,57,020	Wallford Transport	12	195	4,17,625	1,34,493	8 1/2	12	14	21	21	
8,40,800C	..	..	..	..	..	..	..	..	..	..	..	..	..	
INSURANCE COMPANIES														
28,90,200C	4,10,330	16,68,332	57,38,236	Bharat Fire & Genl. Ins. Ltd. P.	12	303	2,05,348	93,523	Nil	..	1000	..	..	
2,50,000Dd	..	..	..	..	..	..	..	..	..	..	1Dd	..	..	
6,75,000	2,54,788	49,32,216	63,50,723	Concord of India	12	174	4,19,675	1,21,419	25	35	5	12 1/2	12 1/2	
10,00,000	27,709	11,15,446	24,97,523	Great Pyramid	12	296	1,29,230	36,611	5	61	2	31	31	
74,00,000	53,493	58,58,611	1,06,51,666	Hercules	12	248	11,78,210	3,42,919	10	20	20	28	28	
21,17,375	14,85,073	26,76,18,052	22,26,32,150	Hindusthan Co-operative	12	71	4,93,529	1,83,375	12 1/2	12 1/2	25	..	..	

O Po. and Dd. indicate Ordinary Preferred Ordinary Contributory and Deferred Share respectively. P. next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
									1958	1954	1955		Rs.	Rs.	Rs.	A year ago
Rs.	Rs.	Rs.	Rs.				Rs.	Net				Rs.	Rs.	Rs.	Rs.
PAPER MILLS															
45,00,000	54,01,812	35,81,841	4,21,350	Bengal P.	6-12	24	12,54,725	2,01,825	Nil-63	61-63	81-10	25	121	121	70½
60,00,000	37,31,683	60,03,861	68,29,031	India Paper Pulp	3-5	2	5,64,250	83,945	6-6	7-7	7-7	10	24½	25½	16½
25,00,000	15,55,877	10,22,640	5,27,305	Mysore Paper	9	226	3,13,542	9,553	10-10	10-10	10-10	10	18	18	16½
1,46,82,500	3,73,45,917	2,09,26,641	2,41,00,950	Orient Paper P.	3-9	22	54,42,702	2,29,489	10-10	10-10	5-6	10	38½	39½	16½
1,25,33,760	59,47,989	60,82,393	1,07,79,721	Shree Gopal Paper P.	6-12	140	20,89,821	1,61,203	7½-7½	7½-7½	6½-6½	10	18½	18½	30½
20,00,000	40,34,251	9,34,115	1,35,538	Star Paper P.	3-9	36	-64,375	3,51,875	..	..	..	10	11½	11½	47½
10,00,000															
4,37,500 PO	2,74,87,803	3,22,75,945	69,17,535	Titaghur P.	3-9	106	45,03,619	95,684	5-5	5-5	5-5	2½ Po	4½	4½	47½
56,00,000 AO									10-10	7½-7½	10-10	10Ac	41½	42½	14½
55,04,800 BO									10-10	7½-7½	10-10	10Bc	41½	42½	5
PRESSING COMPANIES															
8,00,000	4,64,596	5,26,886	9,04,699	Calcutta Hydraulic	6	2	-1,35,881	-85,479	5	5	Nil	100	81	81	81
4,30,000	2,07,348	1,09,495	3,57,613	Camperdown	7	311	26,906	2,301	7	7	5	100	121	121	121
5,00,000	1,61,434	1,95,000	3,90,372	Central Hydraulic	6	9	60,996	13,957	7	7	5	100	135	135	86
REAL PROPERTY STORAGE															
10,00,000A	13,50,000	12,42,798	6,94,591	Bengal Bonded Warehouse	4-10	73	84,007	3,172	5-5	5-5	5-5-5½	A500	875	875	900
1,25,000B												B624	107	107	110
2,00,000C												C100	174½	174½	176
25,00,000												D124	224	224	21½
742,150	11,68,346	4,23,135	33,823	Calcutta Safe Deposit	8	9	81,259	3,142	33	5	5	10	8½	8½	8½
10,00,780D									Nil-11	Nil-11	10c	11½	11½	11½	11½
2,00,000Dd	22,96,665	65,43,170	749,388	Humayan Properties P.	3-9	..	1,43,649	64,068	Nil	..	..	10c	28	28	18
94,00,000	93,89,847	34,71,674	62,94,136	Midnapore Zemindary P.	4-6	2	5,95,498	68,064	1½	5	5	100	30	30	37½
TRAMWAYS & STEAMER															
20,00,000	1,08,44,146	1,00,69,622	30,95,902	Bengal Assam Steamship P	10	2	10,81,427	55,826	10	7½	7½	100	148½	148½	142
6,25,000	6,17,570	1,75,000	2,01,118	Calcutta Landings & Shipping	4-10	89	25,522	4,261	10-11½	2½-2½	3½-..	100	141½	141½	163
12,60,000	23,52,622	9,03,181	4,986	Calcutta Steam Navigation	6-12	113	90,794	76,939	5-5	5-5	..	100	110	110	15½
£700,000	£2,865,932	£1,542,035	£525,589	Calcutta Tramways P.	12	98	£189,639	£22,550	..	7½	..	£1	16½	16½	110½
3,78,050	4,52,816	1,13,728	6,63,484	Fraser	..	139	4,82,620	12,487	..	..	..	£1	14	14	15½
2,655,580	£2,273,124	£909,878	£135,081	India General Nav. Railway P	12	139	£70,306	£21,366	Nil	..	..	£10	108½	117	93½
2,25,00,000	6,11,69,772	81,57,151	99,26,394	India Steamship P.	5	291	1,30,182	1,28,061	..	..	..	Nil	8½	9½	71½
14,08,220	35,14,969	24,75,000	5,94,450	Port Shipping	6-12	2	1,54,518	43,305	5-5	5-5	7½-7½	10	16½	16½	14½

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
									1953	1954	1955		10-7-56	3-7-56	A year ago
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.				Rs.	Rs.	Rs.	Rs.
CEMENT															
51,04,620	39,78,019	8,87,097	14,29,937	Andhra Cement P.	12	16	10,73,622	4,636	10	"	"	100	161	161	134
ENGINEERING															
7,50,000	7,12,101	82,967	15,812	Brunton & Co. P.	12	270	84,162	1,80,754	"	"	"	10	71½	73	61
13,78,660	11,77,029	14,945	18,437	Indian Steel Rolling Mills P.	12	230	1,38,570	Nil	"	"	"	10	15½	15½	13½
SUGARS															
19,92,000	57,01,920	25,64,000	3,49,248	Deccan Sugar & Akbari P.	5	218	12,39,032	1,12,386	"	"	10	5	11½	103	7½
£80,000A	£749,840	£896,278	£33,344	East India Distilleries Sugar P	9	319	£217,186	£57,290	10	10	"	16sh.A	29½	29½	17½
£3,00,000B				India Sugar and Refineries P.	9	"	10,68,060	4,30,236	20	27½	"	£1B	34½	34½	29½
29,09,908	8,45,826	19,36,515	23,78,860	Unilever Sugar	9	"	5,83,036	85,709	25	17½	"	10	16½	17½	18½
21,79,280	23,64,171	62,95,164	26,13,235	Mysore Sugar	8	264	5,83,036	85,709	"	"	"	10	48½	48½	53½
6,00,000	6	9,00,000	17,01,004	United Breweries	5	320	2,55,158	3,951	"	"	"	75	162	162	170
MISCELLANEOUS															
2,00,000	1,84,643	4,01,950	3,69,186	A. V. Thomas & Co. Ltd.	12	270	67,424	82,011	"	"	"	10	16½	16½	14
43,33,400	51,24,761	91,12,103	24,93,062	Champion Reef Gold Mine	12	328	30,17,946	5,548	"	"	"	10	4½	4½	3 1/10
4,35,96,740	3,07,66,646	3,24,061	14,65,323	Fertilisers & Chemical	12	346	49,90,272	73,018	"	"	"	10	"	"	"
40,00,000	23,16,662	30,20,000	12,20,149	Harry & Co. Ltd. P.	12	319	19,29,282	1,90,750	15	15	"	2	"	"	"
40,49,345	18,82,200	7,67,206	12,93,322	Vettur Chemical Industrial Corpn	3	263	4,91,148	6,463	Nil	3½	63	10	9½	9½	9½
3,00,000	2,74,279	4,00,000	3,56,330	Mysore Chemical Mfrs P.	6	151	24,664	236	"	"	"	10	23½	23½	21
24,81,220	9,25,232	6,66,775	78,136	Mysore Chemical & Fertilisers	6	235	1,32,627	6,672	"	"	"	10	9½	9½	11½
81,53,400	99,94,107	67,63,169	15,68,579	Mysore Gold Mining	12	328	24,55,864	"	"	"	"	10	23	23	"
5,00,000	1,67,861	"	78,150	Mysore Match	9	150	12,880	862	"	"	"	10	12½	12½	"
10,00,000	10,94,415	"	8,079	Mysore Tobacco	3	201	10,039	45,631	"	"	"	10	13½	13½	12½
37,73,400	18,27,424	51,24,276	3,54,689	Vunddroog Mines	12	328	20,43,696	"	"	"	"	10	7½	7½	4½
32,10,356	49,89,033	22,24,495	1,75,755	Oreagam Gold Mining P.	12	328	1,45,								

Paid-up Capital Ordinary	Net Block Account	Reserve or other Funds	% Cash & Securities	Accrue under cultivation	Output Rubber	Estimated Rubber	NAMES	Accounts Govern	Managing Agents	Net Profit including tax	Dividends per cent	Paid-up Capital	Latest Market Quotations available until				
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.				Rs.	1952	1953	1954	Rs.	10-7-56	3-7-56	A year ago
17,32,000	9,36,210	2,06,283	4,44,630	2,052	1,45,403	..	Be Be Rubber	3	276	..	..	..	..	3	41½	41	4½
17,94,186	29,66,801	18,13,093	7,65,683	7,270	15,10,886	16,68,000	Cochin Malabar P	2	210	7,67,900	20	25	25-15½	3	9½	9½	8½
4,00,000	2,25,756	27,750	62,784	423	1,77,648	..	Cottanad Plantations P	3	12	69,330	..	..	..	10	21½	21½	16
4,00,000	10,03,233	6,84,409	1,37,660	2,535	2,25,786	..	Kalpetta	2	270	1,13,150	..	..	..	10	34½	34½	36½
27,00,000	64,93,184	13,10,432	11,84,449	4,923	7,35,401	..	Midland Rub & Prod P	5	270	4,89,174	..	..	..	10	22½	22	19½
6,00,000	6,84,332	21,33,800	1,94,495	1,273	1,83,250	..	Peninsular Plantations	4	250	2,12,012	10	15	20-15½	10	32½	32½	18½
12,00,000	36,59,296	2,21,378	2,45,66	1,718	4,64,246	..	Rajagiri Rub & Prod	3	270	4,53,546	..	..	..	10	24½	24½	18½
10,00,000	21,09,379	25,000	1,69,125	1,872	5,25,433	..	Teekoy Rubber	3	172	1,92,914	..	..	..	10	111	113	9½
41,00,000	67,21,494	19,13,944	1,12,632	6,939.5	10,03,214	10,15,000	Travancore Rubber & Tree	12	9	4,96,765	6	10	15	10	13	12½	12½
40,00,000	11,55,155	1,65,000	3,74,540	1,150	3,68,304	..	Tropical Plantations	12	271	2,04,029	..	..	..	25	13	13	13
26,28,580	6,72,252	2,11,412	2,49,541	738	3,74,873	..	Vaikundam	12	114	80,799	..	..	..	10	30½	29½	26½

BOMBAY MISCELLANEOUS COMPANIES

O. Po. F. Dd. G. and R indicate Ordinary, Preferred Ordinary, Founders', Deferred, Guarantee and Rebate Shares respectively. P. next to the names of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits Including taxation	Carry forward	Dividends per cent.			Paid-up per Share	Latest Market Quotations as available until		
									1953	1954	1955		10-7-56	3-7-56	A year ago
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.				Rs.	Rs.	Rs.	Rs.
CEMENT															
12,67,59,333	16,16,27,689	6,15,51,096	3,90,26,918	Associated Cement	7	53	4,71,77,960	5,62,770	9½	8½	10	100	187½	189	188
ELECTRIC LTG. POWER															
99,95,600	11,08,94,307	69,91,218	20,82,140	Ahmedabad Electricity	9	146	35,75,580	188	6½	6½	5	100	98½	96½	108½
2,92,83,500	4,18,62,358	92,34,507	65,30,599	Andhra Valley Power Supply P.	6	267	46,19,171	25,735	7½	7½	7½	1,000	1,202½	1,177½	1,375
1,62,50,000	1,90,34,397	34,92,925	4,61,194	Bombay Suburban Elec. Sup.	3	146	16,94,290	203	7	7	7	100	116½	113½	129½
38,08,200	17,49,053	4,75,323	14,87,557	Poona Electric Supply P.	12	229	3,86,015	21,171	7½	7½	7½	100	146	146	146
2,34,45,225	3,37,65,356	63,82,045	58,39,875	Tata Hydro-Elec. Power sup. P.	6	267	37,75,587	27,952	7½	7½	7½	1,000	1,27	126	145½
6,02,78,750	8,98,37,405	1,41,56,578	1,29,22,549	Tata Power P.	6	267	77,32,961	27,952	7½	7½	7½	1,000	1,301½	1,280	1,487½
ENGINEERING & METAL															
33,42,200	20,17,852	57,16,605	18,77,516	Alcock Ashdown	12	268	11,78,891	44,704	..	..	..	100	346½	353½	273½
6,00,000	36,058	453,124	91,030	Just's Engineering	3	115	1,17,555	5,394	15	15	8	50	98	96	96
40,00,000	11,26,513	6,00,000	9,74,661	Larsen & Toubro P.	3	351	14,60,736	28,740	10	10	10-10*	10	131½	131½	131½
40,95,100	81,25,733	2,02,500	49,333	Machinery Mfgs. Corp. Ltd. P.	3	330	2,02,006	64,676	Nil	Nil	Nil	100A	96½	96½	96½
1,10,00,000	15,00,978	16,66,194	7,06,260	McKenzie's	7	283	1,49,085	64,938	..	..	..	300	189½	194½	153½
2,50,000	5,834	1,00,53,052	1,79,52,042	Premier Construction P.	12	284	3,35,178	59,102	20	25 5/6	28 1/3	31F	..	..	..
1,31,250F	7,83,56,426	26,78,952	44,49,439	Tata Locomotive & Eng. P.	3	69	3,303	50,350	Nil	Nil	Nil	100	149½	146	141
4,18,72,400	23,97,91,753	12,54,91,333	9,61,90,447	Tata Iron & Steel P.	3	269	4,62,47,072	5,52,548	28	14	14	750	198	199	245½
INSURANCE COMPANIES															
20,00,000	..	23,84,913	95,96,033	British India General	12	297	4,24,629	1,18,606	..	..	..	10	13½	13½	13½
5,15,000	..	11,04,84,687	8,95,48,481	Empire of India Life	12	253	..	..	..	..	..	100	675	675	675
8,46,120	..	36,33,999	46,38,803	Indian Mercantile	12	75	..	1,13,109	..	..	..	20	45½	45½	45½
18,74,940	25,01,134	2,88,61,155	2,61,49,442	Jupiter General P.	12	55	38,951	4,65,316	Nil	Nil	..	15	91½	91½	91½
4,06,81,590	..	1,68,81,793	27,25,18,952	New India	12	179	43,58,653	71,250	13½	16 2/3	..	15	49½	49	46
6,00,000	..	67,83,74,430	63,46,53,420	Oriental Life	12	398	..	..	..	..	..	200	3,855	3,855	7,090
15,99,270	..	29,41,860	59,86,789	Vulcan	12	255	6,05,803	2,81,242	10	10	..	10	15½	15½	15½
MISCELLANEOUS															
10,79,065	31,95,468	3,97,409	12,61,996	Air Service of India	6	336	-15,61,405	-37,22,790	..	..	..	15	..	..	..
47,97,250	21,34,989	35,75,182	78,89,034	Belapur Sugar	9	42	53,89,000	61,389	..	..	..	50	239½	235½	316½
50,00,000	2,20,64,303	4,12,86,155	2,67,27,639	Bombay Burmah Trading	5	285	47,93,172	61,990	..	..	..	125	658½	636½	536½
42,00,000	1,21,04,053	31,74,431	31,14,908	Bombay Steam Navigation P.	6	256	4,54,215	30,135	..	..	..	25	248½	241½	194½
45,00,000	1,21,04,053	31,74,431	31,14,908	Industrial Investment Trust	12	239	2,83,136	..	..	..	..	100	72	72	72
99,99,250	1,36,558	39,662	4,78,677	Kemp (Chemists)	3	87	4,99,559	4,78,677	..	..	..	200	215	215	215
1,57,71,400	5,74,05,779	1,81,13,445	2,99,042	National Rayon Corp.	12	352	63,18,604	5,72,076	9	10	..	100	213½	213½	201½
9,39,98,069	18,36,63,413	12,46,31,677	7,10,16,957	Scindia Steam Navigation	6	198	32,72,555	22,72,555	5	2½	2½	20	183½	183½	141½
7,00,000	27,45,055	97,30,000	11,27,080	Shivrajpur Synd (Manganese)	11	146	35,49,059	21,661	70	80	80	10	89½	89	75
1,39,95,990	1,96,71,944	13,51,214	4,14,939	Tata Chemicals P.	6	269	13,55,026	57,597	Nil	Nil	Nil	10	18½	18½	15½
70,07,475	76,97,587	28,13,586	22,30,261	Tata Oil P.	3	269	9,47,111	13,236	7	9	9	25	59½	57½	44
2,75,00,000	1,46,45,903	2,43,20,936	1,50,49,201	Western India Match	12	274	74,05,281	5,61,984	11	11	11	100	184½	185	185½

*1956

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Block Account	Reserve & other Funds	NAMES	Accounts closed	Managing Agents	Net Earning	Carry forward	Dividends per cent			Paid-up per Shares	Latest Market Quotations as available until		
Rs.	Rs.	Rs.				Rs.	Rs.	1953	1954	1955	Rs.	11-7-56	4-7-56	A year ago Rs.
CALCUTTA														
17,24,000	20,62,356	2,00,804	Ahmedpur Kutwa S.S.G.	3	165	—29,367	..	2½	2½	2½	100	58½	58½	56
21,69,300	33,24,679	6,00,722	Arrah Sasaram D B G	3-9	32	1,491	810	3-3	3-3	3-..	100	72	73	74
34,00,000	41,30,202	3,11,043	Bankura Damodar River S.S.G	3	165	46,607	..	2½	2½	2½	100	57½	57½	63½
19,00,000	29,09,643	4,91,171	Baraset Basirhat D.B.G.	3-9	331	18,844	1,18,863	..	..	..	100	10	10	19
17,80,000	21,78,786	2,20,877	Burdwan Cutwa S.S.G.	3	165	78,939	..	..	2½	2½	100	57½	57½	63½
31,00,000	35,46,010	29,296	Chaparmukh Silghat S.S.G.	3-9	32	45,823	7,100	129—129	13—11	13—..	100	53½	53½	49½
4,75,000	3,20,040	4,75,000	Cherra Chhatka Ropeway	3	88	7,071	9,917	12½	5—..	Nil	5	7½	7½	6½
2,47,650	2,75,015	65,320	Darjeeling Ropeway	3	101	18,097	4,549	1½	2½—..	2½	10	7	7	3½
22,50,000	60,65,477	12,50,000	Dehri-Rohtas	3	335	5,10,908	26,753	6½	7½—..	10	10	13½	13½	12½
11,49,700	20,10,843	1,57,174	Futwah Islampur S.S.G.	3-9	32	—1,02,611	5,714	98—98	99—1	1—..	100	56½	56½	56½
16,00,000	50,48,405	20,39,596	Howrah Amta D.R.G (P)	3-9	32	51,543	72,160	3—3	3—3	3—..	100	53½	53½	72½
6,00,000	13,78,133	4,41,518	Howrah Sheekhala D.B.G.	3-9	32	1,81,260	18,320	3—3	3—3	3—..	100	37	37	54½
19,50,000	27,95,689	2,47,135	Kaighat Falta S.S.G.	3	165	—1,99,473	..	2½	2½	2½	100	58½	58½	60
8,91,100	15,16,175	10,551	Katakhal-Lala Bazar S.S.G.	3	165	31,257	..	4½	5	..	100	73½	73½	74½
15,00,000	62,15,417	22,45,137	Shahdara Delhi Saharanpur	3-9	32	—1,10,300	14,031	6—6	6—6	6—..	100	125	125	152
1,75,000	5,41,779	2,04,841	Tezpore Balipara Tramway P.	3-9	165	—43,574	5,944	..	..	..	100	..	..	..

Managing Agents Managing Directors and Secretaries with their Respective address.—(Contd.)

320 F. W. J. Penn—United Breweries Ltd., Bangalore-1.	329 Sri G. D. Bhagat—15, Shib Bhakar Lane, Calcutta.	339 M. G. Investment Corp., Ltd.—127, Mahatma Gandhi Road, Fort, Bombay.	348 Sahu Jain Ltd.—11, Clive Row, Calcutta.
321 F. O. Williams—14, Old Court House St., Calcutta.	330 Mahindra & Mahindra Ltd.—Gateway Building, Apollo Bunder, Bombay.	340 K. O. Cheriyan—Travancore.	349 Chandmull Batia—7, Canning Street, Calcutta.
322 Messrs Tata Sons, Ltd.—New India Assurance Buildings, Mahatma Gandhi Rd. Fort, Bombay-1.	331 N. L. Roy & Sons—Canning St., Calcutta.	341 James Finlay & Co. Ltd.—2, Netaji Subhas Road, Calcutta.	350 K. & Agarwal—Empire House, Hornby Rd., Fort, Bombay.
323 Anderson Wright & Co.—7, Wellesley Place, Calcutta.	332 M. Paspattil, 21, Ravelin Street, Fort, Bombay.	342 G. N. Chatterjee—2, Royal Exchange Place, Calcutta.	351 E. & P. (Management), Ltd.—J. K. Building, Douglas Road, Ballard Estate, Bombay.
324 Bathgate & Co.—17/19, Old Court House St., Calcutta.	333 Jaspuria Bros., Ltd.—33, Netaji Subhas Road, Calcutta.	343 Eastern Smelting & Refining Co., Ltd.—10, Clive Row, Calcutta.	352 C. G. Mahant—Ewart House, Bruce Street, Fort, Bombay.
325 John Rutherford Blakie—Virginia House, 37, Chowringhee, Calcutta.	334 S. Lalimer—2, Fairlie Place, Calcutta.	344 V. J. Pilani—Victoria Bunder, Calcutta.	353 N. K. Jha—14, Netaji Subhas Road, Calcutta.
326 Beriwala Bros.—53, Netaji Subhas Rd., Calcutta.	335 R. S. Das—Scindia House, Douglas Road, Bombay.	345 The National Tea Corporation—130, Cotton Street, Calcutta.	354 G. C. Kanol—P.S. Mission Row Extension, Calcutta.
327 Marwar Textiles (Agency), Ltd.—Waudby Road, Fort, Bombay-1.	336 R. S. Das—Scindia House, Douglas Road, Bombay.	346 Seshasayee Brothers (Travancore), Ltd.—Elloor Factory, Alwaye.	355 G. G. Robertson—16, Strand Road, Calcutta.
328 John Taylor & Sons (India) Ltd.—Mysore, Coorgam, South India.	337 Beriwala & Co.—63, Netaji Subhas Road, Calcutta.	347 Associated Commercial Co. Ltd.—16/1, Harrison Road, Calcutta.	
	338 B. R. Sons, Ltd.—Hornby Road, Fort, Bombay.		

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THERMAL INSULATION ENGINEERS

RESERVE BANK REPORTS ON THE INDIAN ECONOMY

PROGRESS UNDER FIRST PLAN: REAL INDICATORS OF INVESTOR CONFIDENCE

THE latest annual Report on Currency and Finance, published by the Reserve Bank of India yesterday, offers a reassuring view of the development of the Indian economy during 1955-56 against the background of the first five year plan. As an almost entirely factual survey, it has little new to offer by way of comment, interpretation or opinion. In that sense, it follows the tradition of its predecessors—a tradition which many may regret as the country's central banking institution comes to play an increasingly positive rôle in the direction and management of its monetary affairs. As an assembly of facts which have hitherto achieved only scattered prominence elsewhere, the Report is nevertheless useful for its illustration of the general theme that the momentum of progress in the Indian economy has been increasing. This progress has accompanied a stability which, in itself, is no small tribute to the managers of the nation's finances, the Reserve Bank included. In part, it owes to extraneous circumstances such as the smooth transition to another year of remarkable prosperity in the free world—a prosperity which has naturally been of major benefit to the primary-producing and under-developed economies of Asia and Africa. The chief credit for the steady expansion in India's case, however, goes to the determined encouragement given under the five year plans.

Summarising the achievements of the first plan, the Report points out that national income has risen by 18 percent, industrial production is 25 or 30 percent more, and agricultural output about 20 percent higher. A 10 percent rise in the money supply has been accompanied by a 13 percent decline in wholesale prices. The budgetary deficits of the Centre and the States have totalled about Rs. 400 crores, while a modest balance of payments deficit has brought down the foreign exchange reserves by Rs. 121 crores. The tempo of investment and economic activity generally has shown a notable increase during the final year of the plan, but signs of strain have been appearing towards the close, which, the Report says with understandable emphasis, will need to be closely watched. Among the more notable of these signs are the rising trends in commodity prices and the cost of living, which, if they continue much longer, might well prove to be the first symptoms of a considerable inflation. The analysis of price trends given in the Report is particularly noteworthy in the present situation, since the rise has been fairly steep over the past couple of months. It is pointed out that the price increase started about thirteen months ago, probably as a corrective to the earlier fall. Its continuance thereafter indicated certain changes in the demand-supply situation arising from a smaller cereal output in 1954-55, and fears of lower production of particular commodities during the latter year due to drought and floods. Higher consumption and inventory build-ups necessitated by increased industrial production may also have had some influence.

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The Report is probably correct in suggesting that the expansion in money supply and bank credit had relatively little to do with the price increase; it was necessary to meet requirements arising from a growth in economic activity. But with indications of heavier deficit financing, an inflationary psychology has developed and is persisting. It has been induced chiefly by discussions on the second five year plan, which proposes to finance nearly one quarter of the public sector's outlay by printing extra currency notes. The Report reviews the financial implications of the plan, and does well to stress: "It is of the utmost importance that the considerable inflationary potential....of development expenditure in the public sector (along with substantial investment in the private sector, estimated at Rs. 2,400 crores).

and deficit financing should be held in restraint." Unfortunately, the list of restrictive measures is not very impressive. It is perhaps impressive enough as far as the control over the commercial banking system is concerned, but the fear is that the Reserve Bank may become an instrument in the Government's hands for boldly inflating the note currency while at the same time corking down bank credit. This would amount to a back-door diversion of monetary resources which would harm the interests of private business and industry, and ultimately of the whole economy.

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Considerable cheerfulness is expressed in the Report on the relative buoyancy of the capital market after its prolonged dullness for several years. It is true that there have been signs of greater investment confidence, based primarily on the prospects of rapid economic expansion under the second plan. But it is unfortunate that the Report should mislead in saying that "the declaration of the Government's policy for the establishment of a socialist pattern of society did not appear to produce, except temporarily, any significant adverse effects on investment psychology." In fact, the concept of a socialist society has probably bred greater reluctance than any other single factor among those who have the savings, to invest them in productive enterprise. If stock and share prices have risen despite talk in official circles about socialism, nationalisation and the like, it does not show that it has had no "significant" effect; it merely shows that, for the time being, the Indian investor is laying greater emphasis on the beneficial aspects of increased economic prosperity than on the damaging influences of current trends in politico-economic thinking. His judgment may be correct, but the fact still remains that political intrusions into what are fundamentally matters of economic decision have done considerable harm.

There is good reason to believe that if the Government had not created fresh uncertainties, Indian investors would have shown considerably greater faith and confidence in devoting their savings to economic expansion. To say that the nationalisation of insurance, or soak-the-rich budgets, have hardly any adverse effects since stock markets recovered after a temporary shock, is not reasonable; memories of a shock last much longer than the shock itself, and continue to influence investment psychology for a considerable time afterwards. The policy under which life insurance was nationalised six months ago has not been revoked or amended; as such, it continues to deter the investors without whom a capital-hungry country cannot progress. One has only to look at industries which are periodically threatened with nationalisation or declined guarantees against it (such as road transport in many States, and the coal industry), to realise the extent of the malaise which beset

Without Prejudice

A WITNESS TO MURDER
EVIDENCE OF A RUNAWAY
DHOBI BOY
(FROM OUR LEGAL CORRESPONDENT)

HERE we have an interesting example of the Communist interpretation of the meaning of one of the party's favourite slogans and a practical demonstration of the same in active—very active one might say—operation. Not a slogan, perhaps really. A doctrine and an ideal. "Peaceful co-existence." There were some 25 to 30 of these idealists assembled and met together in comradely fashion on this particular January evening, visiting for the purpose of putting their ideals into practice the village of Maturpeta, Hyderabad, where some differences had arisen between the local Communist and Congress parties. They met, according to the prosecution, the representatives of the local Congress party, the latter headed by a local Congress leader, one Venkatakrishna Shastry, and their grievance, which related to the arrest at the instance, so they claimed, of Mr. Shastry, of a Communist leader, was successfully ironed out. Also ironed out was the co-existence and indeed the existence in any capacity of Mr. Shastry. To the student of crime it is interesting to note the extraordinary, apparently purely coincidental manner in which events like this eventually come into the light of day. Had it not been for the misbehaviour of a small boy incurring in his father's house, a few days earlier, the displeasure of his parents, nothing would in all human probability have ever been definitely and demonstrably known as to what became of Mr. Shastry. This boy, Gopai by name, was a dhoobi boy, a dhoobi apprentice you might say, to his father. He was not, it seems, an industrious apprentice and after incurring the parental and maternal wrath on that and other counts, he did, what many a small boy has done before him and will do again. He ran away from home. While wandering aimlessly in the jungles he was picked up by the Communists only three days before the events related later. They took him on as their servant, promising him in return to give him food. His main duty was to go with the group carrying their bundles of clothes on his head.

On this particular evening the two groups met. The Congress party peacefully returning from an evening stroll, the Communist one and all armed to the teeth with guns and swords. The boy Gopai brought up the rear. In what followed he

did nothing and said nothing. He just watched, petrified. The Communist party then demanded who and where was Venkatakrishna Shastry. He stepped forward and in the words of Chandrasekhara J., in the Supreme Court later, "was singled out for terrific punishment, while the others were let off with a good thrashing." It was proposed to murder the whole lot of the Congress group but, with the exception of Mr. Shastry, they were merely "badly beaten up before being released from impending death at the merciful intervention of some one of them." They were quite defenceless, having been tied up with rope and their own clothes. It is one of the tragedies of communism, and what, perhaps more than anything else, makes its followers so dangerous is that they seem to have literally no sense of humour or irony. It is barely believable, but before being driven off, and knowing instinctively what was in store for their leader, these men, after being savagely beaten up, were addressed on the advantages of communism and were exhorted by pious "admonitions that they should give up their Congress affiliations."

As has been said, Mr. Shastry was kept behind. He was tied with rope and taken off in an easterly direction by the Communist group. After a short halt at a village where some food was taken, the party went towards a mango tope near a brook, four or five miles away leading Mr. Shastry as the captive, who, with some of the accused, remained on the bank of the brooklet. Gopai, the dhoobi boy, was, it seems, unnoticed. But he was there a few yards away, still with his bundle of clothes on his head. The rest of the group went a little beyond and one of them came back with orders that Shastry should be fetched. He was accordingly taken along. The boy followed a little way behind the grim procession, fascinated. This is what he saw. When the moon was at the meridian the rope with which Mr. Shastry was led was tied round his neck into a noose, "and two of the accused pulled one end of the rope and two others at the other end in opposite directions. Venkatakrishna Shastry was thus strangled to death. A hole was dug and the body of Venkatakrishna Shastry was buried in the river bed. The boy saw all this, from a distance of twenty yards in clear moonlight." Two or three days later, after the party of assassins had wandered about the jungle and mountain dens, the boy Gopai managed to get away from his masters and to rejoin his parents.

Now we most of us know (though whether a village lad would know is another matter), and the defence made a lot of the point later, that it

is the duty of any one of us who witnesses a crime to report the occurrence to the proper authority. If we do not, we risk being charged as an accomplice or an accessory after the fact. Gopai did not do so. But he did divulge what he had seen to his father, who, no doubt felt worse befell, appears to have taken no steps either. So, though the Congress group which had been beaten up promptly reported the abduction of Mr. Shastry, it was not until some three weeks after the crime, that the presence hovering over and on the river bed of an unusually large number of vultures led to the discovery there of some bones of a human body. It was almost unidentifiable. All that the inquest officer could report was that "it appears that this dead body is that of a Hindu Brahmin." So it was argued "with great force that identification must have been impossible and that the witnesses who speak to the same should be disbelieved." But there were the form, outline, contour, build of the body and the appearance of such of the limbs as were available to see. The dhoobi with its violet border and the "janjam" or holy thread, were identified, and most important, of all was the identification of the rope which was still round what remained of the neck of the corpse.

Thus there was the evidence of the dead Congress leader's co-sufferers as to the beating up and abduction, the evidence of an independent witness, Yesot, who was watching his jawar crop on the night in question in a neighbouring field and had seen Mr. Shastry being dragged along, and the complete identification of the noose by numerous witnesses with proof, even, of the house from which the Communist gang had brought it.

But not a single eyewitness of the actual murder except one small boy. Of course his evidence was mercilessly attacked by the defence counsel who described him as an unmitigated liar and asked the Supreme Court not even to look at his evidence given in the Trial Court. The learned counsel urged that the lad was an accomplice and "that if a man sees the perpetration of a crime and does not give information of it he might well be regarded as an accomplice and that he could be put in the dock with the actual criminals."

Six persons were charged with the murder of the Congress leader, all of whom very nearly got off scot free.

Four of them were convicted by the Sessions Judge and sentenced, subject to confirmation by the High Court, to death. The learned judge acquitted the other two on what the Supreme Court later referred to as "the astounding ground that no overt acts were proved against them." "Astounding" or not these two gentlemen are now free to pass and repass on their lawful occasions. The four convicted men appealed to the High Court where the two judges disagreed. One judge held that the appellants were not guilty and acquitted them; the other held that they were guilty and confirmed the convictions. Owing to this disagreement, the matter was referred to a third judge who confirmed the convictions, but for the death sentences substituted those of imprisonment for life. The four men then obtained special leave to appeal to the Supreme Court. Everything substantially turned on whether the dhoobi boy was to be believed or not, as the only eyewitness. The Supreme Court held that he was neither a liar nor an accomplice nor an accessory. He spoke whereof he knew and of what he had seen. As the Communists' servant, said Aiyar J., "he was not only able to see the abduction of the deceased but also to witness the actual murder. He took no part whatever in the commission of the offence or in any active or passive preparations for the same. He was not a *particeps criminis*. After securing his release from his temporary masters he went back with his father to the village. It is true he did not divulge the secret of the murder to anyone else except his own father. Who would in view of the atrocities and terrorism that prevailed in that region? It required a very courageous man to have proclaimed the truth heedless of the consequences to himself and we cannot credit the dhoobi boy with so much fearlessness."

Their lordships of the Supreme Court confirmed the convictions with the sardonic observations that "For this gruesome and revolting murder the appellants have got only imprisonment for life, for which they must be thankful to the difference of opinion that arose among the learned judges of the High Court."

(43.A.I.R., S.C., 379.)

IRON AND MANGANESE ORE EXPORTS

In compliance with the Supreme Court's interim stay order dated 13th July, 1956, the Control authorities at the ports have been instructed by the Government not to allow any quota to the State Trading Corporation and not to take any other step by way of allotting export quotas or allocating transport to implement the policy outlined in the Press note dated 22nd June. In order, however, to minimise inconvenience to mine owners and shippers, buyers and ship-owners, says a Press note, port control authorities are being advised to issue, until further instructions, on shipping bills, *ad hoc* permission to export iron ore and manganese ore within a ceiling of 25 percent of the allotment or actual performance, whichever is higher, during the period July-December, 1955. The Transport authorities are being advised to allocate transport to the extent practicable on a similar basis. The quantities exported or moved under these interim instructions will be adjusted against such allotments as are eventually fixed for the current half-year in accordance with the decision of the Supreme Court on the application before them.

AMONG the regular items in Calcutta's calendar—along with the Merchant's Cup and the Monsoon Meeting—is the stern announcement, which appears every six months or so, that a new tightening is about to take place in the city's traffic regulations. And one of the few things that can really be relied upon in this home of the broken promise and the missed appointment is that nothing whatever will come of it. The last one was made a few weeks back, and having narrowly missed being cut off in my prime that very morning by a charging bus duly equipped with lunatic driver and arm-waving conductor, I decided that this time I would watch carefully for even the slightest sign of improvement. But, of course, it has not been forthcoming; in fact the same fate almost overtook me again last evening. In time, perhaps, I could get used to this daily flirting with death at the hands of Calcutta's bus drivers if it were not for the insult which is always added to injury by the inevitable conductor whose insolent wave obviously expresses a deep inner conviction that no other vehicle has any right to exist at all. Of all Calcutta's road hazards—which range freely from suicidal pedestrians to the homicidal drivers, I find this the worst. It is not confined to bus conductors either. The amount of faith which Calcutta's road-users appear to have in their own hand signals, both familiar and otherwise, is a most impressive thing. There is, for instance, the old lady who shuffles fearlessly across a wet and greasy surface with only her raised hand to protect her from the oncoming traffic, and the rickshaw puller who, on a night when it is too dark to pick out a white dhoti at a hundred paces, confidently extends one black hand to indicate the direction he intends to go. So far as the police are concerned, I have no doubt there are traffic problems more urgent than these. I might recommend, for example, the cyclist without rearlight or reflector; wandering cattle; the vehicle which should have been on the scrap heap twenty years ago; the sauntering youths who appear to have as much faith in the approaching motorist's brakes as in his willingness to risk the lives of himself, his passengers and every other pedestrian within swerving distance in order to keep them alive; the baby car which hogs the centre of the road at twenty miles an hour and its counterpart, the perambulating penthouse which overtakes on the inside at fifty. There are others, of course, such as the driver who switches off his engine at traffic lights, the one who takes a wide sweep to the right before turning left, the taxi which stops dead in a stream of traffic to drop a fare, the over-confident Jehu and the teetering zebra-crosser, but it would take too long to list every one. Perhaps the police are too busy to attend to them all. They certainly seem to be; it is not a week since my driver got a summons for a paltry traffic offence he committed last January.

Early last week a poor man died in a Calcutta hospital. The death of a poor man in any of the city's hospitals is a common enough occurrence, and this one would have passed unnoticed but for its attendant circumstances. Mr. Broja Hari Pal—this was the unfortunate's name—disappeared from his bed one midnight, and when his wife came to the hospital next morning, he was still untraced. Her anxious enquiries met with the suggestion from the nursing staff, so it is alleged, that she had better look for her man in the nearby tank, or consult an astrologer. The first half of this remarkable piece of medical advice turned out to be excellent clairvoyance because, in fact, her husband's corpse was discovered in that same tank some three days later. Now I cannot myself understand why a poor man should not be contented with being just dead, but must, in addition, raise a large number of complications for his betters. A committee of

A DITCHER'S DIARY

enquiry will have to investigate the whole affair and quite a few doctors and nurses subjected to the irritations of cross-examination. It is, of course, not possible to foretell the consequences of it all, but, I am afraid, some of the hospital staff may be reprimanded, whereas, in my view, those who reportedly made the correct prediction that Mr. Pal might be found in the tank, deserve a public acclamation, if not for their medical prowess, at least for their prophetic one. Last year, when a Calcutta newspaper launched an energetic campaign aimed at improving the city's hospital service, it was followed at a somewhat longish interval by a Government Press note purporting to say that things were not as bad as they were made to appear. I do not think many people were surprised by that document since it was so completely in character with the general attitude towards administration in this city: things will go wrong and there is no great harm in letting them continue to do so, and when there is criticism, just brush it aside. I wonder if Mr. Pal's death will help bring about a change—I doubt it.

Wherever there is a free Press there is rarely any shortage of good excuses for muzzling it. One that is always readily available is its occasional habit of offending good taste; after all, for every *Times* and *Guardian* there has to be a *Mirror* and a *News of the World*. That is why the British Press often appears to be asking for the kind of regulation provided in the Bill which Lord Selborne has just put before the House of Lords. But it is sincerely to be hoped it does not get it. Like the many other forms of control which are always in great demand from those who rank propriety and conformity about the benefits of freedom, the cure is worse than the disease. Nobody is going to justify all the treatment the Royal Family, for example, receives at the hands of the Press. But one of the prices which must be paid for the convenience of maintaining a medieval institution in a modern democracy is that its doings should at all times be represented so as to appeal to the people's feelings of loyalty and personal sympathy. In the twentieth century, monarchies cannot exist behind a curtain of discreet secrecy. If they did, they would soon degenerate into remote symbols, handy constitutionally, but meaningless to the man in the street. Another newspaper habit which is often rightly deplored is that of intruding into people's private lives in search of the sentimental or the sensational. It is pointless to deny that this is done, but the fault is not entirely that of the newspapers. There are exceptions, but as any reporter will testify, the way in which ordinary folk, no matter how great their bereavement or deep their personal shame, court publicity is often a source of amazement to the most hardened news hawk. I would be the last one to say that newspapers should not have standards, but I still have enough of the old-fashioned liberal in me to think that these should come from within the profession itself and not be enforced from outside by people, however well-meaning, who have only their sense of propriety to guide them. No, this is a righteous Bill, the outcome of righteous indignation, but it is a dangerous one for all that. At best it would degenerate into the irritating, humiliating Mrs. Grundyism of the Lord Chamberlain; at worst, it is the thin end of a wedge which could separate the Press from anything inconvenient, political, religious, or social.

The Poznan riots may have done more harm than good. They have been a clear enough lesson to the rest of the world—or at least that part

of it which is prepared to learn—that the price of Soviet paramountcy is misery and starvation. But unfortunately they arrived before the trends towards greater liberalism in the communist world might be said to have reached the point of no return. There is little evidence yet that the die-hard opposition has in fact been strengthened, but so precarious is the present balance that the risk is certainly there. Nobody could have expected the workers of Poznan to bear that point in mind before they allowed their desperation to get the better of their caution. The really surprising thing is that they should have taken action at all knowing what the results would be. And how any group of key workers can find themselves living on the verge of starvation in a fairly modern and predominantly agricultural country, is not easy to appreciate either. It can only be yet another tribute to the determination of communist-satellite governments to pile on their people's shoulders whatever burdens are necessary in order that they may fulfil their obligations to the Soviet war machine. It has been said that the Poznan affair will not be allowed to affect the progress to greater liberalism and, in fact, there has been a number of concessions to the workers' claims. But there have also been mass arrests and, as usual, nobody knows what has happened to the victims. The fact which Poznan must have impressed on the Soviet leaders is that once Russian tanks are withdrawn from the streets, the end of their empire is likely to be swift and violent. There is no sign that they are prepared to pay this price yet, but sooner or later they are going to have to back up their new-found piety with some action. If Poznan has convinced them that to shake the reins loose will be to invite the deluge, then hesitation seems inevitable. Not that eventual freedom must be completely ruled out on that account; it will merely be postponed and is likely to be more violent when it does come.

A rather unlikely book recently came my way, and I might have passed it had not my attention been arrested by the name of the author, Dr. Edith Summerskill. Its title is *The Ignoble Art* and it deals with boxing, a subject which revolts as many people as it interests, and I must admit to being one of them. To me, nose-busting, jaw-wrecking and the effort to knock one's opponent out of shape and consciousness does not constitute a sport befitting civilised men. Boxing, especially in its professional form, I have always regarded as a brutal and sadistic sport, without any object more worthy than that of making money for promoters, gamblers and hangers-on. No aesthetic, moral or practical purpose informs professional pugilism, as it should all noble forms of sport. I am glad that my views are, on the whole, supported by a former Minister for National Insurance in Britain's last Labour Government. She points out that repeated blows on the head frequently cause what is called "punch-drunkness" or traumatic encephalitis, and among retired professional boxers it is not uncommon to find partial or total incapacitation, blindness or insanity. For example, "Cast-iron" Casey, the Sunderland middleweight, is now in a mental hospital. It is exactly for this reason that I was glad to note some time ago that Ewart Potgeiter, the South African heavyweight, had decided to turn his back on the ring and the fortune he might have made there. One other condemnation of boxing, I consider, is that it has produced remarkably little literature. Outside of Ernest Hemingway's *Fifty Grand* I scarcely know of any. Even bull-fighting has done better. Think of Hemingway's *The Undefeated*, or those fine passages in Byron's *Childe Harold*.

THE DITCHER.

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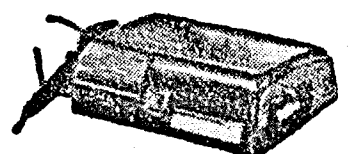
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Company Meeting

BOMBAY GAS COMPANY LIMITED

CHAIRMAN'S SURVEY OF POSITION AT THE ANNUAL GENERAL MEETING

The Annual General Meeting of the Bombay Gas Company Limited was held on 11th July, 1956. The Speech was read out by the representative of the Chairman, Shri B. L. Jalan, who was not present in person at the meeting.

Since we assembled here last, several developments of profound import have sought to change the directions of the future course of our national and economic history.

The First Five-Year Plan closed last March with an air of unimpaired success. The national income is estimated to have increased by 18% from Rs. 9,170 crores in 1950-51 to Rs. 10,800 crores in 1955-56. The First Plan envisaged an increase of 11% only. Further, the increase has been well spread over in the various sectors of the economy. We can say it with a sense of pride that the sector to which your company belongs, namely, factory establishments, has recorded the most phenomenal progress. What is, however, more significant is that the success of the Plan was secured in spite of a substantial shortfall in the projected outlay. It may be interesting to note incidentally, that the investment programme in the private sector was fully successful.

Second Five-Year Plan

Prompted by the success thus achieved, the Government have rightly planned for a bold Second Five-Year Plan and they deserve the gratitude of the people. The bold social approach of the current Plan is characterised by doubling of the rate of investment, estimated increase in the national income by 25% and in the employment potential by 8 million new jobs, heavy outlay on industry and particularly heavy industry, provision of an expenditure of Rs. 4,800 crores in the public sector, dependence on deficit financing to the extent of 25% of the outlay in the State Sector and leaving an unbridged gap of Rs. 400 crores. Welcome as some of these features are, a pause is necessary. I am afraid the investment potentialities and needs of the country have been exaggerated; the outlay in the public sector is far too excessive; and some real risks involved in the heavy doses of deficit financing have been ignored.

In the First Five-Year Plan, a total investment roughly of the order of Rs. 3,100 crores was made. This secured an increase of 18% in the national income of the country. The Second Plan has provided for an estimated investment of Rs. 6,200 crores leaving aside about Rs. 1,000 crores of current developmental outlay in the public sector. On the basis of our experience of the investment-income ratio during the First Plan, the 25% increase in the national income will have been secured only by an investment around Rs. 5,200 crores.

The higher level of investment has necessitated too much reliance on the public sector. The private investment during the last five years was maintained around 50% of the aggregate investment. In the present Plan this share has been reduced to 33%. A major part of this outlay is principally a matter of guess work, and one should not be surprised if the real investment in this sector may be substantially less. Thus the provision for construction, agriculture, village and small scale industries and stocks has been put at Rs. 1,700 crores or over 70% of the outlay in the private sector, ignoring for a while the long term risks implied in the rapid expansion of the public sector the impractical character of this appropriation should be noted. This does not take account of the adverse impact of the proposed additional taxation, the likelihood that the inflow of external aid may be much less than proposed, and the unbridled gap. Some type of inflationary tendencies have been already generated in the country. The official wholesale price index touched the level of 390 during May 1956, which was more than 12% above the level a year ago. There is no doubt that prudent fiscal and monetary policies of the country shall have to reckon with this development and not permit our efforts to build our country to be wrecked against organisational rocks. Physical planning knows its own limitations. It is a good servant but a bad master.

State Nationalisation

New economic outlook is also reflected in the various policies adopted by the State such as the nationalisation of the Imperial Bank and the Life Insurance. The spirit behind the new Companies Act is similar. The executive has taken some far-reaching powers in the regulation of the industrial and commercial enterprises in the country; some embarrassing restrictions have been placed on the smooth operations of these enterprises and avoidable secretarial work has increased beyond measure. The managements have begun to feel the pinch. We should, however, record it with satisfaction that the administration has shown a sense of accommodation and sympathy and I have no doubt that assured of such a treatment the rigours of the new piece of legislation will be very much mitigated in the course of its implementation. Indeed, I should hope that the Government will keep an open mind in the matter and if real difficulties are faced by the industrial units without advantage they will not hesitate to remedy the new provisions of the Company Law. I suggest that the old and the new Companies Acts should be studied in this perspective.

Industrial Policy

As regards the industrial policies, since the restate-ment of the earlier policy was called for on account of several reasons, the principal among them being, certainly, it was certainly welcome, but the new policy has extensively widened the sphere of State-owned industry. Seventeen key industries are now listed in the schedule of industries for whose development the State will be exclusively responsible, and twelve in the schedule of those which will be progressively State-owned. The previous policy had only three industries as the exclusive monopolies of the State sector. Whereas some uncertainty has yet been left by the room allowed for over-lapping, we should note it with satisfaction that the Prime Minister declared that as much freedom as is consistent with the targets and objectives of the National Plan will be allowed to

private industrial undertakings and that fair and non-discriminatory treatment will be accorded in cases where both sectors exist in the same industry.

State Trading Corporation

The talk of State Trading Corporation has been in the air for some time past, and although the Government vacillated for some time, a Corporation has been established and started functioning. At this stage, we can only hope that this Corporation will not spread its tentacles beyond its legitimate sphere and the Government would allow free trade to operate in internal and external trade. However, the Government will do well to announce its definite policy in respect of the commodities to be covered by this new institution so that uncertainty may not hamper the development of our international trade relations. In the modern industrial economies, a growing foreign trade is an essential aspect of a healthy economy and on it depends the exchange resources, the industrial and business activity, the employment potential and the level of the economy in the country. Availability of adequate exchange resources is a prime necessity also for the development of heavy industry and largely the success of the National Plan.

Labour Front

Before closing this survey, we would wish to refer to another ominous shift. We have witnessed in the recent past some instances of militant activities on the labour front. These have been rightly denounced by all peace-loving sections of the country including our Prime Minister, other spokesmen of the Government and parliamentarians. Accidentally perhaps these happenings took place in the public sector of industry but they clearly indicate that such and other problems are common to all sectors of the economy and it is not advisable at this stage to think in terms of separate public and private or industrial or agricultural. There is one and only one National Sector and all others are integral parts of it. The future pattern of our economic organisation has to be viewed in this atmosphere and our thoughts and policies should be dictated and outlined by one paramount objective of national life, that is, we have to attain an increasing rate of industrialisation for the economic growth of the country and a substantial rise in the standard of living of the masses. A vigilance has, however, to be exercised so that our efforts in this direction do not undermine or jeopardise our basic values of political, social and moral life.

Trading Profits

Now coming to the affairs of the company, as you will have noticed from the accounts, the trading profits for the year under review are more or less the same as those for the year 1954. You will also notice that in spite of the decrease in the revenue of the company from Rs. 82,79,546 in 1954 to Rs. 82,41,293 in 1955 the profits have shown an increase of Rs. 50,961/- and this increase has been possible owing to the strict supervision maintained over the expenditure during the year. The gross profits for the year was Rs. 10,98,667/- against Rs. 10,47,706/- in the previous year and after making provision for Income-Tax and Super-Tax in India and U.K. to the extent of Rs. 7,57,506/- and providing a further sum of Rs. 1,00,000/- for gratuity and after adjustments, the net profit for the year comes to Rs. 4,55,641/- as against the corresponding figure of Rs. 5,49,639/- at the end of the previous year. After adding the net profit, the balance brought forward from the last year we have Rs. 7,10,667/- available for distribution, out of which your Directors have recommended a tax-free dividend of 12½% as in the previous year.

The sale of gas showed an increase of 8,507,000 cubic feet from 1,320,048,600 cubic feet in 1954 to 1,337,555,600 cubic feet in 1955 which comes to 64% over the previous year.

Ever since the management took over the company, we have been making our best endeavour to increase production and serve the consumers to our best. The production has steadily increased from year to year as was reported to you last year. This increase was well maintained also during the year under review. Thus whereas the company increased its production by 13.5% in 1949, 21.2% in 1951 and 30.6% in 1953, it increased the production by 35.5% in 1955 over 1954.

The demand for additional supplies of gas continues but we were unable to take on additional consumers during the year. The production, purification, storage and distribution units were being worked under conditions of constant overload and in spite of adequate maintenance, there were increasing signs of the effects of this overload on the plant and machinery. A disturbing feature of the year under review was the inadequate and erratic nature of the coal supplies, which resulted at one time in the restriction of coal gas production.

Expansion Scheme

Schemes of expansion both major and minor, such as the utilisation of municipal sludge gas, a second water gas plant oil gasification, etc., were examined. It is gratifying to be able to record that the Directors were pleased to sanction late in 1955 the extension of the present retort house by five more retort beds complete with additional coal handling, charging and gas cooling equipment. An increase in production of about 200 million cubic feet per year is possible with appropriate expansion of the purifier, holder and mains capacity. This extra gas could satisfy the needs of 2,500 new consumers.

The scheme for the expansion of the retort house by five more beds has been taken in hand and extra supplies on completion of the same will be available by the end of 1956.

During the year 1956, though the total gas sales could not be improved upon appreciably due to lack of production capacity, carbonisation efficiencies have been improved upon. The gas qualities and pressures were further improved to the growing satisfaction of the consumers. The production and sale of all the by-products have registered an increase.

ORISSA CEMENT LIMITED

(A National Enterprise under the Patronage of the Govt. of Orissa)

REGISTERED OFFICE
AND
HEAD OFFICE

P. O. Rajgangpur, Dist. Sundergarh.

(This is an Announcement to the members and not a Prospectus and neither an invitation to the public or any section of the public for subscription of shares)

AUTHORISED CAPITAL: Rs. 5,00,00,000/- divided as follows:—

1,00,000 Shares of Rs. 100/- each: (50,000 of this termed Preference Shares). ... Rs. 1,00,00,000
40,00,000 Shares of Rs. 10/- each: (10,00,000 Shares termed Ordinary Shares). ... „ 4,00,00,000

ISSUED CAPITAL: Rs. 1,50,00,000/- divided as follows:—

50,000—4½% Cumulative free of Income-tax Preference Shares of Rs. 100/- each „ 50,00,000
10,00,000 Ordinary Shares of Rs. 10/- each. ... „ 1,00,00,000

SUBSCRIBED, CALLED AND PAID UP CAPITAL: Rs. 1,07,86,500/- divided as follows:—

40,000—4½% Cumulative free of Income-tax Preference Shares of Rs. 100/- each „ 40,00,000
67,86,500 Ordinary Shares of Rs. 10/- each Fully Paid up. ... „ 67,86,500

DIRECTORS:

1. Shri Jaidayal Dalmia, (Chairman).
2. Shri Kamalnayan Bajaj.
3. Dr. S. T. Merani, } Nominees of Govern-
4. Shri Kartar Singh, } ment of Orissa.
5. Shri Mohanlal Goenka.
6. Shri Vishnu Hari Dalmia.
7. Shri Nihar Chandra Roy, (Technical Director).

MANAGING AGENTS:

Messrs. Dalmia Agencies Private Limited.

AUDITORS:

Messrs. V. Sankar Aiyar & Co.,
Chartered Accountants.

BANKERS:

National Bank of India Limited.

The Company had issued 10,00,000 Ordinary shares of Rs. 10/- each in the beginning, out of which 6,78,650 shares were subscribed. At that time as more subscription was not felt very necessary, no efforts were made for getting further Capital subscribed. Now fresh consent from the Controller of Capital Issues has been obtained to get subscribed the balance issued and unsubscribed 3,21,350 Ordinary shares of Rs. 10/- each at par, a complete copy of which is open to public inspection at the Head Office of the Company at Rajgangpur. IT MUST BE DISTINCTLY UNDERSTOOD THAT IN GIVING CONSENT THE GOVERNMENT OF INDIA DO NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS MADE OR OPINION EXPRESSED WITH REGARD TO THIS.

The Company's Cement Works at Rajgangpur has a daily production capacity of 500 tons. The Cement Works is under extension by a further daily capacity of 600 tons, which is likely to go into production by the end of this year. Besides, the Company has also undertaken putting up of a modern refractory works of an annual capacity of 80,000 tons of firebricks of various kinds including basic bricks in collaboration with German experts for technical advice on royalty basis, the construction of which has sufficiently advanced. The refractory works at Rajgangpur is also expected to go into production before the middle of the year 1957. Further, the Company has also sponsored jointly with Messrs. Dalmia Cement (Bharat) Ltd. an iron and steel foundry in Calcutta under a separate company—Dalmia Iron & Steel Ltd. (with Registered Office at Rajgangpur in Orissa) by subscribing to its capital, which in collaboration with Belgium experts, will manufacture special heat

resisting and wear resisting machinery parts for the Cement industry.

The Industrial Finance Corporation of India has sanctioned a loan to the Company to the tune of Rupees One Crore for above referred schemes of cement factory expansion and refractory works undertaken by the Company. The further expenses for capital cost and working capital will be met out of the Company's savings made during the last years and out of the present proposed subscription.

The Government of Orissa at the time of floatation of the Company, besides subscribing to the preference share capital of the company to the tune of Rs. 40 lakhs, had advanced a sum of Rs. 50 lakhs to the Company free of interest for purchase of 4 lakh tons of Cement out of which Rs. 44,35,227/8/- have been paid back and/or adjusted by the end of June, 1956 at the rate of Rs. 12/8/- per ton of Cement supplied out of the contract quantity. The balance amount is expected to be cleared very shortly.

The Company had contracted with the Government of Orissa to supply 4 lakh tons of Cement as stated above for the Hirakud Dam Project at Rs. 7/- per ton less over the contracted rates of the Indian Stores Department of the Government of India. Out of this 3,54,818 tons 4 cwt. have been supplied by the end of June 1956 and the balance quantity would be completed shortly. After that, this special rebate of Rs. 7/- per ton would be further saving to the Company.

The Company's working results for the first four years working are given below:—

Year	Gross Block at cost	Cement Production	Gross profits earned before providing depreciation and Managing Agents' Commission	Depreciation provided	Dividend on Ordinary Shares
	Rs.	Tons	Rs.	Rs.	
1952	1,67,77,676	1,32,711	24,93,933	63,87,124	—
1953	1,72,86,319	1,31,273	30,43,423	27,30,259	—
1954	1,75,23,216	2,02,723	59,47,485	21,04,179	7½%
1955	1,83,18,049	1,90,033	59,60,680	9,77,629	—

The figures of the year 1955 are subject to audit. The Managing Agents propose to suggest to the Board of Directors to recommend 12½% dividend on ordinary shares for the accounting year 1955.

The present issue in the first instance is being offered to the existing registered Ordinary Shareholders whose names appear in Register of Mem-

bers at the close of Share Transfer Register on 3rd September, 1956, at par in the ratio of one share for each two shares held. The present issued number of shares falls short by 17,975 shares if all the shareholders exercise their option to take right shares fully. In such events, the Managing Agents and their Directors and members have agreed to reduce their allotment to the extent as may be necessary to meet the requirement of other shareholders. The time limit for exercising the option to take right shares is upto 31st October, 1956.

The Letters of Right to be issued to the shareholders are renounceable in favour of any person and the shareholders can get them split up from the Registered Office of the Company to any denomination free of charge. If splitted Letters of Right are required by registered post, the applicant should remit eight annas to cover registration postage charges. Any shareholder holding big lot of shares in the Company, if desirous to have the Letters of Right splitted from the very beginning, he should write as such to the Company in advance, stating the denomination of each splitted Letter of Right. The shareholders have also the option to apply for extra shares over their right quota but the allotment of such extra shares within the proposed issue would depend on the availability thereof after satisfaction of the application of Right Shares and will be at the absolute discretion of the directors.

The shareholders, who do not receive circular dated 14th July, 1956 in this respect latest by 21st July, 1956 are requested to refer the matter to the Registered Office of the Company stating their correct address, so that they receive their another

The Central Bank of India, Ltd.

(Incorporated in India. Liability of Members is Limited.)

(Established—December, 1911.)

Head Office—MAHATMA GANDHI ROAD, FORT, BOMBAY-1.

Authorised Capital Rs. 6,30,00,000
Issued Capital Rs. 5,77,50,000
Subscribed Capital Rs. 5,76,66,125
Paid-up Capital Rs. 3,14,54,250
Reserve Fund and other Reserves Rs. 4,01,81,217
Deposits as at 31-12-55 Rs. 1,29,96,40,383

DIRECTORS

Sir Homi Mody K.B.E. (Chairman), Cooverji Hormusji Bhambhani, Esq. (Vice-Chairman), Dinshaw D. Bomer, Esq., Dharamsey Malraj Khatau, Esq., Manmohandas Madhavdas Amersy, Esq., C. P. Wadia, Esq., Chimanlal P. Parikh, Esq., Framrose J. Gazdar, Esq., Mr. N. K. Karanjia, General Manager.

Branches and pay Offices throughout India, Pakistan, Burma and London.

London Branch—159, Fenchurch Street, London, E.C.3.
New York Agents—The Guaranty Trust Co. of New York, The Chase Manhattan Bank.

Banking business of every description transacted on terms which may be ascertained on application.

LOCAL BRANCHES

Calcutta—33 Netaji Subhas Road, Ballygunj—200/2C.
Rash Behari Avenue, Harabazir—71, Cross Street.
Bhowanipore—3A, Russa Road, Hatikola—100, Sovabazar Street, New Market—10, Lindsay Street.
Shimabazar—333, Cornwallis Street, Howrah—Metropolitan Insurance Co. Building, Tolly Road.
Branches in West Bengal—Asansol, Bankura, Burdwan, Jalpaiguri, Kalimpong, Raiganj and Siliguri.
Branches in East Pakistan—Chittagong, Dacca, Dinajpur, Khatusang, Mirakdim, Mymensingh, Narayanganj, Rangpur.
Branches in Orissa—Sambalpur.

RAW MATERIALS FOR PAINTS, PRINTING INKS AND PLASTICS

SOLVENTS
Amyl Acetate
Butyl Acetate
"Cellosolve" Solvent
Diacetone Alcohol
Ethyl Acetate
Methyl Amyl Acetate
Methyl Isobutyl Ketone

PLASTICISERS
Dibutyl Phthalate
Diethyl Phthalate
Tricresyl Phosphate

RETARDERS
Butyl "Carbitol"
Butyl "Cellosolve"
"Cellosolve" Acetate

DILUENTS
Solvent Naphtha
Benzol
Toluol
Xylol

COUPLERS
Butyl Alcohol
Methyl Amyl Alcohol

RESINS
"Vinylite" brand PVC resins
"Synres" resins
"Union Carbide" silicone resins

Also available:
Carbon Blacks
Formaldehyde
Maleic Anhydride
Pentaerythritol
Phenol
Phthalic Anhydride
Titanium Dioxide

INDUSTRIAL PRODUCTS DIVISION

NATIONAL CARBON COMPANY (INDIA) LTD.
18-A, Brabourne Road, Calcutta - 1

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INDUSTRIAL TRENDS IN THE UNITED KINGDOM

RECESSION IN MOTOR INDUSTRY CAUSES ANXIETY

(FROM A SPECIAL CORRESPONDENT)

THE predominant subject of discussion in industrial circles has been whether the redundancy of employees now evident in British motor manufacturing ought to be regarded as the first sign of an approaching general trade recession, or can be calmly treated as something likely to be localised. In a sense, there can be no saying thus far and no further; for various industries sub-contracting to the motor trade, or supplying semi-finished materials, are bound to be affected, as are also those concerned in the trading or distribution of motors and their accessories. But, after this reservation is made, it can be stated that, at the time of writing, activity continues to be strongly manifested in the majority of industries. That being so, most business men have drawn the comforting conclusion that no pronounced setback to British industry as a whole is imminent. Certainly, the latest official information upon the nation's economic and financial state of affairs lends support to this view. The increase in the nation's gold reserves, small although it admittedly is, nevertheless constitutes an advance. More positive are the well-filled order books in all branches of the engineering industry, and the fact that, although capital is difficult to obtain in some directions under the credit squeeze, new enterprises are being developed on a substantial scale. But it remains that, in comparison with two years ago, the area of new factory buildings shows a sharp decline and that the hire-purchase interests, though ingeniously dealing with the restrictions imposed upon them, cannot altogether conceal the sound of tremors in their midst. There is, too, the unpleasant fact that exports of cotton piece-goods for the five months to 31st May were only 199 million square yards, compared with 256 million square yards for the corresponding period of 1955. Obviously, therefore, some slowing down of business is taking place. How much should be regarded as a welcome diminution of feverish over-activity and what proportion as a loss which Britain would rather not forgo has still to be discovered. One would imagine, however, that no contraction in textiles is palatable.

Fall in Textile Profits

Meanwhile, it is noteworthy that some of the most progressive textile and allied companies feel that they are unlikely to maintain hitherto ordinary activities at their former levels, and are entering into new fields which they would not have considered a few years ago. Thus the Bleachers' Association states that it has derived financial benefit during the past year from subsidiaries operating outside the textile industry, and that cultivation of such extraneous interests has become an integral part of the Association's long-term policy. The British Cotton and Wool Dyers Association has altered its memorandum of association so as to be able in future to engage in the electrical, leather, rubber and other industries, and also to trade in any goods "which can be conveniently dealt with by the company." Annual reports issued during the past month show that while a few textile concerns have held their ground, numerous cotton and rayon companies, including even the most powerful, have felt the effects of severe competition. For example, Fine Spinners and Doublers' net profit has declined by £637,000 in comparison with that of the previous year, British Celanese's by £895,000 and Courtauld's by £1,415,000.

The announcement by the Chemstrand Corporation, a U.S. concern, that it intends to spend £3½ million for the erection of a factory in Northern Ireland to manufacture its fibre Acrlan is of importance. Acrlan is a member of the group of acrylic fibres at present manufactured by half a dozen companies in the U.S., five in Germany and by a few in other countries. The sole producer in Britain is Courtauld's, and this is at present by only a pilot plant. Large-scale production is expected to be reached in 1957. Acrylic fibres are made from acrylonitrile, derived from air and natural gas forming ammonia, hydrocyanic acid and acetylene. They are recognised as being among the most important of the synthetic fibres—some claim that they are the most important measured by their properties—not excluding Terylene and nylon. Their resistance to deterioration and attacks by outside agents, such as chemicals and bacteria is impressive, and it appeared initially that their chief outlet would be for industrial fabrics. But the virtues of its warm handling have gained prominence latterly, and the fibre is becoming much sought after by the hosiery and knitwear industries. It can be processed on the cotton system, and can be used either individually or for blending.

Russian Purchase of Textile Machinery

Large orders from overseas continue to be received by textile machinists, and several of these have orders in hand to occupy them two years. Russia figures prominently in this buying. The chairman of Platt Brothers has remarked that the factory set up by National Machinery Manufacturers in Bombay (in which concern Platt's has a considerable interest) has made satisfactory progress and the production of ring spinning frames has already reached 20 a month. He has also observed that the Raper Auto leveller, whose use enables substantial processing advances to be made in the woollen, worsted and synthetic textile industries, is now established in 20 countries and 1,900 of these units are in operation. The automa-

tic production of oil-in-water emulsions gains ground in the jute manufacturing industry. These machines do away with the necessity of storing large quantities of emulsion, enable changes in the proportions of oil and water to be immediately effective and are very compact.

News of the progress of automation includes an item that the Imperial Chemical Industries is pressing on with the completion of the first nitroglycerine plant in the world to be remotely controlled with the aid of a closed circuit television system. "Remotely controlled" has a special significance in this instance. Control will be exercised from a separate building, well away from the one containing the plant—which will be in the second largest explosive factory in Great Britain. It is hoped that through the early registration of any irregularities on the control panel, untoward developments will be arrested at an early stage, but should these precautionary measures fail for any reason, automatic control can still play its part by deluging the explosives with water.

The plastics industry is on the eve of a fresh development through an agreement entered into by Greenwich Plastics with a German firm. The full implications of this agreement have not been disclosed, but it has been announced that it renders possible the manufacture of a new type of plastic film not produced in Great Britain so far. Although the use of film for packaging purposes has been criticised as being overdone—it seems to be considered desirable to clothe everything from braces to carrots in cellophane or its equivalent—the practice still extends. If the movement has, to the film maker's advantage, caused a certain amount of faddism, the hygienic gain is undeniable and the washable shopping bags of plastic material are an immense boon. Transparency and tensile strength have been much improved in the latest packaging films and the print upon them rendered more legible.

Education in Technology

The Government has now said all that it has to say, in the absence of some fresh development, upon the subject of technological education. It was, for some reason, left to Mr. Butler, the Lord Privy Seal, to utter the last words. Some of them seemed to be rather extravagant, as when he claimed that the "stupendous" amount of £4.5 mil-

lion will be spent by the Government "for building, not only for engineering and other technologies, but for basic science, physics, and chemistry, in which technologists require to be well grounded." One need not make a comparison with the Government's expenditure on armaments (or even on flying missiles alone) to see how ridiculously inadequate this sum is. Fortunately, however, finance for technological education is coming also from other directions than the Government. A touch of absurdity has been added to what is really a serious subject by the failure to find a satisfactory verbal distinction for those who pass certain tests in technical proficiency. It was officially stated that no new degree could be created; to do so would have been to tread on the toes of the universities, which have a monopoly of this kind of thing. So the idea of widening the scope of B.Sc. and adding "Tech." in brackets was rejected as an infringement of privilege and "Dip. Tech." proposed instead. But it was soon evident that "Dip." could easily be interpreted by the wit as an abbreviation for dipsomaniac and so "Dip. Tech." has been banished from the scene. Its—or his—successor has yet to be found.

The unfortunate "side" effects of some of the antibiotics upon patients has decreased chemical manufacturing activity in some directions, but on the whole, the production of fine chemicals is fully maintained. The formerly exclusive pharmaceutical manufacturers now add numerous industrial chemicals to their catalogues, and veterinary and agricultural chemicals also. It is surprising that this development did not occur many years ago; for plainly these different chemical fields are closely interrelated. Indeed, it is only by being broadly based, and deriving revenue from every possible source, that the modern chemical company can bear the great financial outlays that continued progress in materials and methods demands. As the chairman of Boots Pure Drug Co. Ltd. has commented, the procedures used for the manufacture of some chemicals today, cortisone and other members of this group, for instance, are very advanced and represent a large-scale utilisation of chemical reactions and materials previously unknown to the conventional manufacturer. It also demands a delicate and yet very close collaboration between research scientists, and development, engineering and production units.

uly 19, 1956.

nance in India and Abroad

HE CALCUTTA MONEY MARKET

INTERBANK DEMAND EASIER

Wednesday, 18th July.

HERE has been a small but discernible all-round easing in the money market this week. particular source of demand has shown a sizeably-large decline, but all appear to be down small amounts. The sugar industry's advances are returning slowly and those of the jute mills have begun to fall. There has been some urn of funds from upcountry areas. The inter-bank market is rather easier and all respective growers have been accommodated at the un-anged rate of 3½ percent.

The bill market has shown a little more life this week, with a fair amount of gunny and some tea cements coming to hand. Remittance has been satisfactory. Sterling remains weak, but there has been a very slight improvement in the dollar rate, sstibly due to short-covering in New York, and it now quoting Rs. 48½.

Silver was steady on bull support and advanced om the previous week's level of Rs. 171-12 to s. 172-4, quoted yesterday, the market being osed today. The rate for ready was quoted at s. 172-8. The London price was unchanged at s. 172-8. The price of foreign silver in New York as the same at 90½ cents.

Gold rose in sympathy with silver from s. 102-2 to Rs. 102-6. The sovereign at Rs. 66-4 as 2 annas higher.

During the week ended 13th July, Government f India Treasury Bills for Rs. 64,49,75,000 were old in favour of the Reserve Bank.

A fall of Rs. 7.91 crores to Rs. 1,474.59 crores in otes in circulation was the outstanding feature f the return of the Reserve Bank of India for the week ended 13th July, 1956. The total note issue as Rs. 1.38 crores higher at Rs. 1,503.96 crores. The expansion in currency was adjusted by in-creasing rupee securities by Rs. 10 crores to Rs. 728.56 crores and reducing foreign securities by Rs. 10 crores to Rs. 626.67 crores. In the Banking Department deposits of the Government of India fell by Rs. 2.20 crores to Rs. 52.03 crores, while other Government accounts rose by Rs. 2.16 crores to Rs. 6.93 crores. Balances of commercial banks at Rs. 52.65 crores were Rs. 2.10 crores higher. Other loans and advances declined from Rs. 61.08 crores to Rs. 55.49 crores, of which advances to scheduled banks against usance bills totalled Rs. 33.96 crores (Rs. 33.68 crores). These advances amounted to Rs. 187.31 crores since 1st January, 1956. Ways and means advances rose from Rs. 2.94 crores to Rs. 3.31 crores. Other features showed little change.

The statement of the position of scheduled banks for the week ended 6th July, 1956, discloses Demand and Time liabilities at Rs. 639.35 crores (Rs. 9.95 crores on account of borrowings from banks) and Rs. 454.97 crores (Rs. 3.22 crores), compared with Rs. 638.11 crores (Rs. 6.12 crores) and Rs. 452.88 crores (Rs. 3.22 crores), respectively, in the previous week. Cash and balances with the Reserve Bank have diminished by Rs. 2.60 crores and Rs. 1.85 crores to aggregate Rs. 37.47 crores and Rs. 49.98 crores, respectively. There is a drop of Rs. 73 lakhs in investments to Rs. 346.90 crores. Advances and bills discounted at Rs. 756.44 crores show a fall of Rs. 1.03 crores. The ratios to total liabilities of cash and balances, and of advances and discounts, are, in consequence, shown at 8.0 percent and 69.1 percent, against 8.4 percent and 69.4 percent.

The return of the State Bank of India for the week ended 6th July, 1956, shows a drop of Rs. 3.18 crores in total deposits to Rs. 222.85 crores. Investments in Government Securities are down by Rs. 39 lakhs to Rs. 89.44 crores, while other authorised investments are up by Rs. 24 lakhs to Rs. 10.73 crores. Advances, including loans, cash credits and overdrafts, and bills discounted and purchased have decreased by Rs. 18 lakhs to aggregate Rs. 134.08 crores. Cash and balances are, in consequence, shown at Rs. 15.81 crores or Rs. 4.17 crores less.

The profit of the BANK OF BARODA LTD. for the half-year ended 30th June, 1956 amounted to Rs. 18,01,604-4-8, including Rs. 3,35,546-4-9 brought in. The directors have resolved to declare an interim dividend of 6 percent, which will absorb Rs. 6,00,000. The carry-forward is Rs. 12,01,604.

The net profit of the CENTRAL BANK OF INDIA, LIMITED for the half-year ended 30th June, 1956, including Rs. 18,40,358-8-6 brought in, amounts to Rs. 62,75,514-4-10. The directors have resolved to pay an interim dividend of 6 percent, which will absorb Rs. 18,87,255. The carry-forward is Rs. 43,88,259-4-10.

According to the returns received in the Department of Commercial Intelligence and Statistics, the total gross sea and land customs revenue collected in the Indian Union during May 1956, amounted to Rs. 1,372 lakhs as compared with Rs. 1,275 lakhs in the corresponding month of the previous year. The comparison in the following should be taken to refer to that of the current figures with those of the corresponding period of the preceding year. Of the total customs revenue collections, import duties accounted for Rs. 1,149 lakhs as against Rs. 1,016 lakhs, export duties for

Rs. 192 lakhs as against Rs. 245 lakhs and land customs and miscellaneous for Rs. 31 lakhs as against Rs. 14 lakhs. The total gross collection of Union excise duties amounted to Rs. 1,437 lakhs as compared with Rs. 1,169 lakhs. During the two months, April and May, 1956, the grand total of gross customs and Union excise revenue realised was Rs. 5,227 lakhs as compared with Rs. 4,757 lakhs during the corresponding period of the preceding year. Of this amount, import duties accounted for Rs. 2,191 lakhs as against 1,979 lakhs, export duties for Rs. 364 lakhs as against Rs. 475 lakhs, land customs and miscellaneous for Rs. 43 lakhs as against Rs. 38 lakhs and Union excise duties for Rs. 2,629 lakhs as against Rs. 2,265 lakhs.

RETENTION PRICES FOR MYSORE IRON AND STEEL WORKS FIXED

The Government of India has, on the recommendation of the Tariff Commission, decided to fix the ex-works retention price of steel payable to the Mysore Iron and Steel Works at Rs. 405 a ton from 1st April, 1955, to 31st March, 1959. The retention price for pig iron payable to the factory during the same period will be Rs. 195 a ton. On the Commission's recommendation, the Government has fixed the price of steel payable to the factory from 1st April, 1954, to 31st March, 1955, at Rs. 392 a ton. The price of pig iron for the period 14th November, 1953, to 31st March, 1954, has been fixed at Rs. 178-8 a ton and from 1st April, 1954, to 31st March, 1955, at Rs. 197 a ton.

Certain schemes for the expansion of the Mysore Iron and Steel Works are under consideration and if these are completed by 1959, the production in 1959-60 will be higher and costs may be materially different. It has, therefore, been decided to apply the prices given above for the present up to the end of March, 1959. Thereafter in the light of the circumstances then prevailing, the prices may either be continued or the matter may, if necessary, be referred to the Tariff Commission again.



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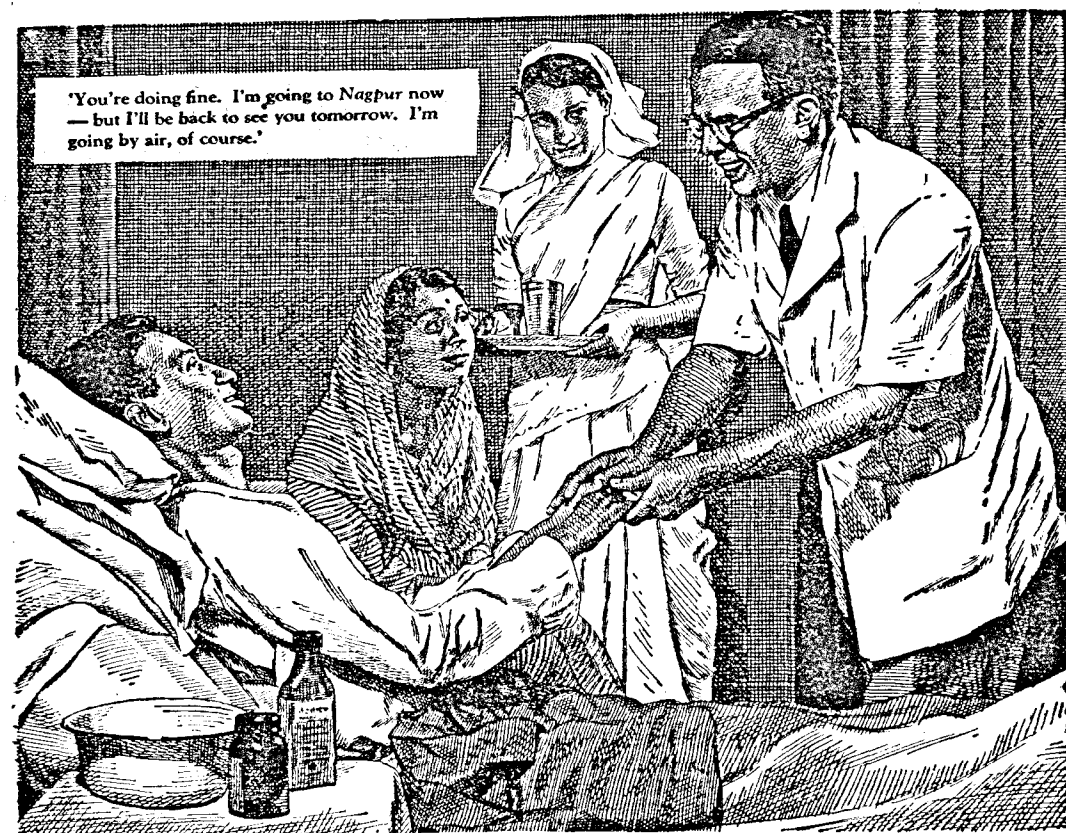
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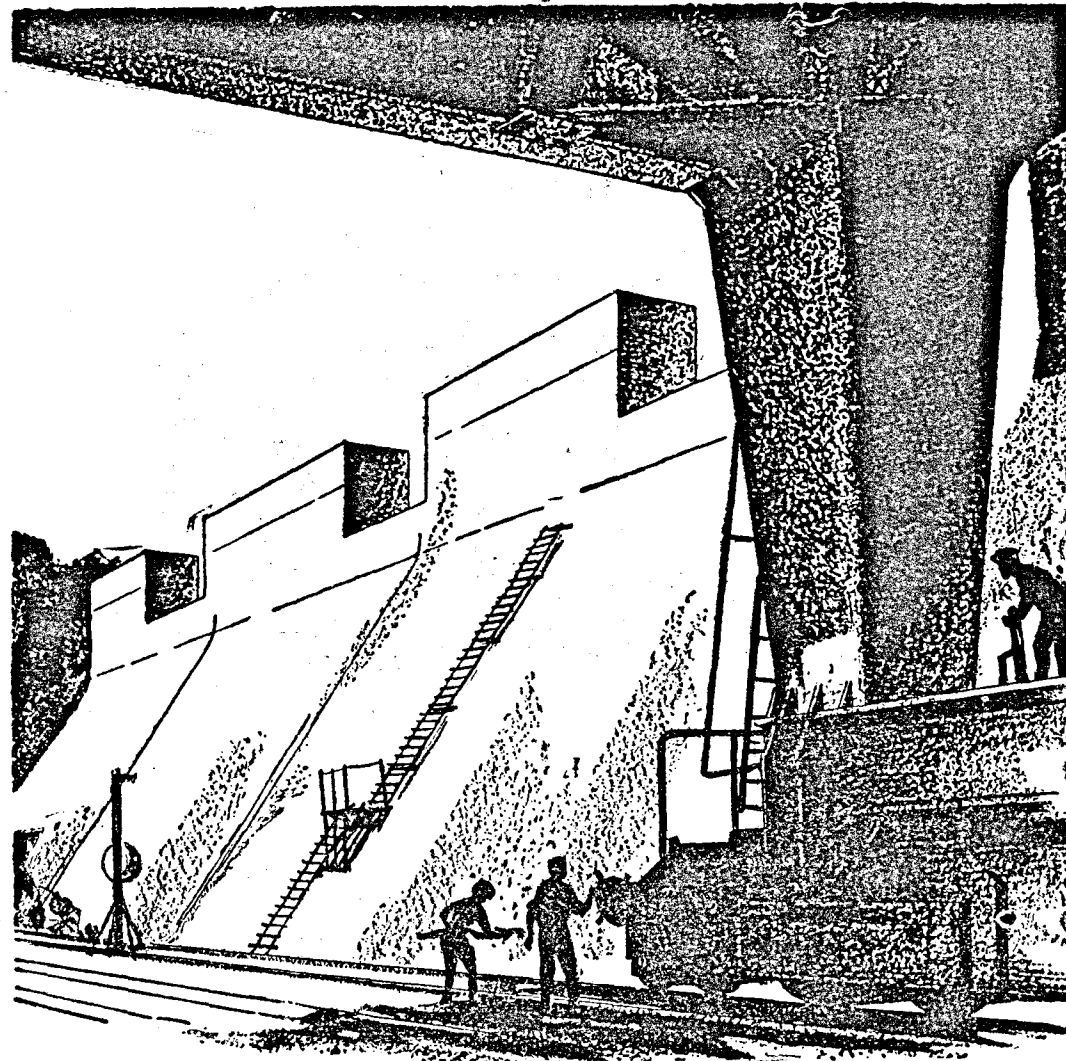
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RESERVE BANK

ISSUE DEPARTMENT

(In 000's of Rupees)

	Week Ended 13-7-56	6-7-56	15-7-55
Liabilities—			
Notes in Banking Dept.	29,36.67	20,07.80	30,03.43
Notes in Circulation	14,74,59.57	14,82,50.25	13,10,04.53
Total Notes Issued	15,03,96.24	15,02,58.05	13,41,77.96
Assets—			
A Gold Coin and Bullion	40,01.71	40,01.71	40,01.71
Foreign Securities	6,26,67.54	6,36,61.29	6,52,04.02
Total of A	6,66,69.25	6,76,63.00	6,92,05.73
B Rupee Coin	1,08,71.11	1,07,32.92	1,06,07.26
Rupee Securities	7,28,55.88	7,18,62.13	5,43,64.97
Total	15,03,96.24	15,02,58.05	13,41,77.96

	Week Ended 13-7-56	6-7-56	15-7-55
Liabilities—			
Capital Paid-up	5,00.00	5,00.00	5,00.00
Reserve Fund	5,00.00	5,00.00	5,00.00
National Agricultural Credit (Long-term) Fund	15,00.00	15,00.00	—
National Agricultural Credit (Stabilisation) Fund	1,00.00	1,00.00	—
Deposits—			
(a) Central Govt.	52,03.24	54,23.21	81,73.68
2 Other Govts.	6,93.75	4,76.89	20,04.51
(b) Banks	52,64.39	50,55.52	52,27.05
(c) Others	12,15.68	12,64.44	14,80.52
Bills Payable	6,31.87	6,19.99	5,35.85
Other Liabilities	23,44.41	25,15.90	24,00.96
Total	1,81,56.84	1,79,55.95	2,08,22.57

	Week Ended 13-7-56	6-7-56	15-7-55
Assets—			
Notes	29,36.67	20,07.80	30,03.43
Rupee Coin	9.41	1.97	8.14
Subsidiary Coin	4.57	3.58	6.50
Bills Discounted Int.	2.00	2.00	62.30
Govt. of India Treasury Bills	5,83.08	7,63.32	8,77.47
Balances held abroad	41,62.83	41,96.99	64,36.32
Loans to Govt.	3,31.75	2,94.75	80.00
Other Loans etc.	55,40.45	61,07.86	35,45.02
Investments	37,30.63	37,31.36	61,20.72
Other Assets	6,46.05	6,56.32	5,92.58
Total	1,81,56.84	1,79,55.95	2,08,22.57

SCHEDULED BANKS

(In 000's of Rupees)

	Week Ended 13-7-56	6-7-56	8-7-55
Liabilities—			
(a) Borrowings from Banks	9,94.99	6,11.74	9,93.17
(b) Others	6,28,39.60	6,31,99.64	5,83,94.27

	Week Ended 13-7-56	6-7-56	8-7-55
Time Liabilities—			
(a) Borrowings from Banks	3,22.30	3,22.30	3,93.02
(b) Others	4,51,74.68	4,49,65.70	3,95,64.94
Borrowings from State Bank Demand Liabilities	6,80.45	5,36.44	4,48.82
Time Liabilities	37,46.50	40,06.63	34,36.67
Cash	48,97.94	51,82.58	45,70.59
Balances with the Reserve Banks	11,10.13	14,76.21	10,74.82
Balances with other banks in current account	15,92.65	11,19.52	17,73.27
Money at calls and short notice	3,46,89.64	3,47,62.92	3,58,54.81
Investments in Central and State Govt. Securities	6,11,01.01	6,11,23.06	5,05,94.52
Advances	98,84.53	98,78.79	70,12.97
Inland Bills purchased and discounted	45,58.64	47,45.26	40,30.62
Foreign Bills purchased and discounted	—	—	—

CLEARING HOUSE RETURNS

	Rs. (thousands)
Week ended	
13-7-56	50,56.72
6-7-56	61,39.65
29-6-56	60,73.57
22-6-56	60,57.96

STATE BANK OF PAKISTAN

ISSUE DEPARTMENT

(In 000's of Rupees)

	Week ended 29-6-56	Week ended 22-6-56
Liabilities—		
Notes in Banking Department	12,48.44	11,22.65
Notes in Circulation	2,83,54.44	2,84,56.92
Total Notes Issued	2,96,02.88	2,95,79.57

	Week ended 29-6-56	Week ended 22-6-56
Assets—		
A Gold Coin and Bullion	11,33.41	11,19.58
Sterling Securities	96,98.38	86,98.38
Government of India Securities	16,28.25	26,58.95
India Notes representing assets receivable from the Reserve Bank of India	43,02.58	43,02.58
B Rupee Coin	6,79.02	6,76.15
Govt. of Pakistan Securities	1,15,39.88	1,15,39.89
Held with Reserve Bank of India pending transfer to Pakistan	15.02	19.02
Gold Coin and Bullion	4,40.63	4,40.63
Sterling Securities	1,60.90	1,00.90
Govt. of India Securities	29.51	29.51
Rupee Coin	—	—
Total	2,96,02.88	2,95,79.57

	Week ended 29-6-56	Week ended 22-6-56
Liabilities—		
Capital Paid-up	3,00.00	3,00.00
Reserve Fund	3,00.00	3,00.00
Deposits—		
(a) Central Government	25,04.86	9,05.84
(b) Provincial Government	8,22.66	7,96.80
(c) Banks	27,48.61	27,44.07
(d) Others	9,47.16	24,85.00
Bills Payable	1,56.62	1,65.00
Other Liabilities	7,23.52	7,27.93
Total	85,37.43	84,28.74

	Week ended 29-6-56	Week ended 22-6-56
Assets—		
Notes	12,48.44	11,22.65
Rupee Coin	—	—
(a) Pakistan	8	8
Subsidiary Coin:		
(a) Pakistan	10	11
(b) India	—	—
Bills Purchased and Discounted—		
(a) Internal	—	—
(c) Govt. Treasury Bills	4.98	12.13
Loans and Advances to Govt.	—	—
Provincial Govt. Debtor Balances	—	—
Other Loans and Advances	2,97.75	3,23.00
Investments	53,76.87	54,06.48
Other Assets	16,09.21	15,64.29
Total	85,37.43	84,28.74

Stocks and Shares

SHARE MARKET RELAPSES ON TOTAL LACK OF INVESTOR SUPPORT

NEW LOANS FULLY SUBSCRIBED: LISTS CLOSED

Wednesday Evening.

AFTER a modest burst of speculative activity last week round about the clearing time, the Calcutta stock market has sunk back into its—by now—customary lethargy. This week has seen a general decline in speculative quotations and a continued absence of business among investment scrip. Indian Irons, after touching Rs. 36-6, have fallen to Rs. 35-12. The only one among the sections which has shown any signs of life at all has been the miscellaneous, and here National Carbon, Imperial Tobacco and Metal Box shares have enjoyed some support. The undertone is now weak.

This continued stagnation, coming after the more cheerful conditions of last week, has been partly due to the fears aroused by the passing of the Security Contracts (Regulation) Bill through the Lok Sabha. But the underlying reason is still the lack of anything which will encourage investors to risk their money in equity shares. The general feeling among operators is that Government policy now leaves no room for private industry to flourish and that the future holds little hope of any improvement.

The new Government loans opened for subscription at 10 a.m. on Monday and closed at 11 a.m. today. It is reported that the size of the cash subscription is Rs. 40 crores and that of the conversion, Rs. 110 crores. The proportions of these amounts which went to each loan is not yet known.

Details of the week's trading follow.

* * * * *

Extremely dull conditions obtained in the gilt-edged market and business was on a very poor scale. Investible funds have been channelled into the new loans, the subscription lists for which closed at 11 a.m. today. Public subscriptions amounted to Rs. 100 crores. Existing issues, in the absence of support, were marked down in price, the worst sufferer being 3% Conversion Loan 1986 which was marked back from Rs. 77-1 to Rs. 76-11 with sellers over. In short-dated issues, 3% 1957 and 1958 were steady at Rs. 99-13 and Rs. 99-10 in view of the fact that the Reserve Bank of India is still supporting both loans. Among medium-dated issues, 3% 1959-61 came back to Rs. 98-2 while both 3% 1963-65 and 1964 were on offer at Rs. 95-2; 2½% 1961 was taken around Rs. 93-9 while 2½% 1960 was marked at Rs. 96-6 ex-voucher. In National Plan loans, 3½% 1961 was unchanged at around Rs. 99-9 but both 3½% 1964 and 1965 met with selling pressure and were quoted lower at the close at Rs. 98-11 and Rs. 98-10 respectively. Long-dated loans were unchanged with 3% 1966-68 quoted at Rs. 93-3 and 3% 1970-75 at Rs. 90-6. State loans were quotably unchanged.

Among miscellaneous preference shares, a small lot of Aluminium Corporation was crossed at Rs. 92-8. Bharat Collieries were done at around Rs. 55-12 and British India Corporation were steady at Rs. 128. Calcutta Electric Supply were crossed at Rs. 11-8. A solitary transaction was reported in Calcutta Tramways at Rs. 9 and Dalmia Cement fully-paid were marked at Rs. 100. Indian Iron & Steel changed hands on several occasions at around Rs. 108-8 and Indo-Burma Petroleum were crossed at Rs. 108-4. National Tobacco were done at Rs. 78 and New Victoria Cotton at Rs. 5. Orient Paper 1st Preference changed hands at Rs. 99-12 and the 2nd at Rs. 74. Rohtas Industries "B" were shaded at Rs. 63-12. Very small business was transacted in jute shares. Only two transactions were reported, namely, in Anglo-India at Rs. 111, and Gouropore at Rs. 99-8.

In the banking section, United Commercial were very steady and improved from Rs. 52-8 to Rs. 54. Punjab National were one point better at Rs. 53 while Hind Bank were unchanged at Rs. 24-4 and United Bank of India "D" shares at Rs. 4-6.

In railways, Arrah Sasaram were taken at Rs. 72 and Dehri Rohtas were crossed at Rs. 13-15. Howrah Amta were marked at Rs. 59-8.

Cotton shares were featureless and only three scrip were dealt in during the week, namely, Jayashree at Rs. 7, Kesoram at Rs. 18-8 and New Victoria at Rs. 2-10. There was some enquiry for Bowreah and the quotation was marked up from Rs. 168 to Rs. 172 without any business materialising.

Business in coal shares was of a retail nature and prices showed little variation as will be seen from the following table:

	Closing 12-7-56	Opening 18-7-56
Amalgamated	22 4	22 8
Bengal	539	538
Burrakur	13 12	13 8
East Indian	30 12 x.d.	30 12
Equitable	29 14	29 12
New Beerbhoom	19 4	19
South Karanpura	9 12	9 8

Contrary to the general trend, Raneeungee was steady and improved from Rs. 13 to Rs. 13-6.

Jute shares continued to be neglected with the exception of Northbrook which improved from

Rs. 22-9 to Rs. 23. Here is a chart showing representative price movements.

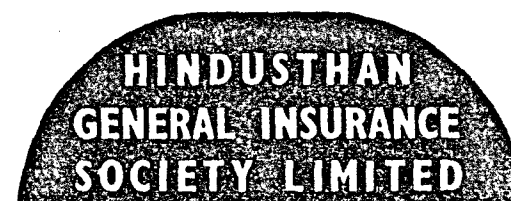
	Closing 12-7-56	Opening 18-7-56
Rs.	Rs.	Rs.
Anglo-India	158	158
Barnagore	128	128
Chandpary	152	152
Ganges	63 8	63 8
Howrah	21 6	21 4
Kinnison	161	161
New Central	17 6	17
National	22 13	22 11

Prices of electric supply shares were unchanged. Agra was crossed at Rs. 159 and Muttra at Rs. 9-8. Bareilly were placed at Rs. 14-8. Patna at Rs. 11-8 and Upper Jumna Valley at Rs. 20. Calcutta changed hands freely at around Rs. 13-7.

There was no change in the position of sugar shares and idle conditions continued to prevail. Balmampur were quoted at Rs. 9-10, Belsund at Rs. 11-10 and Carew at Rs. 9. Cawnpore changed hands at Rs. 19-11 and Dyer Meakin Breweries at Rs. 5-8. Rummugger were fairly steady at Rs. 28-14 and United Provinces were marked on an ex-dividend basis at Rs. 19-8. Shree Krishna Gyanoday were transacted freely around Rs. 13-5.

In the engineering section, Indian Iron & Steel fluctuated between Rs. 36-6 and Rs. 35-12 to close at the latter rate. Burn & Co. were slightly better at Rs. 356 while Braithwaite and Britannia Engineering were unchanged at Rs. 28 and Rs. 18-4 respectively. Indian Standard Wagon were marked at Rs. 178 and Jessop & Co. were steady at Rs. 36. Richardson & Cruddas improved from Rs. 25-14 to Rs. 26-3 and Saran Engineering recovered from Rs. 7-12 to Rs. 8. Textile Machinery, however, were subdued at Rs. 22-7.

In paper, India Paper Pulp met with investment enquiry at Rs. 25-8 while both Orient Paper and



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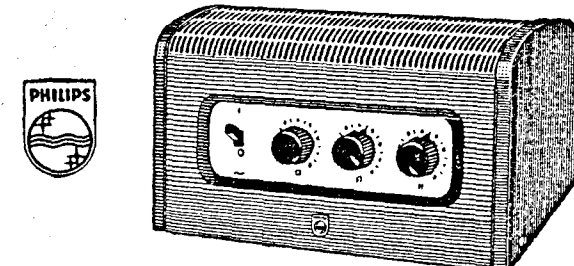
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STEADY PROGRESS IN STOCK MARKETS

OILS IN DEMAND: LEADING INDUSTRIALS MOVE UP

London, 18th July.

DESPITE the usual seasonal contraction in Stock Exchange activity and the general reluctance to extend commitments in view of the strained U.K. economic situation, the stock markets have been able to make steady progress over the past week. Sentiment has to some extent been stimulated by the persistent advance on Wall Street, and by the mild optimism of Mr. Macmillan over the economic outlook provided the various restrictions are maintained for the time being. Interest has moreover been centred on one or two markets, and oil shares have claimed most of the attention. Much Press comment has been given to the potentialities of this industry and buying has invariably exceeded the supply of shares, so that prices have sometimes advanced rather out of proportion to the volume of business transacted. Shell shares have been outstanding. Certain sections of the industrials market have claimed a good deal of attention and shipping shares show some price gains. P. and O. and Furness Withy have been well in the lead. Steel shares have responded to favourable comment and leading varieties of electrical equipment have been favoured, while most of the other blue chips have edged ahead. After the response to the big conversion operation, interest in gilt-edged has subsided and prices have drifted rather aimlessly on the possibility of further new issues coming on the market, which tends to keep buyers away. The feature of the foreign bond market has again been the strength of Japanese issues. Germans have joined in the rise while an interesting development elsewhere has been the rise in Greek bonds following the successful High Court case. In rails, dividend optimism has continued to assist Antofagasta stocks and there has been vague talk of a possible bid for the company. Dorada Railway shares, which have been in demand recently on the take-over talk, fell sharply on the news that the company had been sold to the Colombian Government. Gold shares have tended to see-saw and the June quarterly reports have left the market undecided. Copper reflect the fluctuations in the metal price, and generally speaking, lack a decided trend, but lead and zinc issues have made a fairly satisfactory

showing. More interest has been shown in rubbers and a number of leaders have registered useful gains. Teas have been neglected. The advance of Wall Street has brought daily upward adjustments in dollar stocks.

The Money Market

Easy credit conditions continued to prevail in the London money market throughout the past week, with funds seeming to be in unlimited supply. A big bill business was effected, while money ruled at cheap levels with the rate for most part never much above 3½ percent, and balances during very easy spells were as low as 3 percent. However, the end-of-week saw signs of some contraction in the volume of credit, and this week some £30 million of extra money has to be found for financing the Government's short-term borrowing of Treasury bills. Once again having sold large amounts of bills to the banks, the discount houses, intent on securing as many bills as possible, raised their tender bid at the week's offer of Treasury bills to bring about a further reduction in the Treasury bill rate of approximately 1/16 percent to 9s 9.87d. Only £270 million worth of 91-day bills were allotted of the week's total offering of £280 million and the applications which totalled £433,925,000, were allotted at an average rate of 91s 9.87d against 101s 1.84d in the previous week. Offerings this week will comprise £270 million worth of 91-day bills. The Bank of England return for week ended 11th July showed that bankers' deposits were about £4 million lower at £229 million, while notes in circulation were £16 million higher at around £1,906 million.

Activity on Wall Street

The market for investment quality corporate bonds in the past week was dominated by the offer of \$250 million of new 3½ percent American Telephone and Telegraph debentures. The issue met with a good reception and this had a favourable effect on the market, although business elsewhere was restricted. Convertible issues were marked up in sympathy with the rise in industrial shares on the stock market, but eased when the stock market faltered. Rails were generally dull. U.S. Government obligations eased in quiet dealings. Foreign bonds were slow. German nationals moved erratically, while a number of municipals scored good gains. Italians were mixed. Denmark 4½ percent of 1962 and Norway 4½ percent of 1965 eased. Greeks were unchanged.

U.S. Federal Reserve Return

The U.S. Federal Reserve return for the week ended 11th July shows that gold stocks rose by \$3 million to \$21,827 million. Foreign deposits rose

by \$35 million to \$326 million, while foreign investments fell to \$3,626 million. The Federal Reserve sold \$190 million worth of bills; it also sold a further \$22 million worth of bills under repurchase agreements. Total discounts and advances rose by \$83 million to \$653 million, while aggregate excess reserves of member banks fell by \$177 million to \$365 million. Daily average excess reserves of member banks rose by \$290 million to \$763 million, while daily average borrowings rose by \$236 million to \$879 million. Business loans of the New York City banks fell by \$154 million to \$10,072 million compared with a rise of \$10 million to \$7,969 million in the corresponding week a year ago.

Stock Market Prospects

The Investors' Chronicle market newsletter writes: "British industrial shares had an uninspiring rally and will probably drift until the labour situation clarifies. Kaffirs have paused to consolidate. Wall Street industrials have rallied strongly, but rails are affected by the steel strike while the firmness of utilities indicates a defensive mentality. It is difficult to see any early stimulus for British securities. Sterling's disappointing display and the general tone militate against any real strength in gilts. Industrials are clouded by the labour situation and the international economic prospect. Many observers think a climax on the labour front is nearing and may overshadow the market for some time. At present the most promising candidate for investment interest may be Kaffirs."

Quicksilver Uncertain

The London price of quicksilver is now indicated at £34½ to £35 a flask, against £35 previously. The undertone of the market is uncertain, according to some trade quarters, who add that the Board of Trade's intention to sell 1,000 flasks will almost certainly depress prices. In this connection, it is believed that all the Board's metal involved was bought some years ago at prices lower than at present. A possibility exists of the Board accepting some discount from the present market price to dispose of the metal quickly.

U.K. Purchase of Quicksilver

The Board of Trade is inviting tenders for the purchase of 1,000 flasks of quicksilver, presumably for its strategic holdings, according to trade sources. It is understood that applications have to be in by the end of this month. The London ex-warehouse price eased further and now stands at £85 a flask against £85½ to £86 a flask previously. Some quarters suggest that the Board of Trade is in part responsible for the latest price-cut, in that it has come at a time when the market was generally very unresponsive to additional supplies.

Hongkong Gold Fluctuates Widely

Hongkong gold prices fluctuated widely with traders closely watching sterling abroad. Activity increased with some sources attributing this to idle capital from abroad being used for speculation. The opening period was easier, receding to \$(H)257½. Later, the market turned steady with rates climbing to \$(H)263 when the week-end profit-taking forced values down to \$(H)260½. There was a slight improvement to \$(H)261½ by the close. Bullion traders thought that the market was likely to remain steady for some time, as the general view in the market circles here is that sterling is very likely to deteriorate more. Carry-over charges dropped to 16 cents in sellers' favour. The official offtake was 3,190 ounces and unofficial 15,000 ounces. Arrivals at Macao totalled 60,000 ounces which affected the market sentiment.

Recovery in Rubber

During the week ended 12th July, the market was frequently as thin as at any time recently, but the tendency of prices was upwards. Although the turnover was reported as small, there was not much pressure to sell. Some traders attributed the upturn largely to technical considerations, especially in regard to early shipments of No. 1 R.S.S. It was felt too that the Study Group's figures of consumption and production being better than expected helped to tip the scale, despite the bearish background of U.S. and U.K. car and tyre production cutbacks. At the close, values were from 1 to 1d a lb higher on the week. Scarcity of offers of sole crepe and a fair demand kept prices very steady on the basis of 40d a lb for 4th inch smooth No. 1 on the spot.

Disposal of U.K. Stockpile Shellac

The London Shellac Trade Association reports that agents have now been appointed by the U.K. Board of Trade to dispose of the Government's stockpile of shellac. The total quantity is officially announced as being 1,000 tons. The agents expect to be able to start negotiations during the coming week. Sales will only be made through normal trade channels, and it is emphasised that it is the Government's intention to market these stocks in an orderly manner. It is prepared to spread the sales over 12 months or more, if necessary.

Liverpool Cotton Market

The members of the Liverpool Cotton Association recently approved the new American-type cotton futures contract. Dealings commenced on 16th July. Cotton from the United States, Mexico, East Africa, Nigeria and Syria are tenderable against this contract. The new contract has been designed to reflect the world value of American and American-type contract cotton, and it is hoped, will provide a hedge medium not only for those growers of cotton which are tenderable, but also for all related growths.

Bombay

A NEGATIVE DEFENCE OF AMBAR CHARKHA

SENTIMENT VERSUS RATIONALITY
(FROM OUR BOMBAY CORRESPONDENT)

AT a recent meeting of the All-India Khadi and Village Industries Board, held in Ahmedabad, Mr. V. L. Mehta, chairman, negatively defended the Ambar Charkha programme envisaged under the second five year plan. Mr. Mehta challenged the oft-repeated criticism that the Ambar Charkha was an uneconomic proposition which would not survive once State subsidies were withdrawn. In stating his case, he attacked the organised large-scale mill industry and enumerated the various benefits and advantages conferred on the industry from time to time by the State and the consumer. Mr. Mehta estimated that the country had spent Rs. 1,176 crores over a period of 21 years in subsidising textile mills. This represents an average burden of Rs. 56 crores a year in real terms. He compared this figure with the relatively modest sum of Rs. 20 crores required by the Ambar Charkha programme and argued that on this basis alone, it would seem to be an attractive proposition. In addition, Mr. Mehta referred to the indirect forms of protection extended to the mill industry, namely, the beneficial effects of the Swadeshi movement in the pre-Independence years; the stimulus provided by the two world wars and the advantages of price control measures to sub-marginal units during the second world war. As an added justification, Mr. Mehta said that there was no large-scale industry in India which had not depended on protection and national subsidies at some stage of its development. He strongly urged the extension of this principle to the Ambar Charkha industry.

The secondary forms of protection mentioned by Mr. Mehta have now ceased to exist and they need not therefore enter into the discussion. The fact remains that the mill industry has reached a certain stage of development and has come to play a vital role in the national economy. The issue now is whether the mill industry is to follow its logical course of development in circumstances of increased demand or whether it must fall into stagnation and leave it to the small-scale industry to bridge the widening gap between production and consumption. Admittedly, most large-scale industries have received protection which is a perfectly legitimate method of development. It is, however, a means to an end and a necessary condition of protection is that the industry will function on an economic basis in due course. The fact that the mill industry still needs assistance indicates that it needs a radical overhaul and does not in itself negative the principle of protection. The indications are that if an adequate measure of rationalisation is introduced and the industry rehabilitated, it will once again be competitive and make its full contribution in terms of economic output and foreign exchange earnings.

Expenditure on Ambar Charkha

The problem of the Ambar Charkha and the hand or small-scale power looms is a different matter altogether. There is first of all the question of initial investment. An initial outlay of over Rs. 3 crores is envisaged in the immediate future in terms of grants, loans and expenditure on the manufacture of 75,000 Ambar Charkha sets. The complete programme lays down the manufacture of 125 million sets to produce 75 million pound of yarn for an output of 300 million yards of cloth by the small-scale industry. It is estimated that the total investment would amount to Rs. 19.8 crores and the net value added each year would be a little over Rs. 3 crores. The significant point is that approximately Rs. 9 crores would be withdrawn from the national surplus available for investment in order to meet the subsidy bill at the rate of Rs. 1-4 a lb. of yarn. On the other hand, if the same quantity of yarn were to be produced by the mills, the total investment would not exceed Rs. 6 crores for an equivalent quantum of added value in terms of money. It follows, therefore, that the immediate wastage involved would consist of about Rs. 24 crores in excess investment and about Rs. 9 crores in terms of subsidies. This does not take into account the loss of the investible surplus which might have been created by the rational investment of this capital. There is the added burden of the investment on powerlooms and the expenditure involved in training workers. The actual outlay in implementing the overall small-scale textile programme runs to a very considerable figure.

This investment would be justified if it were to lead to the economic production of cloth, but no such claim is made. It is conceded that the consumer would have to pay more for the cloth produced by the cottage industry. Further, it is frankly admitted that the sole object of this programme is to provide employment within the quickest possible time for large numbers of unemployed and under-employed workers. But such a method of employment is an extremely dangerous one, because it does not result in the creation of a surplus which would be available for further investment, neither does it afford the worker an opportunity of increased wages on the industrial level linked with the cost of living. On the contrary, it perpetuates a level of subsistence earnings and siphons off the investible surplus created by other industries. Logically, this means that less and less

capital will be available for future investment resulting in fewer employment opportunities. The Ambar Charkha programmes could defeat its own purpose and could lead to repercussions over a field wider than the textile industry.

Mr. Mehta's Arguments

Mr. Mehta also referred to the large amounts of money spent on the cultivation of long-staple cotton through the Indian Central Cotton Committee and implied that such an expenditure would have been unnecessary but for the need to bolster up the mill industry. This is an extraordinary claim which denies the benefits that have accrued to cultivators in the form of increased earnings because of the higher prices of superior cotton and from the larger areas of land which have been brought under cultivation, in addition to the areas which would have remained under less remunerative crops. Equally astonishing is Mr. Mehta's claim that the export earning capacity of the mill industry which has averaged Rs. 43 crores a year over the period 1942-1955, cannot be considered a net contribution. Mr. Mehta contended that the handloom industry had a flourishing export trade before the mill industry came into existence, and the unfettered development of the handloom in-

dustry probably would have resulted in the growth of similar large-scale exports. It is difficult to follow the line of this argument. It is forgotten that the handloom product has a sentimental appeal for a people. In bulk markets, the price factor alone determines the volume of exports and it is impossible to conceive that the handloom product could compete in world markets with the mass-produced cheap goods offered by Japan and now by the Communist countries. Mr. Mehta's contention that the localisation of textile mills results in the growth of slums and the development of social, moral and other evils associated with urbanisation is hardly tenable. On this basis, the development of all large-scale industry which involves a concentration of labour is an evil. Moreover, it is within the competence of an elected Parliament of a welfare State to enact legislation which would make the existence of slums an impossibility. Basically, the choice lies between developing industry on a sound rational footing which would enable India to take her place among the technologically advanced nations of the world, and a steadily increasing prosperity at home, or a policy aiming at short-term results which must eventually result in a further fall in domestic living standards.

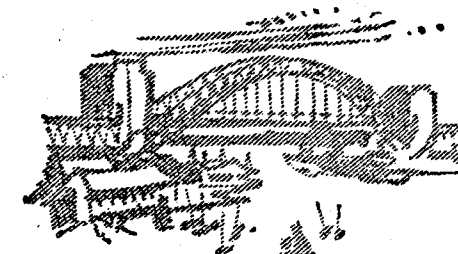
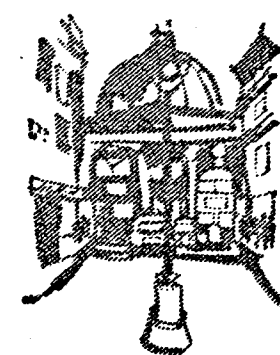


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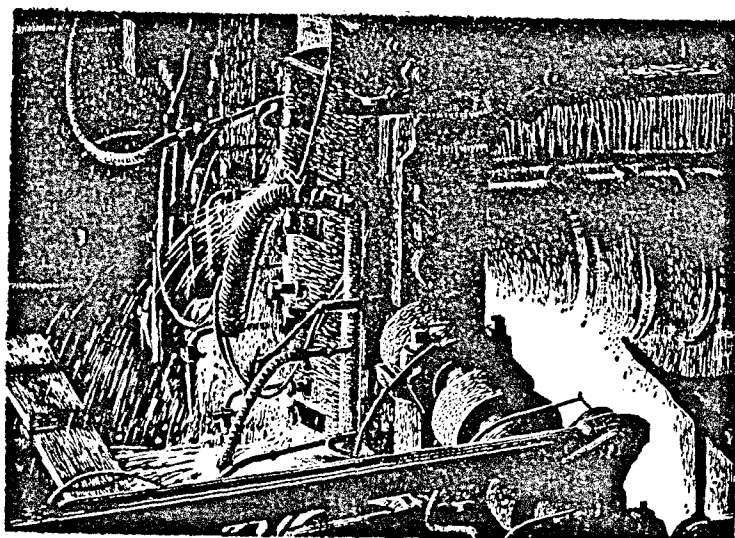
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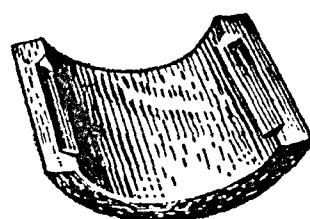
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EFFECT OF OVERSEAS TRADE
FIGURES IN JUNECREDIT RESTRICTION PASSES
ITS PEAK

(FROM OUR LONDON CORRESPONDENT)

THE overseas trade returns for June serve to correct, as the Board of Trade warned us to expect, any undue optimism created by the unusually satisfactory achievement in May. Exports in June at £276.1 million are still being maintained at a high level (though this figure stands second to May's all-time record of £283.8 million). Unfortunately, so far as the credit squeeze's effect on imports is concerned, it would appear its maximum restrictive effort has passed or at least is passing, for imports in June rose by £11 million over their value in May to total £340.3 million—the second highest monthly total this year and the fourth highest on record. As a result, over the month the trade "gap" against us has widened by as much as £20 million to £52 million. Another sobering aspect of the June figures is that exports to North America, which touched a record total of £47 million in May, dropped by £9.5 million in the succeeding month to £37.6 million, which included £2.5 million of silver bullion returned to America—what is known as an "unrequited export."

Taking the first half of 1956 with the same period of 1955, the picture is not too disappointing, for exports are 14 percent up in value whereas imports are only 4 percent higher. As a result of this, the adverse trade "gap" averages £51.7 million a month this year against last year's figures of £76 million, but one must not forget that the returns for May and June in 1955 were not "true" figures because of the rail and dock strikes, which had a particularly adverse effect on imports. We must take satisfaction in the fact that we have done better and that the crisis, which was threatening earlier has at least been staved off for the

time being. On the other hand, we are still far short of what may be regarded as a safe balance for the economic health of the country.

Bank Advances

Nor do the latest bank returns, with the figures for the Midland Bank still to come, suggest that credit restriction is working quite as effectively now as it did earlier after the Chancellor's repeated requests for advances to be cut. During the six weeks from 16th May to 30th June, in fact, the clearing banks' advances rose quite substantially. Following the £13 million increase to £380 million disclosed by Barclays, the Westminster Bank's loans are now shown to have risen by £10.5 million to £207.1 million. Advances of the National Provincial are up by £11.1 million to £278.5 million. For these three members of the "Big Five" there was thus a re-expansion of nearly £35 million. At first sight this may suggest some relaxation of the credit squeeze, but in all probability it represents no more than the resumption of borrowing by the nationalised industries and the expanding needs of the export trade. The true picture is almost certainly that there has been no increase in the facilities afforded to personal borrowers, hire-purchase companies and for non-essential business purposes. The new financing arrangements for the nationalised industries will help to correct the apparent increase shown above once the Finance Bill, which completed its Committee stage this week without any alterations other than those accepted by the Government, is finally passed through its third reading and comes into force.

The uncertain factor in the situation is undoubtedly labour's response to our economic difficulties. Apart from unanimity on the fact that there can be no wage restraint while living costs rise and the economy goes uncontrolled, the T.U.C. chiefs are apparently in two minds as to what they should suggest as a solution for the Brighton Congress to endorse in September. By contrast, it is understood that the Federation of British Industries is prepared to urge manufacturing firms to do everything in their power to hold costs and that a major policy statement is

now under preparation. The Government's further plans for the three-sided approach to this vexed question will no doubt await developments.

Cotton Futures Contracts

The Liverpool Cotton Association is distributing copies of a booklet containing details of its new American-type futures contract and explanations of how and why it differs from the contracts used hitherto. The new contract represents a determined attempt to find a basis for trading in futures which is adapted to current conditions as regards both the circumstances of world trade in raw cotton and the course of cotton consumption in this country. On the first point it has been necessary to take into account the interference with free price mechanisms by Government action—support prices, export taxes, subsidies and quotas, and exchange restrictions—in the cotton-growing countries. On the second the reduction in the total volume of cotton imported into the United Kingdom, and the wider variety of the growths and qualities used, have called for changes. Both have necessitated the introduction of greater complexity into futures contracts, and the experiment will be watched with great interest in cotton markets. Trading in the new contract will start on 16th July.

More Aid Cotton for Pakistan

The Governments of the United Kingdom and Pakistan have agreed on arrangements supplementary to the United Kingdom-Pakistan agreement of 19th April, 1955. Under that agreement \$5 million worth of cotton textiles were supplied by the United Kingdom to Pakistan with payment in the form of raw cotton to an equivalent value made available by the United States Government as part of its programme of aid to Pakistan. Under the supplementary arrangements further quantities of cotton yarn up to a maximum value of approximately \$1 million may be supplied by the United Kingdom to Pakistan with payment as before in United States raw cotton. This is to be regarded, the Board of Trade states, as an emergency operation in which the United Kingdom has agreed to try to take up certain balances of the original aid programme which were not fulfilled by other textile suppliers, and it is important that exporters should be clear on the very tight time limits which the circumstances impose. Both the yarn and the raw cotton must be shipped not later than 30th September. The business will be conducted on lines broadly similar to those under the original agreement.

The start of the scheme must await completion of the placing of contracts for the remainder of the raw cotton which has still to be imported to balance the \$5 million worth of textiles exported under the original agreement. Contracts for this cotton are now being placed at a fairly rapid rate, but there can be no certainty about how soon the outstanding balance will be fully taken up so that new business may begin.

Dumping Charge Against Pakistan

While Lancashire worries on the score of the duty-free imports of cheap Indian and Hongkong cotton textiles, Sheffield has discovered a threat to its cutlery industry from what are described as "dumping" tactics of certain Pakistani interests. The question was ventilated in a speech by the secretary of the National Cutlery Union, Alderman H. Slack, at Sheffield this week. He said that there had been "a definite fall in business" in the city, and forty people had been laid off work, as a result of what he described as "dumping" of finished goods in this country from Pakistan. Alderman Slack produced a pair of nail scissors and a pair of cuticle scissors stamped "Empire forged steel." These scissors, he said, are made of Sheffield steel with a good carbon content and are comparable in quality with Sheffield-made scissors, but cost only a seventh of the price of Sheffield scissors. The worker in Pakistan, he added, was paid approximately 2s. 6d. a day of eleven hours, and a great part of the work was done by home workers. A million pairs of these scissors had been imported into this country this year, and that, together with the fact that the scissors were sold at such a low wholesale price, made one think that dumping of surplus production must be taking place.

Brevities

The *Ponnya* and *Padashin*, both 200 tons, which will operate on the Irrawaddy river, are being towed from the Clyde to Rangoon by the tug *Maritima*, 392 tons.

A new Royal Charter has been conferred on the Chartered Bank of India, Australia and China, enlarging certain powers and privileges that have been enjoyed since 1853. Among the changes effected is the abolition of stockholders' reserve liability. It tidies up some other anomalies as well, such as establishing branches or agencies all over the world, a change of name if considered expedient and wider powers of extending its business activities etc.

Holland has established an extensive "transferable guilders zone" with effect from 10th July, it is reported from The Hague. Transfers of guilder balances from payments agreements and held with banks in Holland will now be permitted between all European Payments Union countries except Turkey and to a number of non-E.P.U. countries with whom there is no monetary agreement.

The Burmese Government has withdrawn its proposals for joint operation of the mines owned by Consolidated Tin of Burma. The directors are now considering widening the scope of operations.

Uttar Pradesh

RATIONALISATION OF U.P.
TEXTILE MILLSGRADUAL PROCESS RECOMMENDED
BY ENQUIRY COMMITTEE

(FROM OUR LUCKNOW CORRESPONDENT)

THE Rationalisation Committee for the textile mills in Kanpur, presided over by Mr. Justice Bind Basni Prasad, is expected to submit its final report to the Government by the end of August. Meanwhile, the chairman has circulated among the members a draft of interim recommendations. The Committee, it may be recalled, was appointed after the 84-day strike in Kanpur last year on the rationalisation issue. The tentative report begins with an analysis of the circumstances which had led to the strike and concludes with the unanimous decision of the members, and mandatory views of the chairman on points on which unanimity could not be reached.

The Committee has recommended that rationalisation should be gradual and introduced in three stages. The first to be retrenched would be the substitutes working in permanent vacancies. Their number is estimated at about 1,500 in Kanpur. Voluntary retirement on payment of a gratuity of about Rs. 1,000 has been suggested as the second method of getting machines vacated for the purpose of rationalisation. Super-annuation and natural wastage would account for the rest. There are some 25,000 textile workers in Kanpur, and if the Committee's proposals are implemented about 8,000 will be retrenched. The gradualness and easy stages by which rationalisation is to be introduced should, in the Committee's opinion, minimise any hardship that may be caused.

There is unanimity among the members that the rationalisation of such machines should be permitted as have been approved by a proper authority, the authority suggested being an Industrial Committee consisting of the representatives of employers and labour, besides efficiency experts. On the question of workload increase, there is a difference of opinion between employers and labour. Mr. Justice Bind Basni Prasad has recommended that a weaver should work on four looms and the spinners on 500 or more spindles. The average number of spindles on which the spinners worked before were 250, though in some mills, it was up to 350. The operations calculated per hour for both the categories are 96. The employers, however, are insisting on a minimum of 120 operations an hour, while labour does not wish to go beyond 80. Labour is said to be fortified in its demand by an agreement, reported to have been reached between the millowners and the I.N.T.U.C. in Bombay, for only 84 operations. The dispute is whether a worker can perform three operations a minute or three and a half. In the chairman's opinion, with technical improvements it should not be difficult to have 96 operations an hour. His basis of calculation is that a worker should get 12 percent of time as leisure, 44 percent for patrolling and supervision and the remaining 44 percent for operations.

Controversial Point

Perhaps the most controversial point in the report is the proportion which the increased emoluments to labour should bear to the increased workload. The draft report has suggested that wage rates should be so adjusted that a worker is able to earn between Rs. 115 and Rs. 125 a month. At present, workers employed on a rationalised basis earn between Rs. 105 and Rs. 110. The employers are of the view that this is fair enough, especially when compared with the Rs. 90 which workers are earning on the old basis. Labour, on the other hand, has pitched its claim very high and demands the same wage level as obtains in Bombay and Ahmedabad for workers employed on a rationalised basis, namely, Rs. 140. This claim, however, is slightly weakened by the contention of representatives of the Bombay and Ahmedabad labour that difference in working conditions being what they are it is impossible to expect the same workload in Kanpur as in Bombay. The representatives of Kanpur labour argue that when with the most favourable conditions, it has been found possible to fix wages in Bombay and Ahmedabad on the basis of 84 operations an hour, there is no reason why a higher figure of operations should be insisted upon in Kanpur.

Irrespective of the merits of the Committee's recommendations, the professional jealousies of the rival trade union organisations in Kanpur may stand in the way of a smooth introduction of rationalisation. According to one section, the scheme can be implemented successfully only if one union gets sole representation on the mill and industrial committees. The Suti Mill Mazdoor Sabha holds that the union which gets more than 75 percent of the votes in Kanpur from workers should have the exclusive right of representation. The Sabha is confident that it can get this required percentage of support. In Bombay, it is said, the I.N.T.U.C. was given the right of exclusive representation on the basis of 15 percent votes only. The Sabha is opposed to representation for both the unions on the ground that there are bound to be disputes between them and that millowners may take advantage of the situation.

Spokesmen of the Sabha have already started complaining that the Committee's terms of reference should not have been as limited as they are. For instance, rationalisation in management is ex-

cluded from the purview of the enquiry. Also only seven out of the ten textile mills are covered by the enquiry. The draft report is confined to three out of seven categories of workers, and the Committee would continue its work on the rationalisation of other categories, only if the Government asks it to do so. The categories covered by the report are spinners, weavers and doffers in spinning. They comprise nearly 60 percent of Kanpur's textile workers.

It is understood that among the technical improvements recommended by the draft report, are the fixing up of pneumophil in spinning and warp-stop motion in weaving. The cost of this innovation being tried, it is believed for the first time in this country, is expected to be about Rs. 1 crore. Employers represented in the Committee have suggested that this sum should be given to the mills by the Government as subsidy or loan, as the mills themselves are not in a position to install the machinery themselves. The technical improvements demanded by the representatives of labour number about a dozen. It is stated that if the Committee's recommendations are given a fair trial, it should reduce the period for completing rationalisation to three years from five.

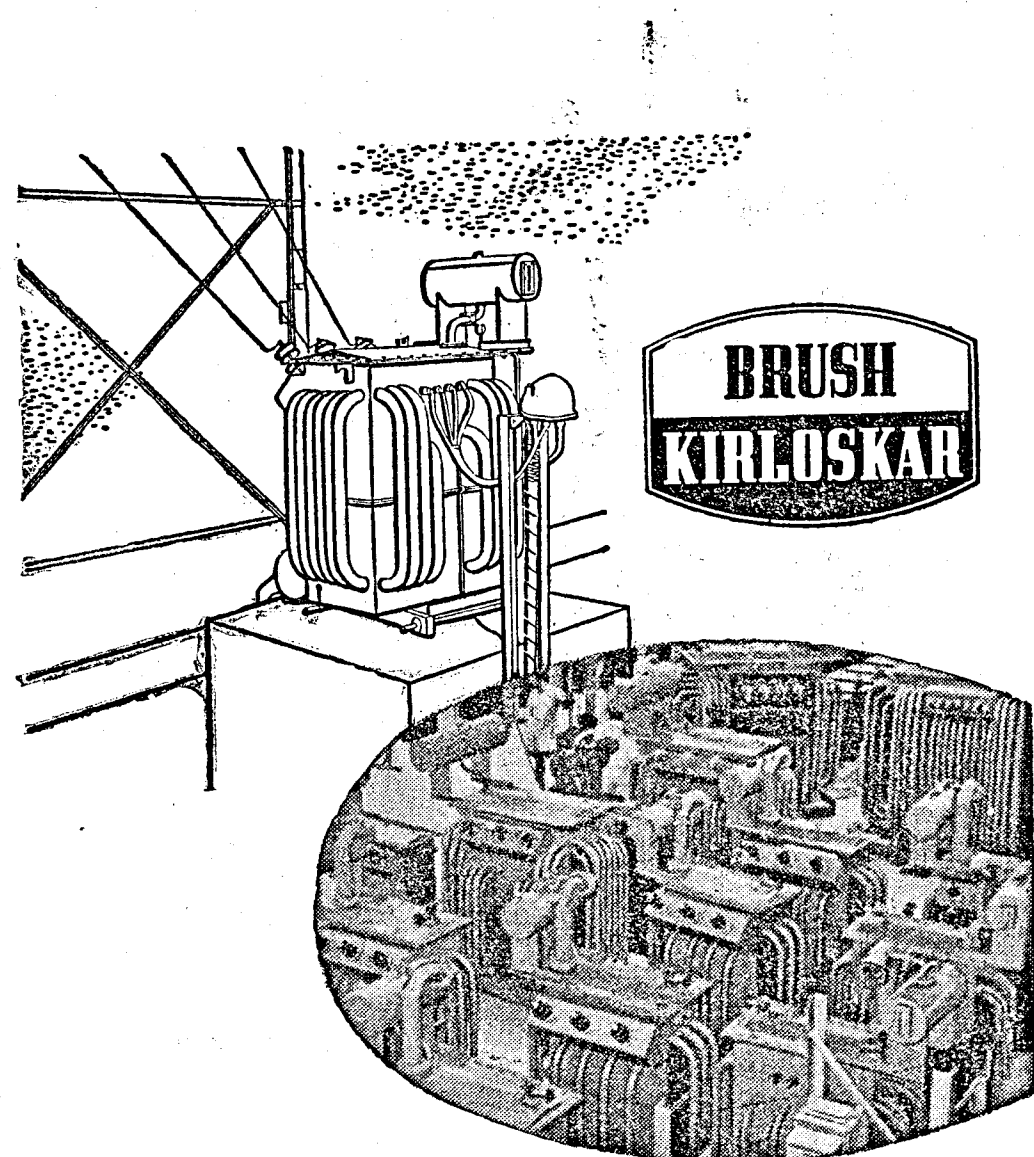
Industrial Estates

Plans have been finalised for the setting up of two industrial estates in Kanpur and Agra at a cost of Rs. 50 lakhs each. The Kanpur estates will be situated in the factory area on the Kalpi road and cover 37.7 acres. In Agra, it will be established

near the village of Naunahi, across the Jumna, on an area of 50 acres. These two estates will have 120 to 150 units of small-scale industries. Some 60 percent of the units will be small, 20 percent medium and 20 percent big. For items like heat treatment and electric furnaces, which small units cannot afford to have on their own, common workshops will be set up by the Government. A Government-appointed manager, having the status of a P.W.D. Executive Engineer, will look after each estate. To give technical advice and assistance, the Small-scale Industries Service Institute for Northern India which has its headquarters in Delhi will establish branches in Agra and Allahabad.

Women and Children Workers

The number of women, children and adolescents employed in factories in U.P. has been steadily falling since 1940. The percentage of women employed in factories has come down from 2.4 to 1.4. There were 27 children employed in 1954 against 886 in 1940. The number of adolescents came down from 1,170 to 496 and of women from 4,276 to 2,838. The number of factories employing more than 10 persons went up from 1,480 in 1952 to 1,572 in 1954, but the number of employees came down from 206,832 to 205,294. More than 2 million man-days were lost in 1955 due to lock-outs and strikes. There were 95 strikes and lock-outs involving 6,906 men and resulting in a loss of 2,059,436 man-days. The peak figure of factory employment in the State was achieved in 1944 when 278,238 persons were employed. During the 12 years since then, the number has decreased by about 70,000.



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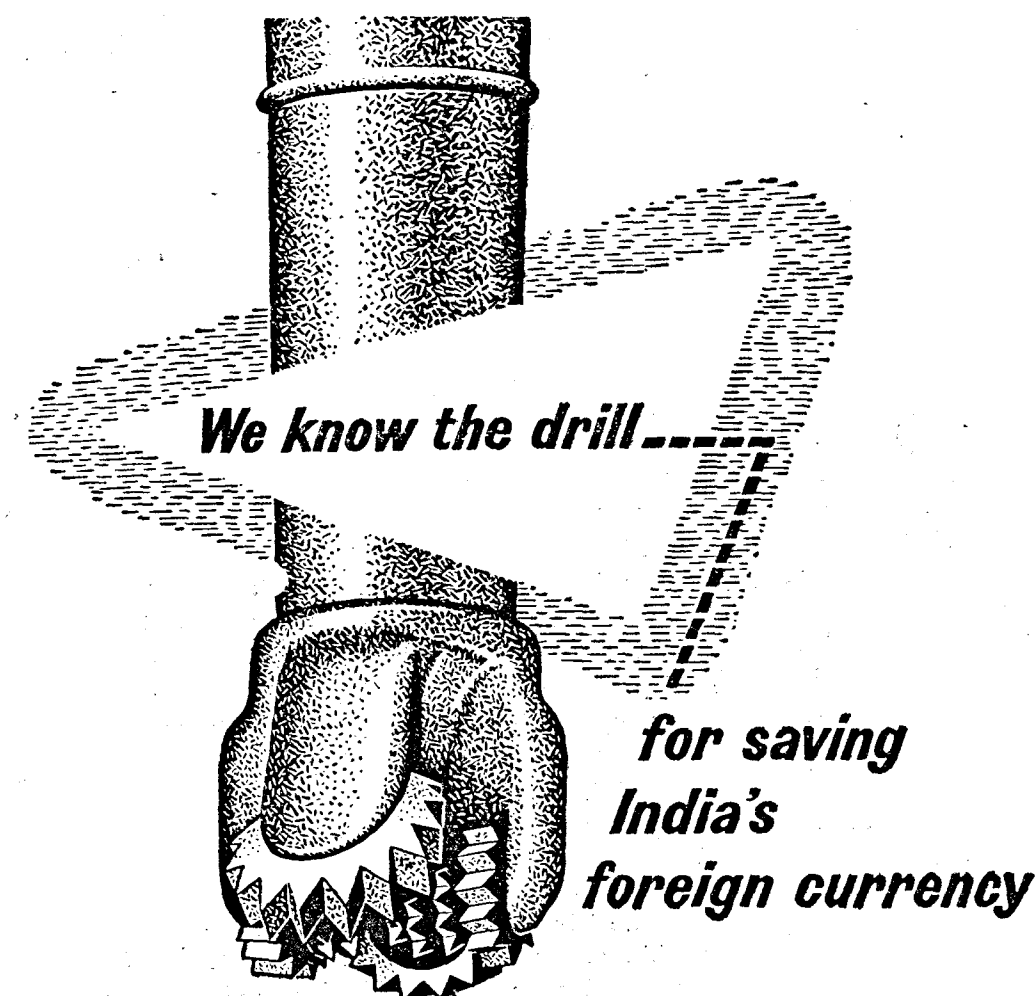
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FORUM OF FREE ENTERPRISE

A MANIFESTO

WE BELIEVE that democracy is an essential element in the Indian way of life. Free Enterprise is an integral part of it and as such it should be permitted to play its legitimate role in our national life.

WE BELIEVE that today the case for Free Enterprise is going by default. In recent years it has been the target of sustained and unjustified attacks. The contribution which it has made to national progress has not been given the recognition that is due to it. There is urgent need to educate public opinion on the fundamentals of Free Enterprise and on the contribution which it can make to national welfare. That is why this Forum has come into being.

WE BELIEVE that the beginning of intelligent living is the beginning of Free Enterprise. It is not something new: it is as old as man. The man who first discovered fire was a Free Enterpriser as also the man who invented the locomotive. Today, the man who builds up industries is a Free Enterpriser; so also is the small trader. The shopkeeper and the merchant, the farmer and the artisan, the salesman and the company director—all these are Free Enterprisers.

WE BELIEVE that it is the legitimate expectation of reward for honest, productive effort which motivates Free Enterprise. This expectation of reward for endeavour is inherent in human nature. The desire to earn a fair wage or to make a legitimate profit is necessary and healthy, and is in sharp distinction to profiteering which is anti-social and evil.

WE BELIEVE that Free Enterprise is a natural phenomenon and has been responsible for the progress of mankind. In our own country, the development of the steel, textile, sugar and cement industries as well as those of shipping, banking and insurance, despite the handicaps under which they have laboured, stand as testimony to the qualities of Free Enterprise. The fact that Free Enterprise has the capacity to fulfil its responsibilities is proved by its record in the first Five-Year Plan during which a number of industries exceeded the targets allotted to them.

WE BELIEVE that Free Enterprise must and can operate only within the framework of values and principles of a democratic society. Within this framework it moves as a well-balanced wheel satisfying the needs of the consumer, worker and investor. Under this system, only those goods and services can be produced which the consumer is prepared to accept. Free Enterprise has, therefore, to be competitive and to carry on constant research to win a widening circle of consumers by providing better and cheaper goods and services. As with the consumers, so also with the workers. They have the freedom to choose alternative employment; they have the right to

demand higher wages; and they have the right to deny their labour. The investors, having risked their savings to start and develop industries, have the right to ensure that these industries are efficiently run and so earn for them a fair return. Free Enterprise is thus economic democracy in action. Unless it is allowed to play its part, the entire fabric of democratic society would be in jeopardy.

WE BELIEVE that in the circumstances prevailing in our country today, there is ample room for State enterprise to function alongside of Free Enterprise in the service of the people. Monopoly of any kind, whether State or private, is undesirable. Should any single organisation arrogate to itself the right to do everything, it would upset the delicate mechanism of a free and democratic social order. Under monopoly conditions, the consumer would be forced to buy only that which is offered to him; the worker would find himself gradually deprived of his right to choose his job, to demand higher wages, and to deny his labour; the investor and the entrepreneur would be denied the opportunity to promote the development of industries of their choice.

WE BELIEVE that despite our basic democratic character, there have of late been many dangerous trends. The latest example is the displacement of normal trade channels by the intrusion of State trading. This process can result in depriving the country's individual traders, large and small, of their livelihood, concentrating at the same time a dangerous amount of power and patronage in a few hands. We have to guard against such tendencies if our traditional way of life is not to be destroyed.

WE BELIEVE that Free Enterprise must have clean hands. We realise that within its fold, as in that of every system, there are black sheep, and it will be our constant endeavour to develop and foster healthy traditions within Free Enterprise. We also accept, without reservation, our obligations towards the community as embodied in regulation by a democratic government.

WE BELIEVE that Free Enterprise is your enterprise and contributes to your prosperity. It is the lifebreath of a free society. It is not a creed; it is a way of life which all who cherish freedom must safeguard.

The Forum of Free Enterprise is a non-political and non-partisan organisation. The Forum will disseminate authoritative information to educate public opinion. It will bring to public notice the achievements of Free Enterprise in this country and the manner in which it can make its contribution to the economic development of India in order to raise the standard of living.

We invite all those who believe in the values of voluntary enterprise, whether they be in service, profession, agriculture, trade or industry, to join us in developing the activities of the Forum.

FORUM OF FREE ENTERPRISE

Sohrab House, 235, Dr. Dadabhai Naorji Road, Bombay 1.

July 19, 1956.

Jute

LOWER U. S. CONSUMPTION PULLS HESSIAN DOWN

RAW JUTE FAIRLY STEADY: MORE FAVOURABLE REPORTS ON NEW CROP

OVERSEAS buyers showed much less interest in the Calcutta jute goods markets during the past week, so the general effect was one of a gradual decline. Speculative activity enabled the near position to regain some lost ground, but even so July shipment B Twills and 10oz. hessian remained at a discount on all deliveries up to the end of the year. This was not the case with 9 porter hessian or cornsacks and Cubans, but similar ratios existed in all other fabrics. In the absence of business, price movements were limited, the two factors having the most effect being covering by local shippers against previous contracts, and reports of a fall in burlap consumption in the United States. These tended to cancel each other out, the former gave the market a temporarily bullish tendency, while the latter was bearish.

In spite of the fact that the gunny market was weak, the fibre markets tended to remain fairly steady. The volume of business was not on the same scale as in the previous week, but it affected the market to an equal degree because negotiations were finalised daily. The main interest through brokers was for New Crop jute for delivery mainly during July and/or August. Offers in this category were fairly plentiful, although there was usually an 8-anna difference in the prices quoted by sellers and buyers. A large percentage of the business was once again transacted in the Cossipore markets, where mills' representatives bid against each other for quick delivery jute. This resulted in a steady market despite the increase in imports, and prices paid were in many cases up to 8 annas a maund higher than those quoted in the Calcutta markets.

New Crop reports have been more favourable, except those from the Daissee growing areas. River levels in northern Bengal and Assam have stopped rising. Harvesting of the lowland crop has been almost completed in most districts, while in the midlands it is well in hand. In the Daissee areas, there has been excessive rain and a long period of sunshine is required to promote growth. The harvesting of the Daissee white crop is almost complete, and fairly large quantities are expected to be on the market by the end of the month. Initial reports on New Crop samples from all parts so far have been disappointing, although upcountry agencies have reported that current arrivals show a big improvement.

The final jute arrival figures for the season, July 1955-June 1956, have now been announced. They show that total arrivals, compared with last season, are up by 686,500 bales. This is because of an increase of 225,870 bales in arrivals from Pakistan and an increase of 460,630 bales in arrivals from India. Actual arrivals for the season are 1,467,184 bales from Pakistan and 4,888,505 bales from India, making a total of 6,355,689 bales. Although arrivals from Pakistan are much larger than last year, it is interesting to note that they are still about 15,000 bales short of those in 1953-54 and 362,000 bales short of the record 1951-52 figure. The current trend of trade between India and Pakistan is very obvious when we make a closer study of arrivals from Pakistan in the last three months of the season. In spite of the large increase in the season just completed, arrivals during April, May and June 1956 were 100,000 bales less than during the same three months of 1955, a period when total arrivals from Pakistan were the lowest since separate records were introduced. This indicates the difficulties that may lie ahead in the coming season if present restrictions on the export of jute to India instituted recently by the Pakistan Government are allowed to continue. The arrival figures from India are most encouraging, and at 4,888,500 bales are the highest ever. The grand total is satisfactory from the trade's point of view, and more or less covers the estimated consumption of the industry.

THE JUTE MARKETS

Manufactured Goods: Prices showed very little change at the opening of the jute goods market last Thursday, and in most sections were slightly lower. The ready B Twill position recorded an 8-anna rise under the influence of speculative activity and was quoted at Rs. 104-12 a 100 bags. The January-March position stood at Rs. 103-12, which was 4 annas less than on the previous day. Hessian showed a drop of 2 annas in all fabrics and deliveries; 40in. 10oz. ruled at Rs. 38-9 a 100 yards for July shipment and Rs. 38-8 for January-March for July shipment. Local shippers covering at the lower levels, especially in near delivery hessian, brought about a small upward tendency, so the previous day's losses were made up by Friday morning. Mills were very inactive at this stage and were not interested. So dull conditions prevailed and no price alterations were recorded. Over the week-end, the news of a drop in American burlap consumption had a bearish influence on jute goods, and hessians dropped to Rs. 38-7 for 40in. 10oz., while B Twills lost 8 annas to Rs. 103-12. But the undertone of the market was unchanged as the steady

fibre markets prevented prices from falling further. Later, heavy selling pressure by a prominent fatka operator brought about the largest price movement of the week in heavy goods. B Twills dropped 12 annas to open on Tuesday morning at Rs. 103 for both the near and forward positions.

Opening quotations on Wednesday morning were as follows:

	July	August	Sept.	Oct.-Dec.	Jan.-Mar.
	Rs.	Rs.	Rs.	Rs.	Rs.
40in. 8oz.	31-8	31-4	31-4	31	30-10
40in. 10oz.	38-7	38-10	38-10	38-9	38-6
B Twills	103-4	103-10	103-10	104	103-8
Heavy Cees					
(Plain)	102-8	103-12	103-12	104	103
A Twills	126	126-12	127-3	128	127-8
Liverpools	115-8	116-8	117	118	117-8
Cornsacks	105-8	107	105	105	104-8

Raw Jute: The raw jute markets were steady throughout the week. Calcutta mills showed almost daily interest, and although the total quantity purchased fell short of the previous week, the market showed the same reaction to the activity. Several mills appeared to be short of jute, as the demand for quick delivery continued, and high prices were paid for all types of fibre provided it could be in the mill within five or ten days. This state of affairs naturally caused sellers to be reserved and although they were keen for business, and increased the quantity of jute on offer, they were unwilling to accept any indications below the full market rate. The mills' main interest through brokers was for new crop jute, but only for shipment in the July-August period, as they held bearish sentiments for delivery towards the end of the year. Old Crop purchases were confined to the Cossipore market, where delivery rather than price was the criterion. Quotations throughout the week were based on Rs. 27-8 a maund basis Bottoms for Upper Assam New Crop jute for July-August shipment, and most of the transactions were put through on this basis.

New Crop business was mainly for Dhubri-Raha-Northern quality, and prices ranged from Rs. 27 to Rs. 28 a maund basis Bottoms for July-August shipment. Some of the contracts in this category carried a sellers' option for the delivery of Old and/or New Crop jute. Small business was put through for jungle jute and prices varied between Rs. 25 and Rs. 25-8 a maund for August-September shipment. Fair quantities of Daissee white jute were purchased at Rs. 27 to Rs. 28 a maund basis Bottoms for full August shipment. Old Crop Purnea jute was sold at Rs. 27-8 a maund for one month's shipment, and local Northern and Assam at Rs. 28 to Rs. 28-6 a maund for deliveries ranging from one to three weeks. In the pucca bale section, business was done in Mill Firsts and Lightnings at 150 and Rs. 175 a bale respectively for Old/New Crop, half July half 15th August shipment. There were no reports of any business in Pakistan jute.

At the close, the market was unchanged and opening quotations on Wednesday morning were as follows:

Indian Jute	Landed at Mills	Shipment.
(New Crop Kutch):	Rs. a md basis	
	Bottoms	
Lower Assam	27-8	July-Aug.
Northern	27-8	
Murshidabad (White)	26	Aug.-Sept.
Daissee White	27-8	July-Aug.
Old Crop:		
Local Northern	28-8	15 days.
Daissee	29	One month
Daissee Mesta	27	"
Bimil	27 for F.A.Q.	"

Tossa is quoted at 8 annas to Re. 1 a maund above the price of white jute.

Pucca Bales	Rs. a bale.	Shipment.
(New Crop):		
Mill Firsts 2/3	185	July-Aug.
Mill Lightnings 2/3	170	"
Mill Hearts 2/3	155	"
S. G. Daissee 2/3	175	Sept.-Oct.
L. G. Daissee 2/3	160	"
Pakistan Jute	Landed at Mills	Shipment.
(New Crop Kutch):	Rs. a md basis	
	Bottoms	
Jat	30-8	August-Sept.
District	30	"
Northern	29-8	"
Pucca:	Rs. a bale	Shipment.
Mill Firsts 2/3	200	Aug.-Sept.
Export Firsts 2/3	180	"
Export Lightnings 2/3	165	"
Jat Cuttings	120	"

There was a slight improvement in wagon arrivals in Cossipore during the past week. A total of 450 reached the sidings. All imports found ready buyers and high prices were paid for quick delivery jute. Mills' representatives were again busy, and although prices were lower than last week, the general undertone was steady. At the close, quotations were based on Rs. 28-4 a maund for garsat quality.

Mofussil: Imports into all upcountry agencies in India have again shown an improvement, and quality reports are more favourable than last week. The condition of all arrivals is very poor, and the heavy moisture content has put off many buyers. In spite of this, fair covering business has been transacted and prices, although lower than last week, have been maintained at a fairly high level. At the close, quotations in Dhubri were based on Rs. 24-4 a maund for Bottoms.

Raw Jute Consumption

The consumption of raw jute by mills reporting to the I.J.M.A. was 576,600 bales during June 1956—a 206-hour working month. This was 16,310 bales less than in May, when working hours amounted to 212. The total consumption for the season just completed July 1955 to June 1956, was therefore 6,380,250 bales. In June 1955, consumption was 499,650 bales, and the total for the 1954-55 season was 5,848,810 bales. Therefore, total consumption in the 1955-56 season was 531,440 bales more than in 1954-55.

THE FOREIGN JUTE MARKETS

BUSINESS DULL AGAIN

(FROM OUR DUNDEE CORRESPONDENT)

SELLERS of jute trade commodities are having considerable difficulty in effecting sales, and the industry is falling into a state of depression. On the Continent, spinners and manufacturers are very worried about the position, and are likely to be in Belgium unless matters improve. Of course, it must be remembered that Pakistan entered into the producing side of jute goods several years ago when there was an ever-increasing output to get rid of. This must be adversely affecting other centres. In addition, there is the keen competition from paper and other commodities, which can take the place of jute. Pakistan is able to dispose of all the raw jute available and, therefore, is in a position to dictate terms to the industry. It is useless, therefore, to expect any concession on the minimum prices for the fibre and the only manner in which values of goods could be cheaper to consumers is by producers concentrating on cheapening the costs of spinning and weaving. There is so little business being done in the fibre here that shippers are apparently becoming tired of offering. With no interest in Mill Firsts, the price continues unchanged at the minimum of £91, but Mill Lightnings are still £1 above the minimum at £92 for August-September and Mill Hearts are lowest at £78, against £71 minimum, same shipment, c.i.f. U.K. A month earlier shipment of Lightnings and Hearts is £1 more, but a month later is £1 less. Good Daissee-2/3 at £91 and grade at £91 is unchanged and grade Tossa-2/3 is still at £100 and fours at £90, September-October, c.i.f.

Quotations for Calcutta goods have fluctuated more than usually of late without getting very far away from 58s 6d for 40in. 10oz. and 44s 9d for 7oz. July and August, while B Twills are round about 159s to 161s for shipment to the end of the

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year, f.o.b. In jute yarns and cloth here, business is confined to small lots for delivery before the holidays. Producers complain that they have few orders in their books to start work when it is resumed on 6th August.

I.J.M.A. PRODUCTION FIGURES FOR JUNE

The Indian Jute Mills Association reports the total production of jute goods during the month of June 1956 as follows:

Description	Quantity
1. Twist and Yarn	
(a) For Sale	1,996 tons
(b) All others including that used in sewing bags	1,328 tons
2. Canvas	239 tons
	5.8 lakh yards
3. Gunny Bags	
(Tonnage exclude sewing twist)	3,773 tons
(a) Hessian	1,456 lakh yards
	65.2 lakh Nos.
(b) Sacking	55,556 tons
	13,271 lakh yards
	5,63.9 lakh Nos.
4. Gunny Cloth	
(a) Hessian	31,036 tons
	12,272 lakh yards
(b) Sacking	1,722 tons
	41.9 lakh yards
5. Other manufactures (including ropes)	3,285 tons
6. Total production (above figures combined)	
(a) All kinds	98,935 tons
(b) Hessian (both bags and cloth)	13,72.8 lakh yards
(c) Sacking (both bags and cloth)	13,69.0 lakh yards
(d) Canvas (both bags and cloth)	5.8 lakh yards
Summary	
(00,000 Yds.)	(900 Tons)
June May June June May June	1956 1956 1955 1956 1956 1955
Hessian	13.79 13.98 13.17 35.0 35.8 34.2
Sacking	13.09 14.25 11.53 57.8 59.6 47.9
Others	6.6 6.3 3.6
Grand Total	98.9 101.7 85.7
Hours worked	206 212 217½

N.B. These statistics are based on replies received and represent all members of the Association and Gagalbhai with estimates for three non-member mills.

GUNNY SHIPMENT STATISTICS

The following figures include coastal shipment relating to manufactured jute goods for shipment from the port of Calcutta. These are gross figures based on shipping bills presented:

	Hessian Bags (Tons)	Cloth (Tons)	Total (Tons)
1st to 15th July 1956	1,215.7	15,186.1	16,401.8
1st to 15th June 1956	1,334.2	15,525.9	16,860.1
1st to 15th May 1956	1,954.1	16,576.5	18,530.6
1st to 15th July 1956	12,675.7	925.0	13,600.7
1st to 15th June 1956	13,425.0	768.8	14,193.8
1st to 15th May 1956	9,483.3	1,386.1	10,869.4

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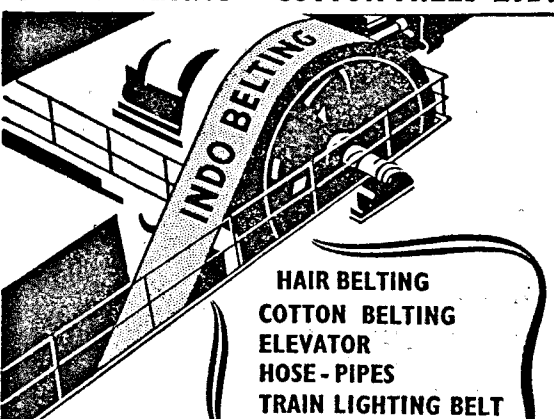
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Engineering and Transport

ANOTHER DEFICIT FOR INDIAN AIRLINES

CORPORATION TO ASK FOR HIGHER CHARGES

DURING the financial year 1954-55 the Indian Airlines Corporation incurred a loss of Rs. 90.15 lakhs, according to its second annual report recently submitted to the Government. This amount is inclusive of a provision of Rs. 40.63 lakhs for depreciation, which has not been funded. Thus, the cash loss sustained amounts to Rs. 49.52 lakhs. A comparison between the figures for the preceding year and the year under review can only be approximate as the former cover, following nationalisation, an operating period of eight months only. The average monthly revenue in 1954-55 was Rs. 57.70 lakhs against the corresponding average of Rs. 54.30 lakhs in 1953-54. Compared with this, the average monthly expenditure in 1954-55 was Rs. 65.22 lakhs and that in 1953-54 Rs. 64.22 lakhs. Thus, there was an increase of Rs. 1.00 lakh in the monthly expenditure. Financial results on the whole show an improvement over those of the year preceding.

The main causes of the deficit are loss of petrol rebate, new taxes imposed on petrol by State Governments and the sharp rise in the wage bill on account of the introduction of the revised conditions of service. The contribution of the Indian Airlines Corporation to public revenues during the year by way of excise and sales tax duties of petrol was Rs. 77.64 lakhs and Rs. 16.88 lakhs respectively. At the time of nationalisation the Corporation had taken over not only the assets and liabilities of the eight airlines but also their different systems of accounts, wide disparity in the wage structure and lack of uniformity in conditions of employment and labour management. The problem of integration and rationalisation thus became a "must" without which further progress was not possible. The line system of administration which had continued in the first year of the Corporation's working was reorganised and replaced by an integrated pattern with unified control over all branches of administration. In April, 1954, a headquarters organisation consisting of various departmental heads was established. The entire territory was divided into three administrative-cum-operational-cum-traffic zones. Except as regards the maintenance-side of engineering, the administrative and technical control as well as accounting and financing of engineering bases was made independent of regional administration and centralised within an engineering manager at headquarters.

The work of assessment of compensation payable to the Companies whose undertakings vested in the Corporation, was completed in 1954-55. The Companies were not satisfied with the offer made by the Corporation but a compromise was ultimately reached and, as a result, the compensation was increased by Rs. 16,52,934 to a figure of Rs. 31,84,303. With the exception of certain sums impounded by the Income Tax authorities, the entire compensation was paid out during the year.

Operations and Traffic

The scheduled services operated by the Corporation covered an unduplicated mileage of about 14,500 miles on 31st March, 1955, and the network of route mileage extended to over 22,670 miles. The route pattern inherited by the Corporation was revised with a view to eliminating wastage and meeting public convenience. This yielded slightly higher utilisation, especially in the case of Dakotas. A comparison of the data for the year under review with that for the year before, after averaging the results for a 12-month period shows that with fewer aircraft, more traffic was carried and that there was an all-round improvement under every head. The overall revenue load factor achieved was 60.7 percent, while the break-even load factor continued to be 82.00 percent, aircraft utilization during the year was:

Dakota	1,371 hrs.
Viking	1,510 "
Skymaster	1,010 "

Average 1,378 hours per annum

A division of costs under objective heads shows that the "salaries and allowances" account for 27.1 percent, fuel and oil for 39.5 percent, consumption of material and outside repairs for 8.7 percent depreciation 5.2 percent, insurance costs for 2.5 percent, interest 1.4 percent and sales, publicity and miscellaneous services for 15.6 percent.

During the following year, i.e. 1955-56, the operational results show even further improvement. The route pattern as well as the fare structure have been rationalised. A number of new routes have been opened up with Herons. Night air mail services are operated with Skymasters. There has been a distinct improvement in aircraft utilisation and better load factors have been achieved. The number of passengers carried, which numbers over 500,000, is the highest on record and there is an appreciable improvement in the carriage of freight. In the sphere of non-scheduled operations, the Nepal operations, were taken over completely by the Corporation.

Future Trends

The first year following nationalisation was one of exceptional difficulty as the Corporation was in the course of discovering problems which it had inherited. The Heron Services have not

yet acquired full momentum on account of shortage of crew. The Skymaster services at night have proved popular and continue to attract traffic. There is an all-round improvement in the load factors achieved, and the earnings during the course of 1955-56 are expected to be the highest on record. The expenditure has, however, risen proportionately, largely on account of the increase in the wage bill and in the maintenance of new aircraft, but a large part of it is expected to be covered by the increased earnings. It is, however, not likely that the gap between the expenditure and revenue will be appreciably narrowed during the coming years.

The Corporation is in a phase of expansion and five Viscounts, which are on order, will be received sometime in late 1957 for operation on the main trunk routes. More new routes will be opened up with Herons and alternative uses found for the Skymasters. It will inevitably take time to sell the additional capacity built up and till then the operating costs are bound to be high. Nevertheless, if the present trend in traffic is maintained and the costs of operation brought down as a result of certain contemplated economies the prospects for the future appear to be reasonably reassuring. It is noteworthy, however, that the higher operation costs are not yet reflected in rates and fares and this will have to be taken into account at some stage. At present, the Air Transport Advisory Council is engaged in examining the problem and will shortly be making its recommendations to the Government.

TRANSPORT PROBLEMS OF SECOND PLAN

NEW OFFICIAL COMMITTEE FOR CO-ORDINATION

THE Union Deputy Minister for Transport, Mr. O. V. Alagesan, inaugurating the reconstituted Standing Committee of the Central Board of Transport, stressed the imperative need for planning and co-ordinating the transport system to cope with the huge imports of machinery and capital goods, iron and steel and cement, locomotives and wagons, for the development projects in the second five year plan. The problems of transport include the timely availability of shipping space, the gearing of the capacity of the ports to receive the imports and the co-ordination of rail-road and other means of internal transport for the despatch of the goods to the projects and centres where they are needed.

On a suggestion from the chairman, Mr. N. M. Ayyar, Secretary, Union Transport Ministry, the Committee decided that, initially, the question of phasing and staggering imports, so as to avoid pressure on available shipping space and the bunching of ships at ports, might be studied. For this purpose, the Committee agreed, all necessary data should be collected immediately. The problem arises principally for the proposed heavy imports from the western European countries and the United Kingdom. The committee felt that there was the necessity to keep the ports informed in advance of the cargoes expected. Similarly, the railways had to be informed of the types and quantities of cargo they would be called upon to handle so that they could plan, in advance, the numbers and types of wagons required. The Committee decided to meet the representatives of the shipping interests on 30th July, 1956 so as to have discussions with them on the basis of which detailed plans could be formulated.

High-powered Committee

The new Standing Committee of the Central Board of Transport, which has since met, has been set up as a high-powered committee with enlarged membership to study the various problems of co-ordination and to ensure long-term planning on the steps to be taken to cope with the additional strain on the transport system. Mr. N. M. Ayyar, Union Transport Secretary, is the chairman. The new Committee also has representatives at the Secretary/Joint Secretary level of the Ministries of Railways, Production, Commerce and Industry, Food and Agriculture, Defence, Works, Housing and Supply, Iron and Steel, Finance and the Planning Commission. The Committee, which is expected to meet every month, has the power to co-opt other members when considered necessary. It may, if necessary, invite chairmen of the major Port Trusts and the Special Officer of the Railway Board, recently appointed in Calcutta, to co-ordinate the movement of steel, cement and machinery, to attend its meetings. The Standing Committee of the Central Board of Transport has been reconstituted according to the announcement made by Mr. Lal Bahadur Shastri, Union Minister for Transport and Railways, in the Lok Sabha on 23rd March this year.

FINANCIAL RESULTS OF PAN AMERICAN

Pan American World Airways reported recently a new profit of \$2,221,000 for the first quarter of 1956 as compared with a net profit of \$621,000 for the first quarter of 1955. The profit per share was 36 cents as compared with 10 cents in the previous year. Gross operating revenues were \$59,571,000, an increase of 22.7 percent over 1955. Operating expenses rose 19.5 percent over the same period of last year. In the first quarter of the year, the Company incurred a net operating loss of \$772,000. This compares with a net operating loss of \$1,941,000 in 1955, an improvement of \$1,169,000. Net non-operating income was \$4,056,000 for the first quarter as compared with \$3,305,000 for that of 1955.

Plantation Topics

CALCUTTA TEA AUCTIONS DURING JUNE

MARKED PREFERENCE FOR QUALITY TEAS

THE final Sale of the 1955-56 Season's Export crop consisting of 5,300 packages was held on 4th June. There was little demand from the main export buyers for the very few better teas on offer, but internal buyers competed keenly for the poorer kinds which sold at irregular rates and often considerably below valuations. Nearly all lots offered were, however, disposed of, say Messrs. Carrith Moran & Co. Private Ltd., in their monthly tea market review. Sale No. 1 consisting of 24,759 packages of New Season's teas from all districts was held on 11th June. There was a good demand for the few Doars teas showing useful first flush quality, but later invoices showed a marked decline and for these and also for the bulk of the offerings from Cachar and Assam which carried plain liquors, buyers showed little interest and withdrawals were heavy. Stylish leaf grades and flavoury Darjeelings were fairly well supported. In Sale No. 2, flavoury Darjeelings, bright liquoring Doars and any Assams showing an improvement in quality met with a good demand, but plain and medium broken and whole leaf grades, except for the most stylish kinds, met with a limited demand and were 1 to 2 annas lower. In Sale No. 3, there was a very strong and general demand for the comparatively few best liquoring C.T.C. teas on offer and these were selling at prices up to Re. 1 or more over valuations. Good liquoring medium Assams were also a strong feature and these sold well at dearer rates, but plain and low medium teas were again a weak feature and were 1 to 2 annas lower. A few lines of tippy teas in Sale Nos. 2 and 3 realised high prices.

Darjeeling leaf appearance was of a high standard and a number of attractive tippy grades were on offer. Due to adverse climatic conditions, cup quality was disappointing and only a limited number of invoices had really attractive flavour. Assam offerings were very small and consisted for the most part of very ordinary first flush teas, although a few brighter liquoring C.T.C. invoices were included in Sale No. 3. Doars leaf appearance has been rather below average, and the lower grades contained too much stalk and fibre. The first two sales contained a number of useful bright liquoring invoices, but cup quality showed a marked decline in Sale No. 3. The small quantity on offer from Cachar was of a satisfactory standard, particularly as regards leaf appearance which was generally black and free from stalk.

Quotations	1956-57	1955-56
	Rs.As.P.	Rs.As.P.
Sale No. 1 Plain B.P.	not quoted	1 14 0
Sale No. 2 " "	1 9 0	1 14 6
Sale No. 3 " "	1 7 6	2 0 0

Internal Market

Leaf offerings for the four sales held in June amounted to only 1,525 packages. Selection was poor and catalogues consisted mainly of stalky and fibrous residue grades. The sales met with a fair enquiry at rather irregular rates. Dust offerings amounted to 84,579 chests. Selection was generally rather limited and although appearance was usually well maintained, cup quality showed a noticeable decline. The first sale in June met with a fair demand at generally easier rates apart from Black Leaf Exportable types which were keenly competed for at dearer rates throughout the month. Demand improved in later sales however, and prices ruled fairly firm to dearer, the poorer residue types often being an irregular 2 annas dearer. In the last sale of the month, there was again a good general demand at prices which were about steady apart from poor liquoring kinds which were 1 to 2 annas easier and fibrous residue grades which were irregularly easier.

Quotations	1956	1955
	Rs.As.P.	Rs.As.P.
Sale No. 50 Clean Common Dust	1 5 0	not quoted
Sale No. 1 " " "	1 5 3	1 11 9
Sale No. 2 " " "	1 6 3	1 14 6
Sale No. 3 " " "	1 5 6	1 14 6

Export sales up to and including No. 3 totalled 52,006 chests at an average price of Rs. 2-4-11 compared with 71,639 chests at an average price of Rs. 2-2-3 a year ago. Internal sales at 309 chests of Leaf and 1,831 chests of Dust (Rs. 1-5-0 and Rs. 2-0-0) go against 2,519, chests of Leaf and 10,305 chests of Dust (Rs. 1-9-5 and Rs. 1-15-9) in the corresponding period of last year.

The price of Special Export Licence showed a steady decline throughout the month from 7 pies a lb. to 1 pie a lb. In the last four days of the month it rose, however, to 5 pies a lb. The validity of Special Licences expired on 30th June. Non-transferable Shipping Licence changed hands at between 1 and 4 pies a lb., the rise also occurring in the last days of the month. At the beginning of the month, the market opened for New Season's Quota at 36 pies a lb., declining gradually to 30 pies a lb. Prices rose slightly, however, towards the end of the month, and some business was transacted at 33 pies a lb., at the close.

The estimated North India crop to the end of May 1956 was 53,980,269 lb., as compared with 51,800,089 lb. to the same date of last year. The average figure at this date for the three years 1953-1955 was 52,854,812 lb.

The Government of India has issued a notification fixing the price of tea for the purpose of de-

termining the export duty at Rs. 2-13-11 a lb. as against Rs. 3-5-0 a lb. in force from 1st June, 1956. The export duty, therefore, remains unchanged at 6 annas a lb.

Arrivals (in chests) in Calcutta warehouses during the period 24th May to 23rd June, 1956, with the corresponding figures of the previous year in parentheses, were as follows: by rail 43,906 (29,910), by steamer 90,395 (128,131) and by air 7,851 (12,552), making a total of 142,152 (169,623) chests. Since the beginning of the season, 1st April, 1956 to 23rd June, 1956, arrivals have been: by steamer 118,863 (155,324), by rail 76,532 (59,682) and by air 18,225 (26,998), making a total of 213,620 (242,004) chests.

INCREASED INTERNAL CONSUMPTION OF TEA

The consumption of tea in India increased from 175 million lbs. in 1952-53 to 183 million lbs. in 1954-55. This was stated recently in a written reply to a question in the Lok Sabha by the Minister for Commerce and Industry, Mr. T. T. Krishnamachari. The area under tea cultivation increased from 787,378 acres in 1952-53 to 789,471 acres in 1954-55.

COCHIN TEA SALES

At Sale No. 20, 1,300,000 lbs. of tea were on offer. There was a useful demand, but the commonest kinds were easier. Low and low medium Broken were firm and best liquorings were dearer. A very strong enquiry was evident for all Fannings grades which advanced. Whole Leafs were strong for which there was a demand at better prices.

LONDON TEA SALES

AT last week's London tea sales, the 48,556 packages on offer realised an average price of 3s 9.53d a lb., against 3s 10.68d in the previous sale and 3s 10.42d a year ago. Plain broken pekoe was quoted at 2s 10½d a lb., in the previous sale, same. Prices obtained by some of the companies are given below:

	No. of packages	Average a lb.
Amalgamated	228	4/6½
Badulipar	668	3/11½
Consolidated Estates	348	4/10
Darjeeling	475	4/0½
Deamoolie	354	4/3½
Dekhari	820	4/
Doom Dooma	1,108	4/6½
Eastern Produce	1,410	4/6½
Empire of India	1,279	3/6½
Lethenty	308	4/0½
Maluvu	1,505	4/3½
Malayalam	568	3/5½
Nedecm	487	3/1
New Dimbula	409	3/0½
Rupai	371	3/0½
Scot. Tea and Lands	528	5/2½
Single	624	3/6½
Southern India	224	3/7½
Standard	706	5/3½
United Planters	546	5/2

TEA CONSUMER SURVEY IN BRITAIN

Is consumer resistance to tea on the increase? The thought is inspired by the remark that "a dangerous growth in what might be called the 'anti-one-for-the-pot' mentality" is reported in the Tea Bureau's survey of the findings of its recent consumer survey among British housewives. The percentage of housewives using only one teaspoonful in making tea for two people has risen since 1953 from 10 percent to 17 percent, the survey shows, while over the same period the percentage using four to five teaspoonfuls to make tea for four has dropped from a maximum of 38 percent to 28 percent. There is, apparently, no evidence that these "dramatic" figures have affected total tea consumption but, the report says, "they certainly give ground for serious thought." The average weekly consumption of a household has remained almost static, at roughly eleven ounces. The report suggests also that "the consumption of coffee tends to have an upper- and middle-class bias," although in all types of household coffee closely rivals tea as the favourite drink for the "elevenses." The drop in tea prices is reflected in the fact that most people bought tea at 1s. 8d. or 1s. 8½d. a quarter in 1956, whereas in the previous year the popular price was 3d. more a quarter. "The price paid for tea," the report notes, "correlates closely with social class" and "the cheapest teas are most widely purchased in Scotland." It appears, however, that price is not the housewife's main guide in choosing the sort of tea she buys. Under the heading: "Things liked about present quality of tea," 41 percent of those interviewed wrote comments such as "fine flavour" and only 19 percent opted for "economical; goes a long way."

COFFEE EXPORT QUOTA RELEASE

It has been decided to release for export a further quantity of 4,000 tons of coffee out of the 1955-56 Indian crop. Out of this crop, 4,100 tons had already been released for export in the months of February and March 1956, thus making a total of 8,100 tons now. The Government of India, in the course of a Press note, refers in this connection to certain misleading reports in the Press about the stocks of coffee in the country and the quan-

ties that could be made available for export. "It is hinted in these reports," says the Government, that there are large surpluses available for export and that the Coffee Board and the Government have been dilatory in releasing export quotas. These reports display a lack of understanding of the whole problem. It is not easy to make a reliable estimate of the coffee crop well in advance—a factor which applies to most agricultural commodities—and it is only towards the end of the season that a correct assessment is possible. In October 1955, for instance, the estimate of the coffee crop was 27,740 tons. The latest estimate is about 33,400 tons. Export quotas have necessarily to be made in instalments, taking note of the actual crop that has been delivered into the coffee pool. It is necessary further to make provision for the carry-over at the end of the season. It has been stated in the reports referred to, that after taking into account the coffee required for internal consumption, there may be a surplus of 11,000 tons. But out of such surplus, provision has to be made for the carry-over to the next season of about 5,000 tons, and it is only the balance that would be available for export.

"It is further asserted that the Coffee Board is carrying unduly large stocks and a reference has been made to the fact that in April 1956, this was as much as 27,000 tons. This again is a misleading statement. There is nothing unusual in such large stocks at that time of year, for it is during the months of January to March that over 80 percent of the total coffee produced in the country, is delivered into the pool. Coffee has also to be cured before it is put in the market and out of the stock of 27,000 tons, nearly 13,000 tons were uncured coffee. The process of curing may take anything between two and three months and it is only after this is done, that the stocks can be liquidated by the sale of coffee.

TOBACCO ACREAGE AND PRODUCTION RISE

The all-India third estimate of tobacco, 1955-56 puts the current year's area and production at 893,000 acres and 249,000 tons as against the adjusted third estimate of 824,000 acres and 235,000 tons for 1954-55, according to the Directorate of Economics and Statistics, Union Ministry of Food and Agriculture. This shows an increase of 69,000 acres or 8.4 percent in area and 14,000 tons or 6.0 percent in production during the current year over last year. The increase in area and production of tobacco during the current year has been reported by almost all the States and is marked in the case of Bombay. The increase in area and production is attributed to better climatic conditions during the current year as compared with last year. This estimate does not contain information on the late variety of the crop grown in U.P. It also does not give information about the final position of the crop in Punjab, Mysore, P.E.P.S.U., Rajasthan, Coorg, Delhi, Tripura, Himachal Pradesh and Vindhya Pradesh. The above information will be included in the final estimate only. Crop-cutting surveys on tobacco are in progress in Mehasana, Ahmedabad, Kairu, Panch Mahals, Broach, Satara, South Kolhapur, Belgawan and Dharwar districts of Bombay State. Production estimates for 1954-55 and 1955-56 for these districts included in the Bombay State estimate are based on the results of these surveys. Past experience has shown that the final estimate figures are slightly higher than those of the third estimate.

COLOMBO RUBBER PRICES

The following prices have been issued by the Rubber Board of India from the weekly market report published by the Colombo Brokers' Association:

	Closing prices on 6-7-1956 (Rupees a lb.)	Average for the period (Rupees a lb.)
Sheet:		
No. 1	1.41	1.41
No. 2	1.38	1.38
No. 3	1.35	1.35
No. 4	1.11	1.11
No. 5	1.06	1.06
Sheet Cuttings 1	.86	
Sheet Cuttings 2	.81	

Crape:		
Water White	—	—
R.M.A. No. 1X	1.34/35	1.31½
R.M.A. No. 1	1.32/33	1.29½
Crape No. 2	—	1.25½
Crape No. 3	—	1.18½

Scrap Cresses:		
Sc. Crape No. 1	.90 Nom.	.88
Sc. Crape No. 2	.83/86	.82½
Sc. Crape No. 3	.77/82	.77
Flat Bark	.70/75	.71½
Scrap Crape 3X		.80

To arrive at f.o.b. Colombo prices add 55.45 cents a lb. in respect of rubber other than scrap crape and 31.45 cents in respect of scrap crape to the above market prices.



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LONDON INSURANCE LETTER RISE IN PREMIUM INCOME CONTINUES

By Air Mail.

EXACTLY in the middle of 1956 appeared the full details of premium income in 1955. Compared with 1954, the total increased by £75 million to £1,098 million. Thus the momentum of expansion continued; for the increase was £57 million in 1954 and £40 million in 1953. Within these totals, however, there are some rather surprising changes. Previously it was the life department that made the running. Last year the non-life branches—accident, fire, marine—achieved the greater part of the advance. Life business—both ordinary and industrial—continued to expand, net premiums reaching £474 million, compared with £442 million in 1954; but this increase was rather less than that of 1954. Non-life premiums, on the other hand, advanced from £581 million to £624 million; and this increase was more than double that of 1954.

The big increase in registrations of motor-cars in the postwar era assures first place to the accident branch in the non-life group. Indeed, its premium income of £338½ million last year was a few million more than that of ordinary life assurance. In absolute terms, it shows the biggest increase—more than £30 million. But the increases in the fire and marine branches, though smaller, are in a sense more notable, because in the two preceding years fire premiums had increased only slightly and marine premiums had declined. Last year's fire premiums of £224 million increased by £10½ million, and marine premiums of £61½ million were increased by £2½ million. Mr. J. A. Pollen, who announced the figures at the annual general meeting of the British Insurance Association, attributed the overall growth to the further expansion of industrial activity that characterised all the industrial countries last year. It must be doubted whether the rate of

growth can be sustained this year, for industrial activity is more hesitant. Wages and prices are still tending upwards in Britain; but nearly half of the member companies' business is written abroad.

Invested Funds

Not less interesting are the composite figures of invested assets, also provided by Mr. Pollen at the meeting. Their outstanding feature is a further decline, absolute and proportional, in investments in British Government stocks, compared with 1954, from £1,269 million to £1,243 million, from 30.6 percent to 28.0 percent of the total; the total itself increasing from £4,146 million to £4,430 million. The converse of the change was an increase in, notably, debenture stocks and preference shares from 20.6 percent to 21.2 percent, ordinary shares from 14.1 percent to 15.4 percent, mortgages from 10.9 percent to 12.0 percent, real property from 7.8 percent to 8.1 percent. These figures mean that the savings channelled into insurance have been made available increasingly to industry and to home-owners. The reaction from governmental financing does not necessarily—though it does partly in fact—represent a change of policy; it would be in any case a normal adjustment after the abnormal circumstances of the war. In the last world war, as in the preceding one, almost all new money was invested in Government stocks to finance the war; the proportion of gilt-edged stocks rose almost to 40 percent. The reduction to 28 percent corresponds with a similar movement after the first world war. It is worth noting that this movement continued, broadly well into the 1930s. At the end of 1937 the proportion of funds in gilt-edged stocks was little more than 22 percent. It is evident from the lethargy of the gilt-edged market this year that the companies are not investing there on a large scale. On the other hand, they are now very cautious of industrial ordinary shares, the prices of which have declined much more than those of Government stocks in recent weeks. The mort-

gage business is still active, and probably increasing its proportion; but it is likely that there will soon be a shift of emphasis, even if temporary, in favour of Government stocks, as they offer now reasonable security of capital with uncommonly attractive yields.

Preparing to Receive More

It is much too early to judge the effect on insurance savings of the changes announced by the Chancellor of the Exchequer when presenting his Budget in April. The debates on the Finance Bill continue for many weeks; and in the course of these debates the Government's proposals were somewhat modified. In particular, Mr. Macmillan is granting increases in the percentage limit and in the maximum limit of tax relief on premiums payable by older people. The life offices lost no time in preparing draft plans for retirement policies for the self-employed and for relief of tax on the capital repayment element in life annuities, but these plans could not be finalised until the Government's intentions took statutory form. An alternative to deferred annuity policies, which will qualify for full relief from income-tax and surtax, is an ordinary with-profits endowment assurance, with which, on maturity, pension annuities can be purchased. Such endowment policies will not qualify for full tax relief, but the annuities, when paid, will be only partly taxed. In some individual circumstances, this alternative will be the more advantageous to the policyholder. As the forms of annuity become more varied, the obligations of the life offices increase. Competition is keen, and each company will try to evolve an attractive policy for as many individual circumstances as possible. But many prospective policyholders are unskilled in these matters and will find the diversity confusing. It will be the more necessary to set out the respective advantages as clearly as possible and to explain them as simply as possible to the uninitiated. The special characteristic of the new plan is that it brings within the orbit of this kind of saving many people who could not afford it on the former basis of taxation.

Commodity Markets

BRITISH TEXTILE REVIEW AUSTRALIAN IMPORT CUTS DEPRESS LANCASHIRE

THE cotton industry's dirge of gloom was louder than usual after the announcement of Australia's cuts in imports, which followed closely the announcement of India's ambitious plans for producing more cotton goods for export. Australia is the U.K. cotton industry's principal market, and the U.K. is the Indian cotton industry's principal market; so the combination of circumstances seemed peculiarly unfortunate. The reason for the wool industry's resentment at the Australian cuts is not immediately so obvious. Australia has lately been absorbing about one-seventh of U.K. exports of cotton piecegoods, and if the Australian trade is being cut by one-sixth, the whole export trade will evidently be reduced by 2½ percent on this account alone—when it is already declining more rapidly for other reasons. For the wool industry, however, the Australian market is relatively much less important, taking less than 2 percent of total exports—though if mixtures are included, the proportion is probably larger. This industry's resentment is a question of principle rather than of the practical effects of the cuts. Yorkshire feels that as the main consumer of Australia's raw material it should not be subjected to restrictions on its sales to Australia.

The cotton industry's troubles, though sometimes exaggerated, are certainly not imaginary. It is much less successful than the wool industry in export trade, and at the same time, much more afflicted than the wool industry by competing imports. Subsidised Italian competition in wool goods in this market is not underestimated; nor is the decline in the proportion of British wool goods in some export markets (even though the volume of sales may be expanding) overlooked. Each Yorkshire suffers no sense of deterioration such as has afflicted Lancashire in recent years. Lancashire's home trade was assisted last year by the fine summer, and there is not much evidence that it will be repeated. Another favourable development, later last year, was the revision of purchase-tax, but its effects on the higher-quality trade have been less than many people expected. The Cotton Board showed in its statistical review published late in June that in the first quarter of 1955, the U.K. cotton industry's output was reduced more than that of any other important cotton-manufacturing country. U.K. exports of cotton cloth declined from 129 million square yards in the first quarter of 1955, to 120 million square yards in the first quarter of 1956, and there has been a more marked decline subsequently.

More Aggressive Policies

Mr. Cyril Lord, a colourful and successful cotton magnate who is conducting a personal campaign for protection of the cotton industry "in the interests of commonsense, our own country, the Empire, and the people in his organisation", puts forward as a practical solution of the problem the admission of Indian and Hong-kong cloth duty-free only for re-export to the Commonwealth markets, to the detriment of Japan. But such an arrangement would still be protective, so far as the U.K.'s internal trade was concerned. There are still people in Lancashire who believe that manufacturing efficiency and progressive technique are the only correct solution of the industry's problem. At a time when so many firms are diverting their energies from apparel-textiles to industrial textiles or quite different products, it is interesting to observe the contrary trend in the Smith and Nephew group. This group's main interests are in surgical dressings and drugs, but it is achieving outstanding successes with light clothing and nightwear, also industrial protective clothing.

Smith and Nephew is now undertaking one of the most ambitious modernisation schemes ever planned in Lancashire. It is at present operating spinning and weaving mills and a bleach works. Its machinery, including automatic looms, is very modern, and it was one of the first to introduce three-shift working in the mills, so that the equipment could be used to full advantage. But the operations are dispersed. The new plan is intended to concentrate nearly all of them in a single new factory, integrated "vertically" from raw materials to finished products. Such a plant, the chairman, Mr. G. E. Leavey, said, "would be the most modern production unit in the country—equal to any in the world." Accelerated development of new products is another method of competing—applicable, of course, to other textiles than cotton. Another cotton-textile leader, Mr. Percy Rosen, introducing fabrics with a new stain-resistant finish, has said: "It is what you put on the cloth that sells it, both design and finish." Bradford Dyers Association has turned its attention to non-woven fabrics. Bondina (B.D.A.) Ltd. has been formed as a separate enterprise and will be producing a few months hence fabrics made without spindles or looms, bonded by chemical and physical means. As there is in this country plenty of technical knowledge for such processing, the new plant, near Halifax, will probably be the forerunner of others.

Cross-sectional View

Many big textile companies have lately issued their reports, and all have emphasised their efforts to adapt themselves to generally difficult conditions—though companies such as Patons and

Baldwins (knitting wool and hosiery yarn) and J. and P. Coats (thread) are able to show substantially increased profits. The adaptations cover, of course, changes from traditional to newer fibres: even Coats, generally associated with cotton, is now using synthetics such as nylon and terylene; and Courtaulds (whose interest in British Nylon Spinners is proving very profitable) is spreading further from the field of rayon into production of acrylic fibres. But Mr. W. T. Winterbottom, chairman of Fine Spinners and Doublers, seemed wary of a shift from cotton to man-made fibres due only to instability of the value of cotton. Another aspect that the reports have emphasised this year even more than usual is progress abroad. Coats is, perhaps, unique in holding 80 percent of its assets abroad and in exporting more than 70 percent (by value) of the output of its mills at home; it is certainly significant that its last trading profit (increased from less than £8½ million to more than £10½ million) was outstandingly good. Courtaulds (last profit reduced from just over £20 million to rather more than £18 million) is experiencing some difficulty at home and in direct export trade, but the chairman, Sir John Hanbury-Williams, has been able to report favourably on manufacturing developments in the United States (with some qualifications), Canada, Australia, South Africa (on a longer view), and Europe. It seems that the extension of manufacturing abroad is the only permanent solution of the textile industries export problems.

PROGRAMME TO POPULARISE AMBAR CHARKHA

The Government of India has sanctioned over Rs. 3.26 crores for implementing the *Ambar Charkha* programme for the current financial year, as recommended by the *Ambar Charkha* Committee. As against this amount, a sum of Rs. 20 lakhs as grant and Rs. 46 lakhs as loan are being released immediately. Further funds are to be released later in suitable instalments on the basis of the progress of expenditure incurred in the implementation of the programme. The programme envisages the manufacture of 75,000 *Ambar Charkha* sets. Also 15 more *Vidyalayas* (training centres) and 100 more *Parishramalayas* (production-cum-training centres) are to be opened this year. Already there are 15 training centres, 100 production-cum-training centres and six functional offices. Another 100 production-cum-training centres were sanctioned earlier under the interim *Ambar Charkha* programme. Fifty workshops and five main production centres and ten sub-centres for production will also be set up.

A sum of Rs. 12.75 lakhs as grant is for the opening of 100 additional production-cum-training centres, and Rs. 4.66 lakhs for the opening of 15 additional training centres. For the establishment of 50 workshops, a grant of Rs. 8.90 lakhs has been given while a sum of Rs. 2.75 lakhs, is for the setting up of the five main and ten sub-centres for production. Of the 75,000 *Ambar Charkha* sets to be manufactured this year, sanction has already been given under the interim programme for the manufacture of 10,000 *Ambar Charkha* sets. The amount sanctioned now is for the introduction of the balance of 65,000 *Ambar Charkha* sets in the country. For the manufacture of 64,500 *Ambar Charkhas*, a sum of Rs. 38.40 lakhs as grant and an equal amount as loan have been provided. For the supply of 500 *Charkhas* to training institutions, a grant of Rs. 60,000 has been given. Fifty *Ambar Charkha* sets are to be supplied to each production-cum-training centre and training centre.

For providing rebate on the sale of Khadi at the rate of 4 annas in a rupee, a grant of Rs. 30 lakhs has been sanctioned. Another grant of Rs. 50 lakhs has been given for providing revolving credit for the production and sale of *Ambar yarn* and cloth. A loan of Rs. 1 crore is to be utilised for providing working capital for the production of *Ambar yarn* and cloth. A non-recoupable advance of Rs. 40 lakhs is to be given as loan for the seasonal purchase of cotton. The programme will be implemented by the All-India Khadi and Village Industries Board through its own agency or through the agency of Sarva Seva Sangh and/or State Governments or registered bodies to be selected by the Board. Loans for the manufacture of *Ambar Charkha* will be given to registered institutions, co-operative societies and State statutory boards.

ESTIMATED INCREASE IN LINSEED ACREAGE AND OUTPUT

The all-India final estimate of linseed, 1955-56 puts the current year's area and production at 3,424,000 acres and 376,000 tons, against the partially revised estimates of 3,254,000 acres and 382,000 tons for 1954-55, according to the Directorate of Economics and Statistics, Ministry of Food and Agriculture. This shows an increase of 70,000 acres or 2.1 percent in area and 6,000 tons or 1.6 percent in production over last year. The increase in acreage during the current year has been shared mainly by Vindhya Pradesh, Hyderabad and Madhya Pradesh and is attributed generally to favourable climatic conditions at the sowing time. The increase in acreage has, however, been offset to some extent by decreases registered in U.P. and Bihar. Despite an increase in acreage, the overall production of linseed has declined mainly in U.P. and to a lesser extent in Rajasthan and Hyderabad, and has been attributed to unfavourable climatic conditions during the

growing period. In U.P., the crop was damaged by hail frost and strong winds during March 1956. The production estimates for 1954-55 and 1955-56 for West Bengal except for Darjeeling district are based on the results of random sample crop cutting survey.

WHOLESALE PRICE INDEX RISES

THE official wholesale price index (base: year ended August 1939=100) advanced further by 0.1 percent to 402.3 during the week ended 30th June, 1956 as compared with 401.7 (revised) for the previous week. The index was higher by 2.7 percent and 14.9 percent respectively as compared with those of a month back and a year ago. The average for the month of June 1956 worked out to 398.0 as against 390.2 for May 1956 and 342.5 for June 1955. The index for Food Articles receded by 0.2 percent to 374.0, as compared with 374.6 (revised) for the previous week, due to a fall in the prices of tea for internal consumption (−6%), dal arhar (−2%), and gur at Muzaffarnagar (−1%) although prices of salt in Calcutta (+2%), and rice in Calcutta, gram at Hapur and coffee (+1% each) showed advances. The index for Industrial Raw Materials moved up by 0.4 percent to 482.6 as a result of higher prices of raw jute and gingellyseed (+3% each), castorseed (+2%) and raw silk, groundnuts, lac and rapeseed at Calcutta (+1% each). The prices of manganese ore (average export price) (−32%), rapeseed in Bombay (+17%) and copra (−1%) were, however, marked down. The index for the Semi-Manufactures group stood at 395.5 during the week as compared with 395.6 (revised) for the previous week. Items which recorded noticeable fluctuations in this group were: gingelly oil in Bombay and gingelly cake (+5% each), mustard oil at Kanpur (+3%), castor oil at Madras and groundnut cake (+2% each), castor oil in Calcutta and linseed oil (−4% each) and cowhides, and groundnut oil in Calcutta (−2% each). Lower prices of jute manufactures (−2%) brought down the index for Manufactures by 0.2 percent to 377.0 during the week. The Miscellaneous group index advanced further by 4.8 percent to 545.4, as compared with 520.5 (revised) for the previous week due to a rise in the prices of tobacco leaf (+12%) and chillies (+6%) despite declines in the prices of turmeric (−9%), and black pepper (−1%).

INDEX NUMBERS BY GROUPS AND SUB-GROUPS (Base Year Ended August 1939=100)

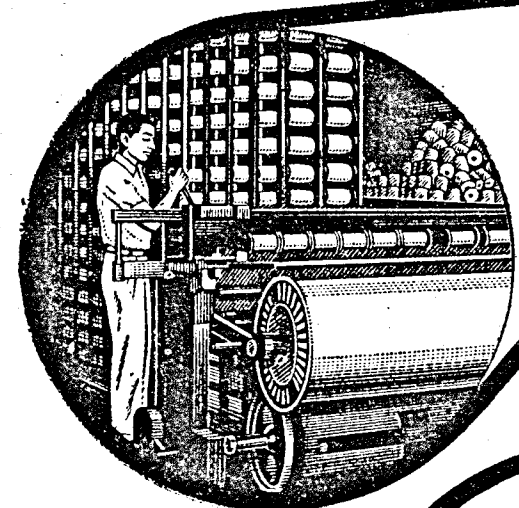
Groups and Sub-Groups	30-6-56	23-6-56	2-6-56	2-7-55
I. Food Articles:	374.0	374.6 (R)	353.6	299.0
Cereals	476	474	459	349
Pulses	362	362 (R)	355	256
Others	245	248	221	236
II. Industrial Raw Materials:	482.6	480.6	477.7	398.7
Fibres	470*	459	458	407
Oilseeds	557	559	539	375
Minerals	435	470	447	422
Others	431	430	430	413
III. Semi-Manufactures:	395.5	395.6 (R)	385.4	329.7
Leather	401	406	402	388
Mineral oils	208	208	208	201
Vegetable oils	554	550 (R)	559	586
Cotton yarn	473*	475	479*	407
Metals	328	329	278	255
Oil cakes	426	416	411	321
Others	361	361	361	330
IV. Manufactures:	377.0	377.9	376.7	370.0
Textiles	409	411	411	405
Jute	381	388	388	408
Cotton	419*	419*	416*	402*
Rayon and silk	453*	453*	478*	474*
Woollen	264	264	264	282
Metal products	377	377	371	352
Others	286	286	286	286
V. Miscellaneous:	545.4	520.5 (R)	506.0	568.0
All commodities	402.3	401.7 (R)	391.6	350.1

R=Revised * = Estimated

Groups and Sub-Groups	June 1956	May 1956	June 1955
I. Food Articles:	366.4	350.5	281.8
Cereals	470	449	323
Pulses	359	358	228
Others	236	224	233
II. Industrial Raw Materials:	479.5	478.0	390.4
Fibres	461	455	407
Oilseeds	540	550	350
Minerals	446	451	415
Others	430	413	416
III. Semi-Manufactures:	391.8	384.1	329.7
Leather	404	404	388
Mineral oils	208	208	216
Vegetable oils	555	557	555
Cotton yarn	476	474	422
Metals	308	280	244
Oilcakes	421	406	319
Others	361	361	320
IV. Manufactures:	377.6	376.8	370.0
Textiles	411	411	407
Jute	387	390	415
Cotton	418*	414*	404*
Rayon and silk	463*	493*	473*
Woollen	264	264	285
Metal products	375	371	343
Others	286	286	286
V. Miscellaneous:	518.6	501.8	567.4
All commodities	398.0	390.2	342.5

R=Revised * = Estimated

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Calcutta Markets

STRONG DEMAND CONTINUES
AT TEA EXPORT SALEGOOD GENERAL SUPPORT
FOR DUSTS

AT Sale No. 6, held on 16th and 17th July, export offerings consisted of 27,900 chests for which there was a strong and general demand. The best C.T.C. teas were again a very strong feature and realised high prices, while the more ordinary sorts of this description were also well supported. Medium Assams with quality, and tippy teas sold well, while good liquoring teas of all descriptions were fully firm to dearer. Small black Fannings suitable for the Middle East were several annas dearer, but the more ordinary kinds were a full 1 anna lower. Low mediums and the plainer kinds were about half to 1 anna easier, while Darjeelings met with a good demand and the most flavoury kinds were often dearer. Whole leaf grades were fully firm to dearer.

	Quotations			1955	
	Rs.			Rs.	
Clean Black Pekoe	1 15	0 to 2 0 0	3 4 0		
Plain B.P.	1 8 0	to 1 8 6	2 8 0 to 2 8 6		
Medium Assam B.P.	2 2 0	to 2 4 0	2 11 0 to 2 11 6		
Best CTC Assam B.P.	4 0 0	to 5 0 0	3 3 0 to 3 4 0		

At the Internal Sale Dust offerings amounted to 11,728 chests which included only 804 chests of Old Season's teas. There was a good general demand and once again, Middle East types and C.T.C. Assams were the strongest feature. Medium teas with good liquors were fully firm while the small powdery Assam types received good demand at 2 to 3 annas above last rates. The remaining offerings were rather irregular and declined by 1 to 2 annas, many of the plainer sorts being withdrawn.

	Quotations			1955	
	Rs.			Rs.	
Medium Doona Dust	1 6 0		2 6 0 to 2 6 6		
Medium Assam Grainy					
Dust	1 12 0		2 9 0 to 2 9 6		
Best Assam CTC Dust	3 6 0	to 3 10 0	3 0 0 to 3 2 0		

Leaf offerings comprised 341 chests of New Season's and 317 chests of Old Season's teas for which there was a fair demand at irregular rates.

SHARP INCREASE IN GRAIN
FREIGHTS

GRAIN bookings were the feature of operations last week, and sharp increases were registered. A November ship was fixed at 87s 6d St. Lawrence-U.K., compared with 77s 6d paid for July, and later in the week, the rate advanced to 98s. It is understood that a contract has been arranged for ore trading over three and a half years from Mormugao to the Continent, but details are lacking. Further vessels were chartered from the North Pacific to Karachi at the unchanged rate of \$(U.S.)24 and rice cargoes were done from Rangoon to Chittagong-Chalna at 75s to 77s 6d. Calcutta-Karachi coal has been done again at 78s and further tonnage is required for this trade. Another fixture to Alexandria was reported at 140s. Chinwangtao-Karachi, coals, is reported at 67s 6d. f.i.o. for two Japanese ships.

HIDES AND SKINS DULL

The market ruled dull and quiet. Prices showed a downward tendency. Stocks were higher than in the previous week.

Bazaar Sales

(Between 10th July and 16th July, 1956)
Cowhides: Wet salted (Ord.) 26,000 pcs. on the basis of Rs. 4-12 to Rs. 7; Wet salted (Slaughtered) 18,500 pcs. on the basis of Rs. 11-8 to Rs. 20.

Goatskins: Wet salted (Daissee, Killed) 80,800 pcs. on the basis of Rs. 150, Rs. 230 to Rs. 280 and Rs. 335 to Rs. 350; Assam-Dinajpur-Jalpaiguri 11,600 pcs. on the basis of Rs. 215 to Rs. 240; Pakur-Patna 4,100 pcs.

Bazaar Stocks
(16th July, 1956)

Cowhides: Wet salted 85,900 pcs.
Goatskins: Wet salted (Daissee, Killed) 46,000 pcs.; Assam-Dinajpur-Jalpaiguri 50,500 pcs.; Muzaffarpore - Patna - Pakur - Purneah - Kishanganj 2,24,000 pcs.

SUGAR MARKET

During the week ended 18th July, sugar sales in the Calcutta market averaged 3,000 bags daily. Arrivals a day were 3,000 bags and stocks totalled 70,000 bags. Rates for ready sugar ex-Kantapur delivery were Rs. 33-8 for ordinary grain and

Rs. 31-12 for big grain. Ex-mill delivery rates were Rs. 29-12 and Rs. 28-8 for big and small grain varieties respectively. The market tended to ease.

LINSEED IMPROVES

With better demand from crushers, chiefly for the near positions, prices have improved during the past week. Due to the very poor arrivals from various centres and the prevailing scarcity of supplies, the turnover has been very poor, although buyers have been showing some interest chiefly for the near positions. The oil section, while displaying a somewhat better tone, remained rather dull and no parity existed between local and overseas prices. Latest quotations were as follows: Ready Rs. 21-12 a maund and July-August Rs. 22 a maund.

SHELLAC MARKET STEADY

During the week ended 17th July, the market was quiet at the beginning, and steady at the close. The range of quotations was as follows:

Pure Buttonlac	Rs. 142 value, 138 buyers, 139 done.
Lemon No. 1 Shellac	Rs. 140 buyers, 140 done, 138 buyers, 140 buyers.
Lemon No. 2 Shellac	Rs. 137 done, 135, 133, 135 buyers.
F. O. Std. 1 Shellac	Rs. 122-8, 123-8, 130 buyers.
Pure TN Shellac	Rs. 128, 123, 125 basis, done and buyers.
4% I.T.N. Shellac	Rs. 119-8, 116-8, 118-8 buyers.
No. 1 Kusmi Seedlac	Rs. 126-8, 123-8, 127 value.
No. 2 Kusmi Seedlac	Rs. 122-8, 119, 122-8 value.
Fine Bysaky Seedlac (Manbhumi)	Rs. 120 done, 116 buyers, 117/119 done and buyers.
Fine Bysaky Seedlac (C.P.)	Rs. 117, 114, 116-8 buyers.
Ordinary Bysaky Seedlac (C.P.) under 5%	Rs. 113 done and buyers, 109, 110-8 buyers.
Ordinary Bysaky Seedlac (C.P.)	Rs. 110 done and buyers, 105-8, 106-8 buyers.
Kireelac	Rs. 54-8 to 52 value, 50 buyers.

Shipment during July until the 14th were 12,990 packages comprising shellac 8,715 packages, seedlac 2,401 packages, buttonlac 497 packages and others 1,377 packages.

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COMPANY AND PUBLIC NOTICES

THE CENTRAL BANK OF INDIA, LIMITED.
NOTICE.

NOTICE is hereby given that the Share Transfer Books of the Bank will be closed from Monday the 6th August, 1956 to Thursday the 23rd August, 1956, (both days inclusive).

By Order of the Board,
N. K. KARANJIA,
General Manager.

Bombay, 16th July, 1956.

N.B.—Warrants for the Ad-Interim Dividend for the half-year ended 30th June, 1956 on both Ordinary and Ordinary 'A' Shares will be posted to the Shareholders to their registered addresses on and after the 24th August, 1956. Intimation of any change of address should be given to the Bank immediately.

THE SAMNUGUR JUTE FACTORY,
COMPANY, LIMITED

THE Directors of this Company regret that they are unable to recommend payment of an interim dividend on ordinary shares for the year ended 31st December, 1956. The Directors have declared on the preference shares the dividend at the rate of 6% per annum for the half-year ended 30th June, 1956. This dividend will be paid on 1st August, 1956 less income tax at 8/6d per £ and the Transfer Register will be closed from 21st July to 1st August, 1956, both days inclusive.

P. WILLIAMS,
Secretary.

Dundee, 13th July, 1956.

THE TITAGHUR JUTE FACTORY COMPANY,
LIMITED

THE Directors of this Company regret that they are unable to recommend payment of an interim dividend on ordinary shares for the year ended 31st December, 1956. The Directors have declared on the preference shares the dividend at the rate of 6% per annum for the half-year ended 30th June, 1956. This dividend will be paid on 1st August, 1956 less income tax at 8/6d per £ and the Transfer Register will be closed from 21st July to 1st August, 1956, both days inclusive.

P. WILLIAMS,
Secretary.

Dundee, 13th July, 1956.

THE CALCUTTA ELECTRIC SUPPLY
CORPORATION LIMITED
(Incorporated in England)

NOTICE is hereby given that the Board of Directors of this Company have declared payment of an Interim Dividend on the Company's Preference Stock at the rate of £2-3-9 per cent net for the year ended 31st December, 1956. Payment will be made on 15th August, 1956 to those stockholders whose names are registered in the Company's Stock Register on 3rd August, 1956.

Applications for transfers received in this office before 12 O'clock noon on Friday, the 3rd August, 1956, will, if otherwise satisfactory, be registered at that date for the purpose of participation in the above Dividend.

By Order of the Board,
F. W. ACHESON,
Actg. Agent.

Victoria House,
Calcutta, 10th July, 1956.

THE VICTORIA JUTE COMPANY, LIMITED

THE Directors of this Company regret that they are unable to recommend payment of an interim dividend on ordinary shares for the year ended 31st December, 1956. The Directors have declared on the preference shares the dividend at the rate of 6% per annum for the half-year ended 30th June, 1956. This dividend will be paid on 1st August, 1956 less income tax at 8/6d per £ and the Transfer Register will be closed from 21st July to 1st August, 1956, both days inclusive.

P. WILLIAMS,
Secretary.

Dundee, 13th July, 1956.

Internationally famous British Company of enamelled holloware manufacturers invite enquiries from interested concerns of sound financial position for setting up a modern mass production factory in India to produce enamelled ware using their own unique method. Please reply Box No. 4785, C/o Capital (Private) Ltd., Post Box No. 14, Calcutta-1.

COMPANY MEETINGS AND DIVIDENDS
DECLARED OR PROPOSED

Name of Company	Date	Hour L.S.T.
United Flour Mills Co. Ltd.	25-7-56	4 p.m.
Presidency Jute Mills Co. Ltd.	30-7-56	3 p.m.
United Provinces Sugar Co. Ltd.	31-7-56	3 p.m.
Fort Gloster Jute Mfg Co. Ltd.	31-7-56	3-40 p.m.
Investment & Finance Co. Ltd.	3-8-56	11 a.m.
General Investment & Trust Co. Ltd.	3-8-56	11-5 a.m.
Karanpura Development Co. Ltd.	4-8-56	10 a.m.
Bareilly Electricity Supply Co. Ltd.	16-8-56	11 a.m.
Saugor Electricity Supply Co. Ltd.	16-8-56	11-10 a.m.
Upper Ganges Valley Electricity Supply Co. Ltd.	20-8-56	11 a.m.
Balmer Lawrie & Co., Ltd.	20-8-56	Noon.

DIVIDENDS DECLARED OR PROPOSED.—Jeewan-

lal (1929) Ltd.—Nil. East India Clinic Ltd.—Nil. Alliance Assurance Co., Ltd.—2s per share (f) i Pullan-gode Rubber & Produce Co., Ltd.—15 p.c. (o). Madura Insurance Co., Ltd.—7½ p.c. (o). Haileyburia Tea Estates Ltd.—15 p.c. (o) (f). United Flour Mills Co., Ltd.—12½ p.c. Fort Gloster Jute Manufacturing Co., Ltd.—7½ p.c. (o). Miamallay Tea Estates, Ltd.—25 p.c. (o). Cawnpore Textiles Ltd.—Annas Four per share. Attock Oil Co., Ltd.—2s 4d per £1 unit of Stock (f). Investment & Finance Co., Ltd.—3½ p.c. (o). Bareilly Electricity Supply Co., Ltd.—3 p.c. Presidency Jute Mills Co., Ltd.—2½ p.c. (o). New Manbhoom Coal Co., Ltd.—Nil. Karanpura Development Co., Ltd.—Re. 1 per share (o). General Investment & Trust Co., Ltd.—3½ p.c. (o). Concord of India Insurance Co., Ltd.—Re. 1 per share.

O.—Ordinary Dividend. In.—Interim Dividend.
P.—Preference Dividend. I.—Less Income Tax.
P.O.—Preferred Ordinary Dividend. F.—Final Dividend.
D.—Deferred Dividend. C.—Cumulative.
† Less Tax at 8s 6d in the £.

LIGNITE DEPOSITS IN WESTERN KUTCH

The Geological Survey of India has struck lignite in western Kutch, according to reports. Total lignite reserves in this region are estimated at 22 million tons. Deposits have been located at Barandra, Jhulrai, Umarsar and Lefri. In the Umarsar-Lefri region, lignite seams are said to extend over a six-mile area. Official investigating teams are still carrying out boring operations at Umarsar and Lefri.

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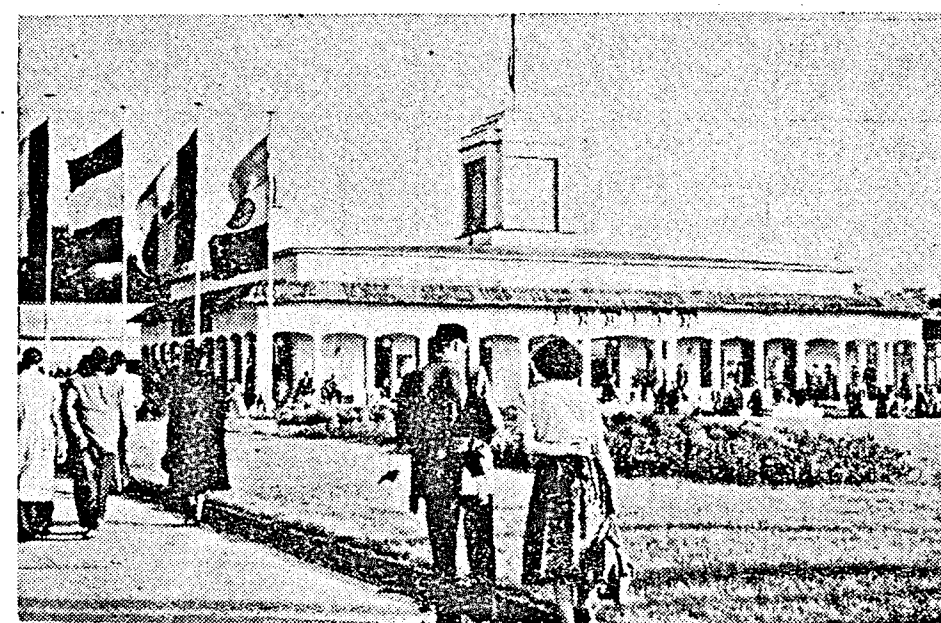
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23, CURZON ROAD, NEW DELHI.

Branch Offices: Bombay:- Mistry Bhavan, 122, Dinshaw Wacha Road. Calcutta:- Faraday House, P-17, Mission Row Extension.

JOINT STOCK COMPANIES PREFERENCE SHARES

Dividends are cumulative and shares carry a preferential claim on the profits for the payment of capital and on the profits for dividend except in case of companies marked otherwise. Months against names of companies indicate approximately times of payment of dividends.

Year of Issue	NAMES	Amount issued in 100's	Rate per cent	Paid-up per Share	Market Quotations		Year of Issue	NAMES	Amount issued in 100's	Rate per cent	Paid-up per Share	Market Quotations	
					18-7-56	A year ago						18-7-56	A year ago
		Rs.		Rs.	Rs.	Rs.			Rs.		Rs.	Rs.	Rs.
BANK.													
1901	Allahabad Bank (May Nov.)	15.00	6	100	120	132	1920	Birds' Investments (Dec.)	24.00	5 1/2	100	78 1/2	80 1/2
COAL.													
1905	Bengal Nagpur (Feb Aug.)	11.25	7	100	105	118	1905-99	Bombay Steam Navigation (July)	15.00	5 1/2	100	152 1/2	15
1899-01	Borra (June Dec.)	4.00	6 1/2	100	110	119	1903-05	Britannia Biscuit (Feb Aug.)	15	8	100	153 1/2	11 1/2
1901-20	Durrakur (June Dec.)	22.98	7	100	109	125	1903-11	British Lloyds Corporation (Feb.)	81.00	8	100	126 1/2	137 1/2
1899	Durrakur (June Dec.)	4.50	5 1/2	100	73	84	1903-11	Burn Eng. (1st & 2nd) (Feb Aug.)	13.00	6	100	138	145
1895	Equitable (May Nov.)	4.00	6	100	108	120	1906	Burn Engineering (Feb Aug.)	15.00	6	100	121	124 1/2
1931	Khas Kajora (Mar Sept.)	1.93	5	10	5	2	1938	Calcutta Electric Supply (Mar Sept.)	21,900	5	100	111 1/2	112 1/2
1920	New Beerhoom (Jan July)	2.00	7	100	12	13	1905-24	Calcutta Silk Manufacturing (July Jan.)	2.00	6	100	55	60
1898-99	Jindal (June Dec.)	2.00	6 1/2	100	110	113	1904	Calcutta Tramways (Jan July)	2,250	5 1/2	100	101	104
COTTON MILLS.													
1906	Ahmedabad Advance (Apr. Oct.)	10.00	8	100	110	110	1945	Carew & Co (January)	8.00	6	100	137	143
1894	Bangalore (Jan July)	5.00	8	100	125	128 1/2	1945	Cannore Sugar Works (Feb Aug.)	5,000	6	100	59	63
1938	Basanti (Oct.)	5.00	8 1/2	100	8	8	1945	Chrestien Mica Industries Ltd.	30,00	5 1/2	100	99	94
1896	Bengal-Nagpur (Apr. Oct.)	3.00	7	100	99	116	1937	Dacca Electric Suply (July)	6,000	6	100	100	100
1900	Bowreah "A" (Apr. Oct.)	3.00	8	100	126	135	1937	Daimia Cement (Bharat)	3,500	6	100	100	100
1900	Bowreah "B" (B) (1) (Apr. Oct.)	3.00	8	100	126	135	1945	Daimia Cement (Bharat)	2,372	6	100	133	133
1919	Bradbury "B" (Jan. Dec.)	14.75	7	250	324 1/2	324 1/2	1946	Delhi Flour Mills (Oct.)	15,000	6	100	102	104
1920	Buckingham & Carnatic (Jan July)	21.30	7 1/2	100	144	139	1946	Deshnagar Power Supply "A" (Jan.)	12,000	4 1/2	100	93	91 1/2
1928	Cambodia (July)	1.00	7	100	122 1/2	125	1946	Deshnagar Power Supply "B" (Jan.)	45,000	4 1/2	100	64	72 1/2
1912	Central India (Apr. Oct.)	50.00	5	500	531 1/2	531 1/2	1926	Duncan Brothers & Co. Ltd.	40,000	6	100	125	126
1908	Delhi Cloth & General (Oct.)	20.00	4 1/2	25	20	20	1928-29	Dunlop Rubber "First" (Jan July)	30,000	6	100	96	101
1912	Elgin (May Nov.)	11.00	8	100	135 1/2	143	1897	Dunlop Rubber "Second" (Apr.)	40,000	6 1/2	100	17 1/2	17 1/2
1943	Elgin "B"	5.00	8	100	135 1/2	143	1928	East India Distilleries (Jan July)	2,200	7	100	100	100
1919	Elphinstone (May Nov.)	25.00	7 1/2	100	87 1/2	87 1/2	1897	Eastern Investments Ltd (Apr.)	2,500	5 1/2	100	100	100
1919	Kesoram (June Dec.)	20.00	7	100	130	133	1946	General Investment & Trust (Feb Aug.)	1,000	5	100	75	77 1/2
1925	Khatav Makani (Nov.)	10.00	6	100	88	88	1946	General Investment & Trust (Feb Aug.)	1,000	5	100	75	77 1/2
1937	Kothari (Nov.)	12.00	6	100	103	104	1946	Gillanders Arbuthnot (Apr. Oct.)	2,500	5 1/2	100	68	73
1900	Mul (Feb Aug.)	30.00	8	100	87	89	1946	Gladstone Lysal & Co. Ltd.	15,000	5 1/2	100	66	66
1913	New Great Eastern (Mar.)	3.00	8	100	18 1/2	18 1/2	1946	Godfrey Phillips India Ltd.	30,000	5 1/2	100	69	64 1/2
1920	New Victoria (Apr. Oct.)	26.05	8	5	5 1/2	3 1/2	1946	Gwalior Sugar (Redeemable) (Dec.)	6,750	7	100	68	66
1933	Palani Andavar (Mar.)	2.00	7	50	58 1/2	58 1/2	1940	Gwalior Sugar (Dec.)	5,000	7	100	68	66
1935	Swadeshi (Bombay) (May)	15.00	5	100	115	115	1940	Humayan Properties Ltd (Nov.)	12,000	6	100	10	10 1/2
1927	Swadeshi (Cawnpore) (Mar.)	35.00	6	100	92	84 1/2	1936	Indian Aluminium (Mar Sept.)	40,000	5 1/2	100	86	71
1931	Vasanta (Apr. Oct.)	3.00	6 1/2	100	113	120	1945	Indo Burma Petroleum (Jan July)	50,000	7 1/2	100	108 1/2	103
1908	Vishnu (Apr.)	16.00	7	500	550	550	1927	India General Navy & Railways	2,244	6	100	85	78
JUTE MILLS.													
1927	Agarpara (Jan July)	10.00	7	100	112	112	1899	Indian Cable Co (Nov.)	12,880	6	100	33 1/2	27
1905	Alexandra (Feb Aug.)	9.00	7	100	100	106	1923	Indian Standard Wagon (Aug or Sept.)	1,966	7	100	140	142 1/2
1896	Alliance (Mar Sept.)	15.00	7	100	96	100	1926	Investment and Finance (Feb Aug.)	2,695	5	100	108 1/2	108 1/2
1917	Anglo-India (May Nov.)	40.00	7	100	111	121 1/2	1935	Investment and Finance (Feb Aug.)	2,000	6 1/2	100	75	77 1/2
1908	Auckland (July Jan.)	10.00	5 1/2	100	90	96 1/2	1945	James Wright (Jan July)	1,300	6	50	41	38
1945	Auckland (July Jan.)	15.00	4 1/2	100	72	76	1937	Jardine Henderson Ltd.	50,000	5 1/2	100	71	78 1/2
1918	Bally (Jan July)	20.00	7 1/2	100	108	117 1/2	1946	Jessop & Co.	10,000	5	100	102	105 1/2
1896	Barnagore (Oct Dec.)	2,200	5 1/2	100	40 1/2	46	1945	Jupiter General Insurance (Sept.)	4,990	5 1/2	100	10	10
1906	Belvedere (Jan July)	2,200	5 1/2	100	111 1/2	111 1/2	1916	Kumardhubi Engineering (June)	12,000	5	100	103	108
1940	Bengal (June Dec.)	10.00	5 1/2	100	101	106	1916	Do Fireclay & Silica (June)	2,000	7	100	116	116
1919	Birla (June Dec.)	23.64	7 1/2	100	101	106	1915	Martin Burn Ltd.	30,000	5	100	104 1/2	105 1/2
1896	Budge-Budge (May Nov.)	9.00	7	100	111	120	1915	McLeod & Co.	10,000	5 1/2	100	69	75
1934	Calcutta (Jan July)	6.00	6 1/2	100	85	84	1946	McLeod & Co.	10,000	5 1/2	100	69	75
1919	Caledonian (June Dec.)	10.00	7	100	118	118	1930	Mettur Chemical & Industrial (Sept.)	40,000	5	100	96	98 1/2
1919	Cheviot (June Dec.)	10.00	7	100	111	118	1936	Metall Box Co of India Ltd.	30,000	5 1/2	100	96	97
1928	Chitavalah (Mar Dec.)	5.00	7	100	111	118	1949	Midnapore Zemindary (Feb.)	8,750	5	100	92	92
1900	Clive (First) (May Dec.)	8.00	6	100	110	113	1938	Mysore Chemical Mfg (Sept.)	2,000	5	100	9 1/2	8 1/2
1905	Clive "A" (Second) (May Dec.)	8.00	7	100	101	105	1930	National Insulated Cable	10,000	5 1/2	100	70	70
1903-12	Dalhousie (July Jan.)	15.00	7	100	108	117	1942	National Tobacco (Jan Dec.)	25,000	5	100	70	81
1897	Delta (June Dec.)	5.00	5	100	93	94	1944	National Tobacco (Jan Dec.)	25,000	4 1/2	100	70	70
1912	Empire (Jan July)	10.00	7	100	93	94	1946	Northern India Oil (Jan July)	2,000	6	100	48	56
1899-00	Fort Gloster (Jan July)	10.00	7	100	110	115	1936	Poona Electric Supply Co. Ltd. (June Dec.)	4,000	7	100	103 1/2	103 1/2
1948	Fort Gloster (2nd)	10.00	7	100	110	115	1935	Premier Construction "First" (Apr.)	10,000	6 1/2	100	104	104
1911	Fort William (May Nov.)	7.00	5	100	118	118	1936	Premier Construction "Second" (Apr.)	15,000	6 1/2	100	104	104
1916	Janges (June Dec.)	10.00	7	100	115	128 1/2	1936	Purampur (Sugar) (Oct.)	6,000	10	100	15 1/2	16
1895-04	Jourapore (June Dec.)	25.00	8	100	101	130	1936	Ramnagar Cane & Sugar (Aug.)	4,000	6	100	99 1/2	103 1/2
1935	Hastings (Aug Feb.)	28.50	6	100	99 1/2	105	1933-36	Rathas Industries (April)	20,000	7	100	121 1/2	139
1913	Hooghly (July)	11.00	10	10	100	100	1936	Rathas Industries "B" (Apr.)	86,000	4 1/2	100	64	69
1890	Howrah (Jan July)	5.75	7	100	113	123	1944-46	Shaw Wallace & Co. Ltd.	75,000	6 1/2	100	84 1/2	84 1/2
1903-06	Howrah "A" (Jan July)	17.50	7	100	108	118	1946	Shree Gopal Paper	7,500	6 1/2	100	125	125
1898-04	Kamarkhaty (Apr. Oct.)	40.00	7	100	102	105	1947	Shree Krishna Gyanoddyat Sugar "A" (Oct.)	12,000	6	100	89	100
1900	Kankannar (Apr. Oct.)	10.00	6	100	102	105	1936-3	Shree Krishna Gyanoddyat Sugar "B" (Oct.)	12,000	6	100	89	100
1935	Kedarnath (Jan July)	2.00	6	100	102	105	1906	Shree Krishna Gyanoddyat Sugar "C" (Oct.)	12,000	6	100	89	100
1907	Kelvin (Mar Sept.)	10.00	6	100	95	90	1933	Shree Krishna Gyanoddyat Sugar "D" (Oct.)	12,000	6	100	89	100
1895-09	Khardab (May Nov.)	10.00	6	100	110	120	1936	Shree Krishna Gyanoddyat Sugar "E" (Oct.)	12,000	6	100	89	100
1900-11	Kinnison (July Jan.)	9.00	6	100	106	106	1923	Shree Krishna Gyanoddyat Sugar "F" (Oct.)	12,000	6 1/2	100	89	100
1910	Landsdowne (July Jan.)	15.00	7	100	111	119	1936	Shree Krishna Gyanoddyat Sugar "G" (Oct.)	12,000	6	100	89	100
1912	Lawrence "A" (July Jan.)	15.00	7	100	110	119	1937	Shree Krishna Gyanoddyat Sugar "H" (Oct.)	12,000	6	100	89	100
1906-07	Lawrence "B" (July Jan.)	10.00	7	100	110	119	1928	Shree Krishna Gyanoddyat Sugar "I" (Oct.)	12,000	6	100	89	100
1905	Naihati (July Jan.)	10.00	7	100	90	94	1910	Shree Krishna Gyanoddyat Sugar "J" (Oct.)	12,000	6	100	89	100
1917	Nallimarla (May Nov.)	10.00	4 1/2	100	78	76	1906	Shree Krishna Gyanoddyat Sugar "K" (Oct.)	12,000	6	100	89	100
1939	Nellimarla (Apr. Oct.)	5.00	7	100	119	126	1946	Shree Krishna Gyanoddyat Sugar "L" (Oct.)	12,000	6	100	89	100
1915	New Central (Jan July)	3.00	6	100	101	104	1918	Shree Krishna Gyanoddyat Sugar "M" (Oct.)	12,000	6	100	89	100
1908-19	Northbrook (July Jan.)	33.00	7	100	106 1/2	116	1914	Shree Krishna Gyanoddyat Sugar "N" (Oct.)	12,000	6	100	89	100
1935	Rameshwara (Jan July)	7.00	6	100	105 1/2	116	1914	Shree Krishna Gyanoddyat Sugar "O" (Oct.)	12,000	6	100	89	100
1906-12	Reliance (Jan July)	20.00	7	100	100	115	1937	Shree Krishna Gyanoddyat Sugar "P" (Oct.)	12,000	6	100	89	100
1901	Sammugger (Feb Aug.)	21.50	7										

COAL COMPANIES

O. P. F. and Dd. Indicate Ordinary Preferred Ordinary Founders' and Deferred shares respectively. P. next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent	Paid-up per share	Latest Market Quotations as available until
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1953 1954 1955	Rs.	18-7-56 11-7-56 A year ago
25,50,000	26,43,473	24,50,000	6,60,570	Amalgamated	3-9	236	6,83,393	26,953	5-5 31-5 61-71	200	22 1/2 23 1/2 24 1/2
1,00,00,000	1,96,15,288	1,40,49,223	18,85,659	Bengal P	4-10	2	26,18,986	7,31,563	81-71 71-71 81-81	200	53 1/2 53 1/2 52 1/2
4,49,350	3,08,193	70,000	2,24,303	Bengal Bhatdee	6-12	2	15,149	4,951	11-11 11-11 11-11	10	6 1/2 6 1/2 6 1/2
2,25,000	2,52,838	5,34,591	13,809	Bengal Nagpur P	6-12	2	16,266	57,417	Nil-Nil Nil-Nil	10	16 1/2 16 1/2 11 1/2
15,97,000	14,16,665	6,91,475	13,52,076	Bhalgorah	9	152	81,899	39,978	61 61 61	10	6 1/2 6 1/2 7 1/2
40,00,000	68,01,474	20,23,235	32,85,320	Bharat Collieries P	6	335	2,52,221	27,433	61 61 61	10	13 1/2 13 1/2 13 1/2
15,71,904	15,71,904	14,27,545	68,818	Bhulanbarah	6-12	106	16,332	1,43,383	Nil-Nil Nil-Nil	10	12 1/2 12 1/2 15 1/2
16,00,000	38,97,275	15,18,636	7,185	Bokaro & Ramgur	6-12	315	1,21,636	79,196	15-12 10-10 10-10	10	22 1/2 23 1/2 29 1/2
7,50,000	18,56,889	24,29,026	11,60,066	Borra P	6-12	106	2,14,682	84,207	11-21 21-31 31-31	10	13 1/2 13 1/2 14 1/2
90,92,430	2,38,29,968	1,75,17,502	25,32,133	Burrakur P	6-12	21	11,90,330	1,15,376	11-21 21-31 31-31	10	13 1/2 13 1/2 14 1/2
49,97,000	35,80,075	750	1,75,962	Central India	3	166	1,33,037	14,019	21 21 21	10	12 1/2 12 1/2 11 1/2
8,00,000	16,67,573	13,30,519	15,752	Central Kurkend P	6-12	323	34,743	62,768	31-31 31-31 31-31	4	2 1/2 2 1/2 3 1/2
6,00,000	1,47,576	7,32,536	7,32,536	Churulia	6-12	106	5,374	2,129	11-11 11-11 11-11	10	7 1/2 7 1/2 8 1/2
16,00,000	23,76,131	1,20,000	33,989	Chemo Main	6-12	19	70,801	2,43,279	Nil-Nil Nil-Nil	10	8 1/2 8 1/2 9 1/2
2,240,000	2,234,668	2,380,653	2,374,456	East India	4	128	2,137,640	2,59,767	181 181 181	21	30 1/2 31 1/2 31 1/2
29,63,760	1,02,83,132	76,84,250	21,79,507	Equitable P	6-12	19	5,71,573	93,266	10-81 71-71 71-71	10	30 1/2 30 1/2 33 1/2
10,00,000	6,74,708	2,07,486	3,32,973	Ghusick & Muslia	3	307	12,979	24,844	10-81 71-71 71-71	10	17 1/2 17 1/2 17 1/2
6,50,000	5,06,856	33,155	4,95,544	Guzdar Kajora	6-12	20	24,150	2,401	71-71 71-71 121-121	10	31 1/2 31 1/2 29 1/2
8,00,000	2,81,843	5,09,694	5,09,694	Kauriladih	6-12	19	2,58,582	45,002	71-71 71-71 121-121	10	31 1/2 31 1/2 29 1/2
3,50,000	6,31,200	5,66,816	1,407	Kalaphari	2-8	2	1,38,130	2,21,237	171-10 Nil-Nil Nil-Nil	10	20 1/2 20 1/2 19 1/2
5,00,000	31,73,485	27,32,396	14,48,796	Karapura Development	6-12	21	19,875	30,704	Nil-Nil Nil-Nil	100	22 1/2 22 1/2 19 1/2
20,00,000	25,67,864	2,27,825	75,106	Karapura Collieries P	2	21	2,33,402	2,661	Nil Nil Nil	100	124 124 125
5,00,000	10,29,548	16,00,000	11,25,332	Katras Jheriah	1-7	2	5,92,347	1,37,475	20-20 28-28 25-30-35	10	60 1/2 58 1/2 53 1/2
1,38,400	6,75,000	95,000	11,80,294	Khas Kajora P	6-12	326	49,776	1,918	Nil Nil Nil	10	9 1/2 9 1/2 9 1/2
5,65,750	10,84,977	85,000	9,560	Mundulpur	6-12	326	79,868	79,868	Nil-Nil Nil-Nil	10	21 3 3 1/2
7,48,240	2,62,442	1,50,000	5,04,429	Nazira	12	347	82,501	25,598	5 5 5	10	7 7 7 1/2
7,00,000	5,13,418	26,517	61,941	New Bansdeopur	3-9	5	59,011	6,071	31-31 31-31 71-71	10	10 10 6 1/2
37,76,230	31,15,787	20,01,763	3,78,538	New Barambora P	4-10	2	2,64,716	94,383	31-31 31-31 71-71	10	20 20 21 1/2
6,00,000	12,34,425	15,500	69,929	New Manbhoom	3-9	202	36,426	36,426	Nil-Nil Nil-Nil	10	11 1/2 11 1/2 10 1/2
2,50,000	7,69,623	87,000	10,12,916	North Damuda	1-7	306	7,954	32,184	Nil Nil Nil	2 1/2	21 21 2 1/2
1,57,500	4,51,490	2,55,193	90,055	North West	3-9	2	29,656	14,968	21-Nil Nil-Nil 61-71	10	19 19 18 1/2
7,50,000	1,20,000	12,19,987	23,26,757	Ondal P	6-12	106	22,197	56,646	10-10 5-5 5-5	10	15 1/2 15 1/2 18 1/2
8,34,000	9,21,342	10,862	4,38,015	Parasea P	6-12	207	1,08,075	8,018	14-Nil 31-31 31-31	10	14 1/2 14 1/2 10 1/2
15,75,000	12,40,000	16,00,000	12,21,654	Pench Valley	3-9	236	41,840	33,343	71-81 61-71 71-71	10	22 1/2 22 1/2 23 1/2
2,50,000	2,62,405	7,500	11,530	Pure Sitalpur	6-12	5	2,008	18,581	Nil-Nil Nil-Nil	10	6 1/2 6 1/2 3 1/2
23,99,500	37,59,038	19,17,105	39,198	Raneegunge	3-9	79	1,83,814	16,846	Nil-Nil 21-21 21-31	10	13 1/2 13 1/2 12 1/2
13,50,000	7,63,001	8,53,385	12,13,452	Rewa	6-12	236	2,76,942	28,521	10-10 71-61 81-81	10	22 1/2 22 1/2 19 1/2
20,00,000	23,74,261	7,52,027	1,01,427	Samla	12	48	1,00,660	31,543	21-21 71 71	10	14 1/2 14 1/2 11 1/2
1,25,000	1,57,243	2,52,664	2,20,212	Seaspore	1	353	1,05,156	21,070	25 25 30	2 1/2	7 7 12 1/2
2,80,000	10,92,193	8,36,598	7,87,726	Seebore P	6-12	2	2,42,112	49,299	142-142 142-142 176-176	7	29 29 28
8,00,000	23,624	5,29,306	6,32,757	Sendra	6-12	106	4,098	7,503	Nil-Nil Nil-11 11-11	10	11 1/2 11 1/2 10 1/2
17,50,000	22,81,985	10,75,016	63,654	South Karanpura	2-8	21	59,079	51,533	11-11 Nil-11 11-11	10	9 1/2 9 1/2 12 1/2
8,00,000	1,43,000	13,69,395	21,89,890	Standard	6-12	106	47,444	17,347	10-10 71-71 5-5	10	25 1/2 25 1/2 20 1/2
10,00,000	15,58,085	15,075	3,910	Talcher	9	277	22,689	3,85,056	Nil Nil Nil	2 1/2	31 31 41
3,50,000	4,66,000	3,53,000	8,176	Union	6-12	279	4,033	44,167	10-71 6-21 21-21	10	14 1/2 14 1/2 18 1/2
49,98,000	30,14,812	21,550	4,20,397	Western Bengal	3	166	3,99,468	37,694	31 31 5	10	6 1/2 6 1/2 7 1/2
7,00,000	32,55,152	1,38,190	40,060	West Jamuria	6-12	19	1,31,849	1,22	Nil-Nil Nil-Nil Nil-11	10	11 1/2 11 1/2 14 1/2

* 1956.

N = Nominal

COTTON MILLS

Paid-up Capital Ordinary	Number of		Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent			Paid-up per Shares	Latest Market Quotations as available until		
	Spindles	Looms									Rs.	Rs.	Rs.		1953	1954	1955
Rs.			Rs.	Rs.	Rs.				Rs.	Rs.				Rs.			
15,00,000	14,108	356	14,62,919	1,73,478	11,90,008	Basanti P	12	49	1,97,268	41,227	2 1/2	..	..	10	6	6	5 1/2
32,72,340	22,197	505	27,69,676	23,18,909	24,551	Benares P	3-9	120	1,27,187	4,79,347	..	..	..	10	1 1/2	1 1/2	1 1/2
7,11,230	36,000	932	17,17,120	2,20,369	30,842	Bengal Luxmi	3	27	3,66,176	47,818	..	..	..	40	38	38	40
27,00,000	31,476	624	23,53,000	1,55,000	3,84,224	Bengal Nagpur P	6-12	236	5,23,389	18,109	2 1/2	Nil	Nil	10	9 1/2	9 1/2	10 1/2
15,00,000	38,764	992	31,35,500	1,09,84,251	21,32,642	Birla Cotton	3	22	5,28,332	4,25,221	30	30	30	10	30 1/2	95	80
6,00,000	42,672	641	37,54,142	22,72,588	1,44,948	Bowreah P	6-12	138	84,028	23,47,373	Nil-Nil	Nil-Nil	Nil-Nil	100	169	168	364
30,00,000	22,000	510	7,72,303	25,93,976	3,30,062	Cawnpore Textiles	3	25	2,93,259	29,514	1 1/2	10	Nil	5	9	9	10
3,27,02,900	1,01,808	2,762	9,94,63,168	2,74,48,393	2,94,83,803	Delhi Cloth & Genl. P.	6	238	1,81,41,278	82,759	7	9	9	25	37 1/2	37 1/2	31 1/2
1,00,563	42,944	518	34,12,181	25,71,925	1,53,884	Dunbar	6-12	138	9,92,376	1,37,951	Nil-Nil	Nil-Nil	Nil-Nil	100	300	300	235
63,00,000	54,000	1,200	22,44,751	66,33,360	43,05,583	Elgin P	9	25	32,80,404	93,386	15	10	10	10	18 1/2	18 1/2	17 1/2
1,20,00,000	99,250	1,872	2,38,99,575	1,00,53,952	47,29,288	Kesoram P	3	22	37,41,719	2,45,435	1 1/2	8 1/2	8 1/2	20	18 1/2	18 1/2	17 1/2
6,00,000	35,864	864	17,48,143	9,75,679	74,08,655	Mohini P	12	45	9,53,316	5,158	..	..	..	25	..	..	..
33,96,288	88,000	1,825	47,44,546	52,19,601	92,65,055	Muir P	12	208	18,77,941	7,77,290	..	..	..	100	88	88	118
22,99,882	78,848	1,367	43,25,577	26,00,968	1,45,701	New Victoria P	12	237	18,83,371	13,76,473	Nil	..	..	210	2 1/2	2 1/2	9 1/2
19,47,750	23,196	795	22,57,946	18,38,739	2,02,179	Rampooria Cotton	6	4	6,16,936	1,094	6	6 1/2	..	1Dd	11 1/2	11 1/2	12 1/2
5,00,000	1,14,836	2,077	2,83,77,688	2,65,04,931	32,30,412	Swadeshi (Cawnpore) P.	12	333	43,71,838	7,09,029	5	7 1/2	7 1/2	100	11 1/2	11 1/2	8 1/2
1,57,50,000	Po										9	11 1/2	11 1/2	10Po	11 1/2	11 1/2	9 1/2
40,50,000	48,754	1,310	91,31,708	1,89,73,217	43,89,979	Bangalore W. C. Silk P.	12	26	56,34,938	2,38,649	25	30	30	100	58 1/2	575	475
1,78,47,800	1,20,012	2,770	3,20,71,600	2,87,39,278	23,80,514	Buckingham Carnatic P.	12	26	1,01,66,075	2,38,445	10	10	10	100	207 1/2	203	171 1/2
20,00,000	28,000	..	18,03,003	20,32,074	11,26,239	Cambodia P.	12	210	1,96,274	27,593	7 1/2	Nil	5	10	15	14 1/2	12 1/2
12,00,000	23,864	..	641,058	93,00,000	36,53,502	Coimbatore Cotton	12	188	6,53,750	61,404	..	..	..	50	100	375	296 1/2
20,76,900	72,832	407	47,91,212	36,53,502	61,404	Coimbatore Spg & Wvg.	6	46	7,52,342	10,23,340	Nil	..	..	100	110	60	72
6,50,000	50,640	295	12,25,505	17,90,000	58,77,434	Kaleeswarar	12	139	2,05,780	7,677	..	..	..	100	332 1/2	332 1/2	320
24,00,000	30,512	200	32,28,868	16,25,000	74,457	Kothari Textile P.	6	141	3,25,924	29,382	5	5	10	10	17 1/2	17 1/2	13 1/2
23,64,000	48,756	..	15,01,051	21,70,200	78,050	Lakshmi	12	186	31,41,248	2,209	..	..	..	50	240	228	156 1/2
1,75,02,480	4,65,324	..	2,15,02,107	41,39,878	31,04,681	Madura	12	108	77,86,500	18,86,813	20	20	20	16	52	51	48 1/2
12,00,000	21,856	..	8,43,189	9,85,363	10,32,898	Malabar Spg & Wvg.	12	240	5,85,193	94,039	..	..	..	200	115	115	120
60,00,000	24,252	603	20,49,893	69,00,000	1,19,91,755	Mettur Industries	3	29	48,48,082	45,895	22 1/2	35	42 1/2	100	532 1/2	532 1/2	353 1/2
13,61,780	6,000	..	14,15,992	8,90,279	1,34,663	Mysore Spun Silk	3	142	1,753	3,986	Nil	Nil	..	10	7 1/2	7 1/2	4
4,00,000	20,137	Nil	8,36,008	5,00,000	24,24,908	Palani Andavar P.	12	30	7,39,437	2,687	..	..	..	50	168	168	120
7,79,700	15,540	416	5,42,118	2,43,421	2,65,911	Sitaram Spg & Wvg.	3	164	87,724	3,363	..	..	..	60	..	..	..
7,00,000	38,104	270	12,98,563	18,23,501	11,71,224	Vasanta P.	12	47	16,37,459	..	..	..	..	100	345	335	234 1/2

TEA COMPANIES

O. Po and Dd indicate Ordinary, Preferred Ordinary and Deferred Shares, respectively. P next to the name of the company indicates that the Company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Accrue under Tea	Outturn and Average Price realised for crop				Estimate	NAMES	Accounts closed	Managing Agency	Net Profit including taxation	Dividends per cent			Latest Market Quotations as available until			
				1953		1954							1952	1953	1954	18-7-56	11-7-56	A year ago	
				Lbs.	As P.	Lbs.	As P.												Rs.
OACHAR																			
3,00,000	3,40,887	1,75,000	862	2,71,440	30-1	2,89,040	39-11	..	Arcuttipore	12	88	1,72,877	Nil	Nil	Nil	10	12	12	13
4,00,000	6,26,259	49,878	465	..	..	..	..	..	Baitakhal	12	35	43,307	Nil	..	..	10	10	10	13
10,00,000	17,71,849	8,13,800	1,480	8,01,327	31-1	8,90,263	40-10	8,19,040	Central Cachar	12	128	5,98,900	Nil	Nil	7	100	100	100	131
2,50,000	57,753	Nil	794	3,80,134	3-1	7,00,450	4-2 2/5	6,87,780	Chandypore	12	128	66,346	Nil	Nil	..	100	116	116	123
7,00,000	6,99,137	11,000	649	3,74,486	27-11	3,91,320	38-6	4,40,000	Eastern Cachar	12	202	2,48,284	Nil	Nil	Nil	10	91	91	121
12,00,000	15,40,015	11,50,000	2,150	14,44,160	27-5	17,59,320	35-0	16,00,000	Hatikihira	12	202	13,22,856	Nil	25	40	10	201	221	301
4,50,000	2,97,000	1,65,222	586	..	..	..	..	..	Kallinagar Khoreal	12	313	91,071	Nil	Nil	15	100	110	110	126
3,00,000	4,40,000	2,51,794	599-5	3,44,510	31-4	3,40,507	46-8	3,20,000	Kunchunpore	12	63	3,31,927	Nil	Nil	Nil	27	10	14	21
7,00,000	8,25,000	2,50,000	1,350	7,44,302	32-4	7,33,287	47-6	7,84,000	North Western Cachar	12	63	2,21,673	Nil	Nil	20	100	264	264	264
1,84,050	3,90,329	Nil	486-5	3,54,000	29-5	..	..	..	Pathemara, P.	12	202	1,64,444	Nil	Nil	..	10	14	14	25
2,60,000	3,90,357	3,16,592	618	4,54,160	29-7	5,04,720	36-6 4/5	5,84,000	Roopacherra	12	165	4,33,780	Nil	Nil	10	10	22	22	21
5,25,000	5,25,000	5,25,000	761	5,99,413	33-9	6,76,300	41-11	5,60,000	Rungmattee	12	63	5,73,715	Nil	Nil	20	35	104	104	144
4,00,000	6,38,316	5,52,313	662	4,74,400	28-7	4,49,336	36-7 1/5	5,20,000	Sonai River, P.	12	74	3,73,677	Nil	Nil	12	10	19	19	27
3,75,000	5,02,307	4,31,250	1,050	..	..	4,63,320	..	5,12,000	Tilakah	12	95	5,22,670	Nil	Nil	20	10	12	12	10
DARJEELING																			
3,99,750	6,89,413	4,157	562	1,19,351	33-9	1,14,311	29-11	1,44,000	Bloomfield	12	101	73,268	Nil	Nil	Nil	10	3	3	6
2,79,000	4,72,261	1,25,000	407-5	1,06,686	42-9	1,41,174	62-0	1,60,000	Chamong	12	279	1,34,209	Nil	Nil	20	10	17	17	20
3,75,000	3,75,000	3,11,928	991	..	..	..	..	..	Darj. Tea Chinchona	12	139	1,15,695	Nil	7	40	100	250	250	290
2,00,000	1,74,363	1,62,639	488	1,04,500	39-10	1,35,760	52-5	1,28,000	Ditaram	12	200	1,03,183	Nil	Nil	21	100	190	190	315
2,00,000	5,15,500	5,53,585	500	2,45,013	37-0	2,84,204	49-1	2,68,300	Guelle P.	12	74	3,24,074	Nil	Nil	25	10	31	31	21
7,00,000	6,25,000	3,10,770	1,049	5,84,332	38-0	6,53,740	58-3	6,64,000	Langta P.	12	279	8,25,171	Nil	Nil	20	50	30	30	1
10,00,000	10,57,576	11,19,000	761	10,57,576	11-18	5,26,515	48-8	5,00,000	Longview	12	63	5,73,715	Nil	10	20	13	13	16	16
4,00,000	3,67,134	3,00,000	816	3,08,526	42-4	..	..	..	Margaret's Hope	12	165	1,53,561	Nil	7	10	10	17	17	25
1,50,000	1,75,390	3,10,239	463	1,63,526	42-1	1,82,080	62-4	1,84,000	Mim	12	2	2,10,356	Nil	10	40	100	300	300	377
2,99,900	3,40,000	3,00,000	689	3,27,742	34-9	4,35,016	53-4	4,40,000	Nagri Farm	12	279	5,44,268	Nil	20	50	10	29	29	33
1,00,000	1,50,000	1,07,500	505	1,63,571	40-2	1,81,153	53-3	1,80,000	Okayti, P.	12	63	1,95,358	Nil	Nil	37	100	600	600	560
3,30,000	3,02,668	2,61,118	776	..	..	..	..	..	Pashok	12	139	852	Nil	10	30	10	28	28	21
3,00,000	2,85,000	3,73,387	509	1,47,598	35-9	1,68,697	54-5	1,76,000	Poobong	12	63	1,73,613	Nil	2	15	10	15	15	15
2,05,000	4,20,500	2,68,127	670	1,03,418	39-8	1,58,740	50-8	1,60,000	Punjabing, P.	12	74	2,02,628	Nil	Nil	10	10	15	15	15
1,40,000	1,40,000	4,77,000	341	1,72,720	40-8	1,80,720	58-0	..	Runglee Rungliot	12	63	2,83,196	Nil	17	50	100	408	408	450
3,00,000	2,60,300	71,302	399	1,64,482	39-1	1,77,704	53-2	1,60,000	Seeyok	12	63	1,99,321	Nil	2	15	10	15	15	18
6,25,000	5,98,413	1,45,9	747	1,63,185	44-4 1/5	2,05,035	47-0	2,40,000	Singell	12	113	45,941	Nil	Nil	Nil	100	38	38	65
9,00,000	9,27,823	1,46,857	683	2,36,381	35-8	2,64,390	50-4	2,80,000	Singtom, P.	12	101	2,87,270	Nil	Nil	5	100	5	5	9
3,30,000	2,89,060	2,90,000	554	2,67,892	40-9	2,69,758	60-3	2,80,000	Soom	12	279	4,43,350	5	30	50	10	36	31	32
6,25,000	11,06,947	5,74,585	332	3,30,160	37-5	3,76,300	54-5	3,90,000	Sungma	12	165	5,50,250	Nil	Nil	7	10	31	10	12
3,20,000	4,86,500	9,62,401	718	3,64,018	38-2	4,40,947	48-3	4,00,000	Teesta Valley	12	74	5,54,651	10	15	40	10	10	12	10
8,01,350	10,96,000	2,90,000	1,666	6,68,593	35-6	7,11,945	50-5	7,76,000	Tukvar	12	279	3,99,993	Nil	Nil	10	10	14	14	18
DUARS																			
45,00,000	17,66,862	34,25,000	2,540	29,22,880	32-4	30,81,690	51-2	32,00,000	Banarhat, P.	12	2	51,07,307	17	45	120	100	367	368	659
6,00,000	20,53,853	18,70,000	1,105	14,08,864	32-3	13,91,320	43-7	13,77,200	Baradighi	12	128	13,94,614	5	30	65	10	50	50	60
9,00,000	8,05,110	11,03,042	1,112	13,97,520	30-9	..	..	..	Bhatkawa	12	165	9,45,451	Nil	30	..	10	40	35	45
9,00,000	9,00,000	6,50,000	1,343-9	12,02,369	35-2	11,96,886	52-5	12,80,000	Birpara, P.	12	63	12,07,481	Nil	Nil	20	100	192	192	230
6,00,000	6,00,000	5,33,093	602	5,53,226	34-5	6,04,104	35-10	5,20,000	Carron	12	63	4,07,837	Nil	22	25	100	367	366	553
6,00,000	5,97,972	12,00,000	901	8,82,560	32-2	10,68,890	49-4	11,20,000	Choonabhatti, P.	12	2	17,59,621	Nil	25	90	100	272	272	378
3,00,000	2,16,475	2,50,000	500	4,41,707	33-4	4,01,294	43-8	4,48,000	Ellenbarrie	12	63	3,28,023	Nil	Nil	15	100	577	577	645
1,20,000	1,70,317	2,64,000	265	2,14,320	32-6	2,24,800	49-1	2,80,000	Enge	12	35	3,49,363	Nil	5	100	10	29	29	31
3,50,000	5,11,776	3,00,000	447	4,59,440	28-9	4,75,840	39-9	5,20,000	Ethelbari	12	88	4,64,619	Nil	Nil	50	10	298	298	400
5,00,000	7,38,424	5,60,000	1,253-6	9,11,840	33-7	7,62,720	47-4	7,62,720	Gairkhat	12	88	10,21,301	Nil	20	70	100	298	298	400
10,50,000	14,08,462	19,75,674	996	11,68,881	29-4	12,26,090	47-11	14,57,249	Gopapur	12	99	15,05,463	Nil	16	24	25	23	23	23
24,00,000	20,00,000	19,48,782	2,427	32,32,773	35-2	30,88,842	44-1	31,20,000	Hantapara, P.	12	63	39,77,895	2	25	60	100	303	381	477
32,00,000	52,36,329	60,63,343	4,236-5	60,95,293	32-6	63,71,277	41-11	62,96,000	Hasimara, P.	12	74	49,76,920	Nil	25	60	10	36	36	40
8,25,000	9,40,000	19,72,213	1,452	18,54,369	27-2	17,02,000	42-3	17,02,000	Hudibari	12	74	19,89,593	Nil	22	80	10	27	27	37
3,50,000	4,50,325	6,65,000	607	4,46,720	32-9	4,86,400	54-3	6,00,000	Jaybirpara	12	63	7,17,191	Nil	25	65	10	27	27	37
9,00,000	6,75,000	7,12,233	937	9,39,383	35-0	11,46,814	39-4	10,00,000	Killcot	12	63	10,39,758	Nil	20	41	10	28	28	30
2,00,000	1,21,000	3,50,000	620	5,05,247	32-8	4,73,830	45-7	..	Manabbarrie	12	217	5,69,183	Nil	10	65	100	250	250	303
9,00,000	9,60,000	12,80,223	1,125	10,53,498	33-10	11,69,538	44-5	9,60,000	Nagatsurree	12	63	13,28,501	Nil	25	40	100	367	375	695

MISCELLANEOUS COMPANIES—Contd.

O., Po., C. and Dd. indicate Ordinary, Preferred Ordinary, Contributory and Deferred Shares respectively. P. next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary		Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
Rs.	Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1953	1954	1955	Rs.	18-7-56	11-7-56	A year ago
														Rs.	Rs.	Rs.
SUGAR BREWERIES, ETC.																
11.00.000	6,45,722	3,75,000	10,90,564	New Savan Sugar and Gur	5	140	95,437	52,205	..	..	..	..	10	61	61	73
9.00.000	7,28,559	17,64,369	58,734	Purtabpur Sugar P.	10	25	5,08,340	6,871	..	71	71	71	10	151	151	18
16.59.820	26,52,127	35,00,000	4,84,050	Ramnugger Cane & Sugar P.	10	92	18,11,504	20,350	20	15	20	20	10	293	283	253
19.99.600	25,62,553	39,88,218	13,92,915	Raza Sugar	6	25	10,78,193	3,144	10	..	..	..	10	203	203	223
8.00.000	4,42,169	6,54,762	1,85,115	Ryam Sugar P.	6	25	1,43,798	24,340	5	5	5	..	10	133	133	153
11.99.000	15,94,631	18,37,529	98,312	Samastipur Central Sugar	6	25	7,02,022	8,477	5	5	Nil	10	103	103	123	
20.00.000	72,62,286	36,66,708	1,63,441	Shree Krishna Gyanodaya Sugar P.	7	335	12,99,571	34,046	15	15	173	10	133	133	153	
7.94.500	13,54,858	11,65,175	11,16,368	Shree Sitaram Sugar	6	140	1,90,957	7,991	..	..	..	..	10	151	151	123
9.99.950	14,54,274	1,54,304	1,42,696	Sitalpore Sugar	6	94	1,39,515	..	Nil	Nil	Nil	..	10	43	43	63
16.00.000	6,07,884	7,99,778	4,22,572	United Provinces	9	341	4,23,880	39,061	5	123	..	..	10	203	203	243
8.00.000	38,92,308	21,57,556	3,60,236	Upper Ganges Sugar P.	6	227	10,24,525	82,931	25	25	25	20	10	943	943	62
14.00.000A	14,24,740	23,74,426	10,72,924	Upper India Sugar	4	302	16,80,986	86,393	..	15	20	20	100AC	280	280	127
7.00.000B													121BC	283	283	15
MISCELLANEOUS																
8.00.000	2,20,232	1,56,200	9,53,526A	A Firpo (Restaurants)	10	85	84,518	4,475	..	..	..	..	10	43	43	43
1,50,00,000	1,40,80,594	6,21,715	51,061	Air India Ltd.	12	269	6,02,785	14,30,401	Nil	..	..	..	100	..	..	..
2,00,00,000	2,58,39,656	68,01,534	50,022	Air India International Ltd.	12	322	10,51,340	30,205	Nil	..	..	..	100	103	103	713
47.50.000	1,31,03,534	15,00,000	5,97,941	Aluminium Corp. P.	3	132	12,82,024	32,582	Nil	Nil	Nil	..	100	213	213	113
25.00.000	42,43,917	14,50,000	55,36,059	Anderson Wright, Ltd. P.	12	1	4,94,322	24,401	6	73	..	..	10	113	113	113
30.00.000	10,11,675	37,63,779	14,41,315	Angelo Bros.	8	268	11,84,131	34,961	123	123	123	20	10	223	223	213
30.00.000	17,54,434	27,66,265	5,49,634	Assam Match	12	274	8,35,902	11,83,95	123	123	123	10	163	163	193	
13.99.998	21,25,615	28,30,285	64,182	Assam Saw Mills & Timber	9	21	97,045	51,437	Nil	Nil	Nil	3	43	31	53	
20.00.000	52,44,822	9,53,640	48,10,716	Associated Hotels of India P.	8	204	12,44,032	9,249	..	..	..	..	10	71	71	51
80.01.400	33,50,000	1,09,53,000	1,12,08,422	Balmer Lawrie & Co.	12	304	32,12,152	5,03,129	20	13	123	100	180	1653	163	
12.00.000	2,65,000	8,24,890	1,80,223	Bararee Coke	3-9	128	2,16,123	22,708	7-7	71-7	71-7	10	1913	1913	213	
6.00.000	7,64,111	Nil	30,72,417	Bengal Timber Trading P.	6	123	6,43,164	1,19,103	..	..	..	..	100	43	43	33
50.00.000	19,53,822	Nil	19,59,059	Bharat Airways Ltd.	6	22	3,19,589	3,19,229	..	..	..	..	10	51	51	33
15.16.000	45,97,020	..	62,81,006	Birds Investments P.	9	160	5,89,372	1,15,707	123	123	123	10	1613	1613	183	
20.00.000	71,47,814	27,44,814	2,71,408	Britannia Biscuit P.	3	50	8,44,363	1,98,548	5	10	10	10	153	153	158	
22.50.000	13,98,796	43,18,775	3,38,973	British Ceylon Corporation P.	12	6	27,75,295	1,85,955	..	..	..	73	103	103	103	
3,25.00.000	59,89,738	1,18,60,524	2,50,83,659	British India Corporation P.	12	33	30,23,938	27,36,584	10	11	Nil	5	113	11	9	
32.50.000A	2,10,569	5,83,876	1,16,62,849	Calcutta Gas Co. (Propr.) Ltd. P.	9	235	6,87,704	22,189	5	5	6	10A	73	73	73	
32.50.000B	5,92,780	2,40,684	1,02,576	Calcutta Silk Manufacturing P.	3-9	213	45,711	22,586	..	..	..	10B	43	43	413	
5.00.000																
90.00.000	17,68,710	67,71,163	2,49,58,018	Duncan Brothers & Co. Ltd.	12	169	48,24,539	4,28,060	10	12	..	100	1213	1213	133	
1,60.00.000	2,94,69,046	3,14,86,174	4,04,79,333	Dunlop Rubber Co. (India) P.	12	96	96,72,154	11,71,685	15	15	15	10	203	203	213	
51.26.000		54,12,212	1,48,29,523	Eastern Investments Ltd. P.	12	21	12,83,240	3,06,138	9	9	9	10	147	147	170	
75.00.000	13,79,357	4,33,826	1,02,21,271	F. & C. Osler (India) Ltd. P.	3	84	4,26,249	5,26,854	5	..	..	10	1113	1113	16	
7,50.000	12,02,133	16,59,676	25,63,120	French Motor Car	3	51	19,33,237	1,02,899	..	..	..	5	203	203	193	
14.00.000	14,92,000	10,02,000	11,384	Ganges Rope	3-9	19	89,571	27,194	10-10	71-73	71-73	100	1863	1863	194	
2,25.000		17,671	4,86,072	General Investments Trust P.	2-8	21	13,933	7,556	21-23	21-23	21-23	75	43	43	43	
65.00.000	34,18,813	42,00,000	1,09,15,528	Gillanders Arbuthnot & Co. Ltd. P.	3	105	29,71,809	1,51,300	73	73	73	14	10	133	133	
15.16.000	27,68,045	5,00,324	12,84,357	Gladstone Lyall & Co. Ltd. P.	12	209	7,02,729	34,255	..	..	..	10	133	133	133	
40.00.000	31,71,333	7,81,000	98,384	Godfrey Phillips (India) Ltd. P.	12	310	19,01,201	11,96,811	173	10	20	10	253	253	173	
30.00.000	32,00,010	17,22,203	6,22,424	Great Eastern Hotel	3	225	5,30,579	16,373	..	..	..	250	239	239	235	
10.00.000	17,38,764	1,61,173	9,221	Hindusthan Ice & Cold Storage	9	..	43,377	24,274	..	..	..	5	11	11	11	
35.20.000	31,95,729	19,00,000	19,72,453	Hoare Miller & Co. Ltd.	12	294	91,339	67,808	Nil	Nil	..	10	63	63	71	
1,00.00.000	7,28,49,459	7,23,36,779	5,90,97,499	Imperial Tobacco	3	325	8,18,10,653	25,00,793	41	6	8	10	153	153	143	
1,52,89,220	2,41,97,583	53,33,999	10,13,114	Indian Aluminium Co., Ltd. P.	12	23	2,76,662	14,18,074	Nil	Nil	9	10	223	223	223	
5,00.00,000	98,54,740	1,62,50,000	3,90,322	Indian Cable P.	3	34	77,23,781	28,98,462	10	10	123	10	36	353	30	
83.75.000	22,07,260	2,21,280	11,69,467	Indian National Airways	12	93	36,302	12,62,971	..	..	..	10PO	83	83	63	
1,25.000D												10D	133	133	1213	
8,27,970	6,57,319	8,08,000	8,08,202	Indian Rubber Manufacturers P.	3	173	4,07,269	1,36,845	10	10	10	10	393	393	383	
20.00.000	4,64,735	11,85,487	10,03,707	Indian Wood Products	9	88	17,28,038	2,76,819	25	273	30	100	65	65	65	
5.00.000		1,15,893	1,45,768	Investments and Finance P.	2-8	21	41,660	5,201	21-21	21-21	21-21	100	65	65	213	
2,40,000	15,362	4,46,244	3,20,757	Ivan Jones Ltd.	9	194	1,39,321	36,496	..	..	..	2	213	213	213	
5,87,500D	2,23,827	2,97,161	6,66,685	James Wright P.	12	281	62,875	5,299	6	5	..	50	413	413	213	
1,17,50,000D	51,23,900	55,00,000	3,73,43,977	Jardine Henderson Ltd. P.	3	39	41,68,361	4,70,107	71	71	71	100	100	1003	1223	
6,00.00,000	3,17,363	6,02,958	3,21,617	Macfarlane & Co.	3	133	14,078	4,849	..	..	..	50	23	23	23	
1,50.00.000	82,21,000	44,53,211	3,30,53,361	Macneil & Barry Ltd. P.	3	334	37,93,029	6,21,756	73	73	73	100	243	243	243	
1,37,53,000	36,41,510	54,56,003	1,85,74,341	Martin Burn Ltd. P.	9	309	71,18,708	2,03,456	133	133	181	100	240	240	240	
40.00.00,000	37,19,459	72,01,900	2,34,00,554	McLeod & Co. P.	12	282	25,04,502	1,87,834	10	17	..	100D	240	240	240	
5.00.000D												10Dd	..	..	..	
1,15.00.000	1,10,37,201	69,74,249	7,33,589	Metal Box Co. of India Ltd. P.	3-8	167	62,82,608	16,24,249	10	10	21-1613	10	303	2813	253	
20.00.000	19,89,407	74,12,035	11,31,121	National Insulated Cable P.	3	7	30,26,600	2,22,282	10	10	..	10	263	253	273	
10.00.000	31,74,413	40,40,000	2,67,663	National Rolling & Steel Ropes	6	7	18,65,549	31,724	513	..	15	10	913	913	153	
79.97.000	61,97,295	78,53,576	23													

BOMBAY MISCELLANEOUS COMPANIES

O. Po. F. Dd. G. and R indicate Ordinary, Preferred Ordinary, Founders', Deferred, Guarantee and Rebate Shares respectively P next to the names of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Earnings	Carry forward	Dividends per cent.	Paid-up per Share	Latest Market Quotations as available until
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1953 1954 1955	Rs.	17-7-56 10-7-56 A year ago
12,67,59,333	16,16,27,689	6,15,51,096	3,90,26,918	CEMENT							
				Associated Cement	7	53	4,71,77,960	5,62,770	9 1/2 8 1/2 10	100	194 1/2 187 1/2 186
6,99,95,600	11,08,94,307	69,91,218	20,82,140	ELECTRIC LTG. POWER							
				Ahmedabad Electricity	9	146	35,75,580	188	6 1/2 6 1/2 5	100	100 1/2 98 1/2 109 1/2
2,92,83,500	4,18,62,358	52,34,507	65,30,599	Andhra Valley Power Supply P	6	267	46,19,171	25,735	7 1/2 7 1/2 7 1/2	1,000	1,210 1,202 1,373 1/2
1,62,50,000	1,90,34,397	34,92,925	4,61,194	Bombay Suburban Elec. Sup.	3	146	16,94,290	203	7 7 7	100	117 1/2 116 1/2 127 1/2
38,08,225	17,49,053	4,75,323	14,87,537	Poona Electric Supply P.	12	229	3,86,015	21,171	7 1/2 7 1/2 7 1/2	100	146 146 146
2,34,45,225	3,37,65,356	63,82,045	58,39,975	Tata Hydro-Elec. Power sup. P.	6	267	37,75,587	27,952	7 1/2 7 1/2 7 1/2	1,000	1,320 1,304 1,475
1,02,78,750	8,99,37,405	1,41,56,578	1,29,22,949	Tata Power P.	6	267	77,32,961				
				ENGINEERING & METAL							
33,42,200	20,17,852	57,16,605	18,77,516	Alcock Ashdown	12	268	11,78,891	44,704	15 15 8	100	362 1/2 346 1/2 278 1/2
6,00,000	36,058	4,53,124	91,036	Jost's Engineering	3	115	1,17,555	5,394	15 15 8	50	98 96 96
40,00,000	11,26,513	10,00,000	9,74,664	Larsen & Toubro P.	3	351	14,60,736	28,740	10 10 10	10	16 1/2 16 1/2 12 1/2
40,95,100	81,25,753	2,02,500	49,333	Machinery Mfgs. Corp., Ltd. P.	3	330	2,02,006	64,676	10-10 10-10 10-10	100A	96 1/2 96 1/2 96 1/2
1,10,00,000	15,00,978	16,66,194	7,06,260	McKenzie's	7	283	1,49,085	64,938	10 10 10	100	211 1/2 199 1/2 154
2,50,000	5,834	1,00,53,052	1,79,52,042	Premier Construction P.	12	284	3,35,178	59,102	20 25 5/6 28 1/3	300	211 1/2 199 1/2 154
1,31,250	7,83,56,426	26,78,952	44,49,499	Tata Locomotive & Eng. P.	3	69	3,303	50,350	10 10 10	100	150 1/2 149 1/2 137 1/2
4,18,72,400				Tata Iron & Steel P.	3	269	4,62,47,072	5,52,548	8 14 14	750	206 198 244 1/2
1,63,75,000	23,97,91,753	12,54,91,333	9,61,90,447								
				INSURANCE COMPANIES							
20,00,000	**	23,84,913	95,96,033	British India General	12	297	4,24,629	1,18,606	10 10 10	10	13 1/2 13 1/2 13 1/2
5,15,000	**	11,04,84,687	8,95,48,481	Empire of India Life	12	253	**	**	10 10 10	100	675 675 675
8,46,120	**	36,33,999	46,38,803	Indian Mercantile	12	75	**	**	10 10 10	20	45 1/2 45 1/2 45 1/2
18,74,940	25,01,134	2,88,61,155	2,61,49,442	Jupiter General P.	12	55	38,951	4,65,316	10 10 10	15	9 1/2 9 1/2 9 1/2
1,08,81,590	**	1,68,91,793	27,25,18,952	New India	12	179	43,58,653	71,250	16 2/3 16 2/3 16 2/3	15	48 1/2 48 1/2 48 1/2
8,00,000	**	67,83,74,430	63,46,53,420	Oriental Life	12	298	**	**	10 10 10	200	3,855 3,855 6,990
15,99,270	**	29,41,860	59,56,789	Vulcan	12	255	6,05,803	2,81,242	10 10 10	10	15 1/2 15 1/2 15 1/2
				MISCELLANEOUS							
90,79,065	31,95,468	3,97,408	12,61,996	Air Service of India	6	336	-15,61,405	-37,22,790	** ** *	15	** ** *
47,97,250	21,34,989	35,75,182	78,89,034	Belapur Sugar	9	42	53,89,000	61,389	** ** *	50	244 1/2 239 1/2 316 1/2
50,00,000	2,20,64,393	4,12,86,155	2,67,27,639	Bombay Burmah Trading	5	285	47,93,172	61,990	** ** *	125	716 1/2 688 1/2 550
42,00,000	1,21,04,053	31,74,431	31,14,908	Bombay Steam Navigation P.	6	256	4,54,215	30,135	16 21 5	50	278 1/2 248 1/2 201 1/2
45,00,000	99,99,250	1,26,43,992	1,26,43,992	Industrial Investment Trust	12	299	5,81,909	2,83,136	4 4 4	100	218 218 218
8,00,000	1,36,558	39,662	4,76,114	Kemp (Chemists)	3	87	4,99,559	4,78,977	** ** *	25	72 72 72
1,57,71,400	5,74,05,779	1,81,13,445	2,99,042	National Rayon Corp.	12	352	63,19,604	5,72,070	20 20 20	200	213 1/2 213 1/2 213 1/2
1,39,98,069	18,36,63,413	12,46,31,677	7,10,16,957	Scindia Steam Navigation	6	198	32,72,555	9	8 8 8	100	19 19 19
7,00,000	27,45,055	57,30,000	11,27,080	Shivrajpur Synd. (Manganese)	11	146	35,49,059	21,661	10 10 10	10	92 89 74
1,39,95,990	1,96,71,944	13,51,214	4,14,339	Tata Chemicals P.	6	269	13,55,026	57,597	10 10 10	10	20 1/2 18 1/2 15 1/2
70,07,415	76,97,327	28,13,586	22,50,261	Tata Oil P.	3	269	9,47,111	13,236	7 7 7	8	59 1/2 59 1/2 45 1/2
2,75,00,000	1,46,45,993	2,43,20,936	1,50,49,201	Western India Match	12	274	74,05,281	5,61,984	11 11 11	100	185 184 188 1/2

*1956

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Block Account	Reserve & other Funds	NAMES	Accounts closed	Managing Agents	Net Earnings	Carry forward	Dividends per cent.	Paid-up per Share	Latest Market Quotations as available until
Rs.	Rs.	Rs.				Rs.	Rs.	1953 1954 1955	Rs.	16-7-56 11-7-56 A year ago
17,24,000	20,62,356	2,00,894	CALCUTTA							
21,69,300	32,24,679	6,00,722	Ahmedpur Kutwa S.S.G.	3	165	-29,367	**	2 1/2 2 1/2 2 1/2	100	58 1/2 58 1/2 56
34,00,000	41,30,202	3,11,043	Arrah Sasaram D.B.G.	3-9	32	1,491	810	3-3 2 1/2 3-3	100	72 72 74
19,00,000	29,09,643	4,91,171	Bankura Damodar River S.S.G.	3	165	46,507	**	2 1/2 2 1/2 2 1/2	100	57 1/2 57 1/2 63 1/2
17,80,000	21,78,786	2,20,377	Baraset Basirhat D.B.G.	3-9	331	18,844	1,18,863	** 4	100	10 10 19
31,00,000	35,46,010	29,296	Burdwan Cutwa S.S.G.	3	165	78,839	**	2 1/2 2 1/2 2 1/2	100	57 1/2 57 1/2 63 1/2
4,75,000	4,75,000	29,296	Chaparmukh Silghat S.S.G.	3-9	32	45,823	7,100	1.29-1.29 1 1/2-1 1/2 1 1/2-1 1/2	100	53 1/2 53 1/2 49 1/2
2,47,650	2,75,013	4,75,000	Cherra Chhatrak ropeway	3	88	9,917	9,917	1 1/2 1 1/2 1 1/2	100	7 7 7
22,50,000	60,65,477	12,50,000	Darjeeling ropeway	3	101	18,097	4,549	1 1/2 2 1/2 2 1/2	10	61 61 3 1/2
11,49,700	20,10,843	1,57,174	Dohri-Rohtas	3	335	5,10,908	26,753	6 7 10	10	13 1/2 13 1/2 13
16,00,000	50,48,405	20,39,596	Putwab Islampur S.S.G.	3-9	32	-1,02,611	5,714	98-98 1-1 1-1 1-1	100	56 1/2 56 1/2 58 1/2
6,00,000	13,78,138	4,41,518	Howrah Amta D.R.G. (P)	3-9	32	51,543	72,160	3-3 3-3 3-3	100	59 1/2 59 1/2 70 1/2
19,50,000	27,95,689	2,47,135	Howrah Sheekhala D.B.G.	3-9	32	1,81,260	18,320	3-3 3-3 3-3	100	37 37 54 1/2
8,91,100	15,16,175	10,551	Kalighat Falta S.S.G.	3	165	-1,99,473	**	2 1/2 2 1/2 2 1/2	100	58 1/2 58 1/2 60
15,00,000	62,15,417	22,45,137	Katakhal-Lala Bazar S.S.G.	3	165	31,257	**	4 5	100	73 1/2 73 1/2 74 1/2
1,75,000	5,41,779	2,04,841	Shahdara Delhi Saharanpur	3-9	32	-1,10,300	14,031	6-6 6-6 6-6	100	125 125 152
			Tezpore Balipara Tramway P.	3-9	165	-43,574	5,944	** ** *	100	** ** *

Managing Agents, Directors and Secretaries with their respective address.—(Contd.)

320 F. W. J. Penn—United Breweries Ltd., Bangalore-1.	329 Sri G. D. Bhagat—15, Shib Thakur Lane, Calcutta.	339 M. G. Investment Corp., Ltd.—127, Mahatma Gandhi Road Fort Bombay.	348 Sahu Jain Ltd.—11, Clive Row, Calcutta.
321 F. O. Williams—14, Old Court House St., Calcutta.	330 Mahindra & Mahindra Ltd.—Gateway Building, Apollo Bunder, Bombay.	340 K. O. Cheriyan—Travancore, Calcutta.	349 Chandmull Balia—7, Canning Street, Calcutta.
322 Messrs Tata Sons, Ltd.—New India Assurance Buildings, Mahatma Gandhi Rd Fort Bombay-1.	331 N. L. Roy & Sons—Canning St., Calcutta.	341 James Finlay & Co. Ltd.—2, Netaji Subhas Road Calcutta.	350 K. E. Agarwal—Empire House, Hornby Road, Fort Bombay.
323 Anderson Wright & Co.—1, Wellesley Place, Calcutta.	332 M. Paspatti, 21, Ravelin Street, Fort, Bombay.	342 G. N. Chatterjee—2, Royal Exchange Place, Calcutta.	351 R. P. (Management), Ltd.—J. K. Building, Dougall Road, Ballard Estate, Bombay.
324 Bathgate & Co.—17/19, Old Court House St., Calcutta.	333 Jaipuria Bros., Ltd.—33, Netaji Subhas Road, Calcutta.	343 Eastern Smelting & Refining Co., Ltd.—10, Clive Row, Calcutta.	352 G. G. Mahant—Ewart House, Bruce Street, Fort Bombay.
325 John Rutherford—Blakie—Virginia House 37, Chowringhee, Calcutta.	334 B. Lalimer—2, Fritile Place, Calcutta.	344 V. J. Pillai—Victoria Bunder, Colaba.	353 N. K. Bhargava—14, Netaji Subhas Road, Calcutta.
326 Beriwaia Bros.—33, Netaji Subhas Rd., Calcutta.	335 Sahu Jain, Ltd.—Daimianagar.	345 The National Tea Corporation—130, Cotton Street, Calcutta.	354 G. C. Kanol—P-8, Mission Row Extension, Calcutta.
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STATE OF THE POUND STERLING

WIDER SIGNIFICANCE OF BRITAIN'S ECONOMIC TROUBLES

STERLING has weakened steadily during the past few months and the arrival of Britain's season for big dollar disbursements means that the pressure is unlikely to decrease between now and the end of the year. A favourable balance of payments throughout this period, if sufficiently large, would certainly ease the strain. But the improvement in Britain's trading position is slow, although, by now, it has become perceptible. In the meantime, all that stands between sterling and the accumulation of speculative sales which precipitated the devaluation of 1949, are the British Government's assurances that it is prepared to take any measures, however difficult and unpopular, which may be required to maintain the present value. There is no question of its being possible to keep this promise if the determination is strong enough. And if it is not, there is the example of France to convince any sceptic that there are even ways of reconciling fixed exchange rates with political timidity. The main difficulty will not be to maintain the value of sterling, but to preserve its "status". This is the fact which is of greatest importance for the future of the sterling area and will be most significant for Britain herself in the long run. There is no intrinsic merit in sticking to a parity which is unrealistic, once it has clearly become so. The consequences which can follow if this fact is forgotten have recently been shown by the approach Germany's Minister for Economic Affairs, Dr. Ludwig Erhard, has made to Britain suggesting that the present state of Europe's exchange rates be revised. The solution to the difficulties which Dr. Erhard has in mind—his own country's extreme creditor position—lies with Germany herself rather than with her European trading partners. But the fact that any country which is holding sterling in the quantities Germany must be doing, can have such scanty faith in the ability of Britain, along with other European debtors, to correct her present deficit position, is not without its significance for the future of the pound.

The worthy doctor is not alone in his doubts about sterling's future. There are signs that some members of the sterling area, especially those who are at the dollar-earning apex of the trading triangle, might be wondering whether continued participation in the system is really going to be in their interests if the post-war distortions of the British economy should defeat the efforts which are at present being made to eliminate them. Crises have occurred before, some not unlike the present one, and have subsided without great damage to the sterling area. But this was at a time when no other currency enjoyed the international prestige of the pound. That is no longer true. Sterling must now maintain its reputation in the face of the growing importance of the deutschmark and the guilders, among others. Bearing in mind the deteriorating significance of the London capital market and the growing inability of Britain's manufactured exports to face world competition, it would be surprising if the sterling area were not subject to severe strains in the next few years.

*

It is the object of the British Conservative Government's policy to correct the present over-inflation of the home economy. This is unlikely to be enough. Nothing short of a complete reshaping of the economy will serve to rehabilitate sterling in face of its formidable competitors. The fact has been recognised. But whether the Eden Government is prepared to put the country through the necessarily long and painful process, and incur the temporary unpopularity which is bound to follow, is another matter. The British electorate is renowned for its appreciation of political courage, and there have been times when it has shown signs of wishing to repair the damage done by too much socialism, but the post-war prejudice for more money for less work, guaranteed jobs

and all the remaining trappings of the welfare State, will not be easy to master. All successive post-war governments have limited themselves to the message treatment; none has yet attempted a kill-or-cure surgical operation. The Macmillan prescription has come the nearest so far. After Mr. Butler's reluctance to employ any corrective method other than the theoretically attractive and practically useless one of bank rate, the present Chancellor's apparent determination to do anything which promises to be effective, is more reassuring. Up to now, the sum total of results from the entire efforts of these two Ministers has been a small, but critical, improvement in the balance of payments, the temporary eclipse of London as the world's capital market, the appearance of a few unemployed and a larger number of strikers in the motor-car industry and the loss of the average six-per-cent increment in the nation's post-war output. By no stretch of imagination can this yet be considered a policy adequate to the radical results expected of it.

*

That is not to say that Mr. Macmillan will not succeed where the Chancellors before him have failed, if only because world conditions may come to Britain's rescue as they have so often done before. There is no doubt, for instance, that Germany's economic honeymoon is drawing to its close. That country now has two ways of dealing with its creditor problems. It can readjust the value of the deutschmark or inflate internal demand by allowing wage levels to rise. The former it may be reluctant to do, while the latter would undermine the basis of hard work and restraint on which the present prosperity is founded. Either way, Britain stands to benefit. There is a good chance that the "rolling adjustment" through which the United States has been passing, will be over by the autumn and Britain, along with other members of the sterling area, will enjoy a revival in the demand for her exports. With France out of the picture as a trade competitor, Japan and Italy already probably working at full stretch, and the Soviet bloc not yet seriously in the running, there is a fair chance that Mr. Macmillan will find it unnecessary eventually to press the more unpopular of his methods. Although this might be a bad thing for the long-term interests of the British economy, because it would leave the underlying distortion largely uncorrected for another few years, no government which has

THE AMBITIOUS OCTOPUS

THE Government of India's bania, the State Trading Corporation, seems well on the way to becoming the most prosperous business prodigy in the country. For an organisation which is yet barely ten weeks old, this is no mean achievement. In fields where others have laboured for years to build a modest prosperity, and many have failed, the Cor-

poration is forging ahead in all the glory of its infant enthusiasm. But such success, present and prospective, owes little to the commercial acumen of the Corporation itself, evidence of which is still lacking. It owes much more to the monopolistic instincts shared with a needy and manipulating father—with a Government which believes that confidence in the infallibility of itself and its progeny is entirely compatible with the aims of a free and democratic society. The moves which have recently been afoot to give the Corporation progressively a monopoly stranglehold over the export of iron and manganese ores, and to enable its encroachment into cement distribution, are of serious consequence. They are serious not merely for the particular trades and industries directly concerned; in their broader aspect, they are even more serious as indicating a new trend in the Government's economic thinking: iron ore today, what tomorrow?

We are not here at all concerned with the legalities of the question whether the State Trading Corporation has a right to displace a host of smaller traders, and establish in their stead its own powerful monopoly propped up by nothing apart from the arbitrary power of the Government. Our purpose is merely to examine the economic impli-

Contents

Talks on Steel Plants	117
Changes in Currency Reserves	106
The Ambitious Octopus	105
Rice Prices in Madras	119
Problems of Vanaspathi Producers	117
South Indian Tea Trends	124
O.E.E.C. Meetings in Paris	118
Uranium as a Source of Energy	124
Without Prejudice	108
Ditcher's Diary	109

cations of such a move. The first is that it would be presumptuous to imagine that the Government normally knows its own mind. It is not three months since Mr. Nehru suggested that the Industrial Policy Statement he had just announced was precise and comprehensive enough to enable the private sector to know exactly where it stood; recent developments confirm that the Statement is full of escape clauses, loopholes and gaps large enough for both mice and men to get through. As such, private entrepreneurs must wait for their morning newspapers to know whether they have been given another day of respite. The Industrial Policy Statement offered no indication that it was intended to funnel iron ore and manganese ore exports through a State body; and when the State Trading Corporation itself was constituted, it was clearly indicated that its purpose would be to supplement, not to usurp, the functions of the private trade.

The second implication of recent trends towards extending State trading monopolies is no less disturbing than the first. According to informed Press reports from New Delhi, one of the more prominent official arguments offered in favour of letting the State Trading Corporation handle certain ore exports is that this will enable such ores to secure higher priority in railway wagon allotments than they do now. It is well known that India's ore exports have suffered quite seriously because the railways have not been providing enough carrying capacity to move them from the mines to the ports; and, further, because the ports have not had the facilities for the smooth and steady passage of these ores on to ships. It is difficult to foresee how the mere entry of the State Trading Corporation is likely to improve railway and port facilities beyond what has already been planned for. There have been distinct hints, in Press reports, that the Corporation, by virtue of its ownership, intends to push the railways into allotting more wagons for the movement of ores. If that is in fact what is intended, the implications are serious for any producer or trader who today depends mainly on the railways for bringing him his raw materials and taking away his finished products. Briefly stated, the implications are: one, the railways will be used openly and unashamedly to favour their State-owned brethren against private users; two, as the inadequacy of railway transport facilities becomes an excuse for the State Trading Corporation's interference, more and more enterprises will qualify for it as Mr. Lalbahadur Shastri's forecasts of growing inadequacy on the railways come true; and three, no major industry will henceforth know where it stands in relation to the Corporation, since there is no major industry today which is unaffected by the wagon shortage. Urgent clarification seems necessary, before the concept that State organisations should like each other more than anybody else comes to be accepted as a matter of deliberate official policy.

An official Press Note issued just over a month ago dropped some coy hints about malpractices in the ore export trade. Vague suggestions were made about contracts not being fulfilled due to circumstances sometimes within and sometimes outside the control of the Indian exporters. To the extent that this was offered as justification for a State Trading Corporation monopoly, it is far from convincing. If traders default on contracts, the Government has every right to take action against them, unless it is itself responsible for wagon diversions which make the fulfilment of those contracts impossible. But to penalise those who have been fair and honest in their dealings, along with those who have not, suggests that the Government cares equally little for either. A policy of throwing the baby out with the bath-water, despite its gaining popularity since the nationalisation of life insurance, can hardly pay in the long run. Suggestions have also been made in official quarters that it is necessary to canalise certain ore exports through the Corporation in order to ensure that India earns more foreign exchange. To these have been appended dark hints to the effect that contracts with foreign buyers have been negotiated "below market prices"—whatever that might mean. The fact is that ore export prices are not determined by India; if an exporter secures business by offering goods at a little below the world price prevailing at a particular time that is a tribute to his competitive enterprise rather than a moral failing. Ever since some tea and gunny experts gave the Government the idea that foreign buyers can be pushed around without their taking their custom elsewhere, it seems to have become a favourite pastime in New Delhi to look for export commodities where some such pushing around can be done. But the fact is that India has hardly any which lend themselves to arbitrary official treatment. It may be possible to make domestic producers, traders and consumers pay for the whimsical expansion of a State Trading Corporation, but it is sheer blindness to push the foreign buyer abroad. When the foreign exchange comes to be earned, it is he that will count for most.

NO CAUSE FOR ALARM

THE Reserve Bank Amendment Bill is a measure over which there should at least be broad agreement in principle. In the context of the country's developing economy, it is probably a necessary precaution. Its contents, as should by now be well known, provide for a reduction in the statutory reserve of foreign securities and gold as backing against the country's note issue so that the currency expansion contemplated under the second plan can be undertaken without hindrance. And secondly, while Rs. 1,200 crores of deficit financing is being undertaken, it seeks to avoid any inflationary expansion of bank credit which might result from the extra money in circulation. The Bill provides for other measures as well, but these two are the main, almost interlinked, objectives, which have caused some misgivings in the private sector. These are not without foundation, and it is not merely the puritanical conscience of the orthodox school clinging fast to its ideas of "sound finance" that is disturbed. There is a genuine fear that the enactment of this Bill will vest future Governments with drastic powers which they may not use wisely, and may even use recklessly to serve their own doctrinaire purposes. This fear seems to be based on too narrow an appreciation of facts. If the present Government has the powers to amend the Reserve Bank Act to expand the country's currency, any other Government, democratic or otherwise, would have the same powers. So it is not the enactment of the Bill that is important, but the object behind it.

The purpose of this piece of legislation was defended by the Government's spokesman, Mr. A. C. Guha, in the Lok Sabha debate which followed the introduction of the Bill. His explanation was based on familiar grounds, and substantially already contained in the text. But the case is nevertheless valid that while a development plan designed to raise the national income by 25 percent has been launched, its increasing need for currency will have to be met by expanding the note issue. This can scarcely be done if the statutory provisions of increasing the foreign security and gold reserves to the static proportion of 40 percent have to be complied with. Moreover, the very idea of maintaining these reserves as backing to national currencies has changed radically in a changing world, and Mr. Guha gave the example of several countries which do not maintain any reserves at all, and are none the worse for it.

The controversy over whether the minimum reserve should always be 40 percent of the total note issue, or Rs. 515 crores (Rs. 400 crores of foreign exchange and Rs. 115 crores of gold after revaluation) has been already overdone. The ultimate test of the wisdom of this legislation will lie in the benefits the economy will receive from the huge deficit financing proposed. There is now a welcome realisation among planners that the inflationary potential of this expenditure is dangerously high, and it is hoped that nothing will be done, taking advantage of such enabling measures as the one under discussion, that will unleash galloping inflation on the economy of the country. The Indian Merchants Chamber of Bombay, an influential body of business men, has opposed the Bill for reasons which have been discussed in the foregoing paragraphs. But it is only fair that the measure should be seen in the perspective of current Indian planning. The Bill can only be opposed if the magnitude and purpose of the plan are opposed. This piece of legislation merely represents a decision that must follow the economic policy the plan stands for.

On the other objective of introducing the variable reserve system (the Bill provides for raising the reserves to 20 percent and 8 percent respectively of the demand and time deposits of scheduled banks, against the present 5 percent and 2 percent), Mr. Guha takes his stand on the necessity of maintaining a stable price level in a period of high developmental spending. Theoretically, the Government's case can be supported. But there is no guarantee that the law will always be used wisely by the central monetary authority. The Merchants Chamber, which represents the view of the private sector as a whole, suggests that there should be safeguards against misuse. This suggestion will find wide support, particularly when the Reserve Bank has already enough powers to curb bank advances for speculative purposes, and when the Bank has not yet gained enough experience of qualitative credit control. Prudence and common sense would suggest that in the matter of credit control, when the proportion of the reserve which the scheduled banks will be required to keep with the central bank has to be so drastically high, there is always need to proceed cautiously. Otherwise, disastrous dislocations will occur which will harm all concerned, including the country.

CURRENT COIN

Index of Industrial Activity.—Corrected for seasonal fluctuations, Capital's Index of Indian Industrial Activity shows a rise of 9.1 points during February 1956. Mainly contributing to this were increases in cotton consumption, jute manufactures, paper and electricity. Cheque clearances and notes in circulation also rose.

Producing More Cement.—The cement industry enjoys an unsatisfied and expanding market; whether its own expansion will be rapid enough to satisfy the entire domestic demand in the near future seems doubtful. It is proposed to raise the target for cement production under the second five year plan from 12.5 million tons a year to 20 million tons a year. But, according to the figures quoted by Mr. J. Dalmia in his address from the chair at last Friday's annual general meeting of Dalmia Cement (Bharat) Ltd. in Dalmiapuram, Madras, the new target seems remarkably ambitious. Cement production last year totalled about 4.5 million tons. This year, it is expected to be around 5 million tons, although with the expansion schemes now under way, installed capacity will reach 6.3 million tons by the end of 1956. Output during 1957, it is estimated, will amount to nearly 6.3 million tons, and installed capacity by the end of that year will be nearly 6.8 million tons. The gap between the estimated end-1957 production of 6.3 million tons, and the 1960-61 target of 20 million tons—in other words, a trebling of output in not much over three years—is large enough for many eyebrows to be raised. Nevertheless, the effort seems well worth while. At present, much foreign exchange is being spent on importing cement at prices considerably higher than those of the Indian product. The price differentials between domestic and imported cement are wide enough to suggest that should India need to export the commodity as her own production expands, foreign markets will not be difficult to find. Pakistan is already indulging in the expensive boast of offering cement to foreigners which her own people cannot get for love nor money; but there will be no need for India to follow her example for many years yet. Mr. Dalmia does well to emphasise that the distribution of the commodity needs to be rationalised, and the transport system must be improved. He seems to under-estimate the effects of the intrusion of the State Trading Corporation into cement distribution, and ascribes the intrusion to lack of agreement within the industry.

Mr. Shastri's Nerves.—The season for departmental wranglings over the financial allotments in the second five year plan is not yet over. But that is not necessarily a bad thing, as long as the two Ministries which are pressing their cases most vigorously are Food and Agriculture, and the Railways. That the former's achievements should at least correspond to targets is essential for the success of a plan which offers a distinct possibility of general inflation. The latter's achievements too will in all likelihood have to exceed substantially the present targets if the creation of a series of inflationary pockets is to be avoided. The Railway Minister, Mr. Lalbahadur Shastri, made another strong criticism of the plan allocation of Rs. 1,125 crores for the railways before the National Railway Users Consultative Council in New Delhi last week in saying that he was getting quite "nervous" about the way the transport situation was developing. And the Council clearly endorsed the criticism by passing unanimously a resolution which urged the Planning Commission to provide "at least Rs. 1,500 crores" for railway development. Mr. Shastri is justified in raising the point whether the sanction of a larger expansion plan for the railways should be allowed to await the annual reviews which the Commission proposes to make for the whole five year plan. Delays now in sanctioning money, and therefore in placing orders for rolling stock and other equipment, would mean corresponding delays in the expansion of the railways' capacity. "It is clear," Mr. Shastri said, "that the railways must be enabled to make commitments immediately for rolling stock and line capacity to become available in the fourth and fifth years of the plan." There are a number of sound reasons why the railways' case for greater expansion deserves more urgent consideration than the others'. The first is that it is in this sphere that the fact of a present shortage, and the prospect of a worse one in the future, are clearest. The second is that, with the boom in engineering industries, delivery dates are long enough to justify the early placing of orders. The third is that even if further expansion is sanctioned in other sectors of the economy, the full benefits of that expansion will not be felt unless the railways can move raw materials and finished products quickly enough. For this reason, even the Food and Agriculture Ministry's plea for money to raise its own production targets may be of subsidiary importance; if the extra food cannot be moved, there may not be much

point in giving a larger allocation to produce it. It is encouraging to note that the railways' traditional hostility to other forms of transport is decreasing. This attitude is no doubt a logical consequence of their confessed inability to handle all the traffic they are offered. According to Press reports, the Consultative Council was told that the railways had "gladly agreed to a substantial relaxation in conditions for issue of road transport permits." It is unfortunately not clear who has suggested the "substantial relaxation"; if the suggestion has come from an impotent Centre, without assent from the marauding nationalists of States wallowing in budgetary deficits, it may be of little practical significance. As experience shows, whenever proposals to cut down the crippling restrictions on road transport which prevail today have been mooted, they have invariably been sabotaged in State capitals. Unless New Delhi is now prepared to take a firm stand in the broader interests of the country, a different result can hardly be foreseen. It is to be hoped that the intransigence of vested interests will not be allowed to hamper the expansion of any form of transport, provided this expansion is justified on grounds of economy and efficiency—as it is in the case of the roads.

Danger to the Banks.—The Indian Income-Tax Act, after the amendment to Section 37, poses a danger to banking business in the country, because it requires the banks, under certain circumstances, to divulge the secrets of their customers. All Indian bankers naturally view this development with concern, and even consternation. A veteran banker, Mr. C. B. Bhabha, in his speech at the golden jubilee celebrations of the Canara Bank, Bangalore, voiced their doubts in strong, but accurate terms. Mr. Bhabha pointed out that a banker was in "honour bound to maintain the secrecy of his customer's business with him." This is the fundamental basis of banking. But the amended Income-Tax Act has threatened that foundation. The law compels the banks to divulge the secrets "under certain circumstances" which procedure, in Mr. Bhabha's opinion, was tantamount to "spying indirectly on the customer's business transactions". It is a strong charge, but is entirely understandable when it is considered that the amended Act is not only a serious threat to banking, but can spell danger to the democratic liberties of citizens as well. This is one of the many complaints which Mr. Bhabha had against the undue restrictions and controls that are at present being imposed on banking enterprise in this country. The nationalisation of the Imperial Bank was a rude shock from which the industry has hardly recovered. And now with so many of the new restrictive laws coming along, the outlook for the healthy development of banking in India is extremely obscure. The Government. Mr. Bhabha said, is motivated by political reasons in extending its control over the banks, and this can only serve to arrest their healthy and sound growth.

The Lausanne National Fair.—This trade fair will be opening in Lausanne from 8th to 23rd September, 1956. Some 2,300 exhibitors will be displaying their products in the 22 halls of the Fair's premises, which cover more than 1,200,000 square feet and each year attract more than 800,000 visitors. The Lausanne Fair is basically national in character. It nevertheless practises a certain liberalism by inviting each year one foreign country to participate as its guest of honour. This year Canada will be exhibiting her main resources in an official pavilion, placed under the aegis of the Canadian Embassy in Berne and organised by the Government in Ottawa, more particularly the Ministry of Trade and Industry. Prospectus and identity cards can be obtained from the Swiss Trade Commissioner, Gresham Assurance House, Sir Phiroozshah Mehta Road, P. O. Box No. 102, Bombay 1.

Insuring Atomic Plant.—Lloyd's underwriters and members of the British Insurance Association have been asked to consider how far they can afford to go in underwriting risks relative to future atom power stations. This move follows a survey by a joint committee. The committee has recommended strongly in favour of insuring the British Central Electricity Authority's first nuclear power station as fully as possible. Visits were made to several establishments, including the atomic energy research establishment in Harwell and the industrial headquarters of the Atomic Energy Authority in Risley in Lancashire. The nuclear power station nearing completion in Calder Hall, in Cumberland, was also visited. The committee says that "atomic energy power stations under construction do not represent any catastrophic hazards about which British insurers need be unduly concerned." The report is a preliminary one which has been hastened in anticipation of enquiries. The recommendation that business should now be

accepted is based on a number of assurances from the Atomic Energy Authority. One is that anything in the nature of a nuclear explosion is impossible.

Two-Price Sales of Cotton Condemned.—The International Federation of Cotton and Allied Textile Industries met in Munich recently and considered a great many of the present unfavourable aspects of the world markets for raw cotton and cotton goods. Great concern was expressed about rumours that offers of Egyptian cotton had been made on Western European markets by representatives from Eastern European countries at considerable discounts under Alexandria prices. The uncertainty about the United States policy as regards prices and exports, it was pointed out, was affecting unfavourably the total consumption of cotton and prejudicing the trade position of raw cotton merchants, spinners and manufacturers. It was resolved that practices by the Governments of cotton-growing countries which, by limiting exports of raw cotton, by price control, by subsidies, or other artificial means, cause their raw cotton to be supplied below world prices to their own textile industries for export after manufacture, are prejudicial to good relations in world trade and justify the countries to which the exports are sent in taking measures to offset the special advantages enjoyed by the manufacturers concerned. What is required as soon as possible, the official statement says, is "a return to a realistic price level and the complete avoidance of any type of two-price system or other form of action which seriously jeopardises the operation of spot, c.i.f., and futures markets."

"Covering" Hire-Purchase Risks.—The U.K. insurance industry is nothing if it is not go-ahead and enterprising. It was natural that the vast growth of hire-purchase business would attract its interest. One company which specialises in this field has just brought out a new scheme which is meeting with great success in Britain. In effect it is offering to cover the dealers' risks. At present, the finance houses and industrial bankers who lend their money are covered and so are a small number of the actual customers, but most of the dealers, who are in the middle, are not. This accounts for one of the weakest points in the structure of hire-purchase debts. The average contract for a car or a refrigerator is between the customer and the finance company putting up the money. But the dealer who makes the original sale comes in indirectly. He is usually made responsible for the contract by the finance house (as a condition of their financing his sale). If the customer defaults on his payments to the finance house, they go straight to the dealer for the balance owing to them. He repossesses the car or whatever it is and may be able to recoup his loss by selling it, or again he may not, and several defaults could well put him out of business. The finance houses are usually protected against this and in any case they are stronger than the dealers. The new scheme is designed to cover this enormous contingent liability which the dealers are at present carrying. The finance houses are being offered an insurance policy to cover the dealers they are trading with. Under the policy a dealer who was forced by a defaulting customer to pay the outstanding balance on a hire-purchase contract would be able to claim back, through the finance company, any loss sustained (allowing for the resale of the repossessed goods if that is possible). Already one of the biggest of the finance houses has taken out this kind of policy and others are believed to be interested. There is no doubt that it is proving extremely popular with the dealers. One radio company, which does its own hire-purchase financing, sent out a circular recently to its 3,000 or so dealers, offering them cover if they wanted it. Acceptances have been flooding in since.

MORE EQUAL THAN THE OTHER

SOME years ago a fine clipper ship was lying in the London Docks, and the mate looking over the side noticed a dirty mud barge in rather close proximity to his newly-painted vessel. "Get out of that," he shouted to the man in the barge. "Are you the captain of that vessel?" retorted the bargee. "No; the Chief Officer," replied the irate mate. "Then send your Captain here," said the bargee. "I like to talk to my equals." We are reminded of this story by seeing it stated that the President of the United States has remonstrated with the President of the Venezuela Republic, and stated that his conduct in regard to the arrest of British officials has hampered the benevolent action of the United States. Evidently, the captain of the clipper ship did attend to the request of the captain of the mud barge.

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CAPITAL

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(FROM OUR LEGAL CORRESPONDENT)

IT is the humble submission of the writer that with the possible exception of the Income-tax Acts, the Act most productive of misunderstanding, and consequently of litigation in India, and almost throughout the Commonwealth, is the Workmen's Compensation Act; and one remembers vividly many years ago that eminent jurist, Dr. Blake Odgers, K.C., in one of his lively lectures on commercial law, giving what he considered to be the reason for this. It was, said Dr. Odgers, because the Act was the work, unaided by any lawyer, of one business man, alert, intelligent, essentially practical, but without any knowledge of legal draftsmanship. The man was the Right Honourable Joseph Chamberlain, greater father of two great sons; and Brummagem Joe, as he was affectionately styled, is said to have marched down to the House, proudly flourishing his Bill, and in introducing the measure, claimed that from thenceforth all that the British workman had to do was to have his accident and receive his compensation. But what is an "accident"? Or, putting it more correctly in the words of the Act itself, what is "an accident arising out of and in the course of his employment?" Those twelve words collectively, and as to each separate word almost every single one of them, have since 1906 caused more litigation and confusion than any other phrase in the English language. The confusion and litigation

still exist and continue to increase. No one can define with any certainty what such an accident is, though throughout Britain no County Court Judge can open his monthly rota without dealing with one, or what is claimed to be one, and usually with several. What we can say with certainty is that the word has been completely distorted, by generations of learned judges, out of its plain dictionary colloquial grammatical meaning in favour of the workman. Indeed you may say with accuracy that there need be nothing accidental about an accident. There need be nothing in the nature of chance about it, nothing unexpectedly fortuitous, nothing constituting an event without apparent cause, none, in short, of those elements which you may wrongly think are essential to the meaning and nature of the word "accident". For this now irremediable state of things, we are indebted, in order of demerit, to: (1) the great Joe himself, (2) Lord Halsbury and his *Laws of England* and (3) the late Judge Ruegg, author of the first authoritative commentary on and exposition of the Act. These three great men were followed by successive learned judges who, more or less reluctantly, felt compelled to perch themselves on the rickety bandwagon, so started us on the slippery slope which has landed us in a morass of words which have entirely lost their original meaning, but the muddled interpretation of which, in the form of judicial decisions, modern judges today have no alternative but to follow.

For example, let us say that in your walks abroad in conditions and in a temperature to which thousands of your fellow pedestrians are also subject, you sustain a heat stroke. Can you correctly describe that as an accident? Or is it not merely a condition of being ill, a sickness, an illness with nothing accidental about it arising from a clear and apparent cause, the heat of the sun?

In the latest case on the subject, one Joaquim Fernandez was in the employment of B. P. (India) Ltd., Bombay, as a scullion on the s.s. *British Chemist*. His duties were: (1) to wash the dishes, utensils and crockery; (2) to convey food from the kitchen to the pantry; and (3) to assist in serving morning tea to the officers in their cabins. While he was performing these duties on a day in late July when the ship was near Bahrain, he suffered from a heat stroke and collapsed. The atmospheric temperature on that day could not be said to be excessive. It was 101 degrees. But Fernandez went into a coma. His temperature rose to 110 degrees. He was removed to the ice room, artificial respiration was tried, but he died. The applicant's mother's contention was that the heat stroke which resulted in the death of her son occurred when he was "in the course of his employment," and it arose "out of the said employment," and that therefore the employers were liable to pay compensation under the Workmen's Compensation Act.

We will stop here for a moment while you, with an average knowledge of the English language, the meaning and interpretation thereof, and the ordinary equipment of commonsense will consider these three requisites, every one of which must exist before a claim can arise: (1) accident; (2) in the course of his employment; and (3) arising out of his employment. You may think, unaided by any judicial precedents, that two of these requisites did not exist, and one of them only was present, and therefore the claim must fail.

(1) Was it an accident? You will say (unless you are a lawyer or insurance expert) "no". It was an illness, an ordinary visitation of sickness, occasioned by a definite ascertainable cause, the very reverse of an accident. (2) Did it occur "in the course of" his employment? Yes, undoubtedly. (3) Did it "arise out of his employment"? You will say "no" to that one too, one thinks. The heat stroke might have occurred while the man was playing deck tennis. It was an ordinary event such as everyone working or existing in a temperature of 101 degrees, including the nine officers and 47 other members of the crew, had to risk, in greater or less degree, some, e.g., the men in the engine room, more than others.

That was the view taken by the learned Commissioner for Workmen's Compensation. He held that there was no evidence to show that the work of the deceased scullion exposed him to special risk of heat stroke. His Honour held also that the man worked under cover, that he was not exposed to the rays of the sun, or the heat of the engine room or the heat of the kitchen, and that the character of his employment "was not such as to create or intensify the risks that arise from extraordinary natural causes." He came to the conclusion that the employment of the deceased did not expose him "to some peculiar or extraordinary danger," and therefore it could not be said that he died of an injury by accident. In his view, "the death of the deceased was not due to injury by accident arising out of and in the course of his employment." The learned arbitrator accepted the employers' contention that the atmospheric temperature on that day being 101 degrees, this could not be called an excessively high temperature, that the duties of the scullion involved only occasional visits to the kitchen of short duration, and that in those circumstances it could not be said that the deceased was exposed to any peril in the course of his employment, as a result of which he suffered from heat stroke and died. On the other hand, the heat stroke might have been the result of the general weather conditions to which everybody on the ship was subject alike. Accordingly the mother's application was dismissed. She appealed to the High Court.

You may agree with the writer that His Honour's view is absolutely sound, regarded as plain commonsense. Nevertheless, regarded as law it is at least some 40 years out of date. As long ago as 1917, Lord Shaw in the House of Lords (*Simpson v Sinclair*) coined the dangerous phrase that we have to apply "the broad words of the statute," whereas one would have thought that to apply the exact words would be more appropriate. Some years later, Lord Halsbury's *Laws of England* went one better on the "broad" way which leadeth to destruction of clear logical thinking and interpretation, by coining the expression "locality risk" under which we get the rule—upon which, never having been able to understand the same, we will not dilate—that where the injury is due to a locality risk, the fact that the risk itself arose from the operation of a natural force is immaterial and it is not necessary to prove special exposure to such risks. In the course of his duty, the dead man had to visit on occasions the ice room, to take food from cold storage and return with it to the temperature outside, thus exposing himself to sudden variations of temperature. For that matter, so did the ship's engineers when they came into and out of the engine room, the skipper when he left the bridge for the coolness of his cabin, every member of the crew in greater or less degree, and you and I every day when we emerge from an air-conditioned office into the outer air. The High Court held, and on the long-established authorities there seems little doubt that it was a sound decision, that this sudden exposure to varying degrees of temperature constituted a "locality risk," and that the injury (a heat stroke) was caused by "accident arising out of and in the course of" the dead man's employment. The mother's appeal was allowed with costs.

[Mrs. Santan Fernandez v. B. P. (India) Ltd., Bombay, 11. L.L.J. (July) 1956.]

A DITCHER'S DIARY

daily as its inability to sustain the enthusiasm of those it already has. What free enterprise in India needs every bit as much as the trust of the people is the constant renewal of its faith in itself.

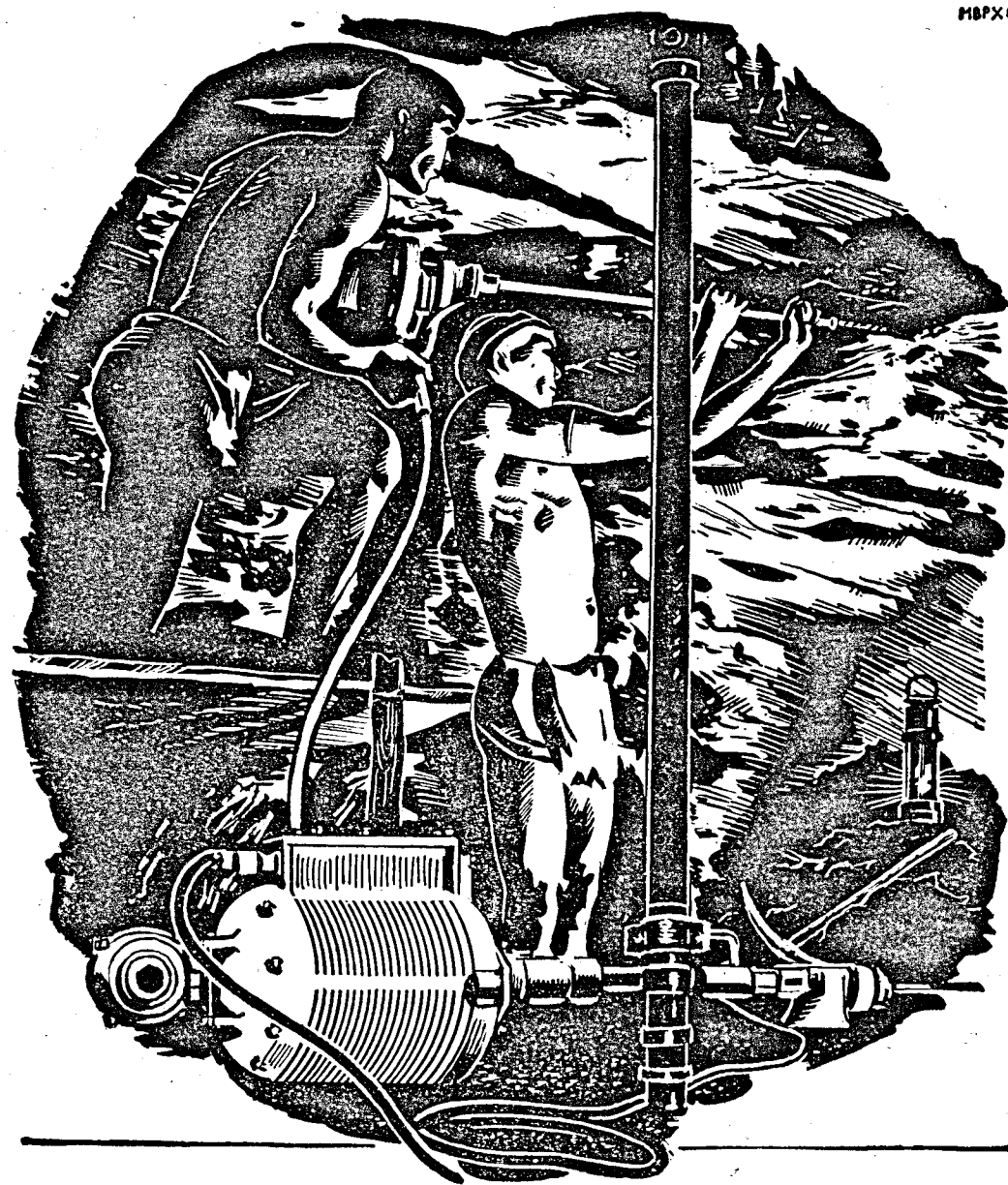
While I am on the subject of free enterprise and how it serves free men it will not be out of place to quote an outstanding example. The other day, a copy of the latest annual report of Tata Industries' Department of Industrial Health appeared on my desk and its perusal has left me impressed by, among other things, the extent of the interest which a privately-owned group—though admittedly a big one—is capable of showing in the welfare of its workers. Of course, welfare pays. But not necessarily in full to those who have sponsored it, and that is often used as an excuse for leaving it to the other fellow or going in for as little as public opinion permits one to get away with. The report outlines the 1955 experience in five of Tata's factories of an integrated programme of medical aid, environmental hygiene, mental hygiene, welfare activities and research. I especially enjoyed reading the section dealing with mental hygiene—a term suggesting the "brain-washing" indulged in by some countries which do not believe in private enterprise, but in fact meaning nothing of the kind. The value of such a study to industry generally I found summed up in the words quoted from F. J. Roethlisberger's *Management and Morale*: "output is a form of social behaviour (and).....material goods, output, wages, hours of work and so on.....must be interpreted as carriers of social value." Does that not explain why some nations or communities are able to perform miracles of progress while others, often blessed with better initial advantages, merely stagnate? The mental side of industry is fast emerging as the most important one of all. A man's peptic ulcer may cause his absence from work. But what causes his peptic ulcer? The answer may be nothing more than his dislike for the manager he has to work under. If he is moved to another department his ulcer will go, his absenteeism end and his output double—it can be as simple as that. The trouble is, as the report points out, these "industrial neuroses" are hard to diagnose and almost impossible for the patient himself to recognise, and if told about, to accept. The easy way is to brand him as a malingerer, so making a bad situation worse and increasing the loss all round. In the report's concluding observations I came across a rather sobering thought for the future. It refers to automation which "replaces not only the worker, but also work, and work alone can feed man's body, mind and spirit". I may be wrong, but I thought machines changed only the form of work, without eliminating it altogether. I must think some more about the problem. But in the meantime I feel indebted to Tata's for suggesting it to me. They did not have to, of course; but contrary to some ideas abroad in India today, free enterprise is capable of a higher social aim than that of lining the pockets of its proprietors.

It was a good thing that the Tilak centenary was celebrated earlier this week in a fitting manner. Great man that Lokamanya Bal Gangadhar Tilak was, it is the first time that official note has been taken of his contribution to the country by issuing a new series of stamps and declaring his birthday a holiday. He was the first

all-India leader to infuse a new revolutionary urge into the then moderate Congress, and yet it must be said to his abiding credit that he never countenanced violence as a political method. Historically, therefore, he was a link between his compatriot, the late G. K. Gokhale and Mahatma Gandhi. It is a true measure of his patriotism that although, like President Masaryk of Czechoslovakia, he was made primarily to shine in other spheres, he was drawn into his vortex of politics, like that great man again, from an overwhelming sense of personal responsibility. In his tribute to Tilak, Dr. Radhakrishnan has quoted an incident which lights up a side of his greatness. When once asked what portfolio he would like to hold under *swaraj*, Tilak replied quite characteristically, "Under *swaraj*, I will become a Professor of Mathematics...I detest politics...I still want to write a book on differential calculus". I wonder how many among India's present-day leaders would think of a reply like this if asked a similar question. As for the self-sacrifice of one of the most important of them, the Union Finance Minister, Mr. C. D. Deshmukh, another Maharashtrian by the way, it does not seem to me to resemble in the least Tilak's attitude of self-denial. That old leader always took an all-India view of things, whereas Mr. Deshmukh, apparently, thinks that a part is more than the whole. He knows too, if anyone does, the country's appalling lack of talent and that the second plan will miss him.

The poor and the backward of India stand to lose a great deal if the recommendations of the Christian Missionary Activities Inquiry Committee of the Madhya Pradesh Government are ever implemented. So will this country's well-deserved reputation for tolerant commonsense in religious matters. None but the more fanatical Christians—and there are probably more of those than in most religions—would excuse political interference. I personally doubt that there is much of it, whatever the Madhya Pradesh Government seems to think. As for proselytisation, a man is bound to develop an interest in a religion whose representatives help him when he is in trouble, treat him and his family when they are sick, give his children schooling and help his wife supplement the family income with her needle. If it is this kind of attraction to Christianity which the Madhya Pradesh Government objects to, then it must condemn all Christian missions however financed. Such a step would, of course, be neither humane nor expedient without some effort to replace the good work they are doing. I cannot myself see how the country suffers politically by permitting these activities; unrelieved poverty, ignorance and disease are surely much greater menaces to stable government. There is no denying that there are opportunities for the pursuit of what the Committee calls "extra-religious ends". But to let suspicion fall on the entire missionary fraternity rather than name the guilty parties is not only unjust, but as we saw the other day from the words of Mr. W. X. Mascarenhas, Chief Executive Engineer of the Bombay Government, and Mr. N. C. Chatterjee, President of the All-India Hindu Mahasabha, can be positively dangerous. That is why the advice of Cardinal Gracias, that these allegations "must be proved", seems such a fair solution. Religious intolerance is growing in some parts of the sub-continent; it would be a pity if it were given official support in India. Besides, the poor, the sick, the aged and the outcast need their missionaries.

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Company Meeting

DALMIA CEMENT (Bharat) LIMITED

MR. J. DALMIA'S REVIEW

Speech of the Chairman, Mr. J. Dalmia, delivered at the Fourth Annual General Meeting of the Company, held on Friday, the 20th July, 1956, at the Registered Office of the Company at Dalmiapuram (Madras).

Gentlemen, I have great pleasure in meeting you and welcoming you to the Fourth Annual General Meeting of your Company. The Audited Accounts for the year 1955 along with the Directors' Report thereon have been in your hands for some time. With your permission I shall take them as read.

I hope you are satisfied with the results of the working of your Company for the year 1955 which have been quite good and compare favourably with others. They have been due to the vigilant care of your Managing Agents, the able guidance, supervision and control of your Directors and the co-operation of the Officers, who have been working as a team and not least to the reasonably peaceful atmosphere maintained by all the employees and workers.

In their Report the Directors have recommended that those ordinary and deferred shareholders who so desire may be given ordinary shares of Orissa Cement Limited at par (which are quoted in the market at premium) in lieu of the dividend for the accounting year 1955 up to the extent of 75% of their ordinary and deferred dividend. The preference dividend was proposed to be excluded from the option as the preference shareholders are entitled to only fixed cumulative dividend.

Certain Preference Shareholders objected to the exclusion and threatened legal proceedings. The matter was therefore placed before legal advisers who have advised against giving the shares in lieu of the dividend. I therefore regret that it has been decided by the Directors to request this Meeting not to take into consideration the recommendation of the Directors with regard to payment of the dividend in SPECIE. I apologise on behalf of the Board to those who have sent in their option forms asking for shares in lieu of the dividend, for the inconvenience and the disappointment.

To overcome the difficulty arising out of the circumstances, I suggest to the Meeting that the dividend

recommended by the Directors in respect of ordinary and deferred shares may be approved and declared by the members as interim dividend payable fully in cash for the accounting year 1955 for the time being and the balance surplus may be left unallocated for the present. The Board of Directors will consult the Stock Exchanges where these shares are quoted and recommend to declare some further dividend if deemed desirable and/or necessary. Allocation of the surplus will also be decided at that time. If any further dividend is recommended and declared, the same would be payable to only those registered shareholders of the Company whose names appear in the Register of Members on today's date.

Production Target

You must have learnt from the newspapers, that the target of Cement production is being further raised for the Second Five Year Plan from 125 lakh tons to 200 lakh tons per year, to avoid the scarcity already felt on account of the increased demand for various development works and the people getting more and more cement-minded. To meet the immediate needs, the Government is importing good quantity of cement from foreign countries. Foreign cement is very costly. But to do justice to the common man and the ordinary consumer, who cannot obtain low-cost indigenous cement, the Government had decided to pool together high-cost imported and low-cost indigenous cement and distribute it at an equalised price at all railheads through the State Trading Corporation established by the Government and the existing channels of distributors and stockists. These measures have necessitated a slight increase in the price of cement. The State Trading Corporation has introduced rationalisation in movement of cement. All foreign cement will be mostly consumed at the ports and indigenous cement will be supplied to the consuming centres as far as possible from the nearest source of supply.

The Tariff Commission, while submitting its report to the Government in the year 1953 for revision of the price of cement, recommended, after thorough investigation, the desirability of equating the high and low cost cement of new and old factories respectively and also rationalising the movement of cement in order to reduce the strain on rail transport. But the Government did not see its way to accept that

recommendation at that time. Your Directors too have been impressing upon the Government since the National Government took over the reins, when late Dr. Shyama Prasad Mukherjee was in charge of the Ministry of Industry, the desirability of rationalising the transport of cement and equalising the price of cement throughout India or fix zonal prices. But nothing could be done as the industry was a house divided within itself. Even now when the Cement industry is a highly organised one with centralised direction, it is unable to form an Association of its own to represent and discuss matters of common interest and solve problems which affect all equally. All efforts to sit together to settle common questions have failed so far. That is why the Government has to introduce State Trading to achieve the object. If the industry continues to be incapable of union, sacrificing individual interest for the common interest of the industry and the country, I am afraid, the Government may have to interfere much more than they are doing today.

Expansion

The Cement industry must realise the great opportunities it has for expanding itself and increasing its service to the country. The cement production in the country during the year 1955 has been about 45 lakhs tons. The present annual installed capacity which may be put at about 50 lakhs tons taking into account the Units which have gone into production by the middle of the year 1956 will be increased by the end of 1956 to about 63 lakhs tons. But the total production of cement during the year 1956 is expected to be near about or little more than 50 lakhs tons. During the year 1957 the capacity of units expected to go into production would be about 4 to 5 lakhs tons. By the end of 1957 the annual installed capacity of the cement industry in the country is expected to be about 67 to 68 lakhs tons and the production of cement in 1957 is likely to be near about 62 to 63 lakhs tons. The benefits of such increase cannot be reaped in full unless the distribution has a high degree of rationalisation and the efficiency of the transport system is maintained at a high pitch.

A good deal of development has taken place in the country as a result of First Five Year planning. And a good deal more is envisaged for the next five years. The success of the second five year plan would be more assured and more impressive but for the differences on States Reorganisation which have shaken the solidarity of the country and tried the wisdom and patriotism of the people and the leaders. Let us pray that good sense will prevail and we will continue to make more and more progress casting aside the petty-mindedness of provincialism and making ourselves so strong that no force in the world will be able to divide us.

With your permission now, I beg to move that the agenda of the meeting be taken up serially for consideration, discussion and decisions as the members consider fit.

Finance in India and Abroad

THE CALCUTTA MONEY MARKET

FUNDS EASIER ALL-ROUND

Wednesday, 25th July.

DEMAND in the money market has slackened during the past week. The main reason has been the return of funds from the sugar industry which is now taking place. The requirements on account of both late and tea have also been easier, while funds continue to return from upcountry areas. The closing of the Government's loan issue may be partly responsible for this week's easiness. The interbank market is steady, and, at the unchanged call rate of 3½ percent, all borrowers appear to be satisfied.

There has been very little activity in the bill market in the past week due partly to the incidence of two holidays during the period. Only a few scattered tea and gunny bills have come to hand. Remittance has been poor. Sterling is unchanged, and the dollar quotation has remained at Rs. 47½.

Silver was quiet on profit-taking and declined from the previous week's level of Rs. 172-4 to Rs. 170-2, quoted today. The rate for forward delivery was quoted at Rs. 168-12. The London price was unchanged at 78½d. The price of foreign silver in New York was the same at 90½ cents.

Gold ruled firm on demand following marriage ceremonies, and the price advanced from Rs. 102-6 to Rs. 102-15. The sovereign at Rs. 66-8 showed a gain of 4 annas.

During the week ended 20th July, Government of India Treasury Bills for Rs. 36,47,50,000 were sold in favour of the Reserve Bank.

Declines of Rs. 18.75 crores and Rs. 14.58 crores in the total note issue and notes in circulation to Rs. 1,485.21 crores and Rs. 1,460.01 crores were outstanding features of the return of the Reserve Bank of India for the week ended 20th July, 1956. The currency contraction was covered by reducing foreign securities and rupee securities by Rs. 10 crores each to Rs. 616.67 crores and Rs. 718.56 crores respectively. In the Banking Department, balances held abroad increased by Rs. 6.32 crores to Rs. 47.95 crores probably as a result. Deposits showed an all round increase. Deposits of the Government of India and investments rose by Rs. 31.39 crores and Rs. 21.88 crores to Rs. 23.43 crores and Rs. 59.18 crores due to the subscriptions to the Central loan. Other Government accounts improved by Rs. 6.75 crores to Rs. 13.68 crores and balances of commercial banks were Rs. 36 lakhs higher at Rs. 53.01 crores. Other loans and advances increased from Rs. 55.49 crores to Rs. 71.62 crores, of which advances to scheduled banks against usance bills amounted to Rs. 38.29 crores against Rs. 33.96 crores. These advances aggregated Rs. 198.13 crores since 1st January, 1956. Ways and means advances to Governments stood at Rs. 4.63 crores (Rs. 3.31 crores).

The return of the State Bank of India for the week ended 13th July, 1956, shows a rise of Rs. 31 lakhs in total deposits to Rs. 223.16 crores. Investments in Government securities are down by Rs. 6 lakhs to Rs. 89.38 crores, while other authorised investments are up by Rs. 17 lakhs to Rs. 10.90 crores. Advances including loans, cash credits and overdrafts, and bills discounted and purchased, have decreased by Rs. 3.05 crores to aggregate Rs. 131.03 crores. Cash and balances are, in consequence, shown at Rs. 18.35 crores or Rs. 2.54 crores higher.

The statement of the position of scheduled banks for the week ended 13th July, 1956, discloses Demand and Time liabilities at Rs. 644.30 crores (Rs. 13.13 crores on accounts of borrowings from banks) and Rs. 456.43 crores (Rs. 3.22 crores) compared with Rs. 639.35 crores (Rs. 9.95 crores) and Rs. 454.97 crores (Rs. 3.22 crores) respectively in the previous week. Cash has decreased by Rs. 21 lakhs to Rs. 37.26 crores, while balances with the Reserve Bank have increased by Rs. 3 lakhs to Rs. 50.01 crores. There is a fall of Rs. 92 lakhs in investments to Rs. 345.98 crores. Advances and bills discounted at Rs. 747.96 crores show a drop of Rs. 8.48 crores. The ratios to total liabilities of cash and balances, and of advances and discounts, are, in consequence, shown at 7.9 percent and 68.0 percent, against 8.0 percent and 69.1 percent.

Provisional figures of foreign sea and airborne trade of India on private and Government accounts during June 1956, according to data so far available in the Department of Commercial Intelligence and Statistics, Calcutta, are as follows: Merchandise, excluding transit trade of Pakistan but including that of other land frontier countries: Exports Rs. 4,481 lakhs, re-exports Rs. 102 lakhs (transit trade Rs. 1 lakh); Imports Rs. 6,317 lakhs (transit trade Rs. 4 lakhs); Total trade Rs. 10,900 lakhs. Treasure: Exports of currency notes Rs. 9 lakhs; others nil. Imports of gold Rs. 3 lakhs; currency notes Rs. 181 lakhs; others nil. Balance of Trade: The merchandise import figures are exclusive of the value of certain consignments of Government stores awaiting adjustment. Subject to this deficiency in import figures and to the exclusion of figures for transit trade the total value of exports (including re-exports) of merchandise, gold and silver fell short of imports by Rs. 1,734 lakhs.

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LONDON FINANCIAL LETTER
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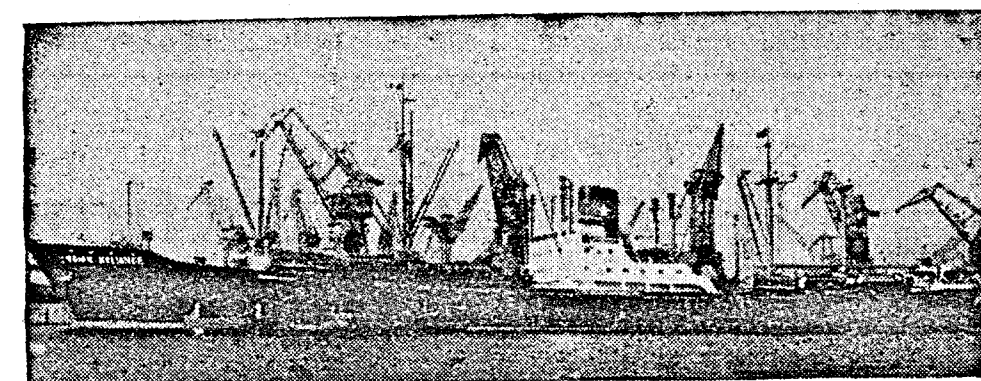
THE City of London was fully in agreement with the Chancellor of the Exchequer when he rejected the proposal of the West German Minister of Economic Affairs that European exchange rates should be discussed at the meeting of the O.E.E.C. in Paris in mid-July. Britain has no intention of allowing sterling to drift into a *de facto* devaluation (however moderate), which was the implication of Dr. Erhard's suggestion that rates should be flexible within 5 percent on either side of parity. Nothing could be more damaging to Britain's new policy of internal price stability than a cheapening of sterling. The British authorities are not equally hostile to the idea of a formal revaluation of the Deutschmark—contrasted with the informal raising of its value that was also implicit in Dr. Erhard's suggestion. There is certainly some truth in the idea that relative price changes in recent years have put the European currencies out of alignment, and Western Germany's creditor position is sufficient evidence that the mark is undervalued. On the other hand, the British authorities, though hardly in a position to criticise a policy that has prevented prices in another country from rising, feel that Western Germany's deflation has been carried too far, and that the freeing of the latter's imports has not been enough to constitute a "good-creditor policy". They feel, in short, that it is Western Germany, not the rest of Europe, that has been out of step, and that it is she who should adjust herself.

To say that sterling would immediately depreciate if permitted to do so is to present a one-

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Condensed Statement of Condition June 30, 1956
(Figures of Overseas Branches are as of June 23, 1956)

RESOURCES		LIABILITIES	
Cash and Due from Banks	\$1,381,591,868.47	Capital	\$160,000,000.00
United States Government Securities and Securities Guaranteed by the Government	1,821,046,625.15	Surplus	290,000,000.00
Federal Agency Securities	106,489,405.56	Undivided Profits	98,456,097.37
State, County, and Municipal Securities	580,102,894.81	Reserves	5,898,201.19
Other Securities	98,562,252.96	TOTAL CAPITAL FUNDS	\$554,354,298.56
Stock in Federal Reserve Bank	13,500,000.00	Reserve for Possible Loan Losses	74,840,899.20
Loans Guaranteed or Insured by the United States Government or its Agencies	1,365,212,440.84	Demand	\$4,184,523,543.27
Other Loans and Discounts	3,708,647,477.37	DEPOSITS	8,498,981,384.98
Accrued Interest and Accounts Receivable	49,831,131.68	Savings and Time	4,314,457,841.71
Bank Premises, Furniture, Fixtures, and Safe	1,946,211.41	Liability for Letters of Credit and as Acceptor of and Endorser on Acceptances, Bills, and Notes	301,414,473.88
Deposit Vaults	93,491,492.62	Reserve for Interest Received in Advance	55,837,981.92
Other Real Estate Owned	1,946,211.41	Reserve for Interest, Taxes, etc.	36,188,466.48
Customers' Liability on Account of Letters of Credit and Acceptances, and on Endorsed Bills and Notes	300,131,815.98	TOTAL LIABILITIES	\$9,521,617,505.02
Other Resources	1,063,888.17		
TOTAL RESOURCES	\$9,521,617,505.02		

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(Branch figures are as of June 23, 1956)

RESOURCES		LIABILITIES	
Cash and Due from Banks	\$44,030,208.22	Capital	\$13,000,000.00
United States Government Securities	19,026,853.44	Surplus	5,200,000.00
Obligations, direct and fully guaranteed	8,930,679.21	Undivided Profits	1,439,672.79
Other Securities	98,884,684.84	TOTAL CAPITAL FUNDS	\$19,639,672.79
Loans and Discounts	445,183.22	Reserve for Possible Loan Losses	1,137,985.58
Accrued Interest	96,074,192.54	Deposits	149,571,273.85
Customers' Liability on Account of Letters of Credit and as Acceptor of and Endorser on Acceptances, Bills, and Notes	1,009,786.13	Liability for Letters of Credit and as Acceptor of and Endorser on Acceptances, Bills, and Notes	96,394,876.41
Other Resources	\$268,401,587.60	Reserve for Interest Received in Advance	646,168.61
TOTAL RESOURCES	\$268,401,587.60	Reserve for Interest, Taxes, etc.	1,011,610.36
		TOTAL LIABILITIES	\$268,401,587.60

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sided idea of the currency's position. In terms of European currencies, it has lately been artificially depressed by the strong flow of money into Western Germany, and by deferment of this country's purchases of goods, in expectation of a revaluation of the mark. (Even against currencies other than the mark, this position has been somewhat adverse effect on sterling, as currencies which were as cheap as the limits permitted in terms of marks were forced to rise when the mark rose.) In terms of the U.S. dollar—which is still the basic standard of comparison—sterling appears to be in approximate equilibrium, taking one season with another. There is no good reason to disturb the existing parities or margins, and Mr. Macmillan performed a useful service in rejecting the ideas of revision so promptly.

Pointers in Bank Statements

The half-yearly statements of the London clearing banks have revived doubts whether the credit squeeze is still working effectively. The aggregate of loans at the half-year, £1,975 million, was £211 million less than a year earlier, but £124 million more than six months earlier; so, on paper, the progress of restriction in the second half of last year was reversed in the first half of this year. But this is a superficial interpretation of the figures. It is already known that the nationalised industries were largely responsible for the growth of advances; seasonal demands, especially by agriculture, are heavy in the first half-year; the expansion of exports requires more finance. A policy that forced credit to contract continuously would be dangerously inflexible. Nonetheless, the apparent easing of the banks' restraints has caused some anxious questioning, and various proposals have been made for the modification of the policy. They focus generally on the banks' liquidity. It is argued that the directive to the banks a year ago to make deliberate cuts in their advances imposed on these institutions a responsibility which is not proper to banking: they had to select among their customers those whose activities were most useful to the nation's recovery. If, however, the banks' liquidity were curtailed, so that their liquidity ratios declined to the conventional limit of 30 percent of deposits, they would restrict, or cut back, lending as an act of normal banking practice. Moreover, "open-market operations" in the money market would be much more effective if the banks' liquidity was tight. One suggested method of tightening the position is a short-dated bond that the banks could be "invited" to take in exchange for Treasury bills—for such a bond would not, as Treasury bills, qualify as a liquid asset. Another sugges-

tion is that the liquidity ratio itself should be obligatory and variable. The Chancellor considered, and temporarily rejected, this idea some months ago, but the raising of the banks' ratios to levels well above 30 percent is interpreted in some quarters as a precaution against a compulsory rise.

Government Stocks

The long-awaited funding operation to deal with the War Stock due for repayment in mid-August has been undertaken this month. It is a straight offer of conversion of the £224 million of maturing stock, with no accompanying cash issue to provide funds for repayment of the unconverted portion. As Government departments had previously acquired a large proportion of the maturing stock, and would, of course, convert automatically, and as the banks were liquid enough to be tempted to take up a six-year bond rather than take cash, the operation could not be an obvious failure. Nor, however, could it cut a slice off the floating debt: on the contrary, it adds to that debt, as cash must be provided by means of Treasury bills for any unconverted stock. Indeed, those who convert receive a cash payment of 1½ percent as an inducement to take a 4½ percent six-year stock at par. The merits and defects of this operation will become apparent only gradually, as it works out its effects in the monetary system. But works out to have the operation (the largest ever, apart from the £2,000 million conversion of 5 percent War Loan in 1932) completed will mean that the authorities and the banks can see their way more clearly. Some observers believe that the banks and other institutional investors will resume steady investment in the gilt-edged market—though on a modest scale at first—to take advantage of exceptionally favourable yields, around 5 percent, obtainable on long-dated securities. The reduction of the banks' investment portfolios in the past year—the end-June figure of £1,958 million was £58 million less than six months earlier, £41 million less than a year earlier—was a precaution against a further rise in Bank rate and a fall in gilt-edged prices; whereas the deduction before a year ago reflected the banks' efforts to provide liquid resources for lending—until the authorities explained that this evasion of the credit-squeeze was not permissible. Few people believe now that bank rate will be further raised, or that for any other reason values of Government securities will decline appreciably further. In their present state, the banks have no need to worry about their liquidity. So the way seems to be clear for some institutional buying of gilt-edged stocks.

RESERVE BANK

ISSUE DEPARTMENT

(In 000's of Rupees)

	20-7-56	13-7-56	22-7-55
Liabilities—			
Notes in Banking Dept.	25,20,21	29,36,67	30,31,99
Notes in Circulation	14,60,128	14,74,59,57	12,97,98,85
Total Notes issued	14,85,21,49	15,03,96,24	13,28,30,84
Assets—			
A Gold Coin and Bullion	40,01,71	40,01,71	40,01,71
Foreign Securities	6,16,67,54	6,26,67,54	6,37,04,02
Total A	6,56,69,25	6,66,69,25	6,77,05,73
B Rupee Coin	1,09,96,36	1,08,71,11	1,07,60,14
Rupee Securities	7,18,55,88	7,28,55,88	5,43,64,97
Total	14,85,21,49	15,03,96,24	13,28,30,84

BANKING DEPARTMENT

Liabilities—			
Capital Paid-up	5,00,00	5,00,00	5,00,00
Reserve Fund	5,00,00	5,00,00	5,00,00
National Agricultural Credit (Long-term) Fund	15,00,00	15,00,00	—
National Agricultural Credit (Stabilisation) Fund	1,00,00	1,00,00	—
Deposits—			
(a) Central Govt.	83,42,05	52,03,24	79,62,47
(2) Other Govts.	13,68,77	6,53,75	18,89,61
(b) Banks	53,01,42	52,64,89	53,34,08
(c) Others	11,88,57	12,18,88	14,67,05
Bills Payable	6,44,27	6,31,87	11,42,42
Other Liabilities	25,67,10	25,44,41	24,09,47
Total	2,20,12,18	1,81,56,84	2,12,12,10

Assets—			
Notes	25,20,21	29,36,67	30,31,99
Rupee Coin	8,92	9,41	8,31
Subsidiary Coin	4,67	4,37	6,61
Bills Discounted Int.	2,00	2,00	62,30
Govt. of India Treasury Bills	3,96,03	5,83,68	7,96,11
Balances held abroad	47,55,73	41,52,83	79,51,51
Loans to Govt.	4,83,75	3,31,75	83,00
Other Loans etc.	71,62,52	55,49,45	25,40,36
Investments	59,18,50	37,30,63	61,23,69
Other Assets	7,39,65	8,46,05	5,96,22
Total	2,20,12,18	1,81,56,84	2,12,12,10

SCHEDULED BANKS

(In 000's of Rupees)

	13-7-56	6-7-56	15-7-55
Demand Liabilities—			
(a) Borrowings from Banks	13,13,13	9,94,99	11,49,20
(b) Others	6,31,16,63	6,29,36,60	5,91,68,39

Time Liabilities—			
(a) Borrowings from Banks	3,22,30	3,22,30	3,72,51
(b) Others	4,53,21,54	4,51,74,68	3,98,32,80
Borrowings from State Bank Demand Liabilities	5,60,44	6,80,45	2,73,51
Time Liabilities	—	—	20
Cash	37,26,46	37,46,50	33,77,20
Balances with the Reserve Banks	50,00,63	49,97,94	49,75,16
Balances with other banks in current account	10,78,49	11,19,13	10,79,28
Money at calls and short notice	17,90,40	15,93,65	20,09,10
Investments in Central and State Govt. Securities	3,45,98,48	3,46,89,64	3,87,18,42
Advances	6,04,66,90	6,11,01,01	4,99,44,65
Inland Bills purchased and discounted	97,25,23	96,84,53	70,65,92
Foreign Bills purchased and discounted	46,04,12	45,58,64	40,23,48

CLEARING HOUSE RETURNS

	Rs (thousands)	Calcutta	Bombay
Week ended 20-7-56	54,06,78	57,36,89	57,36,89
13-7-56	60,55,72	56,54,63	56,54,63
6-7-56	61,99,85	56,36,62	56,36,62
29-6-56	60,73,57	61,83,52	61,83,52

STATE BANK OF PAKISTAN

ISSUE DEPARTMENT

(In 000's of Rupees)

	week ended 29-6-56	week ended 22-6-56
Liabilities—		
Notes in Banking Department	12,46,44	11,22,66
Notes in Circulation	2,83,54,44	2,84,56,82
Total Notes issued	2,96,02,88	2,95,79,58

Assets—		
A Gold Coin and Bullion	11,33,41	11,19,58
Sterling Securities	95,98,28	96,98,38
Government of India Securities	16,58,55	26,38,95
India Notes representing assets receivable from the Reserve Bank of India	43,02,58	43,02,58
B Rupee Coin	6,79,62	6,70,15
Govt. of Pakistan Securities	1,18,39,88	1,15,39,88
Held with Reserve Bank of India pending transfer to Pakistan	—	—
Gold Coin and Bullion	19,02	19,02
Sterling Securities	4,40,63	4,40,63
Govt. of India Securities	1,00,90	1,00,90
Rupee Coin	29,51	29,51
Total	2,96,02,88	2,95,79,58

BANKING DEPARTMENT

Liabilities—			
Capital Paid-up	3,00,00	3,00,00	3,00,00
Reserve Fund	3,00,00	3,00,00	3,00,00
Deposits—			
(a) Central Government	25,04,86	9,05,84	9,05,84
(b) Provincial Government	8,22,68	7,96,48	7,96,48
(c) Banks	27,48,61	27,44,67	27,44,67
(d) Others	9,97,10	24,88,40	24,88,40
Bills Payable	1,50,62	1,65,00	1,65,00
Other Liabilities	7,23,52	7,27,55	7,27,55
Total	83,37,43	84,28,74	84,28,74
Assets—			
Notes	—	—	—
Rupee Coin	—	—	—
(a) Pakistan	12,46,44	11,22,66	11,22,66
Subsidiary Coin	—	—	—
(a) Pakistan	—	—	—
(b) India	10	11	11
Bills Purchased and Discounted—			
(a) Internal	—	—	—
(b) Govt. Treasury Bills	—	—	—
Loans and Advances to Govt.	4,98	12,13	12,13
Provincial Govt. Debtor Balances	—	—	—
Other Loans and Advances	2,97,75	3,23,00	3,23,00
Investments	53,76,87	54,06,48	54,06,48
Other Assets	16,09,21	15,94,28	15,94,28
Total	45,37,43	84,28,74	84,28,74

Stocks and Shares

SHORT TRADING WEEK ENDS ON DULL NOTE

CONSIDERABLE CONTRACTION IN TURNOVER

Wednesday Evening.

IT has been another week of stagnation in the Calcutta share market. Prices have remained generally unchanged or have tended to sink lower, while turnover has been negligible throughout the market. Indian Irons have declined gradually over the period from Rs. 35-12 to today's closing quotation of Rs. 35-9. There has been enquiry for National Carbon and Metal Box, both shares in the miscellaneous section, but otherwise this week's limited dealings have been featureless. The gilt-edged section has also been dull. The present undertone is distinctly weak.

The continued inactivity in the Calcutta market, in contrast with the fair support which is still enjoyed in Bombay, is drawing comments from various quarters. The general lack of investor support is being attributed partly to the fact that Calcutta has not yet had the good fortune to be favoured with the attentions of the nationalised-insurance investors and partly to the doubts which are being felt over the prospects facing the jute and coal industries. The lack of speculative interest may have some connection with the police raids which have been made lately on the homes of certain prominent operators and which, so it is rumoured, are still going on.

Details of the week's trading follow.

Business in the gilt-edged section was at a low ebb and sellers predominated except in the case of short-dated issues. Offerings, however, were not on a large scale. Three percent Conversion Loan 1986 continued its downward trend and closed at Rs. 76-9 sellers, while 3½ Non-terminable Loan was quoted nominally at Rs. 77. In short-dated loans, 3½ 1957 was steady at Rs. 99-13 while 3½ 1958 had buyers at Rs. 99-10. Among medium-dated loans 3½ 1959-61 was on offer at Rs. 98-2 while 3½ 1963-65 and 1964 were both traded at around Rs. 95-2; 2½ 1961 had buyers at around Rs. 93-9 while 2½ 1960 was quoted at Rs. 96-6 ex-voucher. In National Plan issues, 3½ 1961 eased by one anna to Rs. 99-8 while 3½ 1964 was also taken lower to Rs. 98-11 as was 3½ 1965 at Rs. 98-10. Long-dated loans were unchanged with 3½ 1966-68 at Rs. 93-3 and 3½ 1970-75 at Rs. 90-6. The three new loans had sellers at issue prices.

In provincials, there was a small enquiry for 4½ issues but very little business was reported in the absence of sellers. Four percent U.P. 1967 was in demand at Rs. 99-13 while 4½ Madras 1967 was traded at the same rate. Four percent Bihar 1963 was asked for at Rs. 100-2 without attracting sellers.

Very little business was reported in preference shares due to the fact that the market was only open for three days during the period under review, namely 20th, 24th and 25th July. In jute, Anglo India were reported at Rs. 109 and Hukumchand were offered at Rs. 108-8. Among miscellaneous issues, Bharat Collieries were placed at Rs. 55-4 and Burrakur 1st at Rs. 111. Calcutta Electric changed hands at Rs. 11-7 and a small lot of Carew at Rs. 100. Dalmia Cement Rs. 100 paid-up shares were marked at Rs. 100-4 and a small lot of Godfrey Phillips at Rs. 68-4. Martin Burn were crossed at Rs. 105 and New Victoria were taken at Rs. 5-1. Rohtas Industries "B" were crossed at Rs. 64-6, Titagur Paper 1st were taken at Rs. 145 and the 2nd at Rs. 95.

In the banking section, Bank of Bikaner came to hand at Rs. 19 and both Punjab National and United Commercial improved to Rs. 60-4 and Rs. 55-4 respectively. United Bank of India "D" shares came to hand at Rs. 4-7.

Among railways, only one share was mentioned, namely Dehri Rohtas at Rs. 13-10.

In cotton, there were few price changes and business was on a small scale. Among the shares which changed hands were Cawnpore Textiles at Rs. 9, Elgin Mills at Rs. 18-8, Kesoram at Rs. 18-2 and New Victoria at Rs. 2-10. Swadeshi Cotton Preferred Ordinary reported business at Rs. 11-12.

Although business in coal shares was of a retail nature, prices kept fairly steady and in fact some shares moved up. Amalgamated rose from Rs. 22-8 to Rs. 23 and Bengal from Rs. 535 to Rs. 538. Burrakur were depressed at Rs. 13-4. East Indian were done at Rs. 30-10 and Karanpura Collieries met with some enquiry at Rs. 116, as did Ranee-gummet at Rs. 13-2. Borrea were taken at Rs. 23.

A few bargain hunters were attracted by the low level of prices in the jute section and, as a result, a few scrip recorded gains as will be seen from the following table of prices:

	Opening 20-7-56	Closing 26-7-56
Anglo India	158	165
Budge Budge	123	124
Barnagore	128	130
Chandany	152	154
Ganges	62	64
Howrah	21 2	21 12
National	23 1	23 2
Samnugger	9 8	10

The outstanding feature was Union which rose

smartly from Rs. 126 to Rs. 140 on interested buying.

Only one share was dealt in in the electric supply section, namely, Calcutta Electric at Rs. 13-8.

Sugar shares spent a dull week, although prices showed little variation. Belsund were marked at Rs. 11-14, Carew at Rs. 9-2 and there was a small enquiry for Cawnpore at Rs. 19-4. Dyer Meakin Breweries were crossed at Rs. 5-14, Ramnugger Cane were easier at Rs. 28 and Shree Krishna Gyanoday were dealt in freely at around Rs. 13-4.

There were no features in the engineering section and prices more or less stagnated at around last week's levels. Braithwaite were subbed at Rs. 27-13 as were Burn & Co. at Rs. 355 and Indian Standard Wagon at Rs. 178. Jessops were easier at Rs. 35-8 while Richardson & Cruddas were unchanged at Rs. 26. Textile Machinery were marked down to Rs. 22-2 and Marshalls were offered at Rs. 6. Business in Indian Iron and Steel shares was on a much reduced scale with the price fluctuating narrowly around Rs. 35-8; tonight's closing quotation is Rs. 35-9.

Paper shares were depressed, particularly Titagur, which were marked down to Rs. 40-2. Orient Paper were quoted at Rs. 38-4 while Indian Paper Pulp were fairly steady around Rs. 25-6. Bengal Paper were a nominal market at Rs. 121.

In cement, Assam Bengal were offered at Rs. 7-9 without attracting buyers while both Ashoka and Orissa were steady at Rs. 12-4 and Rs. 15-8. Sone Valley met with interested buying and improved further to Rs. 9-10. Dalmia Cement were unchanged at Rs. 15-14. In insurance, a small odd lot of New Asiatic changed hands at Rs. 3-8. In shipping, India Steamship were steady at Rs. 9-6 as were India General Navigation at around Rs. 110. Port Shipping were marked at Rs. 15-4 against a previous quotation of Rs. 15-7.

There was a sharp reduction in turnover in the miscellaneous section and prices on the whole tended to lower levels. Associated Hotels were marked at Rs. 7-8 and Aluminium Corporation were unchanged at Rs. 10-5. Angelo Brothers were easier at Rs. 22-2 while Balmer Lawrie were steady at Rs. 185. Britannia Biscuit recovered to Rs. 15-2

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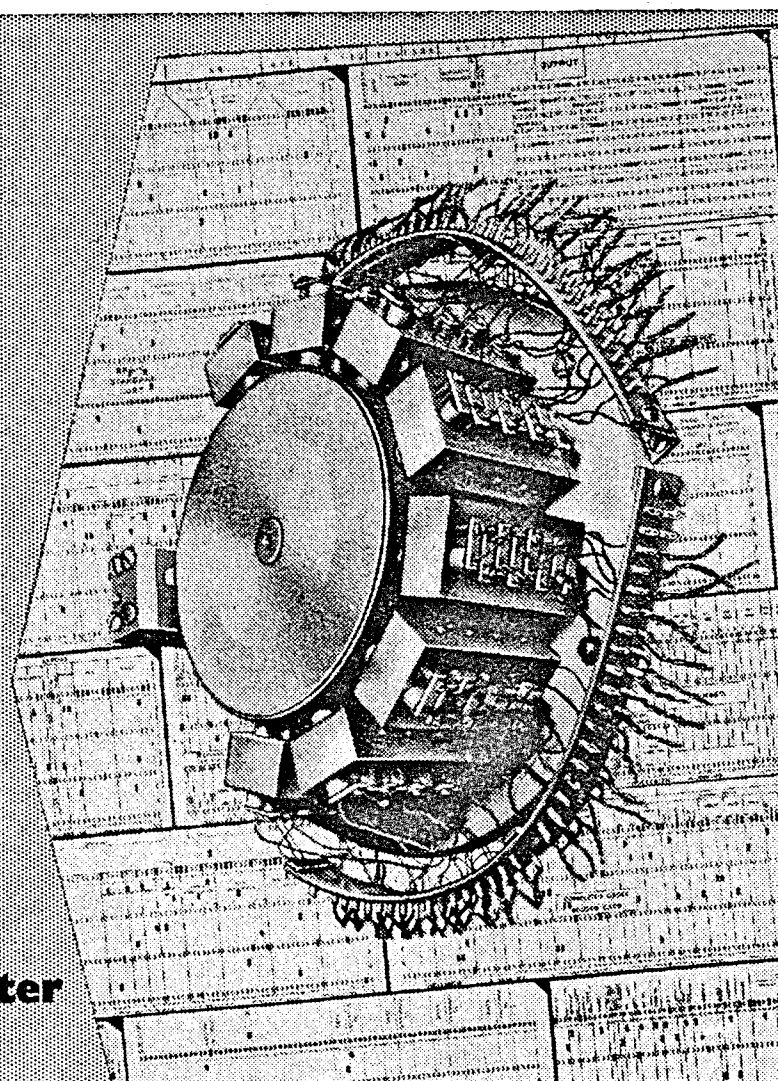
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STOCK MARKETS FOLLOW WALL STREET TREND

U.K. MOTOR STRIKE DEPRESSES SENTIMENT

London, 25th July.
MOVEMENTS in the stock markets have continued to be dictated largely by events on Wall Street during the past week. News on the home front has been anything but encouraging and few people hold any hope of a relaxation of the credit squeeze in the near future. The new account which started last Wednesday promised brighter things, and with Wall Street in a buoyant mood, prices made substantial headway. However, the Wall Street advance came to a halt, and with American interest in U.K. industrialists subsiding, generally quieter conditions followed. Since then, sentiment has come under the influence of the strike at the British Motor Corporation factories. There has been a steady drift to lower levels, especially in shares with an American following. Imperial Chemicals have turned dull and British aluminium shares have lost a good deal of the ground gained earlier. A firm feature has been provided by de Havillands on reports of big American orders for the new Comet. There have been attempts to put gilt-edged prices on a better level and the success of the conversion offer was helpful, but the appearance of the £5 million Agricultural mortgage loan brought renewed dullness. Japanese bonds have continued to make headway with Germans joining in later. There has been little movement in rails. Interest in Kaffirs has ebbed, so prices have drifted lower, although at one time Free State Geduld were a firm market after the quarterly report. Dominion Reefs have picked up following the new uranium taxation ruling. There has been little to help coppers, and with the commodity continuing to ease, share prices have followed the trend despite bouts of strength on Wall Street. Bancrofts have been an active market, however, and reflected optimism over the forthcoming quarterly report. Although active conditions have continued in the oil share market, there has been a good deal of profit-taking and most prices are now well below their recent peaks. Rubbers have continued to enjoy a quiet demand on account of satisfactory dividend statements, but the overall trend of teas has been undecided.

The Money Market

There was a gradual tightening up of the credit situation on the London money market during the past week, marking the end of the easy-money phase which had obtained since the beginning of the half year. The week opened quite comfortably following the disbursement of money, but subsequently, with the preparation of mid-monthly balance sheets which called for withdrawal of funds, conditions became less comfortable and remained so for rest of the week. Borrowers had to pay more for their requirements with 4½ percent as the prevailing rate, while up to 4½ percent was conceded on occasions. The contraction in the supply of funds naturally affected demand for bills, and kept rates firm with October date at 4-20/32 percent and those maturing in late August at 4½ percent. In expectation that future monetary conditions would be more stringent, the discount houses lowered their tender bid for the week's offering of Treasury bills which resulted in the average rate coming out approximately at 1/32 percent higher. Applications for £270 million worth of 91-day bills totalled £418,395,000 and were allotted at the average rate of 100s 3.82d. Offerings this week comprise £260 million worth of 91-day bills. The Bank of England return for week ended 18th July showed that bankers' deposits were about £22 million lower at £207 mil-

lion, while notes in circulation were £18 million higher at around £1,940 million.

Activity on Wall Street

U.S. Government obligations eased during the past week. Part of the fall was ascribed to investors switching into newer higher-yielding corporates, including the \$250 million American Telephone and Telegraph offering placed on the market last week. Convertibles and high quality corporates were mixed. Trading in speculative rails was slow. In the foreign department, Australians accounted for a good part of the limited activity, with prices unchanged to a shade higher. Italians scored small gains on a modest volume, while German Nationals were mixed. Greeks advanced by fractions to a point. Japanese issues were steady in a small volume of business.

U.S. Federal Reserve Return

The U.S. Federal Reserve return for the week ended 18th July shows that gold stock rose by \$1 million to \$21,923 million. Foreign deposits fell by \$201 million to \$452 million, while the aggregate excess reserves of member banks rose by \$139 million to \$504 million. The daily average excess reserves of member banks fell by \$141 million to \$622 million, while their daily average borrowings fell by \$30 million to \$849 million. Business loans of the New York city banks fell by \$39 million to \$7,939 million.

Stock Market Prospects

The Investors' Chronicle market newsletter writes: "Gilt-edged securities appear to have formed a strong base along the June-July lows. They should now be able to respond to any demand. The main restraining influence is the possibility of domestic labour troubles. Gold shares, after pausing to consolidate, have ignored the past week's Johannesburg failure. Wall Street's rally on President Eisenhower's political return has been the main cause of the better tone on the London Stock Exchange. The undertone has been strengthened. Oils are buoyant, led by Shell. The strength of freight rates has caused a boomlet in shippings. Industrialists have behaved well, but there is no real steam and no sign yet of any major factor to galvanise the markets in the short run. The lead or a strong revival will probably come from the gilt-edged which would not need much to start rising. In recent years, many tea companies have considered it wise to revalue their estates, which, after many years of conservative financing, were standing in balance sheets at very low capitalisations. Sometimes these were followed by scrip issues. The Finlay group have revalued their estates, but they have made no scrip issues so far, and their reserves now stand very high. These revaluations may have been intended to guard against local interests. On current values of first-class tea estates, the present share prices leave large margins. The current prices of two Finlay companies are more than covered by their net liquid assets alone. While political uncertainties affect the value of Indian shares in foreign hands, there will always be a strong incentive for bids from local groups, particularly where the local buyer can offer well over the current share price and still get the plantation for virtually nothing. It is doubtful whether the British interests will really fight against attractive take-over offers."

Mixed Trend in Hongkong Gold

Trading in Hongkong gold showed a mixed trend during the past week. The week opened with easier prices, which then rallied, only to fall back again, but they ended slightly higher on balance. The market closely followed the tendency of sterling abroad. Carry-over charges were 168 cents in favour of sellers. This was also a factor for the bearish trend. The official offshore was 1,010 taels and unofficial 10,600 taels. There were no arrivals from Macao. Forward contracts were done at \$37.87.

Bombay

THE BASIC PROBLEMS OF VANASPATI PRODUCERS

PROSPECTS FOR GROUNDNUT CROP

(FROM OUR BOMBAY CORRESPONDENT)

THE vanaspati industry is maintaining the high level of production it achieved last year. In 1955, the all-India output amounted to 260,800 tons, a record figure for any year, and the first six months of the current year have shown an equally satisfactory level of production at 139,000 tons. There is, however, no certainty that the present production rate will continue during the remainder of the year. The record-breaking performance of last year was possible because of a combination of favourable circumstances. Weather conditions were unusually satisfactory. 13,548,000 acres were sown, yielding a bumper groundnut crop of 4,128,000 tons in terms of unshelled seeds. Groundnut prices steadily dropped, and this enabled the industry to reduce the price of vanaspati in an expanding market. In spite of the announcement of export quotas for the raw material, groundnut oil prices were maintained at a relatively low level, and adequate supplies were available.

These conditions have now changed. Because of the low price level at the end of last season, the acreage under groundnuts has decreased to 12,553,000 acres. Weather conditions too have been unfavourable. Late rains in Saurashtra, Khandesh and Hyderabad have affected the crop, and the output this season is estimated at approximately 3,804,000 tons. Uncertainty over the 1955-56 crop has led to wide fluctuations in the price of groundnut oil. In October 1955, oil was being quoted at Rs. 200 a ton, but then, because of a price rise in world markets and a comfortable supply position in a depressed market at home, the Government of India announced an export quota of 100,000 tons in terms of seeds and oils. This, together with the uncertainty over the new crop, acted as a spur and the local price of groundnut oil shot up to Rs. 1,550 a ton towards the end of May this year. Although the price has dropped somewhat since then in anticipation of the new crop and has recently averaged Rs. 1,400 a ton, it is not clear how the market will react when final reports are known. It is believed, however, that the price of groundnut oil will remain well above last year's level with a lesser quantity offered for sale.

Likely Fall in Production

In these circumstances, it is likely that the production of vanaspati will fall, and it is equally likely that the increased price of oil will be reflected in the price of the finished product. The fortunes of the vanaspati industry are, therefore, intimately linked with the state of agricultural prices in general. Such a dependence is not peculiar to the vanaspati industry alone. The sugar industry, for instance, is similarly placed for its cane supplies. The production of sugarcane depends on the prices of alternative crops. Again, the quantity of cane available to the factories for crushing depends on the relationship between the minimum price fixed for cane and the prevailing price of gur. The textile industry too leans heavily on the agricultural sector for raw cotton, and the same general uncertainties come into play. But there is a difference between the vanaspati industry and the other major industries that depend on agricultural production or their raw materials. No serious attempt has been made either to improve the quality of groundnut seed or to step up the yield per acre. There are no price safeguards and cultivation is largely a matter which rests with the agriculturist. No effort is made to link production with the needs of the industry. The vanaspati industry consumes approximately one-third of the oil produced in the country, and in normal circumstances, should act as a stabilising factor, but internal prices are often influenced by world markets and the export policy of the Government of India which, in this case, is governed more by the prospect of foreign exchange earnings than by the requirements of the home industry.

Excise Levy on Industry

In addition, the industry has other problems. For instance, it is required to pay an excise duty of Rs. 140 a ton on the finished product and it now seems that a further Rs. 70 a ton will have to be paid in excise on raw oil. Normally, industrial consumers of excisable products are exempt from the payment of such duty, but the vanaspati industry has been singled out for discriminatory treatment. Whether this new excise duty will be payable by vanaspati manufacturers or by oil crushers depends on the outcome of a legal action now pending before the Punjab High Court. Further discouraging features are the high incidence of octroi and terminal taxes and sales tax. In some instances, municipalities levy an octroi duty of 1 anna a lb. on vanaspati against 4 annas a Bengal maund of 82 lbs. on ghee. The same wide disparity exists in sales tax. Vanaspati is taxed at the rate of 1 anna in the rupee against half the amount on other oils.

There seems to be an unreasonable prejudice against the vanaspati industry. Perhaps the opposition is partly based on a preference for pure ghee. A chemical analysis claims that vanaspati is not in any manner inferior to ghee in terms of food value. The law compels vanaspati manufacturers to incorporate a prescribed quantity of vitamin A

so as to bring their product on par with ghee. The production of vanaspati can be strictly controlled from the point of view of quality, and periodic checks can ensure that the consumer is offered a standardised product with a constant food value. It is impossible similarly to control the quality of ghee. The preference for ghee assumes ridiculous proportions when comparative prices are considered. Most brands of vanaspati sell at an average price of 14 annas a lb. whereas the price of ghee in the Bombay market today stands at Rs. 3 a lb. and there is no guarantee that the ghee offered at this fantastic price is a pure or wholesome food product.

Nutritional Value

The vanaspati industry can play an important rôle in solving the nutritional problems of the country, and also in keeping the food bill low once the unwanted prejudice is removed. There is every reason to believe that further economies can be effected in the production of vanaspati if the Government takes a hand in organising the cultivation of groundnuts, and also affords some relief to the industry by reducing some of the taxes now levied. The other main objection to vanaspati arises from the mistaken notion that the organised industry adversely affects the interests of the milk producing section of the village community. The fact is that it is actually uneconomical for the village community to produce ghee. In Anand, Bombay's main milk producing centre, milk sells at a wholesale price of 3 annas a lb. Co-operative societies purchase all the milk tendered at this price. A little more than 16 lb. of milk are required to produce 1 lb. of ghee for which the producer gets well below Rs. 3. It is, therefore, more profitable to sell milk. It is precisely this fact which leads to the adulteration of ghee.

Surely in view of the acute shortage of milk and the low level of milk consumption in the country, it would be logical to discourage its uneconomical uses, particularly when a suitable substitute for ghee is available at an economic price. There is considerable scope too for increased production of cream and cheese which would be more remunerative than ghee to the small-scale producer. The vanaspati industry qualifies for sympathetic consideration on other grounds also. Last year, the industry earned Rs. 2 crores in terms of foreign exchange by exporting vanaspati to the Middle East. This was possible because Holland, the main exporting country, suddenly became uncompetitive. If the Indian industry is given adequate assistance, there is no reason why this market should not be permanently retained, and other markets developed at a time when the country

urgently needs to step up its exports. In any case it is far better to export an industrially finished product rather than the raw oil which is subject to violent price fluctuations and irregular demand.

DETAILS OF STEEL PLANTS BEING FINALISED

BHOOTHALINGAM TEAM VISITING LONDON

(FROM OUR NEW DELHI CORRESPONDENT)

Dusseldorf, 23rd July.

THE Secretary to the Iron and Steel Ministry, Mr. S. Bhoothalingam, has left for London to finalise the Indo-British deal for setting up a one-million ton steel plant at Durgapur, for which the Indian Steelworks Construction Company submitted tenders. Mr. Bhoothalingam was here for some weeks with his team of experts, which included a financial adviser and a steel consultant. During that time, he visited the works which are to assist in building the Indian Government's one-million ton steel plant in Rourkela. He also visited Austria to see the working of the L. D. process of steel-making, which will be used in the Rourkela plant, commissioned in partnership with the German combine of Krupp-Demag. Enquiries show that tentative decisions have been reached to accept the tenders of Guta Hoffnungs Hütte for a blast furnace, of Doctor Otto for coke oven batteries, and of Krupp, Demag Schloemann, Siemens and Sack for setting up a steel rolling mill. Tenders are being scrutinised for a steel melting shop and an electric plant. An early decision is expected. Considering its long experience, a tender from Krupp for a steel melting shop may be preferred, it is gathered.

Similar processing of the British tenders will be done while Mr. Bhoothalingam and his team of experts are in London. Mr. Bhoothalingam is expected to visit Russia next October in connection with the one million ton steel plant which is to be built in Bilal in collaboration with the Russian Government.

IMPORTS OF CEMENT

India has so far imported 13,300 tons of cement this year. Of this quantity, 10,300 tons have come from Rumania and the rest from Pakistan.

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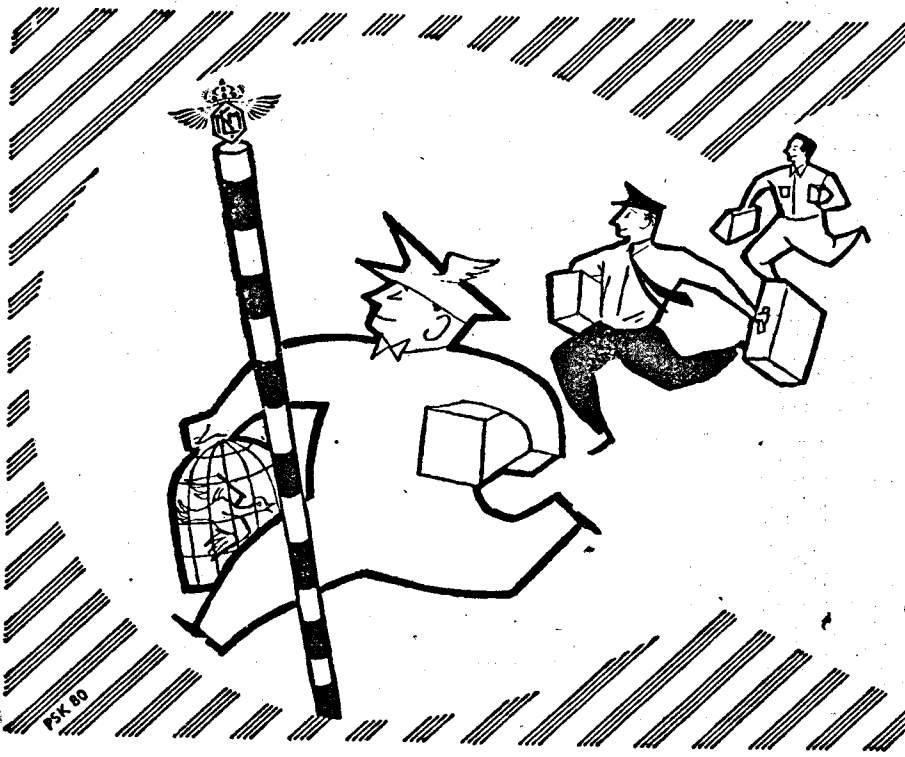
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O.E.E.C. MEETINGS IN SESSION IN PARIS

FREE MARKET PROPOSAL FOR WESTERN EUROPE

(FROM OUR LONDON CORRESPONDENT)

THE Cabinet this week, although economic affairs must have figured on the agenda, has had to do without the guidance of Mr. Macmillan and Mr. Thorneycroft. The Chancellor of the Exchequer and the President of the Board of Trade have been tackling almost equally important problems at the meetings in Paris of the Council of Ministers to O.E.E.C. Ordinarily, this is a more or less routine meeting, but this year it has taken on an added importance because of Germany's anxiety to correct her over-creditor position in E.P.U., the pressure from the low-tariff countries to secure additional liberalisation of trade despite the objections of the high-tariff countries such as Britain, Western Germany and France, and finally, by the putting forward of a "free market" proposal for Western Europe which would extend the present iron and steel pool procedure to more or less all inter-European trade. Mr. Macmillan has already turned down a direct approach from the German Finance Minister for an exchange readjustment of the mark and the pound, and our Commonwealth commitments make acceptance of the other two ideas virtually impossible. But if the "free market" proposal were to founder merely on our refusal to participate, the repercussions might be most unfortunate. This week-end will produce details of how our representatives have overcome these difficulties, and at what cost. On the home front, little progress appears to have been made in finding a solution of the threat of a strike in the various factories of the British Motor Corporation, but it is to be noted that redundancies elsewhere in the motor industry are being dealt with on the basis of prior consultation. B.M.C., with declining export markets and large stocks available, might not look entirely askance at a short stoppage of work, but the effect on labour

generally and the Government's efforts to secure better understanding and closer co-operation in the wider economic interests of the country as a whole could be disastrous.

Business Stocks

The Board of Trade's enquiry into stocks and work in progress shows that their value at the end of March, 1956, was about 10 percent higher than a year before, partly because of higher prices. The index number is 117, against 106. During the first quarter of 1956, the stocks of manufacturing industry increased in value by 4 percent, compared with an average quarterly increase of about 3 percent in 1955. The Board of Trade points out that the rise was due largely to increases in stocks of finished goods and work in progress, particularly the former. The chief rise took place in the metal-using trades and the food, drink and tobacco group. Outside manufacturing industry, stocks of raw materials held by merchants and Government agencies dropped in the first quarter by nearly 10 percent (at constant prices), largely owing to a fall in importers' stocks of timber and sales from Government trading stocks of non-ferrous metals. The disposal of these stocks does not seem to have led to a corresponding increase in manufacturers' holdings.

It is interesting to compare this official statistical evidence of gradually falling raw material stocks with the latest quarterly report of the Purchasing Officers' Association, which reflects the day-to-day experience of buyers, mainly in the engineering field. The Association has not yet noticed any marked improvement in supplies, particularly in the mechanical and electrical industries. "In consequence, in spite of pressure from board rooms, inventories have not been cut down to any appreciable extent." And again: "The credit squeeze is having some effect but stocks as yet are only marginally affected. The unbalanced supply situation prevents an all-round clamping down on stock levels." Fear of shortages is apparently still dominating the attitude to the amount of stock it is necessary to hold.

First Quarter Expenditure

A heavy consumption of drink and of tobacco is the most notable feature of consumers' expenditure in this country in the first quarter of 1956. The figures are revalued at 1948 prices so as to eliminate the monetary inflation. Consumption of alcohol, other than beer, was £22 million compared with £74 million in the first quarter of 1955. Beer consumption had also increased—from £110 million to £114 million. Tobacco is up to £200 million from £191 million. The falls in expenditure compared with a year earlier are, as expected, in durable goods and motor-cars. Expenditure on household goods was £192 million in the first quarter of 1956, against £219 million in the same quarter a year earlier. Expenditure on travel was £76 million, against £77 million. Under this heading are included both public transport and private motoring and, since expenditure on public transport has in fact been rising, the net result underestimates the fall in private motoring. The overall result is that consumer expenditure was a little higher in the first quarter of 1956 than in the first quarter of 1955. The rise had been slowed, but not halted.

Cotton Import Licences

Some confusion about the change in import licensing arrangements for dollar cotton, which came into operation on 4th July, is threatening to affect adversely the securing of the fullest advantage from the triangular deals with Pakistan, Burma and Indonesia. The position is further clarified by the Board of Trade and is that the open general licence for raw cotton imports now excludes cotton originating in or consigned from dollar-account countries. Open individual licences permitting unlimited imports of such cotton, however, are available to merchants, spinners and other importers subject to their giving an undertaking to comply with the appropriate procedure in respect of all their imports of U.S. cotton from the U.S. whenever the U.S. Government funds are available. Such funds may become available through American aid to the U.K. under the Mutual Security Act, or through the Agricultural Trade Development and Assistance Act as part of triangular deals in cotton textiles entered into between the Governments of the U.K., the U.S., and third countries such as Pakistan, Burma and Indonesia. Whenever no such funds are available, however, importers will be free to import U.S. cotton under their own licences in the ordinary way. Imports of cotton originating in dollar-account countries other than the U.S., and of U.S. cotton shipped from third countries are not affected by the licensing change and may at all times be made in the ordinary way.

Steel Supply Problems

The ban on overtime by maintenance workers in the steel industry reduced production in June to the rate of 379,700 tons a week against an average of 412,700 tons a week in the preceding five months of the year. Production in June was, nevertheless, higher than in the corresponding month last year when affected by the railway strike. Then it was at the rate of 364,200 tons a week. The threatened strike of the 14,000 maintenance men in the industry has been called off and a Ministry of Labour Court of Enquiry is to examine their claim, but the overtime ban continues and about 4,000 men are involved in local strikes, so output targets for the year may not be achieved. Steel production in June was at the annual rate of 19,744,000 tons, compared with 20,612,000 tons in May, an average of 21,196,000 tons for the first half of the year, and 18,938,000 tons in June last year. This year's output aim is 21 million tons against a record output last year of 19,791,000 tons. The demand for steel is still high, especially for plates, joists and heavy sections, but that for lighter products for use in the manufacture of durable consumer goods has eased off. It is some consolation to note marked improvement in the industry's stocks of raw materials. Stocks of imported iron ore in mid-1956 are 40 percent higher than a year ago. They have now recovered from the cut in supplies in the earlier months of this year when the Baltic froze and political unrest interfered with supplies from North Africa. Stocks of pig iron and of scrap are also considerably above the level of mid-1955.

June Wholesale Prices

Wholesale prices of the basic materials used in British industry continue to show a remarkable steadiness. For June the Board of Trade index number (30th June, 1949=100) moved down from 155.9 percent to 155.2 percent, a drop of 0.4 percent. The lowest point reached this year was in January, when the index stood at 154.9. Last month's fall resulted mainly from lower prices for copper (down 10.5 percent), raw rubber (down 5.3 percent), linseed oil which fell 11.7 percent, and hides and skins, which were 2 percent lower. Among the materials which rose in price in June were raw wool, 3 percent higher, and lead, up 1.5 percent. Various lubricants also cost more.

Brevities

The raising of the company rate of income tax by 5 percent to 39 percent in the Ceylon Budget should not entail any additional burden on the earnings of British-registered companies operating in Ceylon. Income-tax paid abroad ranks for relief against assessment to U.K. tax.

The official retail index price was 102 on 12th June, compared with 103 at 15th May. The Ministry of Labour, announcing this, said that the fall was due mainly to reductions in the average prices of potatoes and some other vegetables. These reductions were partly offset by increases in the average prices of household coal, eggs, bacon and butter.

Madras

INCREASE IN RICE PRICES CONTINUES THERMAL STATION NEAR NEIVELI PROPOSED

(FROM OUR MADRAS CORRESPONDENT)

IN spite of a favourable season, the price of rice continues to rise. Official warnings and credit restrictions reinforced the promise that the Government would sell imported rice in deficit areas at a low price. But the demand from West Bengal for Andhra rice and Travancore's buying of Tanjore rice have had the natural result of forcing up prices, especially when stocks are running low and two lean months are ahead. The futility of official statements is proved by the trend in Tanjore where prices continue to rise as in Coimbatore and Malabar. This disturbing trend has led to pleas for more transport facilities from the trade, which has recently complained against the use of open wagons for bringing pulses and grain from the north to Madras. The trade's view is that when prices in Andhra go up, prices in consumer markets must also go up and local demonstrations of discontent against high prices can make no impression. The Government hopes for the best through regular arrivals of Burma rice, but its effect on all commodity prices cannot be overlooked. The middle class is the hardest hit, and women are being forced to work to supplement the family's income.

Thermal Station Experiments

The Union Government's intention to start a thermal station promptly near Neiveli follows Mr. Haya's declaration that pumping tests have proved satisfactory. The experiments undertaken in May are still going on and official statements on them are reassuring. The aluminium project depends on cheap power, but Mettur is a good site. The bauxite ore from the Shevroys is to be examined in the U.S.A. and the Government intends to send five tons to the U.S.A. for the purpose. The development of Vercaud as a full station is bound up with the success of the aluminium project which may be comparable with the Hiraakud smelter scheme in course of time. Geologists have been instructed to go on with the investigation of bauxite ores, but less is now heard of iron ore. On the other hand, magnesite is still a useful proposition, and the mining industry in Salem has got a fresh lease of life. It looks as if State trading did not affect magnesite, and the Japanese interests who are interested in the working of the Salem magnesite deposits are not out on a limit. The aluminium industry in Alwaye will become secondary when Mettur is developed, but aluminium wares will hardly be able to displace stainless steel. The high cost of silver has made steel an acceptable substitute, and the dazzling variety of wares has made steel a rival of tin, which is both expensive and not as strong. The practice of applying tin to brass vessels is dying out, and tinkers have lost much of their occupation because of the strength of steel and its power to resist corrosion. The advent of Bombay factories making utensils has affected local competition and the small establishments using sheets and circles concentrate on design and finish. Copper is also out of favour, and the brittle pure bell metal has yielded to stainless steel in the kitchen. Most Indian restaurants use tableware made of steel, and it is only Muslim tea shops that still stick to porcelain.

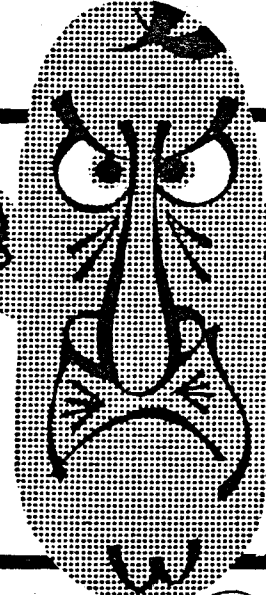
Mr. Nadar's Future

Mr. Bhaktavatsalam's return last week does not portend any political disturbance. The T.N.C.C. is thinking only of the coming elections, and the Chief Minister is in the deep south explaining the need for industrial peace to support the evolution of socialism in our time; while Mr. E. V. R. Naicker declares that Mr. Nadar's future is bound up with that of a Tamil-speaking State which would uphold communal justice. The Vaniyas, a backward class, staged a meeting last week and the presence of Mr. Padayachi indicated new political appreciations. In 1952, the Vaniyas set up their candidates against the Congress, and the result was discouraging. But now though only ex-criminal Vaniyas are held eligible for special concessions and reliefs, the Congress does not fail to court them all. Incidentally, the conference made a plea for Palar water. The investigation and the award have not gone in favour of Madras as expected, and the Vaniyas asked that water should be conserved for the benefit of south Arcot. The conference also pleaded for the abolition of land revenue on holdings below five acres.

Andhra-Telangana Merger

The merger of Andhra with Telangana is almost complete. Officials have been busy and the non-gazetted ones have advanced their demands. Whether the High Court will be bifurcated is still in doubt. But guarantees have been given. The introduction of Prohibition in Telangana will be delayed as the development of the area requires the retention of excise. There will be a wet region when the rest of Andhra Pradesh is dry. The shortage of coal causes anxiety to tobacco-growers who find that the U.K. is buying more Rhodesian tobacco this year. How to get new markets for Virginia tobacco is a problem for flue-curers. Financial aid for them has been given by the State Financial Corporation, but the trade is in the doldrums. Lack of markets for onions is also causing anxiety; and Andhra growers feel that licensing should be liberal in future.

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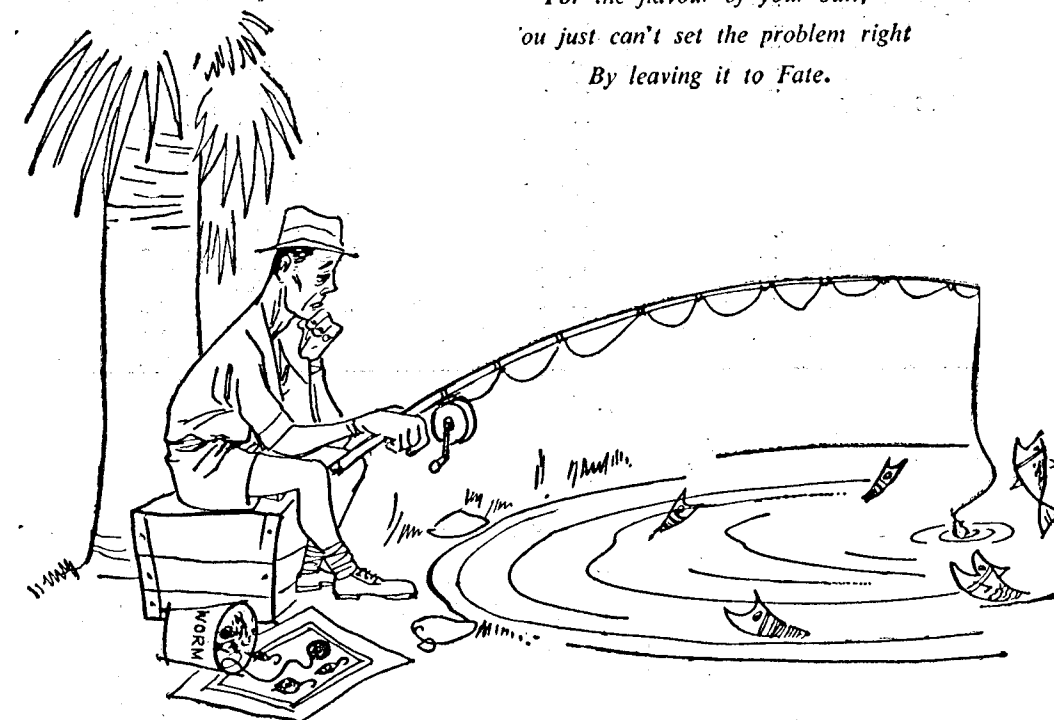
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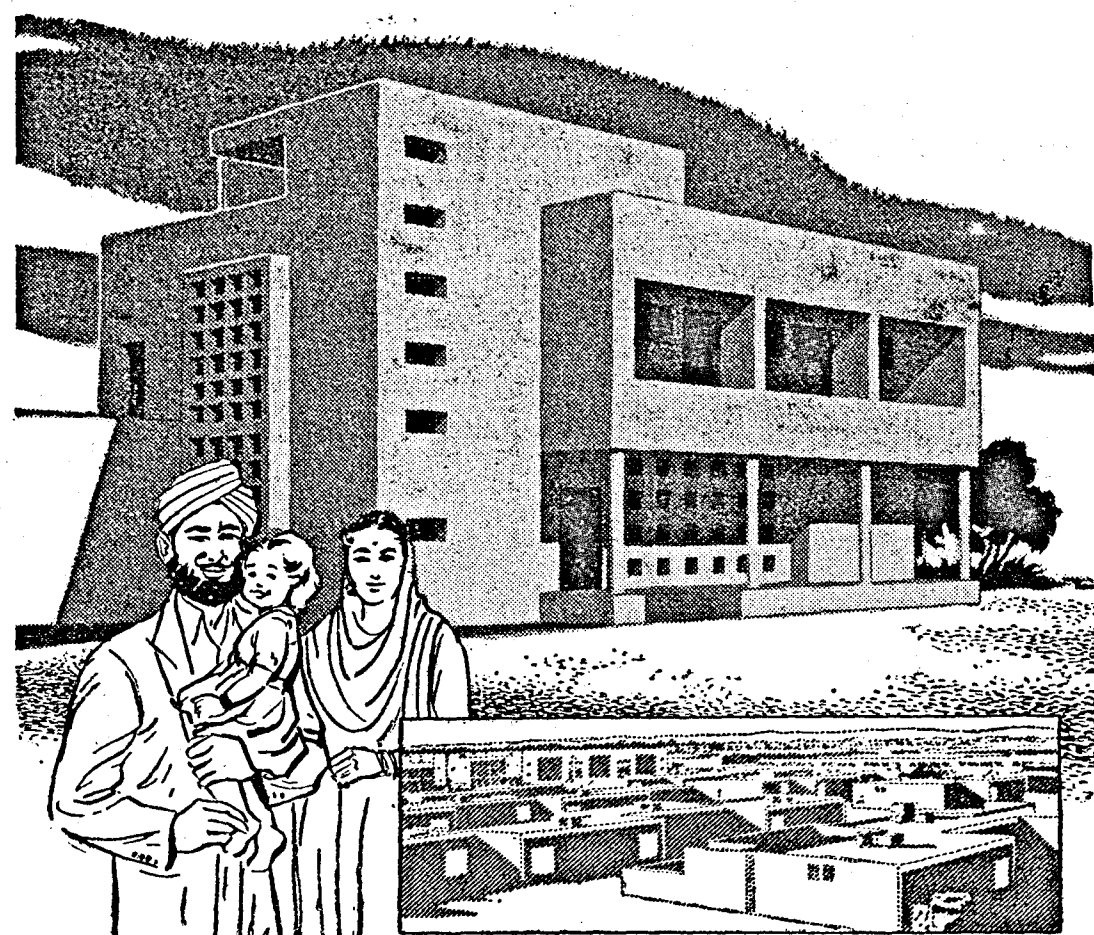
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THE FOREIGN JUTE MARKETS

MILLS CLOSE DOWN

(FROM OUR DUNDEE CORRESPONDENT)

ALL the jute mills and factories in Dundee and district closed down on 20th July and will not resume until 6th August. There are few employers who are not glad of the stoppage, as business has been so bad during the past month that it has been difficult for both spinners and manufacturers to keep going. Unfortunately for the jute industry, it is the firms who are consumers of jute goods and yarns who are experiencing dull times and it may be a month or two yet before there are signs of any improvement. Judging by the prolonged spell of quiet trading, stocks must be running down to very low levels and there is bound to be renewal in the not too distant future. Improvement cannot come too soon to obviate further curtailment of production. The raw jute market has ruled quiet and there has been a tendency for prices to decline for shipment in the early periods, say July and August. In this position good business has already been done and claims under Clause 3 are being made by some shippers, i.e. for the month's free extension of contract. For August-September shipment some grades are lower, such as Mill Lightnings are at £81 10s (minimum £81) and Mill Hearts are down £1 to £77 (minimum £71), with Mill Firsts of little or no interest at £91, c.i.f. U.K. Some Continental business has again been reported. Good Daisies-2/3 is lowest at £91 and grade at £81, grade Tossa-3 at £100 and grade £90, c.i.f. September-October, all at minima. Jute yarns and cloth are still very quiet, but there is no suggestion of anything less than the fixed prices being taken. Calcutta goods have shown slight weakness at 58s 3d for 40in. 10oz. and 44s 6d for 74oz. July, 58s 6d and 44s 3d August, 58s and 44s September, and 58s and 44s October-December, with B Twills at 157s 6d, 158s 3d and 158s respectively, all f.o.b. Calcutta. The Jute Control has bought very little lately.

At a meeting of the Samnuggur Jute Co., Ltd., held on 17th July a shareholder, Mr. Graham F.

Paterson, said they should get rid of the shares or liquidate the company voluntarily. So far as he could see the break-up value of the company's shares was about 35s, or four times the present market price. "The political situation in India positively stinks", he said. There is a strong leaning towards Communism, and if that gets a grip, there will be confiscation. "Was there any hope of getting the Company sold and had the directors tried to sell?" The chairman, Mr. George A. Mason, assured him that no one was more concerned about the present price of the shares than the directors. But he could not touch on the question of liquidation or the political situation. No move had been made to sell the Company. Mr. Paterson also asked about the agreement with Thomas Duff and Co. as managing agents. He wanted to know how long it had to run and if their remuneration was still 24 percent of the turnover. The chairman said the 20-year agreement would continue until 1963. The remuneration had remained unchanged. Mr. Paterson said he could see reason in it if the remuneration were 2 percent of the profit, but, as it was, Thomas Duff and Co. got their whack, win or lose. Last week, the boards of directors of all three companies intimated that they were unable to recommend any interim dividend on the Ordinary shares, but the usual interim on the Preference 6 percent shares will be paid for the past six months on 1st August, less 8s 6d in the £.

U.S. BURLAP CONSUMPTION AND STOCKS

U.S. burlap consumption during June at an estimated 62 million yards was 17 percent below that of June a year ago. Sales of burlap bags in the month, however, were reported to be quite good, but for the most part they will not be reflected in consumption figures until later. For the first six months of this year, consumption was 6 million yards or about 13 percent higher than for the same period last year. U.S. burlap stocks declined by 7 million yards in June. The figures included 143 million yards spots and 97 million yards afloats. Appearing below are two tables

which include the June figures—(1) based on member reports to the Textile Bag Manufacturers Association and the Burlap and Jute Association and (2) projected to represent the estimated consumption and stocks for the entire industry:

U.S. Burlap Consumption (as reported to TBMA)		U.S. Burlap Consumption (Estimated Industry Total)	
(Millions of Yds.)		(Millions of Yds.)	
1956	1955	1956	1955
Jan. 68	58	Jan. 72	62
Feb. 64	61	Feb. 68	65
Mar. 67	68	Mar. 71	71
Apr. 65	60	Apr. 69	63
May 69	69	May 73	73
June 59	71	June 62	75
Total 392	387	Total 415	409
Mo. Av. 65	65	Mo. Av. 69	68
U.S. Burlap Stocks (as reported to TBMA)		U.S. Burlap Stocks (Estimated Industry Total)	
(Millions of Yds.)		(Millions of Yds.)	
1956	1955	1956	1955
Jan. 213	217	Jan. 243	245
Feb. 214	227	Feb. 245	256
Mar. 224	224	Mar. 253	254
Apr. 224	232	Apr. 255	258
May 216	230	May 247	261
June 216	221	June 240	252
July 223	223	July 245	245
Aug. 209	209	Aug. 237	237
Sept. 211	211	Sept. 235	235
Oct. 210	210	Oct. 240	240
Nov. 211	211	Nov. 239	239
Dec. 215	215	Dec. 247	247



Several hundred million years ago oil was first formed. Little fish and other creatures died and turned into oil.

Then, fishermen discovered the fish that had the oil and now you can get cod liver oil, which I hate. Still, cod liver oil makes a naughty child good and many mothers seem to think that without it children would not grow. And if children did not grow the world would be full of infants, and there would be no progress.



The oil business spells progress which anyone knows means

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Commodity Markets

WHOLESALE PRICE INDEX RISES

THE official wholesale price index (base: year ended August, 1939=100) advanced further by 1.5 percent to 408.3 during the week ended 7th July, 1956, as compared with 402.2 (revised) for the previous week. The index was higher by 3.9 and 15.1 percent respectively when compared with the corresponding weeks of the previous month of last year. The index for Food Articles rose by 1.5 percent to 379.5 as a result of an advance in the prices of sugar (+9%), wheat and gram (+3% each) and rice and dal arhar (+1% each), although tea for internal consumption (-5%), salt in Calcutta (-4%) and bajra (-2%) showed declines. The index for Industrial Raw Materials also moved up by 1.9 percent to 490.9 as compared with 481.8 (revised) for the previous week because of an increase in the prices of coal (+18%), raw jute (+13%), groundnuts at Cuddalore and linseed at Bombay (+2% each) as reported at Calcutta and Bombay and raw silk (+1% each). The prices of manganese ore (average export price) (-10%), gingellyseed (-8%), groundnuts at Bombay (-4%), rapeseed at Kanpur and linseed at Calcutta (-2% each) and lac (-1%) were, however, marked down. The index for the Semi-Manufactures group stood at 395.1 as compared with 395.5 for the previous week. Items which recorded noticeable fluctuations in this group were: copper (-5%), gingelly oil (-3%), groundnut oil, linseed oil in Calcutta and zinc (-2% each), groundnut cake (+3%) and castor oil in Calcutta (+2%). A rise of 2.1 percent to 385.1 in the index for the Manufactures group was brought about by an increase in the prices of cement (+15%), machinery (+7%), cotton manufactures and glass (+3% each) and jute manufactures (+1%). The Miscellaneous group index advanced further by 2.6 percent to 560.8 because of a rise in the price of tobacco (+9%) in spite of declines in the price of tumeric (-5%), vanaspathi Dalda (-3%) and black pepper (-1%).

INDEX NUMBERS BY GROUPS AND SUB-GROUPS (Base: Year ended August 1939=100)

Groups and Sub-groups	7-7-56	30-6-56	9-6-56	9-7-55
I. Food Articles:	379.5	374.0	356.3	304.0
Cereals	480	476	468	349
Pulses	370	362	350	272
Others	250	245	220	244
II. Industrial Raw Materials:	490.9	481.8 (R)	476.0	412.8
Fibres	484	470 *	458	417
Oil seeds	530	537	546	400
Minerals	470	435	414	427
Others	421	421 (R)	429	417
III. Semi-Manufactures:	395.1	395.5	386.0	331.6
Leather	399	401	406	357
Mineral oils	208	208	208	201
Vegetable oils	547	554	558	408
Cotton yarn	475 *	473 *	477	406
Metals	327	328	278	256
Oil cakes	432	426	431	345
Others	362	361	361	330
IV. Manufactures:	385.1	377.0	378.5 (R)	370.8
Textiles	418	409	413	406
Jute	386	381	392	415
Cotton	430 *	419 *	419 *	402 *
Rayon & Silk	453 *	453 *	478 *	474 *
Woollen	264	264	264	282
Metal Products	388	377	371	352
Others	291	286	286	286
V. Miscellaneous:	560.8	545.4	509.0	567.8
All commodities	408.3	402.2 (R)	393.0 (R)	354.7

R=Revised * =Estimated.

NEW SERIES OF WHOLESALE PRICE INDICES

THE present series of wholesale price indices has the year ended August 1939 as base. It is desirable to adopt a later year as base, and the question of the appropriate base period is under examination. Meanwhile, an interim series with 1952-53 as base is being issued. The series with 1939 as base will also continue to be published. The number of commodities or commodity groups has been increased from 78 to about 110 and the number of individual price quotations from 215 to more than 550. Quotations have been selected for foodgrains on the basis of the Thapar Committee's report. A committee has been established to examine the selection of quotations for non-agricultural items, and the interim index will be revised on the basis of the Committee's recommendations. The weights attached to various commodities are on the basis of value marketed in 1948-49. For May 1956, the value of the new index is 100.9 while the old index stood at 102.5. The classification into major groups has been modified and group indices are not strictly comparable. The food group in particular has much wider coverage than before.

TEXTILE INDUSTRY IN THE RUSSIAN UKRAINE

Under the sixth five year plan, the textile industry of the Ukraine is due to raise output by more than 160 percent, says a special issue of the Tass bulletin. Steps have been taken to promote the widest application of new machinery, to rationalise the use of existing equipment and broaden the assortment of goods. Here is what Mr. I. Yesipenko, Minister of the Textile Industry of the

Ukrainian S.S.R., told a Tass correspondent in the course of an interview: The output of cotton fabrics is to be raised in the republic in 1960 to 8.5 times the 1955 volume, production of silks is to increase almost threefold and production of woollen goods is to be doubled. A substantial increase is to be effected in the output of rayons. An extension of production facilities is essential for a further increase in the output of textiles. Since the beginning of this year, the cotton mills of Kherson received an additional 20,000 spindles and 300 automatic looms. Preparations are under way for commissioning new dyeing and finishing mills. Output is due to rise by 350 percent, as compared with last year. The cotton spinning mill at Poltava has received since the beginning of this year an addition of 26 spiral spinning machines of continuous action. Antiquated machines will be completely replaced at the Lvov cotton spinning mill; as a result of this, the production capacity of the mill

is expected to rise by 25 percent. Equipment is to be modernised at the textile mills in Chernovtsy, Korostyshev, Steblev and elsewhere.

"Woollen and silk mills are also being modernised. A highly efficient unit for finishing pure wool fabrics has been installed at the woollen mills in Kharkov. The woollen mill at Voroshilovgrad will receive a substantial addition to its automatic looms. A weaving mill will be commissioned this year at the Darnitsa silk mills. It will have 1,220 looms for the production of silks and tapestry. Considerable funds are allocated in the new quinquennium for financing the construction of textile mills. New woollen mills will go into operation at Chernigov, the second section will be started at the Kherson cotton mills, and the cocoon processing mill will go into operation at Zaporozhye. It is planned to build rayon mills at Chernigov and Cherkassy, mills for the production of draperies at Chernovtsy, cotton and linen mills at Zhitomir."

MIDDLE CLASS COST OF LIVING INDEX NUMBER FOR CALCUTTA

(Base: August, 1939)

THE Middle Class Cost of Living Indices, by groups, have now been brought up to June 1956. As compared with May, the June Index for Food reveals a rise of 5 points, while those for clothing, miscellaneous, and Fuel and Lighting

remain unchanged at 526, 283 and 239 points, respectively.

Correlating all the factors, the Middle Class Cost of Living Index for Calcutta shows that the cost of living increased by 3 points during June 1956.

Middle Class Cost of Living Index Number for Calcutta. Prices in August, 1939=100

Groups	Weights	GROUP INDICES											
		June, 1955	July, 1955	Aug. 1955	Sept., 1955	Oct., 1955	Nov. 1955	Dec. 1955	Jan. 1956	Feb. 1956	March 1956	April 1956	May 1956
Food	53.6	439	446	447	450	453	457	455	446	442	453	461	470
Fuel and Lighting	4.4	237	239	239	237	239	237	237	237	237	239	239	239
Clothing	12.4	494	494	497	497	503	503	503	507	507	520	520	526
Miscellaneous	29.6	282	282	282	282	282	282	282	282	282	283	283	283
Combined Index	100.0	391	394	396	397	399	401	401	396	394	402	406	414

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Plantation Topics

PRICE OF POORER SOUTH INDIAN TEAS FALLS

RUBBER OUTPUT LOWER: PROBLEMS OF CASHEW INDUSTRY

(FROM A SOUTH INDIAN CORRESPONDENT)

SOUTH India harvested a heavy tea crop of 20 million lbs during May, bringing the total for the first five months of 1956 to 53 million lbs, as against 53.5 million lbs in the corresponding period of 1955. During the earlier months of the year, production was lagging behind that of last year on account of drought; towards the end of April, the shortfall was about 3½ million lbs. The May harvest has almost made it up. Unattractive rush tea forms the larger proportion of what is now offered in the Cochin market. Consequently, there has been a steep fall in prices over the past few weeks. The average price realised at the Export sale of 3rd July was Rs. 1-11-4 a lb, which shows a fall of 5 annas and 3 pies a lb from the corresponding average of last year. Plain and medium teas were sold at prices which are considered below the cost of production.

Pilfering on Rubber Estates

Pilfering of rubber from estates now poses a major problem for the plantation industry. This is most wide-spread in central Travancore. While speaking at the annual conference of the Munda-kayam Planters Association held a few days ago, its chairman, Mr. K. L. Kershaw, expressed great concern and apportioned the blame among dealers, plantation workers and their relatives. The Rubber Board has recently constituted an ad hoc committee to devise means to check rubber thefts, and a meeting of this Committee was held a few days ago. The Board's energetic drive last year to register producers and to licence dealers should have placed it in full control over the production and movement of rubber. Unfortunately, it does not seem to have gained command. The reason may be that it was not very keen to scrutinise the dealers' credentials in its haste to get them registered. However, it is felt that tightening control over dealers and over the movement of rubber will check the menace.

Weather conditions have affected the production of rubber. Since the second half of May, there has been heavy rain in the rubber districts with the result that tapping in many estates had to be suspended temporarily. On account of the vagaries of the climate, raw rubber production fell in May by over 100 tons compared with the production in the corresponding month of 1955. Similar losses are also likely in June and July, unless some compensating factors supervene. The rubber market is tight with limited supplies, and buyers are reported to be paying a premium for what they can procure.

The Rubber Board's subsidy scheme for replanting has been announced. It provides for financial assistance at varying rates for replanting in 70,000 acres in ten years' time at the rate of 7,000 acres a year. A subsidy of Rs. 400 will be granted for the first five acres and Rs. 250 an acre for over 50 acres on a slab basis. No financial assistance will be given for replanting less than one acre. About 80 percent of India's rubber area of over 200,000 acres is under unselected low-yielding strains, planted from 1902 onwards, and more than half of these have outlived their normal economic life.

Raw Cashew-nut Supply

Within a month or so, the cashew-processing factories on the west coast, numbering over 150, will be closed on account of a total lack of raw nut supply. This will mean unemployment for about 80,000 workers for the rest of the year. The cashew nut production in India this year is extremely poor. The production of kernels in 1956 may not exceed 1,100,000 cases as against last year's estimated output of about 1,400,000 cases. The demand from the United States, which is the principal customer for India's cashew kernels, has also been very poor for some months, so prices have fallen by a few cents to 45 cents a lb. The Russian purchase of 20,000 cases gave a boost to the market, and prices picked up by 2½ cents a lb. But, it is reported, some 250,000 cases of the year's possible production are unsold. The industry is waiting for orders from the U.S.A., which should require more to cover the usual peak demand in September-December.

The need for raising the indigenous production of cashew nuts is now keenly felt. The Agricultural Ministers conference, held recently in Mussoorie, suggested that cashew nut production should be raised to meet the full requirements of the local processing industry. The Travancore-Cochin Government has recently approved, on the advice of the Indian Council of Agricultural Research, a scheme for planting cashew trees on 27,000 acres and for starting three cashew nurseries. A provision of Rs. 38 lakhs has been made for this purpose.

pose in the State's second five year plan. Travancore-Cochin now has over 85,000 acres under cashew, and they yield more than 43,000 tons. Under the proposed scheme, waste lands suitable only for cashew planting will be acquired by the Government and leased out as five-acre plots to private growers on favourable terms for a period of 20 years. If private parties do not come forward, the Government will itself undertake planting in 27,000 acres. It is stated that the I.C.A.R. has plans for bringing nearly 50,000 acres on the west coast and 60,000 acres on the east coast of the Madras State under cashew cultivation. The scheme is now awaiting the Madras Government's approval.

There is a demand from the workers' side that the cashew-processing industry should be declared non-seasonal. As it is, the industry employs about 80,000 workers, for seven to eight months, for a total raw-nut supply of 120,000 tons. To provide full employment for this labour force, a nut supply of 200,000 tons will be necessary.

COCHIN TEA SALES

At Sale No. 21, 1,500,000 lbs of tea were on offer. There was a good general demand which was stronger at the bottom, with improved quality Low Mediums rather higher. Medium B.O.P.s were difficult to sell. Few best liquorings on offer met with a keen competition and whole leaves were dearer.

LONDON TEA SALES

At last week's London tea sales, the 44,064 packages on offer realised an average price of 3s 8.10d a lb, against 3s 9.53d in the previous sale and 4s 1.19d a year ago. Plain old season's Indian broken pekoe was quoted at 2s 8d a lb nominal. Prices obtained by some of the companies are given below:

	No. of packages	Average a lb.
Anglo-American	428	4/0½
Assam Doars	720	4/4½
Assam Estates	204	4/6
Badulipar	551	3/4
Cons. Tea and Lands	2,228	3/1½
Darjeeling	286	5/4
Eastern Produce	1,518	4/4½
Empire of India	1,241	3/7½
Jetinga Valley	252	2/8½
Jhazie	220	3/9½
Jokai	1,302	3/9½
Jorehaut	117	3/7
Kanan Devan	270	4/7
Leesh River	599	3/9½
Longai Valley	594	2/6½
Lunuvu	714	4/7½
Nedem	440	2/10
Pathini	462	2/6½
Rajawella	977	4/8½
Scottish Tea and Lands	1,050	4/10½
Single	767	3/3½
Standard	690	5/3½
United Planters	626	4/11½

U.K. Tea Stocks

U.K. stocks of tea on 13th July amounted to 126.0 million lbs. against 139.3 million lbs. a year ago.

COLOMBO RUBBER PRICES

The following prices have been issued by the Rubber Board of India from the weekly market report published by the Colombo Brokers' Association:

	Closing prices on 13-7-56 (Rupees a lb.)	Average for the period (Rupees a lb.)
Sheet :		
No. 1	1.41	1.41
No. 2	1.38	1.38
No. 3	1.35	1.35
No. 4	1.11	1.11
No. 5	1.06	1.06
Sheet Cuttings	1	.90
do	2	.85
Crape :		
Water White	—	—
R.M.A. No. 1X	1.47/48	1.41½
R.M.A. No. 1	1.43/46	1.38½
do	Crape No. 2	1.33
do	No. 3	1.24
Scrap Cresses :		
Sc. Crape No. 1	.95 Nom.	.92½
Sc. Crape No. 2	.85/90	.84½
Sc. Crape No. 3	.80/85	.80
Flat Bark	.75/80	.75
do	Sc. Crape 3X	.82

To arrive at f.o.b. Colombo prices, add 53.45 cents a lb for rubber other than scrap crape and 31.45 cents for scrap crape to the above market prices.

INDIAN RUBBER PRODUCTION AND CONSUMPTION IN JUNE

Indian rubber output in June was 1,484 tons, according to the Rubber Board of India. Exports were 3 tons and 2,163 lbs, while imports were 809 tons. Consumption by manufacturers was 2,401 tons. Stocks with estates and dealers on the last day of June were 2,900 tons including 730 tons in transit. Stocks with manufacturers at the end of the month amounted to 2,701 tons. Manufacturers also consumed 314 tons of reclaimed rubber of which they held a month-end stock of 516 tons, and used 192 tons of synthetic rubber, their month-end of which was 710 tons.

Engineering and Transport

URANIUM AS A SOURCE OF ENERGY

WORLD DEMAND AND SUPPLY PROSPECTS

THE RIO TINTO Company is one of the few mining groups that sponsor uranium-mining (in Australia and Canada) for its own sake and not only as an adjunct to gold-mining. At the company's recent annual meeting in London, the chairman, Mr. Gerald Coke, made some tentative assessments of the future demand for uranium. Mr. Coke surmised that the essential requirements for purely military purposes, now 10,000 to 15,000 tons of uranium metal annually, would be satisfied before long, and added that it was impossible to guess the subsequent demand for stockpiling and for existing weapons. For generating power, he pointed out, the main demand would be for the initial charge (which technologists are hoping to reduce); replacement demand would be limited, the more so as breeding reactors came into operation. Demand would therefore depend on expansion of electricity-generating capacity rather than on existing capacity.

On the basis of the probable increase in generating capacity, and allowing for the probable economy of consumption per megawatt, Mr. Coke suggested that demand for uranium metal for generating electricity might rise to some 10,000 tons a year over the next 20 years, and he concluded that, even if military demands were reduced, total demands could substantially exceed present production. The shift from military to civil use might, he thought, "produce a situation in which uranium can be bought and sold through more normal commercial channels". Whether, when supplies have increased, the free market will maintain present contract prices is uncertain. Such estimates of future demand for uranium are necessarily based on the assumption that nuclear energy itself will be derived from the processes of fission of heavy elements. But there has been in recent months a remarkable development of interest in possible techniques of fusing the nuclei of light elements. If these techniques were evolved, and could be applied on a commercial scale, much of the demand for uranium would presumably be transferred to hydrogen.

Russian Experiment

At the U.K. Atomic Energy Research Establishment at Harwell in April, British scientists heard from Dr. I. V. Kurchatov, a leading nuclear scientist from Russia, an account of his country's experiments in controlling the process of fusing nuclei—which is already familiar in its uncontrolled form in the hydrogen-bomb. At the same establishment in June, British scientists and technicians discussed (in strict secrecy) the problems of controlling fusion and the best ways of approaching those problems. It is a curious thought that we know now more about Russia's than about any other country's work on nuclear fusion. It seems that British scientists—two of whom, Sir John Cockcroft and Professor E. T. S. Walton (to give them their present titles), were the first to produce a thermo-nuclear reaction in the laboratory at Cambridge in 1932—believe that they are still in advance of their colleagues abroad, but no significant information of their activities has leaked through the wall of secrecy surrounding them.

It appears from Dr. Kurchatov's account that on several occasions, for periods of a few seconds, the Russians have brought about the conditions for fusing nuclei of hydrogen in a controllable manner, though they have not, apparently, even momentarily, brought about fusion itself. They have generated the fantastic temperature, one million degrees Centigrade, required to cause nuclei of heavy hydrogen (deuterium) to fuse together; and they have partly solved the problem of containing such heat so that it does not melt everything within its normal range (one million degrees being hundreds of times the temperature at which any known material melts). The methods used came near enough to success to show that controlled fusion was almost certainly possible; and experiments on other lines are now in progress. The intense efforts of various countries to discover a method of fusing nuclei so that the energy thereby released can be used for creative purposes are the outstanding scientific phenomena of our time. Yet in the cold light of economics, these efforts do not seem entirely rational. It may be agreed that fusion is the more natural process, as it occurs in the sun and provides heat for the universe, but in the sun the temperatures are always immense. At earthly temperatures fusion is artificial. Fission of nuclei does not occur freely in nature, but in our conditions it can be brought about much more easily than fusion, on a useful scale. The difference is that fission occurs when neutrons (not electrically charged) penetrate into a nucleus, whereas fusion occurs when nuclei are forced to merge; in the one case, there is no electrical resistance to overcome, whereas in the other, the nuclei are violently repellent because they are all positively charged.

Practical Disadvantages

The practical disadvantage of fusion is that it is achieved by acceleration of particles at relatively low temperatures, it requires more energy than it releases and if achieved "thermally"—at very high temperatures—the heat is difficult both to generate (otherwise than by a fission-bomb) and to control. The theoretical advantage of fusion is that, based on hydrogen, it has available limitless reserves of

"fuel" in the oceans. But fusion, even if technically possible, will remain uneconomic if its processes require enormous capital expenditure to overcome the difficulty of reproducing on the earth the physical changes that occur in the suns. In any case, it seems at this stage doubtful if thermo-nuclear energy, even if controlled for generating electricity, could be applied to individual power-units such as are envisaged for aircraft and ships. They could provide a large and permanent market for uranium. And it may be that fission of uranium or of another heavy element will be required to initiate the fusion process on an industrial scale. So it is unlikely that uranium will revert to its former limited uses (in ceramics, for instance) even if the scientists realise our dream of inexhaustible energy from the oceans.

LONDON EXHIBITION ON AUTOMATION AND ELECTRONICS

Industrial organisations in Britain are combining to stage an exhibition covering the field of electronics, automation, and instrumentation at Olympia, London, from 7th to 17th May next year. The exhibition, it is announced in London, will be held at the same time as the British Industries Fair in Birmingham, and will illustrate the growing use of electronics with progress in the development of laboratory and industrial instruments. In conjunction with the exhibition, a programme of conferences, lectures and meetings is to be arranged to discuss fully the many problems arising from the rapidly changing pattern of industrial development and the use of new techniques in industry. The rapid growth of new scientific and technological achievements in nuclear energy and process control has created a demand for new instruments and techniques and has brought the British instrument-making industry to the forefront of manufacturing progress.

IMPORTS OF AUTOMOBILE TYRES TO BE ALLOWED

The Government of India has reviewed the supply position of automobile tyres and has decided to allow substantial imports of the following sizes of tyres, the demand for which has exceeded indigenous production: 700—20/32; 750—20/34; 825—20; 900—20.

The number of tyres of each size to be imported will be such as to eliminate the scarcity now prevailing. The imported tyres are expected to be on the market within a short period. The imports will be handled by the following firms: Firestone Tyre Rubber Company, Bombay; Messrs. Dunlop Rubber Co. (India), Calcutta; Messrs. Goodyear Tyre Rubber Co., Ltd., Calcutta; and Messrs. India Tyre and Rubber Co., Bombay. These companies will sell the imported and indigenous tyres of the sizes mentioned above at a uniform price from 1st September, 1956.

BRITISH TRACTOR TO BE MADE IN INDIA

Negotiations have now been completed with the Indian Ministry of Commerce and Industry as a result of which the Ferguson tractor is to be progressively manufactured in India. Standard Motor Products of India Ltd., an associate company of the Standard Motor Company, will undertake production at their Madras plant. The Ferguson tractor has already played its part in the modernisation of Indian agriculture, and the 10,000th of these tractors to be imported into India, since they were first introduced in the country in 1949, is now on its way. During the last seven years, deliveries to India of this make of British tractor have been maintained at approximately 50 percent of all wheeled tractors imported. Massey-Harris-Ferguson (India) Ltd. state that they intend to concentrate on the development, design, and indigenous manufacture of the agricultural machinery best suited to Indian requirements. Attention has already been given to specialised agricultural implements for paddy cultivation, as well as to trailers, water haulers, and irrigation pumps, all of which are now being manufactured by the company in India.

FLOATING ROOF TANKS FOR BURMAH-SHELL REFINERY

Erection work is proceeding on the Burmah-Shell refinery site in Trombay on six tanks of the latest type equipped with floating roofs. Three tanks of this type of 4,000 tons capacity each are already in use and two more of 5,000 tons capacity are nearing completion. Four additional tanks for crude oil storage, of capacities ranging between 16,000 and 20,000 tons each, are under construction and are expected to be completed by the end of 1956. The largest measures 128 feet in diameter and 54 feet in height. The advantage of this type of construction is that the roof floats on the surface of the liquid stored and together with the special flexible seal against the side walls of the tanks, eliminates the vapour losses caused by variation in atmospheric temperature. The design of such roofs is more complex than that of the fixed roof type of tank, and supports or "legs" are provided to carry the weight of the roof when the tank is empty. Facilities also have to be installed to drain off rain water by means of special piping passing through the body of the liquid in the tank.

Calcutta Markets

SELECTIVE DEMAND AT TEA EXPORT SALE

MIXED TREND IN DUSTS

At Sale No. 7, held on 24th and 25th July, offerings at the Export auction consisted of 28,500 chests which included a large quantity of bright liquoring Assams, and these realised very satisfactory prices, especially those with Second Flush quality. Whole Leaf grades were about 1 anna easier, while clean plain broken were fully firm to dearer. Thin liquoring low medium kinds were easier, but clean black exportable Fannings were again a strong feature of the Sale. The more ordinary Fannings grades were often 1 to 1½ annas lower. There was less demand for tip, but Darjeelings generally sold well for the most flavoury kinds of which there was keen competition.

	1956 Rs.	1955 Rs.
Clean Black Pekoe	1 14 0 to 1 15 0	3 2 0 to 3 4 0
Plain B.P.	1 8 0 to 1 9 0	2 7 0 to 2 7 6
Medium Assam B.P.	2 2 0 to 2 4 0	2 4 0 to 2 9 6
Best CTC ASSAM B.P.	4 0 0 to 5 0 0	3 3 0 to 3 4 0

At the Internal Sale, Dust offerings consisted of 13,802 chests of which 845 chests were of Old Season's teas. There was a fair general demand, with black leaf tea suitable for the Middle East being again the strongest feature of the sale and selling at dearer rates. CTC Assams, however, received much less support than in earlier sales and were generally a full 4 annas below last rates. Clean Commons, Doars and good liquoring medium Assams were well supported and were firm to dearer, but the poor liquoring types were generally ½ to 1 anna easier. The few flavoury Darjeelings on offer sold well.

	1956 Rs.	1955 Rs.
Medium Doars Dust	1 6 0 to 1 7 0	2 5 0 to 2 5 6
Medium Assam Grainy Dust	1 12 0	2 7 6 to 2 8 6
Best Assam CTC Dust	3 2 0 to 3 8 0	2 14 0 to 3 0 0

Leaf offerings consisted of 933 chests for which there was a fair demand at irregular rates. The few Green teas on offer were 2 annas easier.

EXCHANGES FAIRLY EVEN IN FREIGHT MARKETS

EXCHANGES were fairly even in the freight markets last week, and grain fixtures were the feature. A number of vessels were fixed from Australia to India and although the rate declined to 130s 6d at one stage, a recovery to 133s was eventually made for September-October shipment. One ship secured 95s from Churchill to U.K., but this rate soon declined to 87s 6d. River Plate, U.K. was done at 145s and Australia-U.K. at 150s. The American coal market was irregular, between 7s 6d and 7s 6½, but no further fixtures were reported in the Indian coal trade, although owners, it was rumoured, were on the point of fixing at 7s to Karachi for September. A 14,800 tonner, 14 knots on 40 tons oil, is reported to have been fixed for five years' time charter at \$(U.S.)5.15 with delivery the Continent, October.

SUGAR MARKET

During the week ended 25th July, sugar sales in the Calcutta market averaged 4,000 bags daily. Arrivals a day were 9,000 bags and stocks totalled 100,000 bags. Rates for ready sugar ex-Kantapur delivery were Rs. 31-8 for ordinary grain and Rs. 33-9 for big grain. Demand has been poor, so the prices have eased further.

LINSEED

Prices remained almost unchanged last week, and a scarcity of supplies continued to be an important factor in the market. Small enquiries have been noted chiefly for ready goods, but the poor offtake of oil was a discouraging feature. The oil section was generally dull with shippers showing little or no interest because of the lack of parity between local and overseas prices. Latest quotations were as follows: Ready Rs. 22 a maund; July-August Rs. 22 a maund.

HIDES AND SKINS EASIER

The market continued easier. Stocks were higher than in the previous week.

Bazaar Sales

(Between 17th July and 23rd July, 1956)

Cowhides: Wet salted (Ord.) 75,000 pcs. on the basis of Rs. 5 to Rs. 7; Wet salted (Slaughtered) 11,600 pcs. on the basis of Rs. 12 to Rs. 20.

Goatskins: Wet salted (Daissee, Killed) 18,000 pcs. on the basis of Rs. 235 to Rs. 270 and Rs. 235 to Rs. 250; Purneah-Kissanganj 6,500 pcs. on the basis of Rs. 215; M. zafferpore 46,000 pcs. on the basis of Rs. 215 to Rs. 216-8.

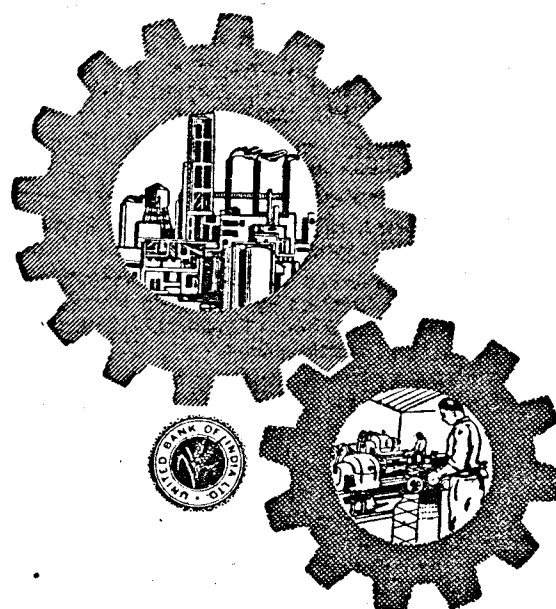
Bazaar Stocks

(23rd July 1956)

Cowhides: Wet salted 2,24,500 pcs.

Goatskins: Wet salted (Daissee, Killed) 64,000 pcs.; Assam-Dinajpur-Jalpaiguri 90,500 pcs.; M. zafferpore - Patna - Pakur - Purneah - Kissanganj 2,20,000 pcs.

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United Bank of India Ltd.

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H indicates that Share capital is half paid. O. C. and Dd. indicate Ordinary Contributory and Deferred Shares respectively. P next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

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Paid-up Capital Ordinary	Reserve & other Funds	Cash and Investments	NAMES	Accounts closed	Net Profit including taxation	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
							1953	1954	1955		25-7-56	18-7-56	A year ago
Rs.	Rs.	Rs.			Rs.	Rs.				Rs.	Rs.	Rs.	Rs.
16,00,000	10.82,22.303	15,65,64.384	Allahabad Bank P.	12	16,11,210	13,71,702	18	..	..	100	366	366	359
14,50,000H										50	159	159	171
1,00,00,000H	1,28,00,000	15,47,78,001	Bank of Baroda	12	28,01,913	2,70,302	12	12	..	50	101	101	969
2,50,00,000H	3,52,00,000	30,19,90,483	Bank of India	12	84,90,779	13,26,630	14	16	..	50	1633	1633	1483
2,50,00,000H	27,00,000	2,84,34,127	Bank of Indore	12	4,00,348	64,703	6	6	..	25	52	52	55
50,00,000	84,00,000	5,28,06,343	Bank of Mysore	6-12	17,21,294	1,79,254	6-8	6-8	8-8	100	247	247	260
2,62,11,875H 52,42,375	4,01,81,217	72,31,72,307	Central Bank of India	6-12	77,75,970	18,40,359	12	6-6	6-6	25	55	55	47
£3,500,000	£5,000,000	£118,387,761	Chartered Bank of I.A.&C	12	£982,465*	£405,375	14	15	15	£1	38/9	38/9	42/9
£1,000,000H	£1,500,000	£27,951,090	Eastern Bank	12	£132,536*	£112,656	8	8	8	£5	£73	£73	£83
1,50,00,000	1,00,00,000	35,72,99,886	Habib Bank Ltd	12	46,16,246	105,895	20	14 7/12	..	20	894	894	70
50,00,000H	28,00,000	2,16,65,215	Hind Bank	12	10,30,488	1,66,278	3	3	6	50	341	341	281
1,25,00,000H	15,43,000	3,45,51,078	Hindustan Commercial	12	7,17,159	16,919	NH	NH	NH	50	10	10	10
50,00,000H	1,75,000	1,21,08,411	Hindustan Mercantile	12	1,151,018	1,21,018	NH	NH	NH	50	15	15	13 1/2
HK\$25,00,000 £1,502,500 or 24,00,000	£8,000,000	£143,692,832	Hong Kong & Shanghai	12	HK\$20,580,320	HK\$10,606,689	£5 1/2	£5 1/2	£5 1/2	HS\$125	£94	£94	£96 1/2
17,00,000	76,50,000	16,04,77,414	Indian Bank	6-12	13,93,697	130,785	12	12	..	100	190	190	181
16,80,000	30,00,000	1,62,24,682	Indian Overseas Bank	12	16,55,725	2,28,239	6	6	7 1/2	100	135	135	106
49,05,075										100	157	157	111
6,25,000A	5,41,083	77,14,495	Indo-Commercial Bank	6-12	1,21,610	490	NH	..	..	100A	423	423	50
2,50,00,000H										25B	11	11	15
10,00,00,000C	15,06,075	2,18,15,069	Industrial Finance Corp.	6	22,18,636	..	6	..	..	50C	243	243	20
5,00,00,000										50,00	..	..	..
£17,966,195A £1,437,296B	£15,000,000	£876,061,098	Lloyds Bank	12	£2,322,439	£558,006	14	5	12	£1A	£1-14-9	£2-14-9	£3-2-9
£375,000H	£1,750,000	£31,185,482	Mercantile Bank of India	12	£235,423*	£210,372	14	14	14	£21A £1C	£4 £2	£4 £2	£41 1/2 £2
£2,851,563H 87,50,000	£3,104,687 97,50,070	£73,681,481 54,92,69,580	National Bank of India Punjab National Bank	12 6-12	£603,626* 64,41,068	£342,158 2,35,108	16 15	12 14	15 25	sh 123 601	20/9 581	20/9 581	25/9 49
40,00,000	33,00,000	3,08,68,308	Union Bank of India	12	1,67,618	1,75,974	6 1/2	6 1/2	..	5	6 1/2	6 1/2	6 1/2
2,66,55,625	70,95,000	18,44,20,839	United Bank of India	12	4,45,648	10,69,796	3	3	3	10	42	41	41 1/2
2,00,00,000	95,00,000	28,38,89,679	United Commercial Bank	12	36,69,037	22,761	4	5	5 1/2	50	55 1/2	54	47

* Excluding taxation † In Pakistan Currency. ‡ Per share. § Guaranteed

JUTE MILLS

Paid-up Capital Ordinary	No. of Looms	Net Profit Account	Reserve & other Funds Premises & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Net Profit including taxation	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			
									1953	1954	1955		25-7-56	18-7-56	A year ago	
Rs.		Rs.	Rs.	Rs.			Rs.	Rs.				Rs.	Rs.	Rs.	Rs.	
60,00,000	879	49,39,057	54,00,000	1,28,672	Agarpara P	3-9	79	5,38,054	2,42,027	5-5	23-33	33-..	10	111	111	144
6,00,000	446	14,71,561	10,25,000	1,77,488	Alexandra P	6-12	165	71,584	1,38,329	NH-23	23-5	5-5	100	200	200	213
30,00,000	1,264	25,74,895	9,75,000	3,79,289	Alliance P	6-12	169	6,92,515	2,55,197	NH-5	6-6	6-6	100	122	135	173
19,20,700	2,561	58,08,335	72,00,000	43,22,852	Anglo-India P	3-9	63	10,19,776	1,29,773	71-5	23-5	6-4	100	159	159	235
40,00,000	810	42,76,481	42,94,285	14,01,917	Angland P	3-9	21	1,54,940	9,783	3-2	1-23	6-3	100	130	130	157
20,00,000	959	31,57,922	22,50,000	1,76,644	Bally P	3-9	128	1,22,429	15,350	4-NH	NH-NH	33-NH	100	137	131	193
£275,000	1,889	5,90,086	6,62,23,627	£1,39,332	Barnagore P	3	128	£24,258	£64,858	20	15	15	£5	128	128	194
28,00,000	620	42,34,111	32,30,123	1,27,730	Beldere P	6-12	2	4,12,423	1,005	71-73	5-5	5-23	100	165	165	220
45,00,000	600	25,78,849	33,45,000	99,83,320	Bengal P	6-12	235	13,31,280	2,65,100	123	113	114	10	163	163	18 1/2
91,26,000	1,373	1,95,44,392	2,16,80,894	85,84,135	Birla P	3	22	24,29,097	3,12,650	50	10	10	10	171	171	21
36,00,000	991	40,31,627	27,37,926	2,54,259	Budge Budge P	4-10	2	3,27,922	2,271	6-4	4-5	5-23	100	124	144	191 1/2
1,47,380	502	12,50,648	4,17,958	1,73,320	Calcutta P	6-12	62	51,976	48,461	..	NH-..	..	10	94	94	143
59,10,000	616	45,64,476	30,46,234	66,335	Caledonia P	5-11	2	2,84,150	6,248	6-6	4-5	4-23	100	203	203	295
18,00,000	1,400	1,14,95,514	93,04,343	3,08,733	Chandpany P	3-9	341	3,67,348	1,30,505	3-3	NH-3	4-6	100	153	155	180
15,95,000	530	24,74,480	28,39,282	3,29,387	Cheviot P	5-11	2	1,42,599	63,800	6-6	6-8	6-4	100	170 1/2	174	267
30,15,000	500	10,72,643	31,00,000	28,21,035	Chitavalah P	6-12	165	5,58,078	1,32,949	121-5	5-61	73-61	10	14	14	15 1/2
16,00,000	969	13,80,489	25,12,433	1,35,556	Clive P	3	318	1,51,574	18,647	NH	..	..	10	144	144	16
10,80,000	607	74,95,515	61,22,263	22,76,558	Dalhousie P	3	318	1,51,574	18,647	NH	..	..	10	144	144	16
28,00,000	779	28,58,589	44,74,179	26,26,825	Dello P	5-11	2	-51,192	15,912	10-10	6-6	3-1	100	944	107	141
15,00,000	600	23,10,516	34,50,000	16,92,849	Empire P	6-12	165	1,76,310	78,204	3-5	3-73	73-5	10	201	201	25
21,00,000	1,884	81,28,836	60,60,959	4,82,336	Fort Gloster P	3-9	138	4,32,433	1,80,415	NH-NH	NH-5	10-5-73	100	347	347	482
14,00,000	1,014	42,18,790	17,75,000	1,59,788	Fort William P	3-9	70	2,91,280	1,16,743	NH-5	10-10	10-10	100	23	23	63
84,32,100	1,709	71,03,613	NH	5,24,321	Ganges P	3-9	19	3,21,292	84,733	NH-NH	NH-1	23-NH	100	23	23	63
10,80,000	607	23,09,271	26,25,751	1,30,542	Gondalpara	6-12	98	78,839	74,093	4	NH	..	300	1,250	1,250	922
24,00,000	1,074	40,71,965	30,30,000	45,53,376	Gourapore P	3-9	19	1,12,039	57,208	NH-33	23-73	73-73	100	233	236	329
40,00,000	1,398	24,45,133	49,43,234	52,81,900	Hastings P	3	234	1,73,762	2,95,107	10	10	10	100	124	124	126
18,00,000	720	19,70,290	18,52,673	95,569	Hoghoth P	3	88	5,30,165	44,548	123	5	123	10	353	353	433
65,62,500	1,940	1,06,41,874	51,25,795	9,51,816	Howrah P	3-9	128	-52,741	11,463	83-63	63-63	63-23	10	214	214	321
30,00,000	2,272	1,04,00,000	23,00,000	78,55,582	Hukumchand P	3	35	28,52,322	1,19,762	23-23	NH-23	23-11	125C	138	138	174 1/2
37,00,000C 30,000Dd	1,076	51,13,227	16,10,493	38,00,600	India	3-9	355	-214,507	7,731	23-23	NH-23	23-11	125C	138	138	174 1/2
43,20,000	1,797	38,85,745	16,50,000	4,85,279	Kamarhatti P	6-12	128	-2,50,588	86,624	6-3	3-5	23-NH	100	126	135	209
54,00,000	1,527	48,83,206	7,00,000	5,08,773	Kankarnappa P	6-12	128	-3,93,116	82,115	3-23	23-4	1-NH	100	88	88	150
21,00,000	703	49,84,345	53,00,000	8,11,574	Kelvin P	6-12	165	5,30,495	1,10,851	73-73	10-10	10-73	100	238	238	320
54,00,000	1,530	54,61,089	23,33,375	21,7914	Khardah P	3-9	1	6,11,691	1,02,192	10-73	73-5	6-5	100	137	137	195
48,00,000	1,250	1,21,05,916	1,04,27,571	26,40,176	Kinnison P	3-9	106	3,82,782	52,710	6-5	2-5	7-6	100	157	157	212
24,48,000	931	59,89,342	49,37,097	1,88,509	Landsdowne P	3-9	21	49,486	10,707	2-5	1-1	5-2	100	114	114	149
24,00,000	640	51,33,756	56,89,479	39,88,859	Lawrence P	3-9	21	-3,04,844	2,154	2-3	2-4	5-1	100	103	110	175
81,65,200	1,008	76,51,378	24,66,441	2,21,063	Megna P	3-9	855	-1,29,400	10,614	21-23	NH-23	21-11	100	89	89	107
29,38,900	815	86,05,210	38,14,415	3,19,790	Nainai P	3-9	106	-1,54,275	-3,19,252	NH-NH	NH-NH	NH-NH	100	82	82	117
20,00,000	425	10,79,854	15,55,000	26,11,429	Naskarpara	4-10	107	2,36,343	17,816	NH-33	5-61	61-..	10	18 1/2	18 1/2	18 1/2
35,00,000	852	19,01,902	43,29,326	47,18,433	National P	4-10	2	2,35,465	70,554	10-10	10-10	73-..	10	233	223	353
26,25,000	316	7,36,122	26,25,000	30,06,189	Nellimarla P	6-12	165	4,80,755	1,08,257	10-33	33-33	5-5	10	114	114	134 1/2
85,50,000	1,765	3,32,89,919	2,71,44,342	44,85,425	New Central P	12	348	43,64,163	8,71,293	12-12	12-5	10	17 1/2	233	233	26
6,78,800	607	68,59,272	48,95,164	5,65,494	Northbrook P	3-9	21	4,00,482	46,962	32-5	5-73	73-73	10	233	233	26
66,70,500	1,029	73,31,804	26,50,000	4,78,251	Nuddea P	3-9	19	-3,20,952	58,273	1-NH	1-NH	1-4	100	3		

† Guaranteed

JUTE MILLS

• Gross Stock

COAL COMPANIES

O. Po. F. and Dd. indicate Ordinary Preferred Ordinary. Founders' and Deferred Shares respectively. P. next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Cash & Securities	NAMES	Accounts closed	Net Profits including taxation	Carry forward	Dividends per cent	Paid-up Capital Ordinary	Latest Market Quotations as available until
Ra.	Ra.	Ra.	Ra.			Ra.	Ra.	1953 1954 1955	Ra.	25-7-56 18-7-56 A year ago
25,50,000	26,43,478	24,50,000	6,60,570	Amalgamated	3-9	6,83,393	26,953	5-5 31-5 61-71	10	22 22 24
1,00,00,000	1,96,15,288	1,40,49,223	18,95,659	Bengal P.	4-10	26,18,986	7,31,563	81-71 71-71 81-81	200	535 538 528
4,49,350	3,08,193	70,000	2,24,303	Bengal Bhatdee	6-12	15,149	4,951	11-11 11-11 11-11	10	61 61 61
2,25,000	2,52,838	534,591	13,900	Bengal Nagpur P.	6-12	16,266	57,417	Nil-Nil Nil-Nil	10	16 16 11
15,97,000	12,16,665	6,91,475	13,52,076	Bhaigora	9	8,13,899	39,978	61 61 61	10	7 7 7
40,00,000	68,01,474	20,23,235	32,55,320	Bharat Collieries P.	6	2,52,221	27,433	Nil-Nil Nil-Nil	10	12 13 13
7,15,000	15,71,994	14,27,545	66,818	Bhulanbarare	6-12	10,684	1,65,136	Nil-Nil Nil-Nil	10	12 12 15
16,00,000	38,87,275	16,18,636	7,185	Bokaro & Ramgur	6-12	1,214,632	84,207	10-10 10-10 10-10	10	23 22 29
7,50,000	18,56,889	24,29,026	11,60,995	Borra P.	6-12	11,90,330	1,15,376	11-21 21-31 31-31	10	13 13 14
90,92,480	2,38,29,968	1,75,17,502	25,32,133	Burraur P.	6-12	1,30,337	14,019	31-31 31-31 31-31	10	12 12 11
49,97,000	35,80,075	750	1,75,962	Central India	6-12	34,743	82,768	11-21 11-21 11-21	4	21 21 31
8,00,000	16,67,573	13,30,519	15,752	Central Kurkand P.	6-12	10,684	1,65,136	Nil-Nil Nil-Nil	10	12 12 15
6,00,000	13,47,676	7,32,538	1,30,599	Churulia	6-12	10,684	1,65,136	Nil-Nil Nil-Nil	10	12 12 15
16,00,000	23,76,131	1,20,000	2,30,593	Dhemo Main	6-12	10,684	1,65,136	Nil-Nil Nil-Nil	10	12 12 15
2,240,000	2,234,658	2,30,593	2,37,456	East Indian	6-12	10,684	1,65,136	Nil-Nil Nil-Nil	10	12 12 15
29,63,760	1,02,33,132	70,84,250	21,79,507	Equitable P.	6-12	10,684	1,65,136	Nil-Nil Nil-Nil	10	12 12 15
10,00,000	6,74,708	2,07,486	3,32,973	Ghusick & Muslia	6-12	10,684	1,65,136	Nil-Nil Nil-Nil	10	12 12 15
6,50,000	5,06,856	3,15,55	4,95,444	Guzdar Kajora	6-12	10,684	1,65,136	Nil-Nil Nil-Nil	10	12 12 15
6,00,000	2,81,843	6,75,000	5,09,694	Hurriladih	6-12	10,684	1,65,136	Nil-Nil Nil-Nil	10	12 12 15
3,50,000	6,31,200	5,66,816	1,407	Kalapahari	6-12	10,684	1,65,136	Nil-Nil Nil-Nil	10	12 12 15
15,00,000	31,71,936	24,32,396	25,61,314	Karanpura Development	6-12	10,684	1,65,136	Nil-Nil Nil-Nil	10	12 12 15
20,00,000	25,67,864	2,27,825	75,106	Karanpura Collieries P.	6-12	10,684	1,65,136	Nil-Nil Nil-Nil	10	12 12 15
5,00,000	10,29,548	16,60,000	11,25,332	Katras Jheriah	6-12	10,684	1,65,136	Nil-Nil Nil-Nil	10	12 12 15
1,38,400	6,75,000	95,000	11,80,294	Khas Kajora P.	6-12	10,684	1,65,136	Nil-Nil Nil-Nil	10	12 12 15
5,65,750	10,84,977	85,000	9,560	Mundulpur	6-12	10,684	1,65,136	Nil-Nil Nil-Nil	10	12 12 15
7,48,240	2,62,442	1,50,000	5,04,429	Nazira	6-12	10,684	1,65,136	Nil-Nil Nil-Nil	10	12 12 15
7,00,000	5,13,418	26,617	61,641	New Bansdeopur	6-12	10,684	1,65,136	Nil-Nil Nil-Nil	10	12 12 15
17,76,230	31,15,787	20,61,763	3,78,538	New Bambhoom P.	6-12	10,684	1,65,136	Nil-Nil Nil-Nil	10	12 12 15
6,00,000	11,71,307	75,000	40,447	New Meerbhoom	6-12	10,684	1,65,136	Nil-Nil Nil-Nil	10	12 12 15
2,50,000	7,69,623	1,75,500	10,12,916	North Damuda	6-12	10,684	1,65,136	Nil-Nil Nil-Nil	10	12 12 15
1,15,000	4,51,490	2,55,193	90,055	North West	6-12	10,684	1,65,136	Nil-Nil Nil-Nil	10	12 12 15
7,50,000	1,20,000	12,19,987	23,26,757	Ondal P.	6-12	10,684	1,65,136	Nil-Nil Nil-Nil	10	12 12 15
3,40,000	9,21,242	2,52,664	4,36,015	Paras P.	6-12	10,684	1,65,136	Nil-Nil Nil-Nil	10	12 12 15
15,75,000	12,40,000	16,00,000	12,21,654	Pench Valley	6-12	10,684	1,65,136	Nil-Nil Nil-Nil	10	12 12 15
2,50,000	2,62,405	7,500	11,530	Pure Sitapur	6-12	10,684	1,65,136	Nil-Nil Nil-Nil	10	12 12 15
23,99,500	37,59,038	19,17,105	39,198	Raneegunge	6-12	10,684	1,65,136	Nil-Nil Nil-Nil	10	12 12 15
13,50,000	7,63,001	8,53,385	12,13,452	Rewa	6-12	10,684	1,65,136	Nil-Nil Nil-Nil	10	12 12 15
20,00,000	23,74,261	7,52,027	1,91,477	Samia	6-12	10,684	1,65,136	Nil-Nil Nil-Nil	10	12 12 15
1,25,000	1,57,243	2,52,664	2,20,212	Seaspore P.	6-12	10,684	1,65,136	Nil-Nil Nil-Nil	10	12 12 15
2,90,000	10,92,193	8,35,598	7,87,726	Seebpore P.	6-12	10,684	1,65,136	Nil-Nil Nil-Nil	10	12 12 15
8,00,000	23,624	5,29,306	6,32,757	Sendra	6-12	10,684	1,65,136	Nil-Nil Nil-Nil	10	12 12 15
17,50,000	22,81,985	10,75,016	63,654	South Karanpura	6-12	10,684	1,65,136	Nil-Nil Nil-Nil	10	12 12 15
8,00,000	1,43,000	13,69,395	21,89,890	Standard	6-12	10,684	1,65,136	Nil-Nil Nil-Nil	10	12 12 15
10,00,000	15,59,085	15,075	3,913	Talcher	6-12	10,684	1,65,136	Nil-Nil Nil-Nil	10	12 12 15
3,50,000	4,66,000	3,53,000	8,176	Union	6-12	10,684	1,65,136	Nil-Nil Nil-Nil	10	12 12 15
49,98,000	30,14,812	21,550	4,20,307	Western Bengal	6-12	10,684	1,65,136	Nil-Nil Nil-Nil	10	12 12 15
7,00,000	32,55,152	1,38,190	40,060	West Jamuria	6-12	10,684	1,65,136	Nil-Nil Nil-Nil	10	12 12 15

* 1956.

N = Nominal

COTTON MILLS

Paid-up Capital Ordinary	Number of		Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up Capital Shares	Latest Market Quotations as available until			
	Spindles	Looms								Rs.	Rs.	1953		1954	1955	Rs.	Rs.	Rs.	A year ago
Rs.	Spindles	Looms	Rs.	Rs.	Rs.			Rs.	Rs.				Rs.	Rs.	Rs.	A year ago	
15,00,000	14,108	356	14,62,919	1,73,478	11,90,008	Basanti P	12	49	1,97,268	41,227	2 1/2	..	..	10	61 1/2	6	5
32,72,340	22,197	505	27,69,676	23,18,909	24,551	Benares P	3-9	120	1,27,187	4,79,347	..	..	..	10	1 1/2	1 1/2	13
7,11,280	36,000	932	17,11,120	2,20,369	30,842	Bengal Luxmi	3	27	3,66,176	47,818	..	10	..	40	38	38	40
27,00,000	31,476	624	23,53,000	15,50,000	3,84,224	Bengal Nagpur P	6-12	236	5,23,389	18,199	2 1/2	Nil	..	10	9 1/2	9 1/2	191
15,00,000	38,764	992	31,35,500	1,09,84,251	21,32,642	Birla Cotton	3	22	5,28,332	4,25,221	30	30	..	10	301	301	80
6,00,000	42,872	641	37,54,142	22,72,588	1,44,948	Bowreah P	6-12	138	84,028	23,47,373	Nil-Nil	Nil-Nil	..	100	169	169	364
30,00,000	22,000	510	8,43,453	29,51,420	1,00,393	Cawnpore Textiles	3	25	6,73,253	36,767	11 1/2	11 1/2	Nil-5	5	9	9	10
3,27,02,900	1,01,808	2,762	9,94,63,168	2,74,48,393	2,94,83,803	Delhi Cloth & Genl. P.	6	238	1,81,41,278	82,759	7	9	9	2 1/2	37 1/2	37 1/2	31
1,00,563	42,944	518	34,12,181	25,71,925	1,53,884	Dunbar	6-12	138	9,92,376	1,37,951	Nil-Nil	Nil-Nil	Nil-2 1/2	100	300	300	235
19,00,000	54,000	1,200	22,44,951	66,33,360	43,06,583	Elgin P	9	25	32,80,464	93,386	15	10	10	10	28 1/2	28 1/2	19
63,00,000	59,250	1,872	2,38,99,575	1,69,53,952	47,29,268	Kesoram P	3	22	37,41,719	2,45,435	11 1/2	8 1/2	8 1/2	20	18 1/2	18 1/2	17
6,00,000	35,864	864	17,48,143	9,75,679	74,08,655	Mohini P	12	45	9,53,316	5,158	..	..	..	25	..	..	..
33,96,288	88,000	1,825	47,44,546	52,19,601	92,65,055	Muir P	12	208	18,77,941	7,77,290	..	..	..	100	88	88	118
30,00,000	78,848	1,367	42,55,577	26,00,968	1,45,701	New Victoria P	12	237	18,83,371	13,76,473	Nil	..	..	100	2 1/2	2 1/2	11
22,89,821	23,196	795	22,57,946	18,38,739	2,02,179	Rampooria Cotton	6	4	6,16,936	1,094	6	6 1/2	10	1	11 1/2	11 1/2	12
5,07,054	1,14,836	2,077	2,83,77,688	2,65,04,931	32,30,412	Swadeshi (Cawnpore) P.	12	333	43,71,838	7,09,029	5	7 1/2	7 1/2	100	11 1/2	11 1/2	8
17,50,000	..	..	..	..	..	..	..	..	..	..	5	7 1/2	7 1/2	100	11 1/2	11 1/2	9
1,57,50,000	..	..	..	..	..	..	..	..	..	..	5	7 1/2	7 1/2	100	11 1/2	11 1/2	9
40,50,000	48,754	1,310	91,31,708	1,89,73,217	43,89,979	Bangalore W. C. Silk P.	12	26	56,34,938	2,38,649	25	30	30	100	582 1/2	582 1/2	465
1,78,47,800	12,00,012	2,770	32,071,600	1,87,39,278	23,80,514	Bukingham Carnatic P.	12	26	1,01,06,075	2,38,649	25	30	30	100	207 1/2	207 1/2	172
20,00,000	28,000	..	18,03,003	20,32,074	1,26,236	Cambodia P	12	210	1,96,274	27,593	7 1/2	Nil	5	10	14 1/2	15	12
12,00,000	23,864	..	6,41,058	9,00,000	36,53,502	Coimbatore Cotton	12	188	6,53,750	61,404	..	..	..	100	380	380	296
20,76,900	72,832	407	47,31,212	7,98,681	22,227	Coimbatore Spg & Wvg	6	46	7,52,342	10,23,340	Nil	..	..	100	112	112	110
6,50,000	50,640	295	12,25,505	17,90,000	58,77,434	Kaleswarar	12	139	2,05,700	7,677	..	..	..	100	332 1/2	332 1/2	310
24,00,000	30,512	200	52,38,868	16,25,000	7,43,757	Kothari Textile P.	6	141	3,25,924	29,382	5	5	10	10	17 1/2	17 1/2	13
23,64,000	48,756	..	15,01,051	21,70,200	78,050	Lakshmi	12	186	31,41,248	2,209	..	..	..	50	240	240	517
1,75,02,480	4,65,324	..	2,15,02,107	41,38,178	31,04,681	Madura	12	108	77,86,500	18,89,813	20	20	20	15	51 1/2	52	48
12,00,000	21,856	..	8,43,189	5,85,363	10,32,898	Malabar Spg & Wvg.	12	240	55,193	48,039	..	..	..	200	115	115	118
60,00,000	24,252	603	20,49,893	69,00,000	1,19,91,755	Mettur Industries	3	29	48,44,863	45,335	22 1/2	35	42 1/2	100	532 1/2	532 1/2	345
13,61,780	6,000	..	14,15,992	8,90,279	1,34,663	Mysore Spun Silk	3	142	1,753	3,986	Nil	..	..	10	7 1/2	7 1/2	4
4,00,000	20,137	Nil	8,36,608	5,00,000	24,24,908	Palani Andavar P.	12	30	7,39,437	2,687	..	..	..	50	168	168	120
7,79,700	15,540	416	5,42,118	2,43,421	2,65,911	Sitaram Spg & Wvg.	3	164	87,724	3,083	..	..	..	60	..	..	..
7,00,000	28,104	270	12,98,563	18,23,501	11,71,924	Vasanta P	12	47	16,37,458	..	..	..	..	100	345	345	234

† Liquid Assets.

BOMBAY COTTON MILLS

O. Po. C. and Dd. indicate Ordinary Preferred Ordinary. Contributory and Deferred Shares respectively. P. next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Number of		Net Block Account	Reserve & other Funds	Cash & Securities	NAMES OF MILLS	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up per share	Latest Market Quotations as available until		
	spindles	Looms									1953	1954	1955		21-7-56	17-7-56	A year ago
Ra.			Ra.	Ra.	Ra.				Ra.	Ra.			Ra.	Ra.	Ra.	Ra.	
33,00,000	46,652	1,016	78,85,647	23,92,600	13,11,543	Ahmedabad Advance P	6	269	2,94,748	4,408			100		197 1/2	198 1/2	
50,00,000	48,254	896	20,17,010	9,99,960	10,78,399	Apollo	12	229	1,49,501	-2,24,866	Nil	Nil	..	2	3 11/64	3-15/64	
40,00,000	41,135	980	54,45,089	24,00,000	84,03,977	Beharilal Ramcharan	3	350	-1,14,858	45,946	Nil	..	..	100	54 1/2	54 1/2	
2,50,98,000	2,03,942	4,911	4,92,50,820	6,29,32,051	3,63,56,532	Bombay Dyeing, etc.	12	269	54,30,350	7,28,159		8	10	250	64 3/4	66 1/4	
20,00,000	35,062	848	24,48,718	25,75,757	71,94,1047	Bradbury P	3	262	11,48,439	80,655	40	..	50	190	190	170	
28,848	496		26,33,370	5,00,000	58,709	Brosch Fine Counts	3	43	13,78,997	11,47,692	..	..	250	..	..	..	
1,09,42,800	1,18,296	2,760	84,77,147	2,63,96,826	32,49,545	Century	12	22	30,09,708	6,34,956	22	22	22	100	570 1/2	574	
46,87,500	1,15,188	2,062	91,53,966	56,73,074	27,90,255	Central India P.	6	269	39,632	3,703	5	2	3	100	160 1/2	163 1/2	
49,00,000	44,592	694	47,63,561	10,00,566	58,070	Colaba Land & Mill	12	344	-12,83,292	33,88,439	Nil	..	..	100	81 1/2	81 1/2	
16,00,000	24,916	719	37,34,829	39,42,834	1,01,43,593	Coorla	12	262	1,28,751	1,28,751	7 1/2	..	..	100	118 1/2	118 1/2	
20,00,000	43,132		26,38,202	26,53,597	18,49,560	Dewan	12	262	2,92,576	1,07,563	..	..	50	90 1/2	90 1/2	90 1/2	
33,00,000	49,164	920	8,87,007	27,75,000	26,87,929	Edward Textiles	12	260	9,18,679	30,168	7 1/2	..	200	325	325	268 1/2	
25,00,000	33,848	782	24,22,107	1,00,000	33,29,633	Elphinstone P.	12	59	19,96,991	49,379	..	..	50	50	50	50	
40,00,000	46,072	784	22,83,234	28,21,476	43,47,258	Finlay	12	341	61,75,097	85,682	..	..	100	350	447 1/2	263	
39,04,700	77,966	..	19,78,309	43,25,176	23,64,706	Gokak	12	66	12,85,523	85,195	17 1/2	..	100	241	244 1/2	228	
50,00,000	71,872	1,387	61,31,596	5,46,297	52,000	Hind Mills Ltd F	6	156	5,20,781	1,801	4	..	..	..	..	..	
12,00,000	40,956	1,116	64,14,396	68,13,239	10,75,932	Hindustan	3	305	4,27,954	5,195	..	..	1,000	382 1/2	3,82 1/2	3,82 1/2	
2,00,00,000													10	13 1/2	13 1/2	11 1/2	
50,00,00,000	2,48,870	6,498	4,41,45,022	3,84,70,706	31,82,629	India United	12	15	1,32,22,197	5,89,816	..	..	10	1Dd	2 31/64	2 1/2	
9,00,000	47,824	1,202	75,60,490	61,57,161	4,26,274	Indian	3	305	..	..	..	..	1,000	3,830	3,830	3,830	
50,00,000	50,074	1,426	46,56,928	57,98,513	..	Indore Malwa United	12	103	..	47,407	..	..	100	95	95	95	
6,65,000													1,000	..	..	..	
84,000	22,664	459	6,64,300	48,64,818	28,76,437	Khandesh	12	122	1,98,715	63,148	6	..	250	..	..	..	
29,92,500	65,260	1,514	50,33,012	49,54,660	24,68,047	Khatav Makanji P.	6	149	4,92,855	22,865	10	..	100	227 1/2	227 1/2	165 1/2	
1,00,00,000	1,14,846	1,846	88,73,299	1,34,00,000	8,16,145	Rohinor	12	146	31,21,795	33,980	20	18	18	100	384 1/2	391 1/2	344 1/2
32,00,000	51,972	1,213	35,78,446	77,60,640	9,87,456	Lakshmi P.	12	44	13,97,807	14,744	15	13 1/2	17	250	650	650	
29,59,700	36,416	551	39,80,509	19,58,031	12,15,175	Minerva	12	126	1,98,449	16,588	1	6	6	100	..	..	..
29,41,850	52,408	1,020	74,24,442	75,31,337	91,17,444	Model Mills Nagpur	6	78	4,77,626	27,743	9	..	250	154 1/2	152 1/2	140 1/2	
51,75,000	50,560	1,665	53,42,444	35,00,000	67,50,000	Morarijee Goculdas	6	104	1,22,550	26,751	14	14	100	257 1/2	255	230	
24,63,500	48,794	500	35,34,062	50,34,547	15,47,280	Mysore Spg & Mfg P	6	261	18,98,482	23,708	20	17	12	50	112 1/2	112 1/2	120
24,00,000	45,944	432	23,52,760	7,45,700	10,79,300	New City of Bombay	12	42	15,67,753	8,456	..	..	100	1409	1409	1409	
30,00,000	46,884	1,029	22,77,098	25,72,441	27,32,568	New Great Eastern P	12	42	12,48,697	153	..	..	100	265	265	172 1/2	
49,94,100	24,708	469	51,34,024	99,86,658	25,25,928	Onemanshah	12	273	12,84,408	1,79,408	..	..	100	..	..	..	
50,00,000	54,248	728	53,94,322	32,80,299	1,54,21,462	Phoenix	12	269	1,82,102	27,380	..	..	100	142 1/2	141 1/2	117 1/2	
5,00,000	3,930	777	39,27,771	41,3,656	3,28,231	Sassoon & Alliance Silk	12	257	2,10,343	8,507	..	..	10	14 1/2	14 1/2	14 1/2	
20,00,000	60,240	1,288	47,75,324	60,49,474	45,94,677	Sassoon Spinning	12	339	22,21,699	10,145	12 1/2	..	100	35	35	35 1/2	
16,00,000	1,11,360	2,234	11,46,629	1,51,25,293	38,22,524	Sholapur	3	183	24,07,865	1,95,119	..	..	1,000	1,750	1,750	1,400	
42,00,000	34,840	1,276	15,03,540	49,08,126	98,69,260 1/2	Simplax	3	96	18,98,596	35,939	30	..	50	224	228	212	
60,00,000	66,668	1,640	33,20,221	99,02,151	18,63,699	Sree Nivias Cotton P	12	35	20,80,610	15,662	14	..	100	225	225	225	
1,00,00,000	65,040	2,000	1,29,62,659	94,75,000	36,69,495	Sureshshi P.	12	269	15,47,009	67,611	16	8	12	100	255	260	121 1/2
24,00,000	31,450	828	46,34,446	56,58,700	12,46 1/2	Swat	12	341	..	..	..	..	100	447 1/2	431 1/2	357 1/2	
32,78,938	63,248	1,800	1,10,89,972	57,21,006	17,34,476	Ivan	12	269	8,25,350	43,485	6	10	16	25	57	56	58 1/2
32,00,000	54,260	1,495	59,56,889	36,84,372	61,72,046	Vishnu P.	12	44	7,71,492	23,125	4	4	8	100	187 1/2	187 1/2	152 1/2
12,00,000	45,508	1,308	62,07,441	12,11,933	37,81,227	Western India	3	305	1,52,10,985	8,027	..	..	1,000	387 1/2	3,87 1/2	3,87 1/2	

TEA COMPANIES

O. Po. and Dd indicate Ordinary, Preferred Ordinary and Deferred Shares, respectively. P next to the name of the company indicates that the Company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital	Net Block Account	Reserve & other Funds	Acreage under Tea	Outturn and Average Price per lb. realised for crop				Estimate	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Dividends per cent			Paid-up Capital	Latest Market Quotations as available until		
				1953		1954							1952	1953	1954		25-7-56	18-7-56	A year ago
				Lbs.	As. P.	Lbs.	As. P.	Lbs.											
Rs.	Rs.	Rs.										Rs.				Rs.			
CACHAR																			
3,00,000	3,40,887	1,75,000	862	2,71,440	30-1	2,89,040	39-11	..	Arcuttipore	12	88	1,72,877	Nil	Nil	Nil	10	12	12	131
4,00,000	4,28,289	49,878	465	..	..	..	..	..	Baitakhal	12	35	43,307	Nil	..	..	100	101	101	134
10,00,000	17,71,849	8,13,800	1,480	8,01,327	31-1	8,90,263	40-10	8,19,040	Central Cachar	12	128	5,98,004	Nil	Nil	73	100	100	100	131
2,50,000	57,753	Nil	794	3,80,734	3-1	7,00,450	4-2 2/5	6,87,760	Chandypore	12	128	66,346	Nil	Nil	116	116	116	123	123
7,00,000	6,99,137	11,000	649	3,74,480	27-11	3,91,320	39-6	4,40,000	Eastern Cachar	12	202	2,48,284	Nil	Nil	Nil	10	9H	9H	124
12,00,000	18,43,015	11,50,000	2,153	14,44,160	27-5	17,59,920	35-0	16,00,000	Hatikihira	12	202	13,22,356	Nil	25	40	10	191	201	29
4,50,000	2,97,000	1,65,222	586	..	..	..	..	..	Kallinuggar Khoreal	12	313	91,071	Nil	Nil	15	100	110	110	126
3,60,000	2,40,000	2,51,794	599-5	3,44,610	31-4	3,40,507	46-8	3,20,000	Kunchupore	12	313	3,31,327	Nil	Nil	274	10	141	141	21
7,00,000	4,25,000	2,50,000	1,350	7,44,302	32-4	7,33,267	47-6	7,84,000	North Western Cachar	12	63	2,21,673	Nil	Nil	20	100	264	264	264
1,84,050	3,00,329	Nil	488-5	3,54,000	29-5	..	..	..	Pathemara P.	12	202	1,64,441	Nil	..	10	15	143	251	251
2,60,000	3,90,357	3,16,592	618	4,54,120	29-1	5,04,720	36-6 4/5	5,84,000	Roopacherra	12	165	4,33,780	Nil	Nil	10	10	223	223	211
5,25,000	5,25,000	6,28,514	682	5,99,410	33-9	6,76,800	41-11	5,60,300	Rungamattie	12	63	5,75,715	Nil	20	35	50	1044	1044	144
4,00,000	6,88,316	5,52,313	682	4,74,400	28-7 1/5	4,49,335	36-7 1/5	5,20,000	Sonai River P.	12	14	3,73,677	Nil	Nil	124	10	191	191	274
8,75,000	5,02,307	4,31,250	1,050	..	..	4,63,320	..	5,12,000	Tilakah	12	95	5,22,670	Nil	Nil	20	10	12	101	101
DARJEELING																			
3,99,750	6,89,413	4,157	562	1,19,351	33-9	1,14,311	29-11	1,44,000	Bloomfield	12	101	73,268	Nil	Nil	Nil	10	31	31	6
2,79,900	2,72,561	1,25,000	407-5	1,06,586	42-9 1/2	1,14,741	62-0	1,60,000	Chamong	12	279	1,34,209	Nil	Nil	20	10	17	204	204
3,75,900	3,75,900	3,11,928	991	..	..	..	..	..	Darj. Tea Chinchona	12	139	1,15,695	Nil	74	40	100	250	250	290
2,00,000	1,74,363	1,62,639	488	1,04,560	39-10	1,35,760	52-5	1,28,000	Dilaram	12	200	1,03,183	Nil	Nil	21	100	190	190	315
2,00,000	5,13,500	1,53,385	500	2,45,013	37-0 1/2	2,84,204	49-1 1/2	2,68,300	Gelle P.	12	74	3,24,074	Nil	Nil	25	10	311	311	224
7,00,000	7,25,300	7,10,770	1,049	5,84,322	37-0 1/2	6,53,740	58-3 1/2	6,64,000	Linga P.	12	279	8,25,171	Nil	20	50	10	304	304	304
10,32,000	5,57,576	11,18	761	4,38,233	34-3	5,26,515	48-0 1/2	5,80,000	Longview	12	95	8,04,822	Nil	10	20	10	13	13	161
4,00,000	3,67,134	3,00,000	816	3,09,320	42-4 1/2	..	..	..	Margaret's Hope	12	165	1,53,561	Nil	74	10	10	13	13	161
1,59,900	1,75,390	3,10,239	463	1,63,520	42-1	1,82,080	62-4	1,84,000	Mim	12	2	2,10,365	Nil	10	40	100	174	174	204
2,99,900	3,40,000	3,00,000	689	3,72,742	34-1	4,35,016	53-4 1/2	4,40,000	Nagri Farm	12	279	5,44,268	Nil	20	50	10	291	369	369
1,00,000	1,50,000	1,07,500	505	1,63,571	40-2	1,81,153	53-3	1,80,000	Okayti P.	12	63	1,95,358	Nil	Nil	374	100	601	600	560
3,30,000	3,02,800	2,61,118	776	..	..	..	..	..	Pashok	12	139	852	Nil	10	30	10	18	284	214
9,00,000	2,85,000	3,73,387	500	1,47,598	35-9	1,68,697	54-5	1,76,000	Poobong	12	63	1,73,613	Nil	21	15	10	15	15	15
2,05,000	4,20,500	2,68,427	570	1,03,118	38-5 1/2	1,03,118	38-5 1/2	1,60,000	Punsiang P.	12	74	2,02,628	Nil	Nil	10	10	15	15	153
1,40,000	1,40,000	4,77,000	341	1,72,720	40-8	1,80,720	58-0	..	Rundlee Rungliot	12	63	2,83,196	Nil	17 1/2	60	100	101	101	124
3,00,000	2,60,300	71,302	389	1,64,482	39-1	1,77,704	53-3	1,60,000	Seyok	12	63	1,99,421	Nil	23	15	10	408	408	450
6,25,000	5,98,413	1,459	747	1,63,184	34-4 1/2	2,05,035	47-0	2,40,000	Singell	12	113	45,941	Nil	Nil	Nil	10	151	151	181
9,00,000	9,27,823	1,46,857	683	2,36,831	35-8 1/2	2,64,300	50-4 1/2	2,80,000	Singapore P.	12	101	2,87,270	Nil	Nil	5	10	381	381	65
3,00,000	2,89,000	3,90,000	554	2,67,892	40-0 1/2	2,89,738	60-3 1/2	2,80,000	Soom	12	279	4,43,350	6	30	50	10	51	51	98
6,25,000	11,06,947	5,74,585	302	3,30,180	37-0 1/2	3,76,000	54-5	3,90,000	Sungma	12	165	3,50,250	Nil	Nil	74	10	36	36	308
3,20,000	4,86,300	6,62,401	718 1/2	3,64,018	38-2	4,40,947	48-0 1/2	4,00,000	Teesta Valley	12	74	5,34,671	10	15	40	10	311	101	124
9,01,350	10,96,000	3,90,000	1,666	6,68,393	35-6	7,11,945	50-5 1/2	7,76,000	Tukvar	12	279	3,99,993	Nil	Nil	10	10	311	101	124
DUARS																			
15,00,000	17,66,862	34,25,000	2,540	29,22,880	32-4 1/2	30,81,680	51-2	32,00,000	Banarhat P.	12	2	51,07,307	17 1/2	45	120	100	367	367	656
6,00,000	20,53,853	18,70,000	1,105	14,08,364	32-3	13,91,320	43-1	13,77,000	Baradighi	12	128	13,94,614	5	30	65	10	501	501	674
9,00,000	8,05,410	11,03,947	1,112	13,97,260	30-9	9,45,451	30-9	..	Bhatkwa	12	165	9,45,451	Nil	30	..	10	391	40	444
9,00,000	9,00,000	6,50,000	1,343-9	12,02,359	35-2	11,96,886	52-5	12,80,000	Birpara P.	12	63	12,07,481	Nil	Nil	20	100	171	192	232
6,00,000	6,00,000	5,33,093	902	5,82,556	32-4	5,82,556	32-4	5,80,000	Caron	12	63	4,07,837	Nil	22 1/2	25	100	201	201	274
6,00,000	5,97,972	12,00,000	901	4,41,787	33-4	4,01,294	43-8	4,48,000	Choonabhatti P.	12	63	17,59,621	10	25	90	100	272	272	378
3,00,000	2,16,475	2,50,000	500	2,13,320	32-6	2,24,800	49-1	2,80,000	Enge	12	63	3,23,025	Nil	Nil	15	100	577	577	645
1,20,000	1,70,517	2,64,000	265	1,51,440	28-9	1,75,840	39-9	5,20,000	Ethelbari	12	354	4,64,619	Nil	Nil	50	10	298	298	334
3,50,000	1,51,776	3,00,000	447	5,99,440	33-7	7,62,720	47-4	..	Gairkhat	12	98	10,21,371	Nil	20	70	100	298	298	400
5,00,000	7,38,424	6,50,000	1,235 1/2	11,58,591	29-4	12,26,090	47-11	14,57,249	Gopalpur	12	99	15,05,463	Nil	16	24	25	234	234	234
10,50,000	14,08,462	19,75,674	996	12,32,776	33-2	30,88,842	44-11	31,20,000	Hanarhat P.	12	63	39,77,805	2 1/2	25	60	100	206	215	365
24,00,000	20,00,000	34,49,782	2,427	3,53,276	34-3	60,95,289	42-5	62,96,097	Hanarhat P.	12	74	49,76,920	Nil	25	60	10	351	361	484
32,00,000	32,36,923	60,63,333	4,236-5	60,95,289	34-3	60,95,289	34-3	60,000	Hudibari	12	74	19,99,393	Nil	22 1/2	30	10	351	361	484
8,25,000	9,40,000	19,79,213	1,452	18,54,360	27-2 1/2	18,54,360	27-2 1/2	18,54,360	Jaybirpara	12	74	1,71,491	Nil	25	65	10	263	263	274
3,50,000	4,90,325	6,65,000	607	4,34,720	32-8	4,73,830	45-7	10,00,000	Kilcoit	12	63	5,69,183	Nil	10	65	100	793	793	900
9,00,000	6,75,000	1,12,233	937	9,39,083	35-0	11,46,814	39-4	10,00,000	Manabarrie	12	217	5,69,183	Nil	10	65	100	793	793	900
2,00,000	2,12,000	3,50,000	620	5,05,247	32-8	4,73,830	45-7	9,60,000	Nagaisurree	12	63	13,28,301	Nil	25	40	100	250	250	306
9,60,000	9,60,000	12,80,223	1,125	10,53,498	33-10	1,69,538	4												

MISCELLANEOUS COMPANIES—Contd.

O, Po, C and Dd indicate Ordinary, Preferred Ordinary, Contributory and Deferred Shares respectively. P next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until.		
									1953	1954	1955		25-7-56	18-7-56	A year ago
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.				Rs.	Rs.	Rs.	Rs.
SUGAR BREWERIES, ETC.															
11.00.000	6,45,722	3,75,000	10,90,564	New Savan Sugar and Gur	5	140	95,437	52,205	..	..	..	10	6 1/2	6 1/2	7 1/2
9.00.000	7,28,559	1,74,369	58,731	Purtabpur Sugar P.	10	25	5,08,340	8,871	10	7 1/2	7 1/2	10	15 1/2	15 1/2	18
16.59.820	26,52,127	35,00,000	4,84,050	Ramnugger Cane & Sugar P.	8	1	18,11,504	20,350	20	15	20	10	28 1/2	29 1/2	25 1/2
19.99.600	25,62,533	39,88,218	13,92,915	Raza Sugar	10	92	10,78,193	3,144	10	..	..	10	..	..	..
8.00.000	4,42,169	6,54,762	1,85,115	Ryam Sugar P.	6	25	1,43,798	24,440	5	5	5	10	20 1/2	20 1/2	22 1/2
11.99.000	15,94,631	18,37,529	99,312	Samastipur Central Sugar	6	25	-79,022	8,477	5	5	Nil	10	13 1/2	13 1/2	15 1/2
20.00.000	72,62,286	36,66,708	1,63,444	Shree Krishna Gyanoday Sugar P.	7	335	12,99,571	34,046	15	15	17 1/2	10	13 1/2	13 1/2	18 1/2
7.94.500	13,54,858	11,65,175	11,16,368	Shree Sitaram Sugar	6	140	1,90,057	7,991	..	..	..	10	15 1/2	15 1/2	15 1/2
9.99.950	14,54,274	1,54,304	1,42,696	Sitalpur Sugar	6	94	-1,39,515	-1,39,515	Nil	Nil	Nil	10	4 1/2	4 1/2	6 1/2
16.00.000	6,07,804	7,99,778	4,22,572	United Provinces	9	341	4,23,980	39,061	5	12 1/2	..	10	19 1/2	20 1/2	25 1/2
8.00.000	38,92,308	21,57,555	3,60,236	Upper Ganges Sugar P.	6	227	10,24,525	82,931	25	25	25	10	94 1/2	94 1/2	62
14.00.000A	14,24,740	23,74,426	10,72,924	Upper India Sugar	4	302	16,80,986	86,393	..	15	20	100AC 12 1/2BC	280	280	127 1/2
MISCELLANEOUS															
8.00.000	2,20,232	1,56,200	9,53,526 1/2	A Firpo (Restaurateurs)	10	85	84,518	4,475	..	..	..	10	4 1/2	4 1/2	4 1/2
1.50.00.000	1,40,80,594	6,21,715	51,061	Air India Ltd.	12	269	-6,02,785	-14,30,401	Nil	..	..	100	..	..	..
2.00.00.000	2,58,39,656	68,01,534	50,022	Air India International Ltd.	12	322	-10,51,340	30,205	Nil	..	..	100	..	..	..
47.50.000C	1,31,03,534	15,00,000	5,97,941	Aluminium Corp. P.	3	132	12,82,024	32,582	Nil	Nil	Nil	100 2 1/2Dd	10 1/2	10 1/2	7 1/2
2.50.00.000D	42,43,917	14,50,000	55,36,059	Anderson Wright, Ltd. P.	12	1	4,94,322	24,401	6	7 1/2	..	10	11 1/2	11 1/2	11 1/2
20.00.000	10,11,675	37,63,779	14,41,315	Angelo Bros.	8	268	11,84,131	3,49,961	12 1/2	12 1/2	20	10	22 1/2	22 1/2	23 1/2
30.00.000	17,54,434	27,66,265	5,49,634	Assam Match	12	274	8,35,902	1,18,395	12 1/2	12 1/2	12 1/2	10	18 1/2	18 1/2	19 1/2
13.99.998	21,25,615	28,30,285	64,182	Assam Saw Mills & Timber	9	21	-97,045	-514,537	Nil	Nil	Nil	3	4 1/2	4 1/2	5
20.00.000	52,44,822	9,53,640	48,10,716	Associated Hotels of India P.	8	204	12,44,032	9,249	..	..	..	10	8	7 1/2	5 1/2
80.01.400	33,50,000	1,09,53,000	1,12,08,422	Balmer Lawrie & Co.	12	304	32,12,152	5,03,129	20	13	12 1/2	100	186	180	163
12.00.000	2,65,000	8,24,890	1,80,023	Bararee Coke	3-9	128	2,16,123	22,708	7-7	7 1/2-7	7 1/2-7	10	19 1/2	19 1/2	21 1/2
6.00.000	76,414	Nil	30,72,417	Bengal Timber Trading P.	6	128	-6,43,164	-119,103	..	..	..	100	4 1/2	4 1/2	4 1/2
50.00.000	19,53,822	Nil	19,59,059	Bharat Airways Ltd.	6	22	-3,19,589	-3,19,229	..	..	..	10	5 1/2	5 1/2	4 1/2
20.00.000	7,95,430	62,10,000	2,71,000	Birds Investments P.	9	160	5,89,372	1,17,707	12 1/2	12 1/2	10	10	16 1/2	16 1/2	18 1/2
45.97.020	71,47,579	27,44,814	2,71,000	Britannia Biscuit P.	3	50	8,44,363	1,98,548	5	10	10	10	15 1/2	15 1/2	16 1/2
22.50.000	13,98,796	43,18,775	3,38,973	British Ceylon Corporation P.	12	8	27,75,295	1,85,955	..	..	..	7 1/2	10 1/2	10 1/2	10 1/2
3.25.00.000	59,89,738	1,18,60,524	2,50,83,659	British India Corporation P.	12	33	-30,23,938	-27,36,584	10	1 1/2	Nil	5	11 1/2	11 1/2	9 1/2
32.50.000A	2,10,569	5,83,876	1,16,62,849	Calcutta Gas Co (Propr.) Ltd. P.	9	235	6,87,704	22,189	5	5	6	10A 10B	7 1/2	7 1/2	7 1/2
32.50.000B	5,92,780	2,40,684	1,02,576	Calcutta Silk Manufacturing P.	3-9	213	45,711	22,586	..	..	..	10	4 1/2	4 1/2	4 1/2
90.00.000	17,69,710	67,71,168	2,49,58,018	Duncan Brothers & Co. Ltd.	12	169	48,24,539	4,28,060	10	12	..	100	121	121 1/2	138
1.60.00.000	2,94,69,046	3,17,81,174	4,04,79,333	Dunlop Rubber Co. (India) P.	12	96	96,72,154	11,71,685	15	15	15	10	29 1/2	29 1/2	38
51.26.000	54,12,212	1,48,29,523	1,48,29,523	Eastern Investments Ltd. P.	12	21	12,83,240	3,06,138	9	9	9	100	147	147	170
75.00.000	13,79,357	4,33,826	1,02,21,271 1/2	F & C Osler (India) Ltd. P.	3	84	-4,26,249	-5,26,954	5	..	..	10	11 1/2	11 1/2	16 1/2
7.50.000	12,02,139	16,59,676	25,63,220	French Motor Car	3	51	19,33,237	1,02,899	..	..	..	5	20	20 1/2	19 1/2
14.00.000	14,92,000	10,02,000	11,384	Ganges Rope	3-9	19	89,571	27,194	10-10	7 1/2-7 1/2	7 1/2-7 1/2	100	186 1/2	186 1/2	194
2.25.000	37,892	5,12,210	5,12,210	General Investments Trust P.	2-8	21	45,701	8,851	21-21	21-21	21-30	75	43	43	43
65.00.000	34,18,813	42,00,000	1,09,15,526	Gillanders Arbuthnot & Co. Ltd. P.	3	105	29,71,809	1,51,360	7 1/2	7 1/2	14	10	13 1/2	13 1/2	14 1/2
20.00.000	27,08,049	5,00,324	12,84,357	Gladstone Lyle & Co. Ltd. P.	12	209	7,02,792	34,255	..	..	..	10	25 1/2	25 1/2	17 1/2
40.00.000	31,71,333	7,81,000	98,384	Godfrey Phillips (India) Ltd. P.	12	310	19,01,201	11,96,811	17 1/2	10	20	10	25 1/2	25 1/2	17 1/2
30.00.000	32,90,010	17,22,205	6,22,424	Great Eastern Hotel	3	225	5,30,579	16,373	..	..	..	250	239	239	235
10.00.000	17,38,764	1,61,173	9,221	Hindusthan Ice & Cold Storage	9	..	43,377	24,274	..	..	..	5	11	11	11 1/2
35.20.000	31,95,729	19,00,000	19,72,455	Hoare Miller & Co. Ltd.	12	294	-91,339	67,868	Nil	Nil	..	10	61	61	7 1/2
15.16.00.000	7,28,49,459	7,23,36,779	5,90,97,499	Imperial Tobacco	3	325	8,18,18,053	25,00,733	4 1/2	6	8	10	15 1/2	15 1/2	14 1/2
1.60.00.000	2,41,97,583	53,33,998	10,13,114	Indian Aluminium Co., Ltd. P.	12	293	26,79,662	14,18,074	Nil	Nil	9	10	22 1/2	22 1/2	..
1,52,89,220	98,54,740	1,62,50,000	1,30,932	Indian Cable P.	3	34	77,23,781	28,98,462	10	10	12 1/2	10	35 1/2	36	29 1/2
5.00.00.000C	22,07,260	2,21,280	11,69,467	Indian National Airways	12	93	36,302	-12,62,971	..	..	..	100PO	5 1/2	5 1/2	4 1/2
1.25.00.000D	6,57,319	8,08,000	8,08,202	Indian Rubber Manufacturers P.	3	173	4,07,258	1,36,845	..	..	..	1Dd	15 1/2	13 1/2	13 1/2
8.27.970	4,64,735	18,15,487	10,03,705	Indian Wood Products	9	88	17,28,038	2,76,619	25	27 1/2	30	10	39 1/2	39 1/2	39 1/2
20.00.000	4,64,735	18,15,487	10,03,705	Investments and Finance P.	2-8	21	1,07,254	7,890	21-21	21-21	21-30	100	65	65	2 1/2
5.00.00.000	2,35,590	12,40,386	3,20,757	Ivan Jones Ltd.	9	194	1,39,321	36,496	..	..	..	2	21 1/2	21 1/2	2 1/2
2.40.000	15,362	4,46,244	3,20,757	Ivan Jones Ltd.	9	194	1,39,321	36,496	..	..	..	2	21 1/2	21 1/2	2 1/2
5.87.500C	2,23,827	2,97,161	6,66,685	James Wright P.	12	281	62,875	5,299	6	5	..	50	4 1/2	4 1/2	2 1/2
1.17.50.000Dd	51,23,900	55,00,000	3,73,43,977	Jardine Henderson Ltd. P.	3	39	41,68,361	4,70,107	7 1/2	7 1/2	7 1/2	100	100 1/2	100	122 1/2
2.00.00.000	3,17,363	6,02,958	3,21,617	Macfarlane & Co.	3	133	-14,078	-4,849	..	..	..	50	2 1/2	2 1/2	3
63.00.000Dd	82,21,000	44,53,211	3,30,53,361	Macneill & Barry Ltd. P.	3	334	37,93,029	6,21,756	7 1/2	7 1/2	7 1/2	100	24 1/2	24 1/2	24 1/2
1.50.00.000	36,41,510	54,56,063	1,85,74,341	Martin Burn Ltd. P.	9	309	71,18,708	2,03,456	13 1/2	13 1/2	18 1/2	10	24 1/2	24 1/2	24 1/2
1.37.53.000															

BOMBAY MISCELLANEOUS COMPANIES

O Po. F Dd. G. and R indicate Ordinary, Preferred Ordinary, Founders', Deferred, Guarantee and Rebate Shares respectively. P. next to the names of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	'Net Profits Including taxation	Carry forward	Dividends per cent.			Paid-up per Share	Latest Market Quotations as available until		
									1953	1954	1955		21-7-56	17-7-56	A year ago
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.				Rs.	Rs.	Rs.	Rs.
CEMENT															
12,67,59,333	16,16,27,689	6,15,51,096	3,90,26,918	Associated Cement	7	53	4,71,77,960	5,62,770	9½	8½	10	100	191½	194½	188½
ELECTRIC LTG. POWER															
6,99,95,600	11,08,94,307	69,91,218	20,82,140	Ahmedabad Electricity	9	146	35,75,580	188	6½	6½	5	100	100	100½	108½
2,92,83,500	4,18,62,358	52,34,507	65,30,599	Andhra Valley Power Supply P	6	267	46,19,171	25,735	7½	7½	7½	1,000	1,232½	1,210	1,370
1,74,99,700	2,14,85,122	39,32,485	5,79,834	Bombay Suburban Elec Sup.	3	146	19,21,739	45	7	7	7-7*	100	118½	117½	126½
38,08,200	17,49,053	4,75,323	14,87,557	Poona Electric Supply P	12	229	3,86,015	..	..	..	..	100	146	146	146
2,34,45,225	3,37,65,356	63,82,045	58,39,875	Tata Hydro-Elec. Power sup. P	6	267	37,75,537	21,171	7½	7½	7½	100	130	127	145½
5,02,78,750	8,98,37,405	1,41,56,578	1,29,22,549	Tata Power P.	6	267	77,32,961	27,952	7½	7½	7½	1,000	1,320	1,320	1,473½
ENGINEERING & METAL															
33,42,200	20,17,852	57,16,605	18,77,516	Alcock Asdown	12	268	11,78,891	44,704	..	..	..	100	372½	362½	278½
6,00,000	36,058	4,53,124	91,033	Jost's Engineering	3	115	1,17,555	5,394	15	15	8	50	96	96	96
40,00,000	11,26,513	10,00,000	9,74,664	Larsen & Toubro P.	3	351	14,60,736	28,740	10	10	10-10*	10	163	163	133½
40,95,100	81,25,753	2,02,500	49,333	Machinery Mfrs. Corp. Ltd P	3	330	2,02,006	64,676	Nil	Nil	Nil	100A	..	..	..
1,10,00,000	15,00,978	16,66,194	7,06,260	McKenzie's	7	283	1,49,085	64,938	..	..	..	300	206½	211½	164½
2,50,000	5,834	1,00,53,052	1,79,52,042	Premier Construction P.	12	284	3,35,178	59,102	20	25 5/6	28 1/3	32½	..	..	..
1,31,250	7,83,56,425	26,78,952	44,49,499	Tata Locomotive & Eng. P.	3	69	3,303	50,350	Nil	Nil	Nil	100	150½	150½	137
4,18,72,400	23,97,91,753	12,34,91,333	9,61,90,447	Tata Iron & Steel P.	3	269	4,62,47,072	5,52,548	28	14	14	750	202½	206	247½
INSURANCE COMPANIES															
20,00,000	..	23,84,913	95,96,033	British India General	12	297	4,24,629	1,18,606	..	..	..	10	133	133	133
5,15,000	..	11,04,84,687	8,95,48,481	Empire of India Life	12	253	..	..	..	..	..	100	675	675	675
8,46,120	..	36,33,999	46,38,803	Indian Mercantile	12	75	..	1,13,109	..	..	..	20	45½	45½	45½
12,74,940	25,01,134	2,88,81,155	2,61,49,442	Jupiter General P.	12	55	38,351	4,65,316	Nil	Nil	..	15	91½	91½	91½
1,06,81,590	..	1,68,81,793	27,25,18,952	New India	12	179	43,58,653	71,250	13½	16 2/3	..	15	48½	48½	45
6,00,000	..	67,83,74,430	33,46,53,420	Oriental Life	12	298	..	..	..	..	..	200	3,855	3,855	6,910
15,99,270	..	29,41,860	59,86,789	Vulcan	12	255	6,05,803	2,81,242	10	10	..	10	15½	15½	15½
MISCELLANEOUS															
90,79,065	31,95,468	3,97,409	12,61,996	Air Service of India	6	336	-15,61,405	-37,22,790	..	..	..	15	..	..	..
47,97,250	21,34,989	35,75,182	78,89,034	Belapur Sugar	9	42	53,89,000	61,389	..	..	..	50	242	244½	319
50,00,000	2,20,64,393	41,28,615	2,67,27,639	Bombay Burmah Trading	5	285	47,93,172	61,990	..	16	21	125	701½	716½	549½
42,00,000	1,21,04,053	31,74,431	31,14,908	Bombay Steam Navigation P.	6	256	4,54,215	30,135	..	..	..	50	271½	278½	203½
45,00,000	3,085	19,47,386	1,28,40,992	Industrial Investment Trust	12	299	5,81,909	2,83,136	..	..	..	25	72	72	72
99,99,250	1,36,558	39,662	4,76,114	Kemp (Chemists)	3	87	4,99,559	4,78,677	4½	4½	4½	100	215	215	215
8,00,000	5,74,05,779	1,81,13,945	2,99,042	National Rayon Corp.	12	352	63,19,604	5,72,076	9	10	..	100	213½	213½	213½
1,57,71,400	18,36,63,413	12,46,31,677	7,10,16,957	Scindia Steam Navigation	6	198	32,72,555	22,72,555	5	2½	2½	20	19½	19½	15½
9,39,98,069	27,45,055	57,30,000	11,27,080	Shivrajpur Synd (Manganese)	11	146	35,49,059	21,561	70	80	80	10	91½	92	74
7,00,000	1,36,71,944	13,61,214	4,14,939	Tata Chemicals P.	6	269	13,55,026	57,597	Nil	Nil	Nil	10	19½	20½	16
1,39,95,990	76,97,267	28,13,586	22,50,261	Tata Oil P.	3	269	9,47,111	13,236	7	9	8	25	58	59½	44½
7,00,475	1,46,45,903	2,43,20,936	1,50,49,201	Western India Match	12	274	74,05,281	5,61,984	11	11	11	100	184½	185	186½

*1956

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Block Account	Reserve & other Funds	NAMES	Accounts closed	Managing Agents	Net Earning	Carry forward	Dividends per cent			Paid-up per Shares	Latest Market Quotations as available until		
Rs.	Rs.	Rs.				Rs.	Rs.	1953	1954	1955	Rs.	25-7-56	18-7-56	A year ago
												Rs.	Rs.	Rs.
CALCUTTA														
17,24,000	20,62,356	2,00,804	Ahmedpur Kutwa S.S.G.	3	165	-29,367	..	2½	2½	2½	100	58½	58½	56
21,69,300	33,24,679	6,00,722	Arrah Sasaram D B G	3-9	32	1,491	810	3-3	3-3	3-..	100	72	72	74
34,00,000	41,30,202	3,11,045	Bankura Damodar River S.S.G	3	165	46,607	..	2½	2½	2½	100	57½	57½	63½
19,00,000	29,09,643	4,91,171	Baraset Basirhat D.B.G.	3-9	331	18,844	1,18,863	..	..	..	100	10	10	19
17,80,000	21,78,786	2,20,877	Burdwan Cutwa S.S.G.	3	165	78,839	..	..	2½	2½	100	57½	57½	63½
31,00,000	35,46,010	29,296	Chaparmukh Silghat S.S.G.	3-9	32	45,823	7,100	1.29-1.29	1½-1½	1½-..	100	53½	53½	49½
4,75,000	3,20,040	4,75,006	Cherra Chhatrak Roadway	3	88	7,071	9,917	12½	5-..	Nil	5	71	71	68½
2,47,650	2,75,015	65,326	Darjeeling Roadway	3	101	18,097	4,549	1½	2½-..	2½	10	61	61	3½
22,50,000	60,65,477	12,50,000	Dehri-Rohtas	3	335	5,10,908	26,753	6½	7½-..	10	10	133	133	137
11,49,700	20,10,843	1,57,174	Futwah Islampur S.S.G.	3-9	32	-1,02,611	5,714	98-98	99-1	1-..	100	56½	56½	56½
16,00,000	50,48,405	20,39,596	Howrah Amta D.R.G. (P)	3-9	32	51,543	72,160	3-3	3-3	3-..	100	59½	59½	70½
6,00,000	13,78,138	4,41,518	Howrah Sheakhala D.B.G.	3-9	32	1,81,260	18,320	3-3	3-3	3-..	100	37	37	54½
19,50,000	27,95,689	2,47,135	Kalighat Falta S.S.G.	3	165	-1,99,473	..	2½	2½	2½	100	58½	58½	60
8,91,100	15,16,175	10,551	Katakhal-Lala Bazar S.S.G.	3	165	31,257	..	4½	5	..	100	73½	73½	74½
15,00,000	62,15,417	22,45,137	Shahdara Delhi Saharanpur	3-9	32	-1,10,300	14,031	6-6	6-6	6-..	100	125	125	152
1,75,000	5,41,779	2,04,841	Tezpore Balipara Tramway P.	3-9	165	-43,574	5,944	..	..	..	100	..	..	..

Managing Agents Managing Directors and Secretaries with their Respective address.—(Contd.)

320 F. W. J. Penn—United Breweries Ltd., Bangalore-1.	329 S. G. D. Bhagat—15, Shih Bhakur Lane, Calcutta.	338 M. G. Investment Corp., Ltd.—127, Mahatma Gandhi Road Fort Bombay.	348 Sahu Jain Ltd.—11, Clive Row Calcutta.
321 F. O. Williams—14, Old Court House St. Calcutta.	330 Mahindra & Mahindra Ltd.—Gateway Building, Apollo Bunder, Bombay.	340 K. O. Cheryan—Travancore.	349 Chandmull Batla—7, Canning Street, Calcutta.
322 Messrs Tata Sons Ltd.—New India Assurance Buildings, Mahatma Gandhi Rd. Fort Bombay-1.	331 N. L. Roy & Sons—Canning St. Calcutta.	341 James Finlay & Co. Ltd.—2, Netaji Subhas Road Calcutta.	350 K. E. Agarwal—Empire House, Hornby Road Fort Bombay.
323 Anderson Wright & Co.—1, Wellesley Place, Calcutta.	332 M. Paspattil, 21, Ravelin Street, Fort Bombay.	342 U. N. Chatterjee—2, Royal Exchange Place Calcutta.	351 E. & P. (Management) Ltd.—J. K. Building, Douglas Road, Ballard Estate, Bombay.
324 Bathgate & Co.—17/19, Old Court House Road Calcutta.	333 Japuria Bros. Ltd.—33, Netaji Subhas Road Calcutta.	343 Eastern Smelting & Refining Co. Ltd.—10, Clive Row Calcutta.	352 C. G. Mahant—Ewart House, Bruce Street Fort Bombay.
325 John Rutherford Blackie—Virginia House, 37, Chowringhee Calcutta.	334 S. Latimer—2, Fairlie Place Calcutta.	344 V. J. Pilani—Victoria Bunder Colaba.	353 N. K. Jha—14, Netaji Subhas Road Calcutta.
326 Berliwa Bros.—53, Netaji Subhas Rd., Calcutta.	335 Sahu Jain Ltd.—Daimlanagar.	345 The National Tea Corporation—130, Cotton Street Calcutta.	354 G. C. Karmali—P-8 Mission Row Extension Calcutta.
327 Marwar Textiles (Agency) Ltd.—Waudby Road Fort Bombay.	336 Futwad Kliahand—Scindia House, Douglas Road Bombay.	346 Senhasayee Brothers (Travancore), Ltd.—Eloor Factory, Alwaya.	355 G. G. Robertson—16, Strand Road, Calcutta.
328 John Taylor & Sons (India) Ltd.—Mysore, Ooragam, South India.	337 Berliwa & Co.—63, Netaji Subhas Road Calcutta.	347 Associated Commercial Co. Ltd.—161/1, Harrison Road, Calcutta.	
	338 B. R. Sons Ltd.—Hornby Road, Fort Bombay.		

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THE LAND OF OPPORTUNITY

BRITISH PROSPECTS IN INDIA

A substantial increase in British investment and business activity in India would benefit both countries. That is why the survey prepared by Mr. Stephen Garvin, a former I.C.S. officer, and published by the Federation of British Industries, should repay careful study in London and New Delhi. It is the outcome of Mr. Garvin's visit here early this year and is, therefore, based on up-to-date facts judged against a background of considerable experience of India and her problems. The survey is intended as a guide to the British investor, but it succeeds also in providing an opportunity for this country to judge for itself the impression it is creating abroad. Abroad is perhaps the wrong term to use—in Britain would be better, because there are certain differences about Mr. Garvin's approach which nobody can fail to notice who reads this pamphlet alongside the series of articles which another recent foreign visitor, Dr. F. E. Aschinger, Swiss economist and journalist, has published recently in the Continental Press. Both observers give an expert and balanced picture of the direction India is taking and her prospects for the future. Where Mr. Garvin's account differs from the sharper outline Dr. Aschinger has drawn is in its deeper appreciation of India's historical background and the sympathy shown for the motives and aspirations which have emerged from it. Dr. Aschinger has judged India with all the respect for academic theory and down-to-earth fact of the Continental intellectual. Mr. Garvin surveys his subject from the rather more empirical and sentimental angle of the Englishman who knows and likes his India. It would be wrong, therefore, to take Mr. Garvin's views as being typical of all foreign opinion. It would also be incorrect to accept them as representing, completely, the impressions of those British investors who already have money in India and must contend with day-to-day conditions as they exist here. These reservations apart, the survey is a valuable contribution to the task of clarifying for the prospective British investor the impressions of post-Independence India which he is likely to have gleaned from his newspapers.

*

One of the more unfortunate aspects of India's development is that it should require such careful explanation in the first place. When a country has decided on rapid industrialisation under a democratic form of government, its attractions for the foreign capitalist would seem to follow without question. This is not, of course, the case and the reason is India's aim of a "socialist pattern of society", which is even more difficult to understand abroad than it is in this country. Mr. Garvin has decided it means a "mixed economy", one in which "State enterprise and private enterprise will co-exist, in some cases competing with one another, the State sphere consisting broadly of those industries which are of basic and strategic importance, or in the nature of public utility services, or which require investment on a scale which in India only the State has the resources to provide, the private enterprise sphere consisting of the rest." This should be enough to satisfy the prospective British investor that he would be working in an environment not much different from the one he has become used to. But there must be few already in India who will confirm that it is as simple as all that. This is not necessarily due to lack of adaptability or unwillingness to co-operate in the changed circumstances. It is rather because the facts of life for all private enterprise in India have already fallen some distance behind Mr. Garvin's theory and often show promise of deviating further. British capital is in no worse position than Indian. But this is no consolation for the investor who sends out his money, or keeps here what he already has, only to find that Mr. Garvin has been premature in deciding for India in which direction she is in fact trying to go.

No attempt has been made in the survey to minimise the hazards British investment has to face. The uncertainties caused by the Fourth Amendment to the Constitution, the complications of the new Companies Act, the dangers which a

single-party system represents for the future of democracy and therefore free enterprise and, above all, the hopelessly damaging and often unjust weight of personal taxation, are all clearly stated. The idea is obviously to represent India as a challenge to the vigorous and the farsighted, not as a bed of roses for the unenterprising and the lazy. But that has not prevented Mr. Garvin from glossing over a number of important psychological factors. He is scarcely justified, for instance, in dismissing the issue of nationalisation in India as "very much of a red herring". It is true the Imperial Bank was taken over after an exhaustive survey of the country's requirements of agricultural credit. But it is debatable whether "it offered the most direct way towards an adequate system", and certainly no explanation of the circumstances is complete without some reference to the politics behind them. To say the reason for taking life insurance into the fold was not "because the Government wanted power over the investment funds" seems to contradict the justifications given at the time by Mr. Deshmukh himself. To point to the Centre's opposition to the Mysore Government's grabbing the Kolar Gold Fields, ignores the fact that the move has gone through all the same and that any State Government which feels so inclined towards the property of British investors need not be deterred for one moment from following suit. Mr. Garvin mentions the "common-sense and pragmatism in individual cases" of which the Government of India has shown itself capable, but neglects to say how many times this approach

In that same realism. This is the place to record, with satisfaction, that New Delhi, where there is no dearth of idealism, has firmly resisted, as on several other occasions in the past, the temptation to be carried away by emotion, the chief ingredient of unofficial opinion.

Let it be stated at once that President Nasser's decision was a political one. Egypt's undeniable poverty, the dividends the Suez Canal Company has been paying, the desperate urgency of the Aswan Dam for Egypt's survival—all these have come in handy in defending a decision reached on purely political grounds, not all of them unjustified. But to bring those irrelevancies into the discussion now is to confuse it. It is arguable that the U.S. State Department could have been more considerate of Egypt's needs and feelings and of its own unstated promises; what is important is that the ham-handedness of one country has led to high-handedness in another, and in consequence a dangerous measure of uncertainty now surrounds the world's most indispensable trade route. The causes of the crisis and their rights and wrongs may be controversial; the fact of the crisis is not, and this is receiving altogether too little attention even in countries vitally interested in the Suez remaining permanently open to all shipping.

India's interest in the continued navigability of the Suez is as great as any other country's on either side of the canal, and New Delhi's silence may be indicative of the concern felt at the recent turn of events. Indeed, there may be more to read in this silence than in the hasty statements made by a thousand other spokesmen of various interests and governments. It may be assumed that New Delhi regrets the manner in which the Western Powers missed an opportunity of meeting the Soviet economic offensive in the Middle East; it may yet turn out to be one of the State Department's more unfortunate strokes of diplomacy. The manner apart, the United States may be sadly misguided in attempting to put a political price on economic aid even if it is only that Egypt should not plan for a war against Israel; it is the sadder because the munificence of the United States is a matter of fact, unmatched by anything the Soviet Union has done to date. India might well see in the U.S. decision on the Aswan Dam a portent of what may be done later to other recipients of American aid, and India's disquiet should be appreciated in Washington.

On the other hand, India is not among the countries which hastily congratulated President Nasser on his Alexandria announcement. That India is in sympathy with many of Egypt's aspirations admits of no doubt. At least equally doubtless, surely, is her active membership of the Commonwealth. New Delhi is thus placed between two loyalties, but by no means torn. The difficulty is not in arriving at firm judgments, guided as much by idealism as by self-interest, but chiefly in expressing them. Nor need that be considered a serious misfortune, for more harm has been done to the cause of peace by loud proclamations on points of principle than by much-denounced secret negotiations conducted by uncommunicative diplomats. If there is a fault to be found with New Delhi it is only in its failure to educate unofficial opinion on international affairs in the lessons which admirably inform its policies on most matters affecting India's interests, of which the Suez is not the least important.

It is too early to say these things, but if India advances as all patriots must wish, she may one day come to possess overseas interests of her own. In the laws governing dispossession she may then show more than an academic interest. Whatever the provocation, and there has been some, President Nasser has resorted to a method of taking over the Suez Canal Company which is more courageous than consistent with current concepts of what international behaviour in commerce should be; it may some day be applied to other countries. Far more immediate than these considerations, however, is whether the Suez Canal, the most vital link in Commonwealth and world communications, is to remain available to the world's maritime nations, India among them. Sir Anthony Eden told the House of Commons on Monday that Britain could not accept the Canal being left under the unfettered control of a single power. It is also reported that Britain, France and the United States may try to persuade President Nasser to agree on an international authority to run the Suez. To free so vital an international link from the unpredictable vagaries of a country which has yet to evolve dependable political stability would indeed be the first requirement in ensuring the future of this international waterway. And it does not appear to have been pointed out in many places that the formula now suggested by the three powers is, in essence, very close to what Mr. Nehru said on the subject some time back. It may be out of date to assert that Britain and France are entitled to a say in the fate of the Canal because one owned it and the other dug it; it would be fatal to forget that in an important sense the Suez Canal should be long at least as much to the world as it does to Egypt.

NOTHING NEW ON LABOUR APPELLATE TRIBUNALS TO GO

THE Industrial Disputes (Amendment and Miscellaneous Provisions) Bill passed by the Lok Sabha a few days ago seems unlikely to go very far towards fulfilling the need for a labour policy conducive to the achievement of the second five year plan. In a field as complex as industrial relations, codes and legal enactments matter least; what really counts is the spirit which guides the potential disputants. Legislation may serve a useful purpose where it encourages a tendency towards fairness and compromise, and in so far as it reflects the socio-economic needs of the times. But where it does little more than to provide the means for the expression of personal and political quarrels and frustrations, it is clearly damaging. The labour laws which have mushroomed in India during recent years have, in practice, served the latter purpose liberally; the new Bill promises little change. For years, ministers have paid lip service to the idea that conciliation rather than adjudication should be the basis for the settlement of industrial disputes; yet, in practice, official measures have tended to work in the opposite direction—by enabling more and more workers to take action in such a way as to necessitate a reference to the labour courts. Mr. Khandubhai Desai, Central Labour Minister, himself told the Lok Sabha last week with thinly disguised satisfaction that "the number of adjudications in 1952 and 1955 were 1,712 and 2,804 respectively, mostly ordered by the State or Central Governments at the request of the workers themselves."

The new Bill does little to reduce the scope for prolonged disputes over trivial matters. If there are to be fewer disputes, one of the first essentials is that its provisions should be clear, and not open to differing interpretations. Many of the clauses hardly conform to this purpose. The Government may say, with some justification, that closely

Contents		
Somewheres East of Suez	..	137
Nothing New on Labour	..	138
Ganga Barrage and Jute Trade	..	133
The Kariba Gorge Tender	..	155
U.K. Nuclear Energy Production	..	155
Industrial Loans in U.P.	..	150
Talks on U.K. Credit Squeeze	..	149
Without Prejudice	140 Books	151
Ditcher's Diary	141 Commodity Markets	152
Money	143 Plantation Topics	152
City Cable	144 Jute	153
Stocks and Shares	145 Engineering	155

detailed legislation is not always possible to cover the vast variety of situations which might arise; but it is a moot point whether a measure which prescribes vague treatment in vague circumstances serves much purpose either. One of the most far-reaching of the Bill's innovations is the one which proposes to abolish the Labour Appellate Tribunals. These have served a highly useful purpose in bringing about a measure of uniformity in the interpretation of the laws. In recent years, there have been many cases of conflicting industrial tribunal decisions resulting in varying awards on the same matters being given in different parts of the country. The abolition of the Appellate Tribunals makes it the more essential, firstly, that clear guiding principles and norms should be laid down for industrial tribunals to follow in giving equitable and consistent awards; and secondly, that highly qualified and trained officers be chosen to preside over them. Considerable doubts exist over the clause which seeks to revise the definition of "workmen" so as to include in it supervisory personnel getting emoluments of up to Rs. 500 a month and also certain technical personnel. The combination of ordinary workmen and such supervisory and technical staff in a single category could have serious repercussions on discipline and efficiency. It is unfortunate that the Lok Sabha has done nothing to revise the clause in order to exclude specifically members of the intermediate management.

Much was said in the Lok Sabha debate about the multiplicity of trade unions, but some may regret that the causes were not more fully discussed. If they had been, one of the outstanding impediments in the formulation of a rational labour relations policy might have been recognised. In India, a major reason why there are too many trade unions within single industries, sometimes even within single enterprises, is the extensive interference of political parties. The aim of such interference, generally, is not to secure better working conditions for labour but to further the

ambitions of the politicians. The latter care little for the workers, and less for the industry; it suits them to do harm to both, as well as to the country, provided their own narrow personal and parochial strivings are fulfilled. An outstanding example of this was the closure in the works of the Indian Iron and Steel Co. Ltd. a few years ago; but lesser ones are still common. Where politicians set up test-tube unions, and then seek to nourish them with a series of inflated demands upon employers, industrial peace can hardly be assured. This is the fundamental problem which, while the Statute Book bulges with new laws, the Government has singularly failed to tackle.

CURRENT COIN

Alcock Ashdown Expanding.—The progress of the engineering industry is partially reflected in the review for 1955 presented by Mr. W. A. Wiles, chairman, at the annual general meeting of Alcock Ashdown and Co. Ltd. in Bombay (a fuller report appears on a later page). Except for the structural shop, all departments of the company were steadily employed throughout the year. The points and crossings department handled more work, and in view of the railways' expansion plans, is likely to continue operating to capacity "for virtually an indefinite period." The foundry was also kept fully occupied. The galvanising department was busy processing components of towers for the Hirakud dam project, but "during the latter part of the year, the amount of large orders fell off and the prospects for the future are still uncertain." The improvement in ship repair work at the end of 1954 continued only for the first quarter of 1955, after which no repairs of major importance were procured. But a very large number of running repairs were done to ships visiting Bombay, and for this reason satisfactory results were maintained. The structural department seems to have been the company's chief worry. It is the most competitive line of activity, and Mr. Wiles said that "without taking the risk of piling on quotations to a dangerous level, it is difficult in times of keen competition like last year to procure orders which leave a reasonable margin of profit." But the company is expanding its activities into Saurashtra. It has acquired a lease for land in the Bhavnagar port area on favourable terms, where it plans to construct first a boat-building shed equipped for the production of barges and for the fabrication of mild steel pipelines. Later, it intends to build steel tugs and launches there. After this preliminary phase, it is proposed to erect and equip a structural steel works within the next 18 months to fabricate all kinds of steel work, such as buildings, bridges, water and oil fuel tanks. The works will have a monthly outturn of about 300 tons. Mr. Wiles expressed anxiety over the steel and transport shortages, which, he said, could seriously hamper the expansion of the engineering industry.

Prospects for Gunnies.—One of the more puzzling developments of recent years is that although world capacity for the production of jute goods has been well in excess of demand, manufacturing industries as a whole have continued to grow. The most outstanding expansion has been in Pakistan, where there may have been some economic justification for it in the light of her troubled political relations with India. But elsewhere, too, mills have been established or expanded during temporary phases of scarcity whose economic soundness is now becoming increasingly doubtful as world trade in jute goods becomes more competitive. Mr. Vishwanath More, president, told the Gunny Trades Association in Calcutta on Friday that Mauritius's only factory for sack manufacture has been closed. Six jute mills were shut down in Italy last year and other "casualties" are likely this year. Mills in Europe and in Japan are already feeling the effects of strong competition from India. Meanwhile, in India itself, production has been increased. Mr. More therefore warned industrialists abroad that "if they, without proper thought, set up jute mills, they would burn their fingers in the long run." Their biggest worry is likely to arise from the fact that for them Pakistan is the only source of raw jute, and she has not failed to exploit her monopoly whenever she could. Furthermore, the Indian mills have the advantage of "long experience, low investments, recent modernisation and, above all, of a compact organisation named the Indian Jute Mills Association." Discussing futures trading in Calcutta, Mr. More expressed the hope that it would start "within a few months' time"; he emphasised once again the need to distinguish between forward business and futures business in framing regulations. Mr. More felt that something should be done to use the Indian jute mills' idle capacity. At present, he said, about 4,800 looms were not being worked; an expert committee should be appointed to examine whether they could be used for the manufacture of such things as coarse cotton

fabrics, blankets and crossblended jute materials. Mr. More's suggestion about "some sort of co-federation of the jute industries of India and Pakistan" appears to be impractical, and betrays an unjustified nervousness.

Rail-Road Transport Controversy.—A controversy has been started on the economic case for expanding road transport as against the railways just when there should be greater co-operation between the two, keeping in view the larger interests of the country. It has started with an article by Mr. K. B. Mathur, Member (Transportation), Railway Board, written for the Press. In this, Mr. Mathur has made the following points against expanding road transport: (a) it is unsuitable for carrying the extra traffic which will result from the second plan activities, as 38 million of that traffic's 60.8 million tons will be raw products and coal; (b) investments needed for carrying one million tons of goods by a comparative expansion of both are Rs. 4 crores for the railways (except where extensive improvement in line capacity works is required), and Rs. 11.6 crores for road transport; (c) freight each ton-mile is six annas by road, but only 1½ to 3½ annas by rail; (d) initial investment in road transport is higher, and the renewal costs are heavy, amounting to a serious drain on foreign exchange reserves; (e) road transport carries only 10 percent of the total goods traffic in the U.S.A., where it is most highly developed, and (f) road transport by its nature is suitable only for short-distance traffic. As this view has received powerful support from the Central Government and some members of the Planning Commission, the road transport interests have answered each point in turn, their spokesman being Mr. B. V. Vagh, vice-president of the Indian Roads and Transport Development Association. Some of the more effective parts of Mr. Vagh's counter-case are: (a) on the basis of Rs. 540 crores allocated in the railway plan for handling 47 million tons of goods, it works out to an investment of Rs. 11.5 crores for lifting one million tons by the railway (including line capacity), plus the cost of extra wagons and other categories of rolling stock required at the rate of Rs. 4½ crores; (b) comparative costs for carrying the same amount of goods by road transport can be kept down to Rs. 4½ crores and the cost for each mile of suitable road, according to current estimates, is nearly one-eighth of that of railway track; (c) a road transport undertaking in the south is already carrying goods at the rate of three annas a ton-mile; (d) replacement and renewal is far more expensive in the case of the railways; (e) no foreign exchange is required in road materials and the foreign exchange needed for the acquisition of trucks (which again can provide a great fillip to the indigenous automobile industry) is "very small" compared with the Rs. 425 crores provided for the railways; (f) the railways will require much more steel than road transport; (g) road transport is far more labour-intensive and fits well with the employment objective of the plan and (h) the volume of goods carried in the U.S.A. is 20 percent of the total; that the volume has increased proportionately very much faster in recent years than that carried by the railways, and the modern trend is to expand road transport in preference to railways. Thus both sides have made substantial points in putting forward their respective views, but, on balance, the case for expanding road transport seems to be the stronger. Since it is obvious that the railways cannot lift all the goods that will have to be carried during the next five years, an alternative means of transport is clearly necessary, and among the inland transport services, the roads are the only alternative.

Textile Expansion in the South.—Recent company reports give some idea of the expansion of south Indian textile mills, and additions to spindle-leage partly explain the improved results for 1955. Though post-war expansion was temporarily halted in recent years, the expansion of spinning units has continued with the official efforts to aid the handloom industry. Further expansion is to be financed out of reserves and current earnings, and capitalisation per spindle will be lower than in the new units started under co-operative auspices. The expansion programmes have induced support for textile shares in recent months. The appreciation in values has been steady and substantial so that a newly listed share like Adoni is at a premium though the mill got its power supply and started work only in April. The success of the Lakshmi Mills which in 1939 had 40,672 spindles, but in 1955 had 85,908 spindles and 201 looms, is notable. The report for year ended March 1956 shows a profit of Rs. 39.14 lakhs, and the dividend has been maintained at 25 percent. In 1955-56 the mill added 16,200 spindles. The company is setting up another spinning mill with 25,200 spindles. It owns a gin and press in Virudhunagar, bought in 1954 from Rallis India Ltd. As the free reserves stand at Rs. 43 lakhs against a paid-up capital of Rs. 53.4 lakhs, market hopes are that the results for 1956-57 will permit a higher dividend, and the shares have

risen over the last fortnight from Rs. 220 to Rs. 246. The Premier Mills, Coimbatore, has declared a dividend of 15 percent, absorbing Rs. 1,87,500 out of the net profit of Rs. 5,76,256. The company will add 12,000 spindles within two months. The shares, which quoted Rs. 177 last year, have risen to Rs. 240 since the report was published recently. A similar improvement in Loyal Textiles is based on the proposal to add 12,000 spindles this year to the previous capacity of 24,242 spindles and 224 looms. The last dividend was 5 percent and the shares have risen to Rs. 53. The improvement in the shares of the Sri Krishna Rajendra Mills this year is partly due to the increase in the dividend from 10 percent to 14 percent for the year ended March 1956; and partly to the directors' proposal to add 12,180 spindles to the existing installation of 31,663 spindles. The results of the four companies indicate that power cuts did not hamper growth seriously and resources for expansion have been secured partly from current revenues. The favourable effects of decontrol and the stability of yarn prices underlie the improvement in earnings. The Madras stock market has welcomed plans for expansion by pushing up textile shares. Mettur with its 42½ percent dividend has recorded the biggest rise so far, but others have also met with strong investment support.

Personnel for Co-operatives.—India's co-operative movement has several deficiencies, but the most serious is the shortage of trained personnel to run its far-flung branches. Noticing this deficiency from the time it started taking an active interest in co-operation, the Reserve Bank sponsored an all-India scheme for training in 1952. Under the scheme, two types of courses were organised at the Co-operative Training College, Poona, which is run by the Bombay Provincial Co-operative Institute. One, with a duration of six months, was meant for the superior grades; and the other, for the lower categories, took double the time. Since then, these courses have continued, turning out trained staff to serve in all parts of the country. The Reserve Bank's efforts were reinforced when the Government of India appointed in 1953 the Central Committee for Co-operative Training, with Mr. V. L. Mehta as chairman, and with officers of the Reserve Bank, of the Planning Commission and the Registrars of Co-operative Societies of several States as members. This body is responsible to both the Government of India and the Reserve Bank, and operates through the latter's Agricultural Credit Department. According to the Government resolution appointing the Committee, its function is to "formulate plans and to organise and direct arrangements in regard to the training of the personnel employed or to be employed in the co-operative departments and institutions in the several States." This function the Committee has been discharging well, considering the limitations under which it has to work. Regional training centres have been opened in Poona, Madras, Ranchi, Meerut and Indore. An appropriate classification has been made of the various categories of workers to be trained, such as (a) higher, covering those responsible for direction and control at district or divisional levels; (b) subordinate, such as auditors, supervisors, clerks, salesmen and accountants and others of the lowest cadres; and (c) intermediate, covering the rest. The three courses are conducted according to prescribed syllabi, and several workers have already been trained. The first five year plan provided Rs. 10 lakhs for the purpose, and a bigger provision has been made in the second.

JUSTICE FOR THE POOR

AFTER dragging its weary length along for three months the wretched Stewart-Culloden case is at last over. The time that this miserable trial has occupied, the irrelevant side issues introduced into it, and the expense inflicted on the parties by the failure of the Magistrate to understand what we should call the simple law of evidence, are nothing less than a public scandal; and if a good reason were wanted to discredit Mr. M. Ghose's proposal that the judicial should be separated from the executive service, it is supplied by the conduct of the legally trained Magistrate in this case. The issue to be tried was the simple one of alibi, and an ordinary London Magistrate would have disposed of the case in one morning; but since the introduction by Mr. Justice Pigot of the procedure of customary slow despatch in the High Court, the lesser legal luminaries seem to consider that adjournment upon adjournment is quite the correct thing, and that to prolong a case that should have occupied three hours to three months is the height of jurisprudence. If the High Court should be appealed to in this matter, we trust the Judge before whom the case is brought will speak with no uncertain sound of the way in which this case has been conducted. The procedure at present in the Calcutta Police Court simply amounts to a denial of justice to a poor person—a state of things that is a scandal and a disgrace to any civilised country.

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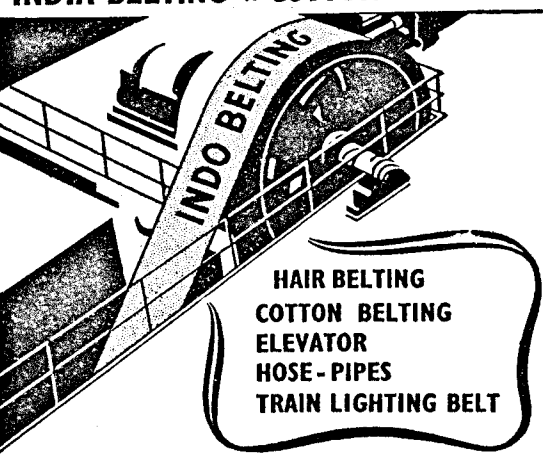
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APPEAL

(FROM OUR LEGAL CORRESPONDENT)

THIS is an interesting point in banking law, about which there has been hitherto a certain amount of judicial and legal difference of opinion. It is a decision of the Punjab High Court (Falschaw and Kapur JJ.) in Delhi, sitting in appeal. The plaintiff-respondent had a cash credit account with the defendant-appellant, the Bharat Bank Ltd., in Rawalpindi prior to the year 1947. He had pledged as security 988 shares of the Rawalpindi Electric Supply Company Ltd. On 11th August, 1947, the Bank gave notice to the plaintiff demanding payment of the debt due from the plaintiff by 18th August, 1947, and intimating that if the amount was not paid the shares would be sold without any reference to the debtor and at his risk and responsibility. It was not clear when this letter reached the plaintiff but,

anyway, no reply was sent to this letter of demand. On 20th August, 1948, the shares were sold at Rs. 10 a share. The plaintiff, on 31st January, 1949, gave a lawyer's notice to the Bank claiming Rs. 9,000 on account of the surplus which would have accrued had the shares been sold by the middle of September 1947 when the price was Rs. 19-12 a share. The Bank replied on 6th February, 1949, saying that it was not bound to sell the shares in September 1947, and could sell them at any time after the expiration of the period mentioned in the notice sent by it in August 1947. The Bank also claimed Rs. 2,172-12-6 after giving credit for the sale proceeds of the shares, and called upon the plaintiff to pay that amount.

On 9th March, 1949, the plaintiff filed a suit against the Bank for the recovery of Rs. 9,000, being the surplus after deducting the amount due from the plaintiff to the defendant in the cash credit account calculated at the value of the shares pledged at Rs. 10-12. The plaintiff also alleged that the Bank was bound to sell and must be deemed to have sold the shares on or about 18th August, 1947, and, if due to the want of diligence on the part of the Bank to sell the shares on 18th August, 1947, there was any fall in the price of the shares, the liability was on the Bank. The material pleas of the Bank in defence were that

it could not function after August 1947, or within a reasonable time thereafter, and that after giving credit for the price of the shares, which amounted to Rs. 9,880 at the rate of Rs. 10 a share, a sum of Rs. 2,322-12-6 was due to the Bank from the plaintiff on the ground—and this is the interesting point with which we are concerned—that the Bank was not bound to sell on 18th August, 1947, or within a reasonable time thereafter.

The trial court stated the following issues:

1. Whether the defendant Bank was entitled to sell the shares on the day and at the rate which it actually sold them?

2. What was the price of the shares on 18th August, 1947, or thereabouts?

3. Whether the plaintiff is entitled to recover the difference? If so, how much?

4. Relief.

The court found for the plaintiff. It held that as a pawnee the Bank should have sold the shares within a reasonable time of 18th August, 1947, and that it was not entitled to sell in August 1948 even though it gave subsequent notice in the newspapers calling upon the plaintiff to pay within 15 days, in default of which the pledged shares would be sold. It was also held that the price in August 1947 was Rs. 19-8 a share, which was also the price in September 1947, and therefore the shares should have been sold at that price, and therefore, further, the plaintiff was entitled to recover the surplus after paying off his debt to the Bank. From this adverse decision the Bank appealed.

The Bank's case was that it was under no obligation to sell either in August 1947 or within a reasonable time thereafter. The Bank was a pawnee for these shares and the rights of a pawnee in case of default of payment by the pawnor are given in Section 176 of the Contract Act. That section provides that on a default being made, the pawnee may bring a suit for the recovery of his debt or he may sell the goods pledged on giving the pawnor reasonable notice of the sale, and if the sale proceeds are less than the amount due, the pawnor is still liable to pay the balance.

It will be observed that as to whether there is any duty for a bank to study its customer's interests in the date of sale of the pledge, whether in affixing a date of sale of, e.g., perishable articles, goods which will deteriorate or lessen in value, or shares, the bank will be liable for neglect of such precautions as "a reasonably prudent and careful man may fairly be expected to take of his own property of the like description" (Giblin v McMullen), we obtain no specific guidance at all from Section 176. It is silent on the point. A bank holding goods, whether shares, plate or *objets d'art* as a bailee, whether gratuitous or rewarded, would no doubt be liable for negligence if it omitted to take such precautions. But here we are concerned with the position of a bank not in its capacity as a bailee but as a pawnee. At first sight, one might incline to the opinion that even in that event there is a duty on the bank to take reasonable care and affix a time profitable to the pawnor, who is also its customer for the date of sale. But if that were the law, there would be no difficulty at all, for the simple reason that there would have been no sale on any date and no pawning; for the sufficient reason that if a banker has cast upon him the duty of scrutinising the stock and share lists every day with a view to ascertaining what would be the date most profitable to the pawnor upon which to sell shares pledged to the bank and if the bank is to be liable for negligence if he selects a date of sale when the shares are less valuable than they were at some previous time or became at some time subsequent to the sale, no bank would accept shares on pawn at all and the situation could not arise. That seems commonsense. We will now investigate the law.

In *Kesarimal's case* (1928. Mad. 1022), the power of sale conferred on the pawnee was held to be for his benefit, to be exercised according to his discretion, and all that was required of the pawnee was to give reasonable notice of the intended sale. Note "reasonable notice", not a word about "at a reasonable date" to be notified then or later. Another Bombay case in 1937, *Cooverji's case*, was even more specific. It was there held that a pawnee has the power of sale expressly conferred upon him for his benefit according to his discretion, and all that is required of him to perfect his right to sell the pledged goods is to give notice of the sale, and it is open to him to effect the sale at any time or at any date thereafter, and all that is necessary is that the notice, i.e., of intention to sell, shall be reasonable. And a Nagpur High Court decision in 1951 in *Suraimal v Fulchand* takes the same view in even stronger terms, holding that a pawnee who has given a reasonable notice of sale under Section 176 of the Contract Act, can sell at any time, and is not bound to sell within a reasonable time, after the expiry of the period mentioned in the notice. The court, therefore, in the present case held that the sale of the shares by the Bank could not be assailed on the ground that it did not take place within a reasonable time after the notice of 11th August, 1947. The Bank's appeal was allowed, the decree of the trial court set aside, and the plaintiff's suit dismissed with costs throughout.

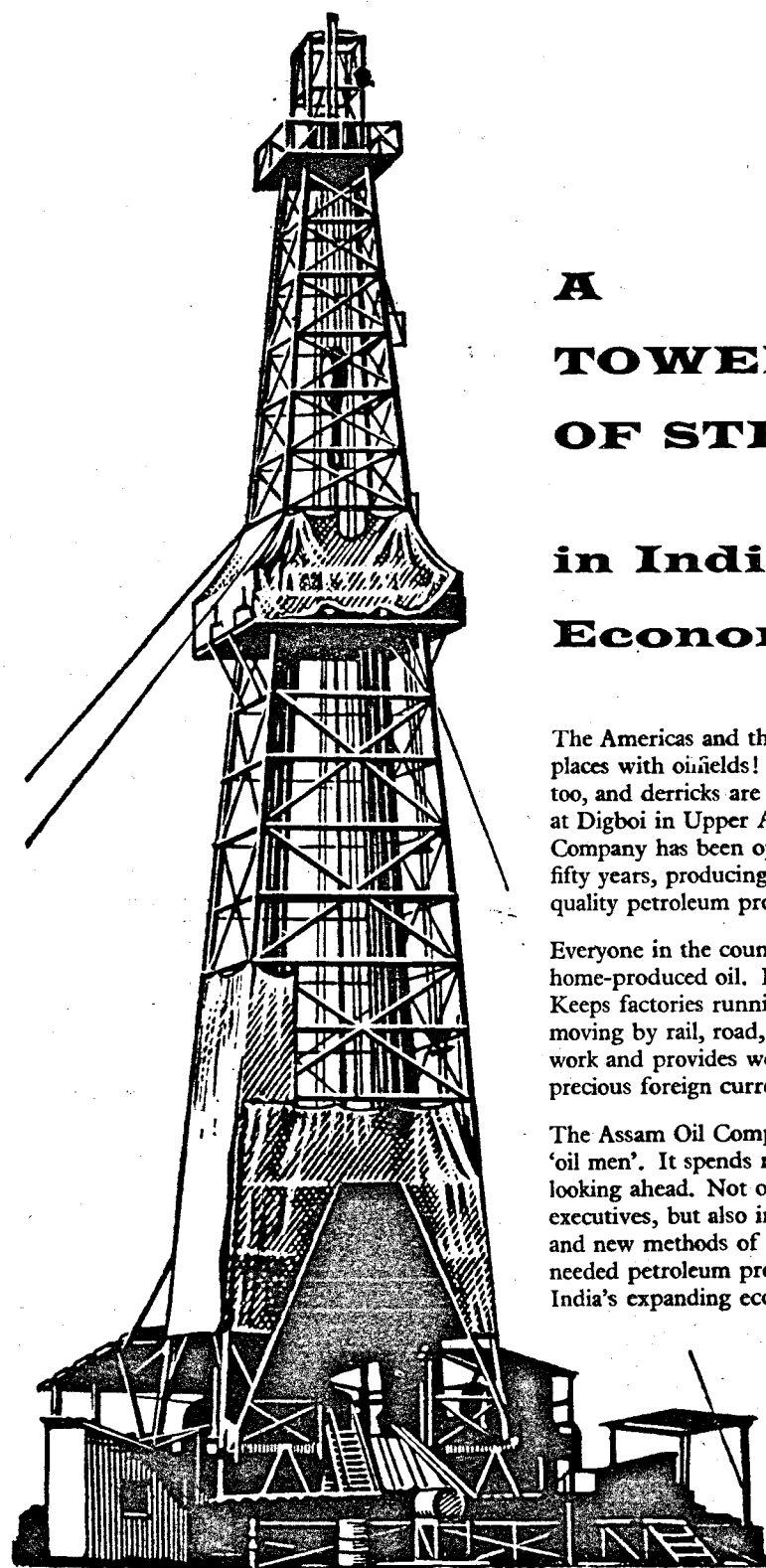
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A DITCHER'S DIARY

Government is now in the sorry position of having to take over the entire distribution system itself, extend its punishments to those who are understandably refusing to carry even their normal stocks for fear they will incur a whipping, or simply admitting defeat.

Oh, to be a millionaire. How one can become obsessed with the idea if, as a teen-ager, one pores avidly over American success stories. It seems at that age that the only possible destiny of an American boy, whether a dish-washer or a cobbler's assistant, is to end up a tycoon, owning banks, stock exchanges, blocks of skyscrapers and fleets of pleasure yachts well-stocked with chewing gum. Books like *From Log Cabin to White House* are apt to leave the impression that when an American boy is lucky enough to be born in a wooden hut he need never have a care in the world; his address, in due course, is bound to be the White House, Washington. Later on, of course, maturity usually makes an end of such beautiful illusions. But for those who still have any, Mr. C. Wright Mills's *The Power Elite*, with its angry denunciation of the American social structure, is just the right thing to read. This new book claims to be an analytical study of American sociology, and sets out to show how a powerful, strongly-integrated, social oligarchy controls finance and politics throughout the land. I fear there is a touch of polemical exaggeration about Mr. Mills's attacks on the upper-class American. Even so, it cannot be denied that he brings considerable mastery to his task and presents a fairly coherent case. American life, he says, is dominated by a ruling class composed of executives, Service chiefs and "political outsiders". Dispersed throughout the country, they remain socially integrated by an almost exclusive system of private education. A representative member of the Power Elite has gone to Choate, Groton or some other private school and probably completed his education at Harvard or Yale. He usually marries a girl with a similar educational background. Mr. Mills shows that the newsboy-turned-millionaire is now an extreme rarity. Ninety-three percent of the rich, according to him, were born so. The same is true of seven out of ten of the very rich, while only one came into the world humble. "It is not by industry but by finance, not by management but by promotion and speculation that they typically become enriched. Those who have risen into the very rich have been economic politicians and members of important cliques," says Mr. Mills.

Those who have read Slavomir Rawicz's *The Long Walk* will confirm that it is among the best accounts of wartime adventure that has yet been written. The trouble is that it may be nothing more than a four-thousand-mile sleep walk, fabricated for reasons which only the author himself can give. The book has raised a good deal of controversy in Britain, where Mr. Rawicz has not yet been able to satisfy his critics of its authenticity. The book describes the escape of Mr. Rawicz and six other inmates from a Russian prison camp in north-eastern Siberia and their trek across outer Mongolia, the Gobi Desert, Tibet and the Himalayas into India. The journey took a year. Strix of the *Spectator* has pointed out a number of suspicious gaps in the story. The party must have crossed the important Lanchow highway, but Mr. Rawicz could not remember it, or the telegraph poles situated along its length. He could not even recall the

twenty-thousand foot mountain climb to the Tibetan plateau and he appears to have crossed this far-from-empty expanse without seeing a single lama or monastery. There are many other curious lapses of memory which require more than the unquestionable hardships of such a journey to explain away. But the best verdict on the story is probably to be found right here in Calcutta where the four survivors are supposed to have been brought for convalescence after they were picked up by a British patrol on the southern slopes of the Himalayas. Not one of Mr. Rawicz's three companions has come forward, but they might be dead. No single member of the British patrol has been located, but by now it will have been scattered over the face of the globe. What is most significant is that none of the doctors or nurses who tended the party (he does not say in which hospital), many of whom will certainly be here in Calcutta still, appears to have remembered this strange incident. The final test of Mr. Rawicz's story may be at the end where he claims to have been taken by bus from the hospital here to a transit camp "to await a troopship to the Middle East", which he eventually reached a month or so later. The time was somewhere between March and August 1942. The question is: did any troopers leave Calcutta for the Middle East during that period? It is not very likely. Somebody in Calcutta can no doubt say quite conclusively whether Mr. Rawicz is telling the truth.

Perhaps I shall be accused of being both blind and deaf if I say I notice in this country—certainly in this State—a lamentable tendency to ignore or underrate the truly great sons of the soil. The fact of the numerous holidays and periodic celebrations on the birth anniversaries of patriots and, occasionally, religious leaders will no doubt be flung in my face. But I shall still maintain my ground; and this because, though Pandit Ishwar Chandra Vidyasagar has been dead for sixty-five years, it is only now that West Bengal has thought of remembering the anniversary in anything like an adequate manner. It can be argued that for historical reasons the patriots, the fighters for independence, have had to be given preference over the leaders in the fields of culture and social reform. But when it is recalled that India has been free for nearly a decade in an age that moves at break-neck speed, and that in international affairs she is already beginning to behave like a fully mature nation, the argument falls flat. And just consider Madras and Andhra. These States, too, produced many fighters for independence, and yet they have always shown, comparatively speaking, a due regard for their intellectual leaders, poets, scholars and artists. It is, however, good to note that the Vidyasagar anniversary celebrated in West Bengal last week was not an entirely perfunctory affair. For the first time a serious step has been taken by instituting a lectureship in Calcutta University in honour of this great man; and, what is equally important, a live man of letters with an excellent research background, instead of the usual ponderous academician with only a Ph.D. to lift him above the average, has been appointed to it. I understand that Vidyasagar still lacks a definitive biography. Perhaps this will soon be undertaken. Few deserve it more than he who, though born in incredible poverty, rose to be a power in the land and lent himself so unstintedly to its service. In an age when social prejudices reigned supreme, he fought against them, built up educational institutions, wrote text-books as well as classics, tried to give the Hindu widow the right to remarry; and when it came to personal charity, never recked how small was his purse.

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Company Meeting

ALCOCK ASHDOWN & COMPANY LIMITED

CHAIRMAN, MR. W. A. WILES, ANNOUNCES EXPANSION PLANS

Presiding over the 73rd Annual General Meeting of the shareholders of Messrs. Alcock Ashdown & Co., Ltd., Bombay, Mr. W. A. Wiles, Chairman, announcing the new expansion plans of the Company, said :—

Last year your Chairman, although hopeful that the 1955 results would continue on the path of improvement which our 1954 results showed over the preceding year, forecast the possibility that they might not be as profitable. However, I am pleased to report that this is not so and the results for the year show that the improvement has been maintained.

The figure of Sales & Work Done as revealed in the Profit & Loss Account for the year is approximately Rs. 14 lakhs more than the corresponding figure for 1954, though when adjusted by the opening and closing figures of Work-in-Progress in order to arrive at the actual value of the work processed during the year, the figure for 1955 works out to Rs. 121.3 lakhs compared to Rs. 132.4 lakhs worth of work processed in 1954. In view of this, the increase in the Gross Profit of 1955 over that of 1954, amounting to Rs. 4,15,372/- indicates a noticeable improvement in the ratio of Gross Profit to total work processed, which together with an improvement in the ratio of net overheads and expenses to gross profits over the same period goes to show that we have been working more efficiently, and hence more profitably in 1955 than in the previous year.

After providing Rs. 4,75,000/- for taxation, there remains a balance of Rs. 4,68,581/- of which Rs. 72,288/- has been transferred to General Reserve, raising this Reserve to Rs. 24,50,000/- and leaving a balance of profit of Rs. 3,96,295/- to which must be added the figure of profit of Rs. 1,35,820/- brought forward from 1954 making a total of Rs. 5,32,115/- available for disposal. As you will have seen from the Directors' Report, your Directors recommend that a dividend of 12½% be declared, the same as last year, leaving a balance of Rs. 1,14,340/- to be carried forward to 1956.

With the exception of the Structural Shop which I will return shortly, all Departments were steadily employed throughout the year.

In our Points & Crossings Department where we manufacture requirements for the railways, there was a notable increase in the quantity of work handled, and there is hardly need to mention that, with the expansion required by the railways in the Second Five-Year Plan, their requirements are likely to keep our Department busy to capacity for virtually an indefinite period.

The Foundry, which is not normally a busy Department, was also kept fully occupied by a steady flow of orders.

The Galvanizing Department was employed for the greater portion of the year galvanizing components of towers for the Hirakud Dam Project, and I am pleased to report the continued high standard of work achieved, which resulted in no rejections at all on this large contract. During the latter part of the year, the amount of large orders fell off, and the prospects for the future are still uncertain.

The improvement in ship-repairs noted at the end of 1954 continued only for the first quarter of the year, and since March last year no repairs of major importance were procured. This, however, was to a certain extent counter-balanced by a very large number of running repairs to ships visiting this port, including ships of the Indian Navy, which has enabled us to maintain satisfactory results.

I come now to the work of the Structural Shop which, with the conclusion of certain large Projects,

and in the absence of any contracts of major importance, has had a disappointing year being dependent largely upon small local jobs. You will understand that the nature of the work, which this Department handles, has been the most highly competitive of all, and without taking the risk of paring our quotations to a dangerous level, it is difficult in times of keen competition like last year, to procure orders which leave a reasonable margin of profit.

A contributory factor to our comparatively high base cost in our Structural Department is the handling of the material in the very cramped space available at our Works, which were not originally designed to cope with the kind of work to which we now aspire. This limitation of space places us at a disadvantage with our competitors possessing a more spacious and economic lay-out and it is partly with these considerations in mind that we have this year embarked upon a scheme of which I shall take this opportunity to apprise you.

New Factory in Bhavnagar

With the active support and encouragement of the Government of Saurashtra we have already obtained the necessary Licence to expand the operation of your Company to that State. We have acquired a plot of land of approximately 28 acres, very favourably situated in the Bhavnagar Port area, and we have applied for a lease of 30 years at a very low rental of Rs. 125 per acre per annum, that is to say, about Rs. 3,500 a year for the whole plot. This lease may be extended for a similar period with Government's option to increase the rental by not more than 50%. To give you an idea of the satisfactory terms of this lease, I will mention that the rental of that portion of your Works in Mazagon, 64 acres only of which is leased from the Bombay Port Trust, is the equivalent of over Rs. 75,000 a year. This Lease expires in 1958 and the Bombay Port Trust have announced a very considerable increase in rent. This factor gave an additional spur to our search for economic breathing space which we feel we have been fortunate to find in Saurashtra where already other large industrial schemes are in process of development, in which we hope to play a major part. We propose in the early stages to erect a small boat-building shed equipped for building barges and for the fabrication of mild steel pipe-lines, for both of which we understand there is a considerable demand in Saurashtra. At a later date, after our workmen have acquired experience in the manufacture of barges, we propose to undertake the building of steel tugs and launches in the same shed, and with the same equipment. We anticipate being ready for production within the next month and we have already secured an order from Government for two large oil barges, with the probability of several additional dry-cargo barges, which should give a good preliminary start to our project.

Following this preliminary phase, we propose, within the next 18 months, to erect and equip a Structural Steel Works capable of undertaking the fabrication of steel work of all descriptions, such as buildings, bridges, water and oil fuel tanks, etc., with a monthly output of about 300 tons.

We hope that this project, which has been sanctioned by the Government of India and has the encouragement of the Government of Saurashtra, will prove a small but worthy contribution to the vast industrial expansion envisaged in the Second Five-Year Plan, and be able to demonstrate, when given the opportunity and the materials, what we in the private sector are able to achieve in co-operation with and as a necessary supplement to the Public Sector. To this end we have also already received large orders for steel fabrication for the new Steel Mills being

erected by Government at Bhilai and Rourkela, which work we shall carry out in Bombay.

You have already been advised of the closing down of our Establishment in Pakistan and, although there have been many obstacles to overcome in the implementation of our Sale Agreement, we are pleased to say that this has now been satisfactorily concluded and, with the remittance of the sale proceeds to India, which we have been permitted as an exceptional case, and which we are informed is one of the only examples of repatriation of capital permitted from Pakistan to India, we hope to turn the capital to more profitable use both in rehabilitating some of the more outdated machinery of your Bombay Works, and also in our new venture in Bhavnagar.

At this point, however, I must strike a note of warning. Our path of progress in this scheme of expansion is not smooth or straight or lined with roses. Now that the Government of India have made it abundantly clear that the emphasis in the Second Five-Year Plan is on industrial expansion, and that the engineering industry will be called upon to play an important role in national development, there are four essential requirements that must be met before this industrial embarkment, with any hope of success, can be attempted. These are: (i) raw materials, transport and skilled labour. As far as our venture is concerned, I am confident that, possibly with your help at a later date, the first requirement will be adequately looked after, but nowadays it is often easier to raise the capital than to procure the materials which it buys. Easier too, to procure the work than the material, the tools and the skills to complete it.

Shortage of Steel

There is to-day a serious shortage of steel which is not limited only to indigenous supplies, and full requirements of this commodity for industry cannot be expected to be obtained from Government-owned units before at least 1959-60. The success of the Second Five-Year Plan, and, therefore, the success of our part in it, must depend, to a large extent, on imports of steel and machinery, of which little surplus of the former is available even from the Continent, and although we have sufficient steel in our own limited stocks to fabricate and erect the two small boat-building sheds for the first phase of our Bhavnagar Project, it would indeed have unfortunate results on this venture if, as I fear we had to sit idle waiting for the steel with which to build the barges, even though this is a Government job, to be built with steel from Government quotas.

Similarly, although we plan to start the fabrication and erection of our new Structural Shop during the early part of next year, there is no guarantee that the schedule of our whole scheme might not have to be postponed if we are unable to procure the necessary steel for which we have already placed our orders with Government. As an example of how our work has been held up during the first half of this year when our Structural Shop has not been fully employed, we have about Rs. 38 lakhs worth of orders on hand on which work either cannot be started, or completed through lack of necessary steel. Nevertheless, strenuous efforts have been made and will continue to be made by us to ensure that all necessary supplies, both of machinery and the raw materials necessary, are obtained so as to circumvent, as far as is humanly practicable, any unprofitable delays to the venture.

Transport

The third factor so vital to our success is transport. Even when machinery and the steel can be obtained, this has to be transported from the area of supply, whether in India or from abroad, to our factory site. The Railway Minister, Shri Lal Bahadur Shastri, has already indicated that the railways carrying-capacity is now short of requirements by about 5 million tons a year, and this shortage is likely to be multiplied many times as the Second Five-Year Plan proceeds. Similarly, congestion is increasing in every major port, which is aggravated as imports outstrip transport's ability to clear it to the interior.

Labour

Finally, we come to labour. There is still in this country to-day an acute shortage of skilled labour and experienced personnel, and on a number of occasions during the year, our ship-repair department has been in difficulties in carrying out the work when the necessary skilled workmen were not available. The scarcity is most apparent in the category of fitters caused by the demand for such men in newly-opened factories and in such establishments as the Oil Refineries at Trombay. Similarly, in the vital category of Supervisors and Foremen, in spite of the great opportunities offered, few of these have risen from the ranks, and thus the intimate knowledge of the working conditions of labour, which help so much in harmonious and sympathetic relationship, is often lacking. Nonetheless, I am pleased to report this year a distinct improvement in relations with our workmen, which can be attributed in no small degree to the valuable efforts of our own Works Committee on which the representatives of the Management and the workmen have the opportunity for friendly discussion on matters of mutual interest. As an additional facility a new and spacious Canteen has been built and recently opened for our workmen at the cost of Rs. 2,00,000.

We have today sub-judice Adjudication in which we are associated with other engineering concerns regarding the future wage scale of our workmen, and it would be a most foolish man who ventured to forecast any downward revision of our present scales resulting therefrom, or in any closing of the gap between the output per man and the labour costs per ton.

It would be ungracious, at this opportunity, if I did not ask you to join with me in expressing our thanks to all the men, both skilled and unskilled, who have contributed to last year's successful progress, as well as to the General Manager, Mr. Campbell, and his Supervisory and Clerical Staff. I express the hope that their efforts will succeed in fostering that harmony between Management and Labour so essential for the results we expect from our particular endeavours in India's plans for industrial development, and that Labour, with a greater sense of responsibility for their own part in India's industrial progress, will in return realise that, in order to achieve any lasting improvement in their standard of living, the burden of financing this objective in the form of higher wages and greater employment can only be met by a higher standard of work and a greater productive capacity leading to the greater prosperity of their Company.

Finance in India and Abroad

THE CALCUTTA MONEY MARKET STERLING WEAKENS ON CANAL NEWS

Wednesday, 1st August.

THE position in the money market is easier, chiefly because sugar funds are now returning gradually to the banks. The requirements of the jute industry are declining, and accommodation against grains and seeds is now on a diminishing scale. The interbank market has remained steady throughout the week and equilibrium is being maintained at the unchanged call rate of 3½ percent. Rather more activity has been reported from the bill market this week, with a number of tea and gunny documents coming to hand. Remittance has been good. Reaction to the Suez Canal dispute on the world's currency market has caused a sharp deterioration in the pound sterling this week. The American dollar is now quoting Rs. 2 higher at Rs. 480½.

Silver was steady on renewed buying and advanced from the previous week's level of Rs. 169.2 to Rs. 170.4, quoted today. The price for ready was quoted at Rs. 171.2. The London rate was unchanged at 78-1/8d. The price of foreign silver in New York was the same at 90-1/8 cents.

Gold was firm in sympathy with silver and the price rose from Rs. 102-15 to Rs. 103-14. The sovereign at Rs. 66-12 showed a gain of 4 annas,

During the week ended 27th July, Government of India Treasury Bills for Rs. 19,12,00,000 were sold in favour of the Reserve Bank.

Declines of Rs. 15.73 crores and Rs. 7.94 crores in notes in circulation and the total note issue to Rs. 1,444.28 crores and Rs. 1,477.27 crores were the notable features of the return of the Reserve Bank of India for the week ended 27th July, 1956. The currency contraction was adjusted by reducing rupee securities by Rs. 9.94 crores to Rs. 708.62 crores, and by raising rupee coin from Rs. 109.96 crores to Rs. 111.96 crores. Deposits of the Government of India and other Government accounts declined by Rs. 7.26 crores and Rs. 6.86 crores to Rs. 76.16 crores and Rs. 6.83 crores, respectively, while balances of commercial banks at Rs. 53.35 crores showed a gain of Rs. 34 lakhs. Balances held abroad dropped by Rs. 5.21 crores to Rs. 42.75 crores, as did investments by Rs. 9.80 crores to Rs. 49.39 crores. Other loans and advances fell from Rs. 71.62 crores to Rs. 65.54 crores, of which advances to scheduled banks against usance bills declined from Rs. 38.29 crores to Rs. 34.85 crores. These advances amounted to Rs. 202.25 crores since 1st January, 1956. Ways and means advances stood at Rs. 5.15 crores (Rs. 4.63 crores).

The return of the State Bank of India for the week ended 20th July, 1956, shows a fall of Rs. 2.45 crores in total deposits to Rs. 220.71 crores. Investments in Government securities are down by Rs. 11 lakhs to Rs. 89.27 crores, while other authorised investments are up by Rs. 40 lakhs to Rs. 11.30 crores. Advances, including loans, cash credits and overdrafts, and bills discounted and purchased, have decreased by Rs. 72 lakhs to Rs. 130.31 crores. Cash and balances are, in consequence, shown at Rs. 16.57 crores or Rs. 1.78 crores less.

The statement of the position of scheduled banks for the week ended 20th July, 1956, discloses Demand and Time liabilities at Rs. 633.57 crores (Rs. 9.26 crores on account of borrowings from banks) and Rs. 454.87 crores (Rs. 3.35 crores), compared with Rs. 644.30 crores (Rs. 13.13 crores) and Rs. 456.43 crores (Rs. 3.22 crores) respectively in the previous week. Cash has increased by Rs. 1.15 crores to Rs. 38.41 crores, while balances with the Reserve Bank have decreased by Rs. 63 lakhs to Rs. 49.38 crores. There is a rise of Rs. 5.25 crores in investments to Rs. 351.23 crores. Advances and bills discounted at Rs. 744.70 crores show a drop of Rs. 3.26 crores. The ratios to total liabilities of cash and balances, and of advances and discounts, are, in consequence, shown at 8.1 percent and 68.4 percent, against 7.9 percent and 68.0 percent.

The net profit of the DEVKARAN NANJEE BANKING Co. Ltd. for the half-year ended 30th June, 1956, after making the usual provisions for contingencies and including Rs. 1,76,386 brought in, amounts to Rs. 7,97,682. The directors have resolved to pay an interim dividend at 2½ percent to absorb Rs. 1,25,000, leaving a carry-forward of Rs. 6,72,682.

The working of the INDIAN BANK LTD. for the half-year ended last June has resulted in a net profit of Rs. 22,42,505. The directors have resolved to pay an interim dividend of 5 percent and a bonus of 1½ percent to absorb Rs. 3,91,300. Reserve fund is allocated Rs. 5,00,000; non-statutory reserve fund gets Rs. 1,00,000; sinking fund receives Rs. 1,00,000 and the taxation provision is Rs. 10,50,000. The carry-forward is Rs. 2,26,344.

The net profit of the INDIAN OVERSEAS BANK has amounted to Rs. 17,21,271, including the amount brought in, for the half-year ended last June.

The Law Commission has taken up the revision of the Presidency Towns and Provincial Insolvency Acts and will make recommendations as to the lines on which these Acts should be amended, revised, consolidated or otherwise brought up to date. The Commission has invited individuals and organisations interested in the subject to send their views to the Under Secretary (Statute Revision), Law Commission, 5, Jor Bagh, New Delhi by 30th September.

NEW FINANCE COMMISSION'S TERMS OF REFERENCE

REVENUE DISTRIBUTION BETWEEN UNION AND STATES

ACCORDING to an official Press note, the Finance Commission has been asked to make recommendations on the following matters: (i) the distribution of the net proceeds of income-tax between the Union and the States and the allocation of the States' share among the States; (ii) the distribution of other divisible Central taxes such as Union excise duties; (iii) the amounts to be paid to the States of Assam, Bihar, Orissa and West Bengal in lieu of the assignment of any share of the export duty on jute and jute products; (iv) the principles which should govern the grants-in-aid of the revenues of the States out of the Consolidated Fund of India; (v) the States which are in need of assistance by way of grants-in-aid of the revenues of those States and the sums to be paid to those States, having regard, among other considerations, to the requirements of the second five year plan and the efforts made by those States to raise additional revenue from the sources available to them; (vi) the principles which should govern the distribution of the net proceeds of the estate duty on property other than agricultural land and (vii) the modifications, if any, in the rates of interest and the terms of repayment of the loans made to the various States by the Government of India between 15th August, 1947, and 31st March, 1956.

Existing Allocations to States

At present 55 percent of the divisible net proceeds of income-tax (other than corporation tax) is assigned to the States and distributed among them in the following percentage ratios (given within brackets): Andhra (5.49), Assam (2.25), Bihar (9.75), Bombay (17.50), Hyderabad (4.50), Madhya Bharat (1.75), Madhya Pradesh (5.25), Madras (6.56), Mysore (2.45), Orissa (3.50), P.P.S.U. (0.75), Punjab (3.25), Rajasthan (3.50), Saurashtra (1.00), Travancore-Cochin (2.50), Uttar Pradesh (15.75) and West Bengal (11.25).

The shares of the States have to be fixed again as a result of the impending reorganisation and new percentages recommended for the reorganised States. The share to be retained by the Centre also has to be determined. The present allocation is broadly worked out on the basis of 80 percent by population and 20 percent by collection. The basis of distribution of income-tax has always been a matter of controversy. Various bases has been suggested for allocating income-tax, they being: (i) the collection of income-tax in the various States; (ii) the amount of income-tax realised in respect of income, wherever earned, of individuals resident in the different States; (iii) the collection of income-tax in the various States adjusted with reference to the origin of the income; (iv) the relative population of each State; (v) the relative volume of industrial labour in each State; (vi) the needs of the different States according to various criteria; and (vii) different combinations of the above factors.

Three Union duties of excise, namely those on matches, tobacco and vegetable products, are now divisible between the Centre and the States and 40 percent of the net proceeds are distributed among the States on the basis of population. The quantum of the taxes to be transferred to the States, the excises to be continued or made divisible and the basis of distribution will have to be considered by the Commission.

Grants-in-Aid

The first Finance Commission recommended that the grants-in-aid of Rs. 75 lakhs each to Assam and Bihar, Rs. 15 lakhs to Orissa, and Rs. 150 lakhs to West Bengal be paid each year in lieu of the assignment of a share of the export duty on jute. The Commission has to consider whether any change in the figures suggested by the first Commission and accepted by the Government is necessary. In Chapter VII of its Report, the last Commission formulated certain principles to govern the payment of grants-in-aid to the States which it had applied in making recommendations. This Commission will re-examine these principles in the light of subsequent developments and the changes in the practice in other countries and indicate any changes necessary in them.

The Commission has to make recommendations on the States in need of assistance and the sums to be prescribed as grants-in-aid of the revenues of such States. At present Assam, Mysore, Orissa, Punjab, Saurashtra, Travancore-Cochin and West Bengal receive general grants-in-aid as a result of the recommendations of the last Commission. This Commission will re-examine the financial position of all the States. A large variety of considerations may enter into the determination of the needs of the States and these may differ from State to State. The Commission will also consider the nature of the grants-in-aid such as whether they should be fixed or progressive, general or specific, conditional or unconditional. In addition to the general grants-in-aid which some of them may be receiving, Bihar, Hyderabad, Madhya Bharat, Madhya Pradesh, Orissa, Patiala and East Punjab States Union,

Punjab and Rajasthan receive special grants-in-aid for the expansion of primary education. The Commission will assess the results achieved by the specific grants given to these States.

Estate Duty

The net proceeds of the estate duty on property other than on agricultural land is now being provisionally distributed among the States in the same way as the States' share of the net proceeds of taxes on income other than corporation tax. In other words, it is being distributed by the percentage ratios fixed for the States for income tax except that the Centre does not retain any portion of the receipts except those attributable to the Part C States. A more permanent basis of distribution has to be formulated by law of Parliament. An important issue, in this connection, will be whether the duty should be distributed on the basis of percentage ratios, whether arrived at on the basis of the percentage ratios prescribed for the distribution of income tax or otherwise, or the distribution should be on the basis of assessments, the location of the property taxed, the residence of the assessee, etc.

Central loans have been given to the States for a variety of purposes ranging from the construction of big irrigation and multipurpose projects to the construction of minor irrigation works, grow-more-food schemes, famine works, rehabilitation of displaced persons, etc. Some of them have also been given loans to cover budgetary deficits. The terms of interest and repayment of these loans vary for different categories of loans. These will be reviewed and any changes necessary in the interests of sound finance indicated.

The Finance Commission has invited the views of those who are interested in and have made a study of these questions, and such views should be sent in the form of a self-contained memorandum to the Secretary, Finance Commission, before 30th November, 1956.

I.C.I. TO PARTICIPATE IN U.S. PLASTICS PROJECT

Imperial Chemical Industries, Ltd., and Hercules Powder Company of the U.S.A., are to build an \$11 million plant in Missouri for the manufacture of methyl methacrylate. The U. K. Treasury sanction for I.C.I. to participate in this project has been obtained. Methyl methacrylate is a chemical with many applications, although it is most commonly known today in polymeric form as polymethyl methacrylate. This is a glass-like plastic widely used in sheet form in aircraft, motor cars, and illuminated signs, and for many other purposes. I.C.I.'s trade mark for polymethyl methacrylate sheet is "Perspex". The new plant, with an annual capacity of 34,000,000 lbs., will be built on a 20-acre site in Louisiana, Missouri, adjoining the Missouri Ammonia Works owned and operated by Hercules Powder Company. The new Company will make and sell both monomer and polymer in various forms.

Imperial Chemical Industries, Ltd., was the pioneer of the process used throughout the world for the synthesis of methyl methacrylate monomer. I.C.I. will bring to the new company its production, research and technical sales service experience, developed over 20 years, as a major manufacturer of methyl methacrylate in all its forms. Hercules will bring to the new company a technical organisation experienced in U.S. production methods, and an established position in U.S. markets, plus the advantages of a site where the basic raw materials are available. Ammonia and methanol are produced at the Missouri plant, and natural gas is available in unlimited quantities from an adjacent pipeline from Texas gas fields. Hercules produces a fourth raw material, acetone, at one of its newest chemical plants in Gibbstown, New Jersey. Methyl methacrylate is made on a large scale by only two other companies in the United States and at present, its main application is as a plastic polymer. In this form, its unique combination of properties, such as fine appearance, durability, weather-resistance, light-transmission and ease of forming, make it particularly suitable for many and diverse large-volume uses. U.S. consumption has doubled between 1949 and 1955 and is expected to double again in the next five or six years. In addition, there are growing outlets for the monomer as a raw material for products used as protective coatings, lubricating oil additives, and other applications.

COAL MINES PROVIDENT FUND RULES

The Government of India has decided to amend the Coal Mines Provident Fund Scheme in order to liberalise, for the benefit of workers, the scales of forfeiture of the employer's contributions to the Fund in certain contingencies, as envisaged under the Act. According to the old provisions in the Scheme, the full amount of the employer's contribution along with interest was forfeited to the Fund if a member withdrew his accumulations before attaining the age of 50 and during a period which was less than 10 years of his membership. If the period of membership was more than 10 years but less than 25 years, half of the employer's contribution was liable to be forfeited.

According to the amended scheme, the proportion of the employer's contribution and interest thereon to be forfeited to the Fund will be 75 percent if the period of membership is less than three years; 50 percent in case it is three years or more but less than 10 years; 25 percent in five years or more but less than 10 years; 10 percent in 10 years or more but less than 15 years and there would be no forfeiture in cases where membership extends to 15 years and above.

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RESERVE BANK

ISSUE DEPARTMENT
(In 000's of Rupees)

	Week Ended 27-7-56	20-7-56	29-7-55
Liabilities—			
Notes in Banking Dept	32,99.10	25,20.21	37,72.45
Notes in Circulation	14,44,28.08	14,60,01.28	12,91,47.69
Total Notes issued	14,77,27.18	14,85,21.49	13,29,19.53
Assets—			
A Gold Coin and Bullion	40,01.71	40,01.71	40,01.71
Foreign Securities	6,16,67.54	6,16,67.54	6,37,04.02
Total of A	6,56,69.25	6,56,69.25	6,77,05.73
B Rupee Coin	1,11,95.80	1,09,95.36	1,08,48.83
Rupee Securities	7,08,62.13	7,18,55.88	5,43,64.97
Total	14,77,27.18	14,85,21.49	13,29,19.53

BANKING DEPARTMENT

Liabilities—			
Capital Paid-up	5,00.00	5,00.00	5,00.00
Reserve Fund	5,00.00	5,00.00	5,00.00
National Agricultural Credit (Long-term) Fund	15,00.00	15,00.00	—
National Agricultural Credit (Stabilisation) Fund	1,00.00	1,00.00	—
Deposits—			
(a) Central Govt.	76,16.09	83,42.05	80,23.62
(b) Other Govts.	6,83.50	13,68.77	20,18.91
(c) Banks	53,34.84	53,01.42	54,46.48
(d) Others	12,21.80	11,85.37	15,06.41
Bills Payable	6,03.08	6,44.27	11,94.54
Other Liabilities	25,98.94	25,67.10	24,93.88
Total	2,06,58.25	2,20,12.18	2,16,83.74

Assets—			
Notes	32,99.10	25,20.21	37,72.45
Rupee Coin	1,11,95.80	1,09,95.36	1,08,48.83
Subsidiary Coin	5.63	4.87	6.29
Bills Discounted Int.	2.00	2.00	62.30
Govt. of India Treasury Bills	3,26.17	3,96.03	7,12.79
Balances held abroad	42,75.30	47,95.73	80,02.88
Loans to Govt.	5,15.75	4,63.75	1,00.00
Other Loans etc.	65,53.82	71,02.32	22,46.73
Investments	49,30.43	59,15.59	61,46.70
Other Assets	7,31.29	7,38.65	6,25.14
Total	2,06,58.25	2,20,12.18	2,16,83.74

SCHEDULED BANKS

(In 000's of Rupees)

	Week Ended 20-7-56	13-7-56	22-7-55
Demand Liabilities—			
(a) Borrowings from Banks	9,25.77	13,13.13	11,15.90
(b) Others	6,24,31.17	6,31,16.63	5,92,43.17

Time Liabilities—			
(a) Borrowings from Banks	3,35.30	3,22.30	4,02.00
(b) Others	4,51,51.53	4,53,21.54	4,02,36.58
Borrowings from State Bank Demand Liabilities	6,29.04	5,60.44	2,32.92
Time Liabilities	38,40.58	37,26.46	33,38.35
Cash	49,38.32	50,00.63	52,28.52
Balances with the Reserve Banks	49,38.32	50,00.63	52,28.52
Balances with other banks in current account	10,30.87	10,78.49	11,29.56
Money at calls and short notice	12,34.14	17,90.40	21,30.69
Investments in Central and State Govt. Securities	3,51,22.69	3,45,98.48	3,68,43.17
Advances	6,01,01.75	6,04,66.90	4,93,06.31
Inland Bills purchased and discounted	96,09.73	97,25.23	69,71.52
Foreign Bills purchased and discounted	47,58.14	46,04.12	41,69.28

CLEARING HOUSE RETURNS

	Week ended	Rs. (thousands)	Calcutta	Bombay
27-7-56	49,16.68	55,47.44		
20-7-56	54,08.78	57,36.89		
13-7-56	50,59.72	58,54.53		
6-7-56	61,99.65	56,36.62		

STATE BANK OF PAKISTAN

ISSUE DEPARTMENT

	(In 000's of Rupees)	week ended	27-7-56	20-7-56
Liabilities—				
Notes in Banking Department	10,64.56	12,48.44		
Notes in Circulation	2,85,20.35	2,83,54.44		
Total Notes issued	2,95,84.91	2,96,02.88		
Assets—				
A Gold Coin and Bullion	11,33.41	11,33.41		
Sterling Securities	96,64.02	96,58.38		
Government of India Securities	16,69.91	16,58.55		
India Notes representing assets receivable from the Reserve Bank of India	43,02.58	43,02.58		
B Rupee Coin	6,61.65	6,79.62		
Govt. of Pakistan Securities	1,15,63.28	1,15,39.88		
Held with Reserve Bank of India pending transfer to Pakistan	19.02	19.02		
Gold Coin and Bullion	4,40.63	4,40.63		
Sterling Securities	1,00.90	1,00.90		
Govt. of India Securities	29.51	29.51		
Rupee Coin	2,95,84.91	2,96,02.88		

BANKING DEPARTMENT

Liabilities—			
Capital Paid-up	3,00.00	3,00.00	3,00.00
Reserve Fund	3,00.00	3,00.00	3,00.00
Deposits—			
(a) Central Government	25,63.58	25,04.86	8,22.66
(b) Provincial Government	7,64.49	8,22.66	27,46.61
(c) Banks	28,14.09	27,46.61	8,97.16
(d) Others	6,35.18	8,97.16	1,50.62
Bills Payable	1,59.96	1,50.62	7,23.52
Other Liabilities	6,84.79	7,23.52	—
Total	82,22.99	85,37.43	—
Assets—			
Notes	10,64.56	12,48.44	—
Rupee Coin	—	—	—
(a) Pakistan	—	10	8
Subsidiary Coin	—	—	—
(a) Pakistan	—	13	10
(b) India	—	—	—
Bills Purchased and Discounted—			
(a) Internal	—	—	—
(b) Govt. Treasury Bills	4.09	—	4.98
Loans and Advances to Govt.	—	—	—
Provincial Govt. Debtor Balances	—	—	—
Other Loans and Advances	2,77.75	2,97.75	—
Investments	57,12.94	53,76.87	—
Other Assets	11,63.42	16,09.21	—
Total	82,22.99	85,37.43	—

Our City Cable

STOCK PRICES FALL ON SUEZ NEWS

OIL SHARES WORST HIT

London, 1st August.

THE stock markets held fairly steady until the news of Egypt's nationalisation of the Suez Canal went round. This bombshell caused a marking down of prices in all sections, particularly in the oil share market which is vulnerable to events in the Middle East. Prior to this news, the strike in the motor industry and the weakness of sterling in foreign exchanges were disturbing influences, but the market held up reasonably well in the face of these, and even the Chancellor's statement that the credit squeeze will be resolutely pursued had only a very limited effect. Prices in all sections dipped on Friday on the Suez Canal news, and further losses were sustained subsequently, although a steadier tendency developed later. The chief sufferers were oil shares, which recorded very substantial losses on the week. British Petroleum sustained the biggest fall in view of their very large interest in the Middle East and their dependence on transport through the Canal. The gilt-edged market held fairly steady in spite of the weakness of sterling and the failure of the Agricultural Mortgage issue, most of which was left with underwriters and which opened at a substantial discount when dealings started on Monday. The feature of foreign bonds was a sustained advance in Japanese and German issues which held most of their gains in spite of the Suez developments. Antofagasta issues were firm in rails on the payment of arrears of the final interest on preference shares. A little interest developed in industrials prior to the Suez Canal news, but after this, prices were marked down on a broad front, although some of the falls were recovered later in the absence of any considerable selling pressure. Gold shares moved downwards in sympathy with the rest of the market following the Suez news, and coppers also reacted. Rubbers and teas moved irregularly, and generally within narrow limits.

Stock Market Prospects

The *Investors' Chronicle* market newsletter writes: The gilt-edged have been affected by the labour situation and the counter attraction of the new Agricultural Mortgage stock. After failing to surpass the resistance levels of last May, the rally in London industrials was slowed by the labour news and Wall Street's pause. Gold shares appear to be picking up again after a minor reaction. Wall Street's volume remains small, but rails are strong on the hope of the steel strike settlement. The pause in London industrials is not surprising as there was little news to sustain the recent remarkable buoyancy. The markets are likely to be uncertain, but with bright spots. Gold share investors may notice the pressure to buy gold in London.

The Money Market

Money was rather more stringent in the London money market during the past week; under keener demand, the rate for day-to-day loans was pushed up to 4½ percent. Government borrowing again required an extra £30 million of money from the banking system. This tended to upset the balance between supply and demand. Shortage at any one time, however, was never extensive and was generally smoothed out by official operations. There was a drop in the Treasury bill rate during the week following the raising of the tender bid by the discount houses. As there was a fall in outside applications, the market secured a quota of 73 percent. Applications for £260 million worth of 91-day bills totalled £381,045,000 and were allotted at an average rate of 99s 6.39d against 100s 3.82d in the previous week. Offerings this week consist of £270 million worth of 91-day bills. The Bank of England return for the week ended 25th July showed that bankers' deposits were about £8 million higher at £215 million, while notes in circulation were £23 million higher at around £1,963 million.

Chancellor's Talk with Bankers

The Chancellor of the Exchequer's extraordinary meeting with London bankers on Tuesday has been well received on the Stock Exchange. His purpose was to reaffirm in the most solemn fashion that the credit squeeze and other disinflationary measures are beginning to succeed, that the Government does not intend to retreat from them merely because they are succeeding rather too well in the Midland car industry, but that on the contrary, it intends to press on with them and expects them to be increasingly effective as this year goes on. A particular reason for addressing these statements to the banks is that bank liquidity has been the least successful sector. The squeeze has worked well in several physical sectors and in restraining the total value of money, but the actual and prospective expansion of the Government's floating debt (the Treasury bill issue) automatically enhances bank liquidity and enables the banks to expand credit instead of restricting it as the Government wishes. So, bank credit has tended to re-expand in the last couple of months and banks will have the money to expand it further in the coming months. The Chancellor's appeal to them to hold the reserve will undoubtedly be heeded by all banks operating here, overseas banks as well as British. Nevertheless, voluntary restraint by bankers when they have excess liquidity is invidious. If it proves inadequate, the Chancellor can enforce his request by mopping up the excess liquidity.

dity. The normal way of doing it by funding operations is temporarily precluded by the credit squeeze itself—through its effect on the gilt-edged market. Other ways such as variable liquidity ratios and secondary reserve requirements, which are used in nearly all other countries, are contrary to London's traditions. Yet the Chancellor pointedly reminded the banks that, in principle, the Government does not exclude even physical controls. Probably, the banks will voluntarily "fund" some of their excess liquidity by buying gilt-edged securities or by subscribing to some new funding issue if needed. Anyway, the Chancellor is determined to press on.

Activity on Wall Street

U.S. Government obligations continued to ease during the past week under the lead of long-term securities, the prices of which were at the lowest levels of the year. The decline took place on a relatively small volume of business and reflected a lack of buying interest, investors having turned to the higher yielding issues recently placed on the market. The investment quality corporates eased in sympathy with the continued weakness of Treasury bonds. Convertibles and rail lines were generally mixed. Bethlehem Steel 3½ percents were most active and advanced by fractions to \$1. In a slow moving market for foreign bonds, German Nationals improved. Italians eased slightly, as did Norway 4½ percents of 1965. Australians were mostly slightly higher, but Japanese were lower. South Americans were largely neglected.

U.S. Federal Reserve Return

The U.S. Federal Reserve return for the week ended 25th July shows that gold stocks rose by \$1 million to \$21,829 million. Foreign deposits fell by \$28 million to \$261 million, while foreign investments rose by \$1 million to \$3,696 million. The Federal Reserve sold \$117 million worth of bills. Total discounts and advances rose by \$9 million to \$461 million, while aggregate excess reserves of member banks fell by \$373 million to \$131 million. The daily average excess reserves of member banks fell by \$89 million to \$533 million, while their daily average borrowings fell by \$276 million to \$573 million. Business loans of the New York city banks rose by \$11 million to \$10,044 million compared with an increase of \$60 million to \$7,999 million in the corresponding week a year ago.

London Gold Squeeze

The minor squeeze in the London gold market shows signs of abating. It occurred because buying for France (on the weakness of the French franc) and also Swiss buying (suspected to be partly for the German authorities) coincided with the unexplained and apparently accidental reduction in the Bank of England's offerings of newly-mined gold. While it lasted, the squeeze raised gold's sterling price disproportionately compared with the easiness of sterling. After holding for months at slightly over \$34.98, the dollar equivalent of the London price reached a peak of \$35.03 nominal, on Tuesday morning. Thereafter, the Bank of England offered rather more freely and the dollar equivalent fell back. The reasons for the incident, though it is minor, are obscure, because by withholding gold (of which it has plenty) the Bank of England unnecessarily depresses sterling. Oddly, the German authorities, overloaded with foreign exchange, apparently buy gold which yields nothing, while refraining from buying their own external bonds which yield up to 8 percent and more.

Hongkong Gold Market Nervous

The Hongkong market for U.S. notes and gold showed nervousness at the opening on Saturday morning, following the latest depreciation of sterling against the dollar and the Suez Canal news. U.S. notes closed on Friday at \$(H)5.99½. At the next opening, keen buyers appeared at \$(H)6.01½ and within 10 minutes, the rate advanced to \$(H)6.03½. Gold closed at \$(H)260½ on Friday night, and opened on Saturday at \$(H)260 reaching a high of \$(H)262½. One leading operator said that the market was generally expecting further firmness and many large traders expect a further depreciation of sterling. They felt the Suez question could become an international affair, and Egypt would very soon raise the question of sterling held by Britain on Egyptian account which is thought to be sizable.

Falling Demand for Quicksilver

The London ex-warehouse price of quicksilver is now indicated at £84 10s a flask compared with £84 10s to £84 15s a flask recently. Demand which has been falling for some time now, was further reduced by the holiday period, according to dealers. Meanwhile, it is understood that buyers have made applications against the Board of Trade's recent offer of 1,000 flasks of stockpile quicksilver. But it remains to be seen if the Board will announce the allocations to various buyers. If not, it will take some time before the trade can find out how the metal is disposed of and at what price.

Easy Trend in Rubber

Liquidation in Singapore induced an easy trend in prices at the start of last week, but there was no marked pressure to sell. Values moved erratically in a listless market, but near the close of the period, increased interest developed. Orders from Europe and covering against them aided a rallying movement. Finally a good demand for forward landed positions, attributed largely to New York account, extended the improvement which amounted to about 3d on balance. The sole crepe market was firm throughout with buyers paying the full quoted rates due to a scarcity of offers. No. 1, ½th inch smooth was maintained at 41d a lb.

Stocks and Shares

STOCK MARKET BRIGHTER ON CANAL NEWS

SPECULATIVES BETTER BUT LITTLE INVESTMENT SUPPORT

Wednesday Evening.

A more cheerful feeling has crept into this week's market dealings, especially where speculative scrip are concerned. The reason for the improvement is Egypt's nationalisation of the Suez Canal. Operators have taken this news bullishly and among the shares of industries which have no connection with either export or import business, a good deal of benefit has been felt. Indian Coppers have improved with the price of the metal on the world's market and the expectation that present international difficulties will encourage stockpiling. Indian Irons have touched Rs. 36-13 after hours this evening on today's announcement that the British Government has called a large number of reservists to the colours.

There has been little investor support in the market this week, although a good deal of buying has gone on in the shares of National Carbon, which at one time touched Rs. 29-8, but are now meeting with selling pressure at Rs. 28-12. There has been some enquiry for jute shares at the present bargain prices. Engineering and miscellaneous counters have been more active, but teas are subdued. The Government-security rules quiet and depressed.

Details of the week's trading follow.

The gilt-edged market remained quiet and there was a further fall in prices; sellers continued to predominate and the volume of business was small. Three percent Conversion Loan 1946-86 continued its downward trend and closed six annas lower at Rs. 76-3. Three percent Non-terminable Loan was marked back to Rs. 76-8 nominal. Short-dated loans had small buyers but prices were unchanged with 3½, 1957 at Rs. 99-13 and 3½, 1958 at Rs. 98-10. In medium-dated loans, 3½, 1959-61 was taken at Rs. 98-2, but 3½, 1963-65 was easier at Rs. 95-1. 2½, 1961 changed hands at Rs. 93-9 cum-voucher and was later quoted at Rs. 93-7 ex-voucher while 2½, 1960 was lower at Rs. 96-5.

National Plan loans continued on offer with 3½, 1961 quoted at Rs. 99-8 and 3½, 1964 at Rs. 98-11-6; 3½, 1965 had sellers over at Rs. 98-10 and 3½, 1967 (New Loan) was quoted at Rs. 98-7-6, i.e. half an anna below the issue price. In long-dated loans, 3½, 1966-68 had buyers up to Rs. 93-3-6 but 3½, 1970-75 was quoted lower at Rs. 90-5. The new 3½, 1974 issue was traded at Rs. 98-7-6.

State loans were also quiet and more sellers were in evidence. Very little business was reported and prices were more or less unchanged. It would appear that operators in this section are waiting for details of the amount and terms of the new State loans which are expected to be announced shortly.

Little interest was shown in preference shares during the week under review and jute scrip in particular were difficult to sell. In jute, Belvedere were marked at Rs. 111 and Budget Budget at Rs. 109-8. Gourepore were offered at Rs. 98 and Howrah "A" at Rs. 110-8. Lawrence were done at Rs. 111. In the miscellaneous group, there was a small enquiry for Alkali & Chemical at Rs. 105 and Aluminium Corporation 5½ and 6½ issues came to hand at Rs. 95 and Rs. 111. Brooke Bond were taken at Rs. 86-8, Dalmia Cement Rs. 100 paid-up at Rs. 100 and the Rs. 40 paid-up at Rs. 39-8. Indian Iron & Steel changed hands at Rs. 109. Kumardhubi Engineering met with some enquiry at Rs. 103 while Rohtas Industries changed hands freely around Rs. 64. Titagur Paper 2nd were marked at Rs. 91.

In the banking section, Hind Bank met with keen enquiry and improved from Rs. 34-4 to Rs. 35-12 as did United Commercial from Rs. 56 to Rs. 57-8. Punjab National were shaded at Rs. 60-8.

The only share dealt in the railway section was Dehri Rohtas which improved from Rs. 13-10 to Rs. 14-1.

The solitary feature in the cotton textile section was Kesoram which improved from Rs. 18-2 to Rs. 18-14. Other issues were neglected and transactions were few and far between. Basanti were done at Rs. 6-14, Cawnpore Textiles at Rs. 8-15 and Jayshree at Rs. 6-14. New Victoria were unchanged at Rs. 2-10.

Coal shares spent a quiet week and prices showed little variation. Amalgamated eased from Rs. 23 to Rs. 22-10 while Bengal were a shade better at Rs. 54-0. Borra were unchanged at Rs. 23 as were East Indian at Rs. 30-14. Equitable improved today from Rs. 29-12 to Rs. 30-4. Karanpura Collieries were well maintained at Rs. 115 as were New Beerbloom at Rs. 19. New Manbloom were marked down from Rs. 11-4 to Rs. 10-8 as were Raneeunge m Rs. 13-2 to Rs. 12-14. Burrakur fluctuated rowly around Rs. 13-5 to close at Rs. 13-7.

Jute shares met with mild enquiry and a few price gains were recorded as will be seen from the following table:

	Opening 26-7-56 Rs.	Closing 1-8-56 Rs.
Bally	132	134
Birla	17 4	17 10
Champdany	154	156
Gourepore	224	226
National	23	24 2
Howrah	22	22 2
New Central	17 1	17 2

In electric supply there was some enquiry for Agra at Rs. 158 and U.P. at Rs. 148. Calcutta recovered from Rs. 13-8 to Rs. 14. Benares were placed at Rs. 17-5, Patna at Rs. 11-8 and Jubbulpore at Rs. 14-2.

Sugar shares were dull with the exception of Purtabpore which improved from Rs. 15-6 to Rs. 16-8. Cawnpore were easier at Rs. 19-10 as were Champaran at Rs. 26-8 and Ramnagar at Rs. 27-8. Carew were unchanged at Rs. 9-2 and Belsund at Rs. 11-14. Dyer Meakin Breweries were done at Rs. 5-13.

Following the news of Egypt's decision to nationalise the Suez Canal Company there was a marked improvement in market sentiment and speculators took up the price of Indian Iron & Steel from Rs. 35-10 to Rs. 36-9. Braithwaite rose from Rs. 27-15 to Rs. 29 while Burn & Company were unchanged at Rs. 355. Indian Galvanizing eased from Rs. 21-8 to Rs. 21-2 as did Jessop & Company from Rs. 34 to Rs. 34-12 and Richardson & Cruddas from Rs. 25-6 to Rs. 26. Textile Machinery recovered from Rs. 22-1 to Rs. 22-8. Marshalls were very quiet at Rs. 5-15.

In paper, Bengal were quoted nominally at Rs. 110 against a quotation of Rs. 121 a fortnight ago. India Paper Pulp met with investment enquiry and improved from Rs. 25-4 to Rs. 25-8

know-how, too,
can be transplanted

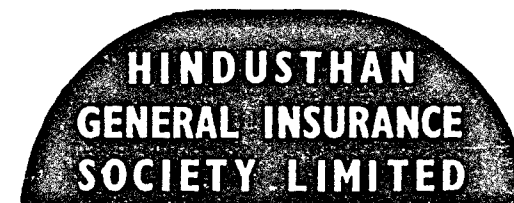
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Following disappointing dividend announcements by a number of companies managed by

The profit of the RAJNAGAR TEA COMPANY amounted to Rs. 2.82 lakhs for the year ended last December, after bringing in Rs. 7,132, against Rs. 4.90 lakhs (Rs. 6,137 brought in). Taxation absorbs Rs. 65,834,

The Company Law Administration, Ministry of Finance, has addressed a circular to all Chambers of Commerce requesting them to bring it to the notice of all companies that applications made to the Central Government under the Capital Issues (Control) Act, 1947, for consent to the issue of capital to the public, should also be accompanied by copies of the draft prospectus. It has been pointed out by the Company Law Administration that although the draft prospectus might require several changes before it is finally filed with the Registrar, what the Controller of Capital Issues requires for his purpose is that the prospectus should contain a fair statement to the public of the terms and conditions of the new issue together with all other material particulars. When the prospectus is ready for the time of submission of the application, a rough draft containing all material particulars is proposed to incorporate in the prospectus, should be furnished along with the application, and a copy of the final draft sent to the Controller as soon as it is ready. Scrutiny of the draft prospectus by the Controller

Kesoram—Rs. 18—18-13—18—18-13—(18).

Fraser & Co.—Rs. 14-10-14-14-14-10-14-14-(15)
India General Navign.—Rs. 110-112-108-8-112



STANVAC



STANDARD-VACUUM OIL COMPANY (INCORPORATED IN THE U.S.A., MEMBERS' LIABILITY LIMITED.)

Uttar Pradesh

CENTRE DECLINES U.P. REQUEST
ON LOANS FOR INDUSTRY

EXPERTS REPORT ON SUGAR MILL

RATIONALISATION

(FROM OUR LUCKNOW CORRESPONDENT)

THE State Government's request to the Centre for an allocation of Rs. 30 crores to lend to private industry in U.P. has been rejected. This issue, it is understood, was the main topic of the discussions between Mr. C. B. Gupta, the State's Planning and Industries Minister, and Mr. Manu-
bhai Shah, Union Minister for Heavy Industries, during the latter's three-day visit to Lucknow last week. The Government of India appears to be of the view that a race among States to entice private industrialists into their territories by attractive offers is undesirable. Mr. Shah it is reported, assured the State Government that the private sector in U.P. need not worry about finance as aid will always be available from the various industrial credit and finance corporations set up by the Government.

The Union Minister also placed before the State Government proposals for reorganising the Department of Industries on certain well-defined lines. Similar proposals have been forwarded to

other State Governments for their consideration. The proposals envisage the appointment by the Department of a panel of experts to act as guides for both the private and the public sectors of industry. The Department will also establish fact-finding committees for different industries, consisting of representatives of the Government and industrialists. The committees will submit district-wise project reports on the basis of which future decisions will be taken. As a result of Mr. Shah's discussions with the State Government, official circles here believe that the Centre will soon give its final approval to the location of a synthetic rubber factory in Bareilly, and an aluminium factory in the Mirzapur district in the private sector.

Sugar Industry Rationalisation

The production efficiency experts appointed by the U.P. Government to report on rationalisation in the sugar industry have, it is learnt, framed certain tentative proposals. These proposals it is reported, seek to standardise the strength of a factory, taking into account the capacity of each plant, the machinery employed and the lay-out of the factory. The number of workers needed for each process in each factory is to be fixed. On this basis, about 17 percent of the 80,000 workers employed in the State's 68 factories would be deemed surplus. No recommendation for the retrenchment of surplus labour has, however, been made. Natural wastage alone, in the experts' opinion, would be sufficient to eliminate the surplus. The natural wastage at present, because of

superannuation or retirement due to disability, is estimated at 3 percent a year, and at this rate, full rationalisation could be introduced at the end of six years.

Improvements in the lay-out of factories and the modernisation of machinery before rationalisation is introduced have also been proposed. The experts have further prepared a scheme for fixing the grades of wages for all categories of workers, skilled and unskilled. At present, there are no grades and the minimum wage of Rs. 55 is also often the maximum. The proposed wage scales are intended to ensure regular annual increments without any efficiency bars. If the proposals are accepted by the Government, the contract system of labour will be totally abolished in the factories. This is not the first time that the Government has considered the question of rationalising the sugar industry. It has already in hand the report of a standardisation committee set up under the chairmanship of Mr. M. C. Pant, Deputy Labour Commissioner, and another prepared by a private firm of efficiency experts. But it does not seem to be in a hurry to introduce rationalisation in the sugar industry; it is probably waiting for the implications of rationalisation in Kanpur's textile mills to become clear.

Bigger Sugar Output

Meanwhile, according to figures officially released, U.P.'s sugar production this year has increased by over 20,00,000 maunds as compared with that of the previous year. While production in 1954-55 was 250,40,000 maunds, in 1955-56 it went up to 270,50,000 maunds. The increase is the result of longer crushing by the sugar mills, taking advantage of a bigger cane production. The area under cane during the year rose from 1,33,00,000 acres to 1,73,00,000 acres. The sugar industry is not in favour of having longer crushing seasons, because in the earlier and later stages, the sugar recovery is less. In spite of a longer crushing season and the increased output, the industry points out that the overall recovery from cane this year has been 9 percent as against 9.6 percent last year when the season was shorter.

Official Control of Co-operatives

A drive for "de-officialisation" of co-operatives in the State has been launched by the Co-operative Department, which has issued an order throwing open the offices of the secretaryship of district co-operative federations to non-officials. To streamline the organisation of the district co-operative banks, the Department has plans to create a cadre of co-operative bank managers. The State's co-operative credit at present meets only 41 percent of the rural needs. Co-operative farming, the Chief Minister, Dr. Sampurnanand, has stated, is not suited to this country, at any rate not to this State. He pointed particularly to the example of the ex-servicemen's settlements in the Terai areas. While allotting land to them, they were told that loan facilities and fertilisers would be given only through co-operative societies. Thus, they joined under a sort of indirect pressure. Later it was found that they were all working individually. The State Government has no desire to repeat this experiment again. Dr. Sampurnanand is of the view that under Indian conditions, only co-operative marketing of goods and the distribution of agricultural implements can be successfully undertaken.

Industrial Dispute

The Lucknow Bench of the Allahabad High Court has quashed the order of the Labour Appellate Tribunal in a case arising out of a dispute between the Bhopendra Cement Workers Union, Patiala, and the Patiala Cement Company. The dispute arose by the Company's seeking permission from the Industrial Tribunal to discharge certain workers for indiscipline, slogging and going on an illegal strike. The Tribunal withheld its permission on the ground that none of the charges had been proved, that shouting of slogans did not take place within the factory or during working hours, and that there was no concerted strike action. Upon this, the Company appealed to the Appellate Tribunal which held that cessation of work even for a short time amounted to a strike. It also found that the conduct of the workers involved amounted to indiscipline and granted leave to the Company to discharge them. The High Court, in quashing this order, held that the Appellate Tribunal did not indicate on what material it had come to the conclusion for giving permission for the workers' discharge and why it felt necessary to differ from the findings of the Industrial Tribunal. Under the circumstances, the Court held that the Appellate Tribunal had acted in excess of its jurisdiction.

Agent's Commission

An important ruling on the imposition of sales tax on goods in certain transactions has been given by the Allahabad High Court in a reference made by the revising authority under the U.P. Sales Tax Act against a petition filed by a Kanpur dealer. The Court held that the purchase of goods on behalf of his principal, and on which transaction the agent did not make any profit but received only a commission, did not amount to a sale as defined in the Sales of Goods Act. Their Lordships said: "A commission agent, when he agrees to work for his principal as the latter's agent and to obtain for his principal the goods which the latter wants, undertakes a duty which he is to discharge by purchasing the goods required and supplying them to his principal. The transfer of goods purchased by him to his customer is an act done in the discharge of his duty as an agent. The contract between the principal and the commission agent is not, in our opinion, one of sale, but of agency, and the transfer of property in the goods is not a sale within the meaning of the Sales of Goods Act."

Books and Publications

SERVICE IN INDUSTRY

The Law Relating to Service in India. Vol. II. (Service in Industry). By N. Barwell and S. S. Kar. (Published by Orient Longmans Ltd., 17, Chittaranjan Avenue, Calcutta. Pages 995. Price Rs. 37-8.)

This, with its companion volume on the general law of Master and Servant, is the most important and informative work on the subject with which it deals, published in India. Mr. S. S. Kar begins this second volume by dedicating it in moving terms to "the revered memory of Mr. Barwell," to whom he attributes most of the credit and most of the actual work. Mr. Kar does himself much less than justice. Mr. Barwell, no doubt, prepared the general scheme and wrote most of the first volume, and to him also is due the deliberate avoidance of technical phraseology and law terms, thereby rendering the work as intelligible to the ordinary commercial man as it is to the lawyer. But, in this second volume, it is easy to detect almost the precise place, at which the failing hand of the older man laid down the pen and his friend and colleague took over. The respective styles are so different. Mr. Barwell wrote as he spoke. Scholarly, didactic, witty, a little too diffuse, as, for instance, when carried away by his lively interest in everything he discusses, he wanders off into a grave investigation as to whether a master mariner is legally entitled to be styled "captain". On the other hand, Mr. Kar is terse, brief, informative, and will not stray a hair's breadth from the point. Each style is equally effective in its way. In the one case, we feel we are having a useful chat; in the other, listening to a formal lecture.

However that may be in these two volumes, the first giving us the general principles of the law and the second embracing the subject matter of all Parliament's industrial statutes, we have everything the commercial employer needs to deal with the bewildering legal problems of the law of service which press on him day by day. These two volumes, plus native commonsense, Workmen's Compensation, Factories Act, Mines Act, Plantations Labour Act, Dock Workers' Regulations, Industrial Disputes Act—a wonderful example, that last, of the remedy worse than the disease—Trade Unions Act, Payment of Wages Act and many more. All are there printed in full, with practical commentaries, and the latest judicial decisions set out in colloquial language. The work of about a thousand pages is exceptionally well got-up and printed.

BOOKS RECEIVED

A Handbook on the Companies Act, 1956. (Published by the Secretary, Indian Chamber of Commerce, 23-B, Netaji Subhas Road, Calcutta. Price Rs. 5-8; pages 330.)

Statistical Statements Relating to the Co-operative Movement in India for the Year 1954-55. (Published by the Agricultural Credit Department, Reserve Bank of India, Bombay. Price Rs. 3; pages 113.)

The Story of the Integration of the Indian States. By V. P. Menon. (Published by Orient Longmans Private Ltd., 17, Chittaranjan Avenue, Calcutta-13. Price Rs. 25; pages 511.)

Trade and Finance in the Bengal Presidency (1793-1833). By Amales Tripathi. (Published by Orient Longmans Private Ltd., 17, Chittaranjan Avenue, Calcutta. Price Rs. 20; pages 289.)

Vinoba and Bhodan. By Jagdish Saran Sharma. (Published by the Indian National Congress, 7, Jantar Mantar Road, New Delhi. Price Rs. 2; pages 92.)

Demographic Yearbook 1955. (Published by the United Nations. Price paperbound \$7.00 and cloth-bound \$8.50; pages 781.)

The World Jute, Vol. 1, No. 1. (A monthly journal. Edited and published by M. M. Zaman Adeni from Engineer House, Fakhirapool, Ramna, Dacca. Price Rs. 1-4; pages 22.)

Is the Republic of India Secular? By Srimad Acharya Swami Neminath Maharaj. (Obtainable from the Secretary, 11/236 Souterganj, Kanpur. Price As. 6; pages 24.)

Guide to Agra. (Issued on behalf of the Tourist Division, Ministry of Transport, New Delhi. Price As. 8; pages 30.)

Guide to Orissa. (Issued on behalf of the Tourist Division, Ministry of Transport, New Delhi. Price As. 8; pages 44.)

Guide to Kashmir. (Issued by the Publications Division, Ministry of Information and Broadcasting, Government of India, Delhi-8. Price Re. 1; pages 52.)

Cave Temples of Western India. (Issued on behalf of the Tourist Division, Ministry of Transport, New Delhi. Price Rs. 2; pages 32.)

Indian Minerals, Vol. X, No. 1. (Published by the Manager of Publications, Delhi. Price Rs. 2; pages 102.)

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Commodity Markets

WHOLESALE PRICE INDEX RISES

THE official wholesale price index (base: year ended August, 1939=100) advanced further by 0.1 percent to 407.2 during the week ended 14th July, 1956 as compared with 406.8 (revised) for the previous week. The index was higher by 1.4 percent and 13.5 percent respectively when compared with the corresponding weeks of the previous month and of last year. Higher prices of gram at Hapur and salt in Calcutta (+4% each), rice at Vijayawada (+3%), gur (+2%) and wheat, dal arhar and sugar (+1% each) raised the index for Food Articles by 1.0 percent to 378.7 as compared with 374.9 (revised) for the previous week; the price of tea for internal consumption, however, declined by 3 percent. The index for Industrial Raw Materials declined by 0.6 percent to 487.8 because of a fall in the prices of groundnuts (-5%), castorseed (-4%), rapeseed in Bombay and raw silk and lac (-3% each) and linseed in Bombay (-2%) in spite of an increase in the prices of manganese ore (average export price) (+60%), gingellyseed (+4%), linseed in Calcutta and rapeseed at Kanpur (+2% each) and raw jute and copra (+1% each). The index for Semi-Manufactures moved down by 0.4 percent to 393.4. Items which showed significant changes were: gingelly cake (-8%), groundnut oil (-3%), buff hides and mustard oil (-2% each), groundnut cake (+3%) and linseed oil in Calcutta, brass in Bombay and copper (+2% each). Prices of jute manufactures advanced by 1 percent while those of glass went down by 2 percent and in consequence the index for Manufactures went up by 0.1 percent to 365.4. Lower prices of betelnuts (-4%), turmeric in Calcutta (-3%) and black pepper (-1%) brought down the index for the Miscellaneous group by 0.6 percent to 557.7; the price of chillies, however, rose by 1 percent.

INDEX NUMBERS BY GROUPS AND SUB-GROUPS (Base : Year Ended August 1939=100)				
Groups and Sub-Groups	14-7-56	7-7-56	16-6-56	16-7-55
I. Food Articles :	378.7	374.9 (R)	373.7 (R)	317.8
Cereals	486	480	474	368
Pulses	380	370	368 (R)	280
Others	242	242 (R)	245 (R)	252
II Industrial Raw Materials :	487.8	490.9	480.6 (R)	407.2
Fibres	475	484	459	410
Oilseeds	521	530	540	395
Minerals	517	470	468 (R)	423
Others	419	421	432	420
III Semi-Manufactures :	393.4	395.1	387.0 (R)	331.1
Leather	395	399	407	360
Mineral oils	208	208	208	201
Vegetable Oils	539	547	555 (R)	406
Cotton yarn	475	475 *	476	408
Metals	327	327	330	256
Oilcakes	423	432	424	327
Others	362	362	361	329
IV Manufactures :	365.4	365.1	377.9	370.6
Textiles	418	418	411	406
Jute	389	386	389	415
Cotton	430 *	430 *	418 *	402 *
Rayon and silk	433 *	453 *	453 *	474 *
Woolen	264	264	264	282
Metal products	388	388	377	352
Others	291	291	286	286
V Miscellaneous :	557.7	560.8	513.1	570.1
All Commodities :	407.2	406.8 (R)	401.5 (R)	358.7

R=Revised, * = Estimated.

NEW EXPORT POLICY FOR IRON AND MANGANESE ORE

In conformity with the Supreme Court's order dated 24th July, 1956, and in supersession of the orders contained in the Press notes dated 22nd June, 12th July, and 16th July, 1956, the Government of India has decided to regulate the export of iron ore and manganese ore during the period July-December, 1956 on the following basis: (a) Export quotas will be granted separately for each of the ports through which exports are effected. Separate quotas will thus be granted for the ports of Calcutta, Vizagapatnam, Masulipatam, Kakinada, Madras, Redi, Bombay, Bhavanagar and Kandla; (b) Export quotas will be granted to shippers and mine-owners on the basis of two-thirds of the quotas allotted to them for the half-year July-

December, 1955; (c) Shippers and mine-owners who effected export during the half-year July-December, 1955 otherwise than against quotas will be granted quotas on the basis of actual performance. Quotas will be allotted to them equal to three-fourths of the total quantity exported through the port concerned from 1st July, 1955, to 31st December, 1955, less such quantity as might have been exported by them against quotas which had been allotted to them during July-December, 1955. Shippers and mine-owners are advised to give along with their application a statement, duly supported by an affidavit, giving quantities exported by them against quotas issued during July-December, 1955; and (d) Wagons will be allotted by the Railway authorities on a pro rata basis to mine-owners on the lines on which the mines of the quota-holders are situated and to shippers on the lines which have been used by them during the period July-December, 1955. Applicants have been advised to file an affidavit along with their applications giving the lines on which they have moved their ores in July-December, 1955, and stating the quantity for which they would like movement facilities on each of these lines.

Quotas will be issued separately for iron and manganese ores and allotment of wagon space will be made separately for the quotas issued for these ores. Quotas will not ordinarily be interchangeable, but if the quota-holder desires to move and ship manganese ore against the quota for iron ore, his request will be considered by the Export Control authorities at the ports sympathetically. The new policy comes into effect at once. Applicants have been advised to submit their applications to the Export Trade Control authorities at the ports with the minimum possible delay. Applications received after 7th August will not be entertained. Export Trade Control authorities have, however, been advised to deal with applications as they come in. They have also been instructed that until quota slips are issued by them, exports should be licensed on an ad hoc basis to prospective quota-holders and wagons should be allotted on the existing basis. Exports made from 16th July onwards will, however, be adjusted against these quotas. This announcement does not cover parties who had no performance or quota to their credit during the period July-December, 1955. The issue of licences in such cases and the basis on which they are to be issued is under consideration and will be announced shortly.

STATE GOVERNMENTS PLAN TO INSTALL POWERLOOMS

A number of State Governments have already indicated their desire to install about 35,000 powerlooms in the handloom sector of the textile industry. This is the number of powerlooms which the Government of India recently decided to install during 1956-57 and 1957-58. This information was available at the recent meeting of the State Directors of Industries, convened by the Ministry of Commerce and Industry in New Delhi, to consider measures for a speedy implementation of the decision to install powerlooms, and also to review the progress of handloom schemes. The Union Minister for Consumer Industries, Mr. Nityanand Kanungo, guided the deliberations. At the meeting, steps were considered to render financial and technical assistance to weavers who will work powerlooms. The Centre is to give loans up to 87% percent of the share capital for each weaver in a powerloom co-operative society. The Centre will also give loans to meet the entire cost of powerlooms as well as electric motors, and provide working capital on loan. Financial assistance will also be given for capital expenditure for preparatory and processing plants and workshops, and recurring expenditure for the servicing of the looms and technical instruction. In addition, the Centre is to provide help to meet the cost of transporting powerlooms from the factory and for power connection for the looms. The cost for the first year of training the staff required to help in the installation of powerlooms will also be met by it.

It was stressed at the meeting that the provision for working capital should be raised to about Rs. 1,000 a loom. On the power supply for the looms, it was felt that the supply should be subsidised by the Government to make power available to the weaver at As. 1-6 a unit. A similar subsidy is already being given by the Government to make cheap power available to small industries. The setting up of demonstration-cum-training units of 10 or more powerlooms in certain selected places was also recommended. The meeting considered measures for further technological improvement of handlooms. It was felt that frame-looms, an improved type of handloom, and other technical equipment like take-up motion attachments, which increase the productivity of the loom, should be supplied to weavers and financial assistance given for the purpose. At present, the Government provides financial assistance for such technological improvements as an outright grant. The need for setting up workshops in different States for the manufacture of improved looms and other equipment to meet the requirements during the second five year plan was stressed. Already one workshop, to be established in Madras State, for the manufacture of frame-looms and take-up motion attachments, healds, etc., has been sanctioned. The recent decision for the registration of handlooms was supported at the meeting which was of the view that it was in the interest of the weavers themselves that they should register their looms as early as possible to enable the Government to collect the necessary data for developing the handloom industry.

Plantation Topics

LONDON TEA SALES

AT last week's London tea sales, the 28,455 packages on offer realised an average price of 3s 11.78d a lb, against 3s 8.10d in the previous sale and 4s 2.66d a year ago. Plain old season's broken pekoe was quoted at 2s 9½d a lb nominal. Prices obtained by some of the companies are given below:

	No. of packages	Average per lb
Adams Peak	115	5/11
Anglo-Ceylon & General	204	4/4
Assam Dooars	479	4/6½
Badulipar	78	4/1
Bandarapola	126	4/5
Central Provinces	24	3/8½
Ceylon Amalgamated	300	3/5½
Chulsa	197	4/8½
Demodera	288	5/31
Devitural	108	3/11½
Dickwella	120	5/7½
Dimbulla Valley	184	4/0½
Doom Dooma	1,020	4/1
Eastern Produce	66	4/8½
Highland	138	3/11½
Imperial Ceylon	498	5/11
Imperial Company	150	3/5½
Jetanga	1,116	4/4½
Kanan Devan	1,128	4/2½
Lunuvu	66	4/11½
Muyfield	90	5/4½
Nuwara Eliya	29	3/8
Pabbojan	858	4/9
Rajawella	254	4/3½
Scottish Ceylon	174	4/10½
Scottish Tea & Lands	548	3/6
Singlo	444	5/5½
Standard	648	4/10
United Planters	102	4/0½
Yataderia		

U.K. Tea Stocks

U.K. stocks of tea on 20th July amounted to 125.2 million lbs, against 134.5 million lbs a year ago.

SHARP INCREASE IN U.K. TEA IMPORTS DURING MAY

The statistical summary issued this month by the International Tea Committee in London reveals that in May the United Kingdom imported two-and-a-half times the quantity of tea it did during the same month last year. The quantities (given in thousand lbs) for May 1956 and May 1955 were: from India, 26,607 and 7,981; Ceylon, 11,456 and 5,703; Africa, 7,461 and 4,607; Pakistan, 1,225 and 22; Indonesia, 563 and 495; the Netherlands, 502 and 511; Japan, 477 and 115; China, 107 and 141; Hongkong, 40 and 26; Formosa, 0 and 4; total imports, 49,221 and 20,706.

COCHIN TEA SALES

At Sale No. 22, 1,150,000 lbs. of tea were on offer. There was a good demand, particularly for best liquors. Low Mediums were dearer. Mediums were irregular and often easier, while Whole Leafs were very strong.

TEA EXPORT DUTY UNCHANGED

The Government of India has issued a notification naming the price of tea, for the purpose of fixing the export duty, at Rs. 2-8-5 a lb. This compares with Rs. 2-13-11 a lb. determined on 1st July, 1956. There is no change in the existing rate of duty of six annas a lb.

COLOMBO RUBBER PRICES

The following prices have been issued by the Rubber Board of India from the weekly market report published by the Colombo Brokers Association:

	Closing prices on 20-7-56 (Rupees a lb.)	Average for the period (Rupees a lb.)
Sheet :		
No. 1	1.41	1.41
No. 2	1.38	1.38
No. 3	1.35	1.35
No. 4	1.11	1.11
No. 5	1.06	1.06
	Sheet Cuttings 1	-.95
	Sheet Cuttings 2	-.90
Crepe :		
Water White	—	—
R.M.A. No. IX	1.48/49	1.48½
R.M.A. No. 1	1.35/45	1.43
	Crepe No. 2	1.32½
	Crepe No. 3	1.17½
Scrap Crepes :		
Sc. Crepe No. 1	.85 Nom.	.85
Sc. Crepe No. 2	.77/81	.79½
Sc. Crepe No. 3	.75/77	.76
Flat Bark	.70/73	.71½
	Sc. Crepe 3X	.78

To arrive at f.o.b. Colombo prices add 53.45 cents a lb. in respect of rubber other than scrap crepe and 31.45 cents in respect of scrap crepe to the above market prices.

Jute

IMPORTANCE OF GANGA BARRAGE TO THE JUTE TRADE

TRANSPORT AND IRRIGATION FACILITIES LIKELY TO IMPROVE

IN the West Bengal Legislative Assembly last week, Dr. B. C. Roy announced that the Government of India had decided to take up the construction of the Ganga Barrage as a Central project. That is very satisfactory if it does not involve a delay in its execution. An attempt was made to have this project included in the first five year plan but the proposal was turned down by the Central Government. A further attempt was made to have it included in the second plan, but the Planning Commission rejected the proposal. The Government of West Bengal then decided to proceed with the work as a State project and now the Government of India has decided to carry it out itself. In the interests of West Bengal and of Bihar, it is essential that there should be no unnecessary delay in undertaking the work, but we fear that its importance to these two States and to the problem of transport in general is not widely appreciated.

It is nearly a quarter of a century since Capital first proposed that this work should be undertaken. The main object put forward was to relieve traffic bottlenecks on the railways which hampered the movement of jute to Calcutta, but it was also pointed out that electricity could be produced, large areas could be irrigated and flood control could also be included in the project. Unfortunately, the proposal did not find favour with the authorities then in power. The chief opposition came from the railways, which feared a loss of traffic, and from the Calcutta Port Commissioners, who thought that the re-opening of the Bhagirathi river would affect the navigation channels in the Hooghly. The main interest of the jute industry in the project is, of course, because of transport difficulties. The railways have shown that they are incapable of transporting, without inordinate delays, even the meagre quantity of jute being offered at present. If the wagon position does not improve in the very near future, when much larger quantities of jute will be awaiting despatch, the position of the mills, whose stocks are very low, will be critical. But, apart from the supply of wagons, the railways are unable to handle the wagons already allotted and jute from Bihar is having to be sent by rail through Pakistan, a roundabout and expensive route.

The Bhagirathi Route

People still alive can remember the days when inland vessels of up to about 600 tons used to go up the Hooghly and the Bhagirathi rivers into the Ganges and as far as Patna. The Bhagirathi was, however, allowed to silt up, either through negligence or as a matter of policy in order to divert traffic to the railways. When it became un-navigable, it was necessary to divert river traffic from places in Bihar and West Bengal by the long route down the Ganges to the Padma and through the Sunderbans, thus increasing the steamer journey by some 300 miles. This involves more fuel consumption and longer time, which in turn necessitate higher freight rates. When the second five year plan gets under way, there will be greater demand for fuel and for transport, and anything that can be done to economise on both is of the utmost importance. If the Ganga Barrage were completed, it would effect such economies, for less fuel would be consumed and the vessels now engaged would be able to do more voyages per annum and so transport more goods. We have dealt mainly with the advantage to the jute trade of better transport conditions which would result from the building of the barrage. There would also be other advantages. The area which could be irrigated by waters from the Ganges is one where water for jute-growing and jute-retting is not plentiful, and the output and quality of the jute grown are below standard. If that area had an assured supply of water, both could be improved and it would be another step towards making India independent of supplies of jute from Pakistan. Parts of these areas, though normally inadequately supplied with water, are also subject to sudden flooding, and flood control would be part of the barrage scheme. The advantages of the project are so obvious and so urgent that it is surprising that there has been so much delay in getting it accepted. Now that it has been accepted, it ought to be given priority so that these benefits may be made available to the jute industry, and to the people of West Bengal and Bihar in general, as soon as possible.

THE JUTE MARKETS

FOR the second consecutive week, Calcutta markets were dominated by the activity in fibre. Early in the period, mills made almost daily purchases, and interest was centred mainly on quick delivery jute. High prices were paid for almost anything provided the delivery period was short, so the bulk of the business was transacted in the local Cossipore markets. This was due to the very unsatisfactory transport position in most upcountry agencies, where wagons were extremely short. Although sellers have very little control over this, the initial blame can probably be put on them. It has nearly always been their practice, when indenting for wagons, to ask for more than they need, knowing full well that the station

masters at the booking stations will automatically cut their applications considerably before passing them on to the higher authorities. Unfortunately, this is only the first cut of a series, as each authority reduces the application before passing it on. When the allocation is finally given to the booking station, it has been whittled down to about a quarter of the original application and there are not nearly enough wagons to lift the jute available. In this way, a considerable backlog has been built up at most of the stations, so mills have had to seek alternative sources of supply nearer home.

Towards the end of the week, however, the situation greatly improved. Jute began to flow more freely in the agencies, and wagon arrivals, both in the Cossipore markets and at mills' sidings, increased. Having replenished their stocks adequately from the local markets to tide them over the difficult period, buyers were now in a position to sit back. One or two Indian groups, however, continued their search for jute, and were the main supporters of the market, as had been the case throughout the week. Sellers, on hopes of more business, kept prices up, and were most reluctant to accept any offers below the full market rates. But towards the close, a definitely easier tendency began to creep in and business came to a standstill.

There was practically no activity in the jute goods markets. The minor fluctuations in heavy goods were the direct result of speculative activity, as overseas buyers showed no interest. The easier tendency in hessian, which showed a gradual decline throughout the week, was brought about by reports of a further fall in world hessian consumption. Calcutta mills displayed little interest in the ruling prices due to the high price of raw jute, and although business was put up to them they refused to entertain it at these rates. Bazaar activity was on a very restricted scale, and local shippers even found difficulty in covering their small requirements.

In raw jute, New Crop reports continue to be encouraging. Favourable weather conditions in most of the Assam and northern Bengal districts have been beneficial, and it is expected that if the present conditions continue, a start may be made in harvesting the highland crop in the very near future. In spite of heavy rain in Assam, river levels are normal or below normal for the time of the year, but floods can do very little damage now as the lowland crop is all harvested. In Pakistan, similar conditions are reported, and new crop arrivals in Narayanganj are heavy.

Manufactured Goods : Heavy goods were slightly better at the opening last Thursday, and B Twills showed an improvement of 4 or 6 annas. Quotations were based on July shipment at Rs. 103-10 and Jan.-March shipment at Rs. 104-8 a 100 bags. Hessian however showed a weaker tendency; 40in 10oz. lost 2 annas in the near position to Rs. 38-6 and 4 annas for Jan.-March shipment, which was quoted at the same price. Rates advanced slightly in the morning under speculative buying in fatka, but later, due to lack of support, prices fell back. The only delivery figuring in these activities was the sacking near position. On Friday morning, while all other deliveries and fabrics ruled unchanged, June shipment B Twills lost 6 annas to Rs. 103-4. No business was reported. The general lack of interest, both from local sources and overseas buyers, added to the weak conditions, and throughout the day the market showed a gradual decline. By Saturday morning, heavy goods showed a drop of 6 or 8 annas and hessian 2 annas, but the latter was only in the near positions, forward hessian remaining fairly steady. These conditions prevailed throughout the week-end with no business transacted. After the closure, prices were unchanged, except that ready B Twills moved up to Rs 103-6. This proved to be only a temporary rise, as during the day prices moved slowly downwards. On Tuesday morning, all sacking fabrics showed a loss of 4 annas, making ready B Twills Rs. 103-2 and Jan.-March shipment Rs. 103-12. The movement in hessian was less pronounced and 40in 10oz. fell by 1 anna to Rs. 38-3 a 100 yards for the near positions. At the close, the goods market was easier and opening quotations on Wednesday morning were as follows:

	Ready	August	Sept.	Oct.-Dec.	Jan.-Mar.
	Rs.	Rs.	Rs.	Rs.	Rs.
40in. 8oz.	31-5	31-4	31-2	31	30-12
40in. 10oz.	38-2	38-5	38-6	38-6	38-4
B Twills	102-10	103-4	103-6	103-12	103-12
Heavy Cees					
(Plain)	101-12	103-4	103-8	103-12	103-12
A Twills	126-4	127-4	127-12	128-4	127-12
Liverpools	115-4	116-4	117-4	117-12	117-4
Cornsacks	104-12	104-12	104-12	104-12	104-12

Raw Jute : Calcutta mills once again kept the raw jute markets steady by their continuous demand for quick shipment. All available supplies were taken up at rising prices, and along with the small quantities of shipment jute reported, it was estimated that total purchases were not less than about 400,000 maunds. Sellers naturally were very reserved and were not interested in counterbids

at anything below the full market rate, so during the week raw jute prices advanced from Rs. 28 a maund to Rs. 28-8 a maund basis Bottoms for Dhubri-Northern jute for August shipment. Towards the end of the week, raw jute arrivals in Cossipore and at mill sidings and jetties improved, so buying interest waned. Quotations however remained firm and sellers showed no sign of reducing their prices.

The main business was for quick delivery jute from the Cossipore markets, and prices paid for local Northern and Assam jute ranged from Rs. 27-8 to Rs. 29 a maund for ready, 15 days' and one month's delivery. Karimpore tossa was also bought at Rs. 29 a maund for one month's delivery. This was mainly Old Crop jute, but all other purchases carried the option of Old and/or New Crop. These consisted of Dhubri-Northern at Rs. 27-8 to Rs. 28-8 a maund basis Bottoms for July-August shipment and Rs. 29 for 15th August shipment. Jungli jute also passed at Rs. 26 a maund for 25 percent August/75 percent September shipment. Some small lots of Daissee white were reported at Rs. 28 to Rs. 28-8 a maund for August shipment. In pucca bales, business was confined to cuttings, and prices ranged from Rs. 119 for September shipment to Rs. 134 for 15th August shipment.

At the close, the market was easier, and opening quotations on Wednesday morning were as follows:

Indian Jute (New Crop Kutcha Bales):	Landed at Mills Rs. a md. basis Bottoms.	Shipment. August-Sept.
Lower Assam	27-8	"
Northern	27-8	"
Murshidabad White	27	"
Daissee White	28	"
Old Crop :		
Local Northern	29	15 days.
Daissee	29	"
Daissee Mesta	28	"
Bimil	27-4 for F.A.Q.	"

Tossa is quoted at 8 annas to Re. 1 a maund above the price of white jute.

Pucca Bales (New Crop):	Rs. a bale.	Shipment. August-Sept.
Mill Firsts 2/3	185	"
Mill Lightnings 2/3	170	"
Mill Hearts 2/3	155	"
S. G. Daissee	175	Sept.-Oct.
L. G. Daissee	160	"
Pakistan Jute (New Crop Kutcha):	Rs. a md. basis Bottoms.	Shipment. August-Sept.
Jat	31	August-Sept.
District	30-8	"
Northern	30	"
Pucca :	Rs. a bale	Shipment. August-Sept.
Mill Firsts 2/3	195	"
Export Firsts 2/3	175	"
Export Lightnings 2/3	160	"
Jat Cuttings	120	Sept.-Oct.

Imports into the local Cossipore markets improved rapidly towards the close, and brought the total arrivals over the week to 520 wagons. This had very little effect on prices, as demand for quick delivery jute continued and sellers persisted with their bullish ideas. At the close, Kishanganj jute was quoted at Rs. 29 a maund for garsat quality.

Mofussil : Indian upcountry markets, although quieter towards the close, rose by about 8 annas over the week, keeping their parity of about 8 or 12 annas over Calcutta rates. Imports in Dhubri have fallen slightly and last week averaged about 3,000 maunds a day. This is less than half the figure reported last year at this time, and is due to the river levels being lower, which has cut down the amount of steeping water available. Sellers are reserved, and quotations in Dhubri towards the close were based on Rs. 25-4 a maund for Bottoms.

GUNNY SHIPMENT STATISTICS

The following figures include coastal shipment relating to manufactured jute goods for shipment from the port of Calcutta. These are gross figures based on the shipping bills presented.

	Hessian Bags (Tons)	Cloth (Tons)	Total (Tons)
1st to 25th July, 1956	1,571.6	16,024.2	17,595.8
1st to 25th June, 1956	1,702.3	19,718.2	21,420.5
1st to 25th May, 1956	2,416.7	18,282.5	20,699.2
	Sacking		
1st to 25th July, 1956	16,368.0	1,021.8	17,389.8
1st to 25th June, 1956	17,255.8	1,616.6	18,872.4
1st to 25th May, 1956	21,117.6	2,299.6	23,417.2

GUNNY SHIPMENT STATISTICS FOR JUNE

The following are the total nett figures of manufactured jute goods shipped from Calcutta during the month of June, 1956 after providing for short shipments. These figures include shipments to coastal ports.

	Hessian Bags (Tons)	Cloth (Tons
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"CAPITAL" STOCKS AND SHARES INDEX *

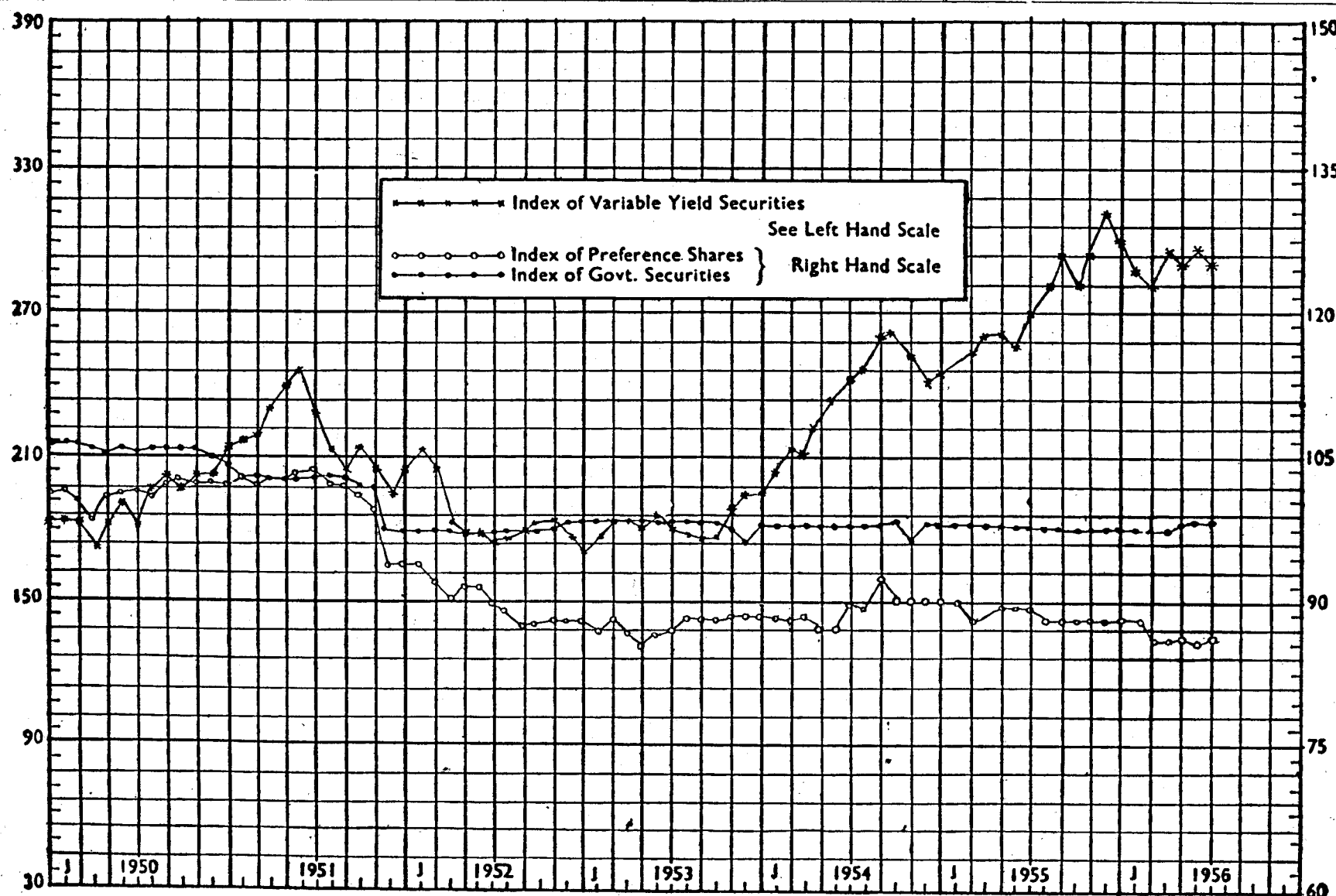
The Capital Stocks and Shares Index (Base 1939) has now been brought up to June, 1956. Compared with May, the June index for preference shares increased by 1.3 points, while that for government securities remained unchanged at 98.2 points.

There were decreases in banks 2.3 points, cottons 12.8 points, coals 3.5 points, jutes 4.8 points, cements 8.6 points, engineering 30.3 points and papers 28.5 points, while increases occurred in minings and oils 4.9 points, teas 13.5 points, sugars 6.0

points and miscellaneous 15.5 points.

Correlating all the factors, the Capital variable yield securities index shows that the index for stock prices in the above classes of shares declined by 7.9 points during June, 1956.

		Index of Govt Securities	Index of Preference Shares	Variable-Yield Securities.											
				Banks	Cotton Mills	Coals	Jute Mills	Mining and Oil	Cement, Lime etc	Eng and Metal Works	Tea Shares	Paper Mills	Sugar Shares	Others	Combined Index.
Weights.	...	...	...	7	12	9	11	10	6	17	4	7	6	11	100
1952.															
July	...	97.2	89.0	133.0	202.5	190.9	157.5	89.1	88.7	157.2	232.1	516.2	152.5	221.5	178.7
August	...	97.0	87.6	130.4	202.9	192.4	161.9	92.8	88.3	158.3	227.4	507.6	152.5	210.0	179.1
September	...	97.0	87.6	128.0	200.8	189.9	163.0	97.1	89.8	156.9	217.2	538.7	150.9	213.6	180.3
October	...	97.7	87.7	129.1	192.6	186.8	170.6	99.9	93.0	162.0	207.9	543.3	150.5	217.7	181.5
November	...	98.1	87.8	128.8	189.7	181.2	159.5	94.7	89.1	156.2	192.2	522.1	144.9	217.2	175.6
December	...	98.1	87.4	131.4	188.5	175.1	150.0	92.2	89.6	159.3	166.7	517.5	139.5	218.2	173.2
1953.															
January	...	98.0	86.4	131.9	188.9	167.5	144.0	105.4	88.9	162.6	179.1	517.5	133.5	223.9	176.0
February	...	97.9	87.8	133.5	199.6	175.6	147.2	101.4	91.9	165.3	189.7	549.3	148.9	234.2	182.3
March	...	98.2	86.4	136.7	204.1	184.8	144.0	96.8	92.1	165.3	196.0	569.2	155.9	222.4	183.1
April	...	98.1	85.1	135.9	203.7	181.2	144.0	95.3	92.1	168.7	192.2	548.6	153.9	219.3	181.9
May	...	98.1	86.4	136.7	208.7	183.2	148.0	99.6	94.3	173.4	179.1	569.2	164.1	222.9	186.3
June	...	97.8	86.8	133.5	199.2	179.2	144.4	97.1	93.2	166.0	203.7	560.6	161.9	213.6	181.9
July	...	97.6	86.6	135.1	199.2	172.6	140.4	90.7	90.9	164.6	192.6	550.6	161.2	213.1	178.7
August	...	97.6	88.5	134.0	197.6	156.3	135.3	88.8	88.3	162.0	177.8	539.4	162.6	215.1	175.2
September	...	97.7	88.6	131.7	192.6	160.3	132.1	97.1	89.3	160.9	204.1	547.3	169.9	216.3	177.1
October	...	97.5	88.7	135.1	223.9	164.9	136.1	109.4	93.0	173.7	207.1	583.1	171.9	227.0	189.8
November	...	96.1	88.7	134.0	201.7	167.5	144.4	112.5	97.5	180.0	247.4	628.1	171.9	230.1	193.4
December	...	97.8	88.3	138.8	209.5	169.5	140.0	108.5	97.1	184.8	236.8	610.1	168.2	232.2	193.8
1954.															
January	...	97.8	88.2	135.6	217.7	175.1	135.7	130.3	95.4	192.2	244.0	681.2	178.6	239.9	203.3
February	...	97.8	88.0	137.7	228.1	176.6	142.0	148.8	92.8	205.3	242.7	713.0	181.6	254.9	212.4
March	...	97.9	88.3	130.1	223.1	171.5	134.1	140.8	94.1	207.6	251.4	753.4	178.9	248.7	211.6
April	...	97.8	87.6	134.8	222.7	176.6	136.9	134.9	92.4	221.8	261.4	781.2	183.9	255.9	216.8
May	...	97.8	86.9	133.2	220.7	180.7	133.7	153.7	95.4	217.4	288.9	835.5	188.9	261.6	222.8
June	...	98.0	90.7	128.0	238.4	199.5	148.4	171.5	103.3	244.6	314.4	862.7	192.5	289.6	239.8
July	...	98.3	89.3	127.7	236.7	200.5	146.0	162.9	108.5	253.0	350.9	926.3	196.9	294.1	246.1
August	...	98.2	92.6	126.7	238.4	215.3	158.3	179.2	115.4	266.4	379.7	1009.8	198.6	309.5	260.4
September	...	97.9	90.0	129.1	240.8	203.1	163.8	183.8	118.0	270.1	381.0	987.3	206.3	309.0	262.0
October	...	96.9	90.2	128.8	243.4	193.4	136.9	173.1	120.9	355.0	384.0	1012.5	205.3	299.7	253.2
November	...	98.6	90.4	122.8	233.5	179.7	149.2	150.6	109.2	242.6	377.6	916.4	201.6	275.0	238.6
December	...	97.8	90.0	122.8	217.7	185.8	155.1	159.2	107.7	248.3	371.7	936.3	207.0	279.1	242.5
1955															
January	...	97.9	90.3	126.7	218.2	191.9	150.7	160.2	112.8	301.1	399.3	1019.7	205.3	286.3	259.6
February	...	97.8	88.3	122.5	209.5	185.8	146.0	158.0	107.4	297.4	376.8	984.0	202.6	278.6	252.4
March	...	97.8	89.0	120.7	214.0	189.9	153.1	157.7	112.4	302.1	392.1	1040.3	212.6	285.3	260.8
April	...	97.9	89.2	121.2	216.1	199.5	152.7	148.2	114.3	304.1	373.8	1054.2	204.3	285.4	259.2
May	...	98.0	89.0	119.1	215.7	192.9	146.4	152.5	112.4	302.7	347.1	1042.3	195.6	283.2	255.2
June	...	98.1	88.9	118.8	224.3	202.6	150.3	179.8	113.9	315.5	391.2	1105.2	190.3	289.4	271.1
July	...	98.2	87.7	112.8	249.1	211.7	150.3	204.1	121.0	322.9	378.9	1148.3	210.6	302.3	281.8
August	...	98.0	87.8	124.1	241.3	214.3	156.3	231.8	126.8	351.1	366.2	1147.0	224.3	303.3	293.3
September	...	98.1	87.7	119.9	242.5	206.1	149.6	222.3	120.4	336.0	354.7	1099.3	217.3	297.2	283.0
October	...	98.3	87.1	120.1	257.8	203.1	142.8	225.0	130.3	363.9	353.0	1176.8	224.3	317.8	296.8
November	...	98.1	87.7	125.4	278.0	222.4	147.6	219.2	136.3	375.0	349.2	1304.7	223.6	350.3	311.9
December	...	98.3	87.1	131.9	261.5	216.8	140.0	234.2	131.1	356.5	291.1	1301.3	218.6	332.2	302.4
1956															
January	...	98.3	88.4	129.9	245.8	218.4	136.0	225.9	124.4	334.3	292.8	1258.9	198.3	312.1	288.5
February	...	98.5	86.4	122.0	246.6	206.7	122.9	217.0	120.6	331.6	286.4	1242.4	193.6	301.8	282.6
March	...	97.9	86.2	123.3	277.1	207.7	119.8	229.0	124.1	355.5	331.8	1310.0	185.6	298.2	295.6
April	...	98.0	86.7	123.5	275.1	202.1	115.8	226.9	124.2	345.4	321.2	1287.4	181.9	296.6	290.5
May	...	98.2	85.6	127.7	274.7	206.1	121.3	228.4	136.1	356.2	324.2	1361.0	182.9	298.7	296.8
June	...	98.2	86.9	125.4	261.9	202.6	117.0	233.3	127.5	325.9	337.7	1332.5	188.9	314.2	290.9



*Publication 5th August, 1937, First Revision 16th October, 1941, Second Revision 9th January, 1948.

Engineering and Transport

BRITISH FAILURE TO WIN THE KARIBA GORGE TENDER COMPLAINTS OF UNFAIR ITALIAN COMPETITION

THE failure of British firms to win a major contract in the Kariba Gorge hydro-electric project has had at least one good effect; it has compelled the British contracting industry to investigate its position thoroughly. The industry is not very confident that such failures can be prevented in the future, because they are not entirely—probably not mainly—a result of its own failings. But the authorities, as well as the contractors themselves, have been seriously disturbed by this development, and it is not unlikely that official policy will be adapted to it. The purpose of this particular project, it may be recalled, is to harness some of the energy of the River Zambezi at a point between Northern and Southern Rhodesia where the Kariba Gorge provides great potentialities for hydro-electric power. The first stage of the project will require about £80 million, which is being contributed from various sources—more than £28½ million from the International Bank for Reconstruction and Development, £18 million from the United Kingdom (mostly from the Colonial Development Corporation), various amounts from the Government of the Central African Federation, the big copper companies (as much as £20 million), and the local banks.

One cause of resentment in Britain is that when so much British money is being invested in the scheme, the main contracts have been awarded to Italian firms (though parts of them will be subcontracted to British firms). The explanation is, of course, in the above-quoted figure representing the International Bank's participation: a project for which the Bank lends capital must be open to competitive international tendering. But of that figure of some £28 million as much as £10 million will be made available from the U.K.'s subscription to the Bank. Thus Britain is in effect providing £28 million to finance the first stage of the project, and it appears that counterbalancing purchases of equipment and services in the U.K. will amount to little more than one-third of this sum.

In a letter to *The Times* Sir Richard Costain, chairman of the council of the Export Group for the Constructional Industries, has questioned the whole principle of such financial arrangements. "In the postwar period, United Kingdom Governments have consistently proclaimed the lack of adequate funds for overseas investment. At present in the United Kingdom, we are struggling with balance of payment difficulties and industry is subjected to the dislocations of a credit squeeze. At such a time vast sums are being found from British sources which will be used to provide employment for foreign competitors and enable them to establish a bridgehead from which to mount further assaults on British trading interests." Sir Richard is not much impressed by the arguments for competitive tendering in such a case. (Time seems to be of the utmost importance at Kariba, if only to harmonise the supply of power with the copper-producers' plans; yet international tendering has caused much delay.) But if this system is adopted, he argues, why should not the country of the successful bidder provide the funds needed in excess of those forthcoming from the International Bank or locally? Then scarce resources would be available to finance other projects.

Uneconomic Tendering

There is, however, another aspect of the matter that distresses some observers still more. The plain fact is that in international competition, the British tenders were much higher than the Italian. Must it be assumed that, with no special privileges, the British are unable to compete successfully? In a letter to the *Financial Times*, Mr. R. W. Stanton, managing director of Group One Ltd. (an association of companies designed to give comprehensive technical assistance for development schemes abroad), has hinted that the Italians were so anxious to get the contracts that their tenders did not take all the risks into account. "British competitors who have endeavoured in their tender to take every factor into account will be most interested to see, in due course, what the ultimate cost and the ultimate construction time of the Kariba Dam will be." In other words, British competitors are not convinced that they were outbid on normal commercial terms. It has to be recognised, however, that uneconomic tendering has become a characteristic of this strongly competitive business of developing underdeveloped countries. Communist nations especially regard the profit on such work as only one, and not necessarily the most important, element in it. The Americans, too and the Germans, though more conventionally businesslike than the Russians, are well aware of the political (and, therefore, the ultimate commercial) value of penetration of developing regions. The British are not unaware of it; but they are hampered more than others by finance.

Insufficiency of Credit

In many cases, this restriction takes the form of inadequate credit, and credit is a vital factor in any development project involving years of work and tens of millions of pounds of capital. But this impediment is itself a direct consequence of the scarcity of capital for investment abroad. And the difficulty of obtaining materials and personnel enough to guarantee completion of a job within the specified time and at stable cost is a direct consequence of inflation. The problems of

British contractors arise from the problems of the British economy in general, and they cannot be completely solved apart from them. The various firms, each with its special functions and knowledge, are willing now to engage in flexible associations, so that they can offer comprehensive plans for any project, however big or intricate. (Mr. Stanton, above-quoted, dismissed the idea that there was inadequate experience and skill to support the co-ordinated British tender for Kariba.) But in this all-important sector of international affairs, the development of underdeveloped countries, they cannot hope to be entirely successful until the whole British economy has been strengthened. They wish that in the meantime loans of British money to develop the Commonwealth could be conditional on the placing of contracts with British firms; but the Government has specifically rejected a proposal to that effect.

U.K. PRODUCTION OF NUCLEAR ENERGY

RAPID IMPROVEMENT IN TECHNIQUES

THE report of the U.K. Atomic Energy Authority for the year ended March last has raised some interesting questions concerning the problem of power in general, in the U.K. primarily, but also, by implication, in the world as a whole. The essential fact is that nuclear energy is developing much more rapidly than the experts surmised even a few months ago. Therefore, the prospective deficiency of energy which has so alarmed the economic statisticians may be much less than they have supposed. And the probability of ultimate abundance has become now almost a certainty. Britain's problem, which is shared by other European countries, is the need to import large quantities of coal and oil in the period between ample production of coal and adequate generation of electricity by nuclear means—whether by fission or by fusion. It is worth noting—for it is an important factor in the current balance of payments—that Britain has been importing coal this year at little more than half the rate of last year's imports, as production at home, which has been virtually static in recent years, has turned upward. But it is generally assumed that the shortage of primary power will become more acute during the next decade and that it will be necessary to import much more oil to make good the deficiency. In the geological conditions of Europe, which produces much coal but not much oil, such a situation can have disturbing consequences.

Estimates of Power Needs

It must be admitted that there is no scientific basis for the estimates of power that will be needed years and decades hence. It is unwise to assume that industrial production will continue to increase at the same rate as in the past decade, as it has been accelerated since the end of the war by the delays and destructions of the wartime. Nor should we assume that if industry doubled its output, it would need twice as much fuel and power; it could, and should, use available resources more efficiently. Resources can be planned, within reasonable limits, and estimates of future supplies of energy may therefore be more accurate. But that Britain has lately been able to double the estimate of the amount of nuclear energy that she will be producing by 1965—because a power-station will be twice as efficient as had been supposed—shows that the effects of technological progress may be underestimated. A widely-accepted estimate of Britain's maximum requirement of fuel in 1965 is a coal-equivalent of some 330 million tons, compared with a coal-equivalent of some 270 million tons in 1954. In recent years Britain has produced rather more than 220 million tons of coal a year; the latest plan envisages an output of 240 million tons in 1965—and it is a more realistic plan than its predecessor. On this reckoning, it seems that the gap to be filled by oil and by nuclear energy, (hydro-electric energy is not, unfortunately, a very serious proposition in Britain as a whole, though it is being developed in Scotland), will increase from less than 50 million tons coal-equivalent in 1954 to approximately 90 million tons coal-equivalent in 1965.

The latest estimates suggest that by 1965, nuclear energy will provide about 12 million tons coal-equivalent in the U.K. (where nuclear energy is being developed for immediate purposes more actively than anywhere else); so that oil must provide not much less than 80 million tons coal-equivalent. In 1954, oil provided less than 40 million tons coal-equivalent; so it appears that in the next decade or so, a large increase in consumption of oil must be envisaged. Even so, this increase, on the revised basis of calculation, is not so large as some authorities envisaged even a few months ago; whereas in the meantime still further expansion of the oil industry has been announced. Moreover, recent experience shows that it is impossible to limit the prospective contribution of nuclear energy, because nuclear technique is advancing so rapidly that estimates may be outdated within a year. (This progress can be demonstrated with figures. The power-stations at Calder Hall, Cumberland, the first of which will be inaugurated in October, will have a capacity of 92 megawatts, but the power-stations planned to operate in 1964-65 will be designed to produce at least 400 megawatts, even if there are no important technological developments in the meantime.) It is possible, therefore, that the oil industry will be required to contribute much less power than is at present envisaged. The position of the oil industry from 1965 onward is even more uncertain. The Central Electricity Authority's estimate of the U.K.'s requirement about that time is 132,500 million units of electricity, including an "imported" element,

from uranium and oil, of 25,500 million units. It was assumed until recently that this "imported" element would comprise nuclear energy and oil in approximately equal proportions; but if output of nuclear energy is being effectively doubled, there will evidently be no place for oil as a generator of electricity 10 years hence.

Hypothetical Calculations

All these calculations are hypothetical, if only because they cannot take proper account of relative changes in cost. As a prime source of energy, oil is at present rather dearer than coal, and nuclear electricity, generated by the most advanced techniques, is—in countries such as Britain—fully competitive with either. A few years hence, when techniques have advanced further, nuclear energy will probably be the cheapest in any country which is not liberally endowed with cheap coal or oil or water-power. For countries such as Britain, therefore, the question seems to be simply how fast nuclear power-stations can be built. All plans for nuclear energy are at present, of course, based on known techniques of nuclear fission, but there are in the background the possibilities of abundant energy from nuclear fusion. The U.K. Atomic Energy Authority's report states frankly that "many problems have to be solved before a practicable fusion reactor will be possible"; yet its report on researches is unexpectedly hopeful. So it may be that the pattern for the future is the energetic development of coal and oil for only a few years, of nuclear fission for, perhaps, a few decades, and of nuclear fusion indefinitely.

SYMPOSIUM ON NUCLEAR METALLURGY

The close inter-relation developing between metallurgy and the production of atomic energy is demonstrated by the literature abstracted in the July issue of the *Nickel Bulletin*, which includes references to papers presented at a symposium on metallurgy in the nuclear power field and to items of the proceedings of the international conference on the "Peaceful Uses of Atomic Energy." High-temperature engineering in the aircraft gas-turbine and related fields is represented by a series of papers dealing with the properties of metallic materials for use at temperatures above 1600°F. (870°C.). Attention is also directed to two comprehensive summaries of information on corrosion problems arising in the petroleum industry, and to papers concerned with the welding of heat and corrosion-resisting materials, including clad steels. The *Nickel Bulletin* is issued monthly and supplied free of charge, on request, by the Mond Nickel Company, Ltd., Technical Office, 1, Forbes Street, Fort, Bombay 1.

AIR-INDIA INTERNATIONAL SINCE NATIONALISATION

Air-India International Corporation's third anniversary since nationalisation fell on 1st August, 1956; the airline itself completed eight years of working recently. A Press release issued by the Corporation says that it has always endeavoured to foster a spirit of camaraderie among the rank and file. As an incentive to promote initiative and creative abilities, the management has instituted a scheme to

Calcutta Markets

GOOD GENERAL DEMAND AT
TEA EXPORT SALE

POOR ENQUIRY FOR DUSTS

AT Sale No. 8, held on 30th and 31st July, offerings at the Export auction, consisted of 31,600 packages for which there was a good general demand, and any teas with useful liquors were often dearer. Bright liquoring Assams of orthodox manufacture sold well, while C.T.C. teas were well supported and satisfactory prices were generally realised for the best kinds. There was more demand this week for the ordinary kinds, particularly Fannings and these were 1 to 2 annas dearer, while clean plain descriptions were 1 to 1 anna dearer. Medium and Low Medium breakers shared in the general advance and were sometimes 2 annas or more dearer depending on quality. There was very good demand for Darjeelings and these sold very well, while there was much more demand for stylish leaf grades. The only teas to show a decline were the tippiest sorts, which were often 4 to 8 annas easier.

Quotations

	1956	1955
Clean Black Pekoe	1 15 0 to 2 0 0	3 2 0 to 3 4 0
Plain B.P.	1 9 0 to 1 9 6	2 7 0 to 2 7 6
Medium Assam B.P.	2 4 0 to 2 6 0	2 9 0 to 2 9 6
Best CTC Assam B.P.	4 0 0 to 5 0 0	3 3 0 to 3 4 0

At the Internal Sale, Dust offerings consisted of 13,241 packages which included 522 chests of Old Season's teas. There was a poor general demand, with black exportable types being the weakest feature of the sale, and these showed a decline of 4 annas and sometimes more, while withdrawals in this category were heavy. There was also less demand for C.T.C. Assams which were 2 to 4 annas easier. Mediums were 2 to 4 annas easier, while Darjeelings shared in the general decline. Common sorts were generally firm, while the commonest kinds were well supported and were 2 annas and sometimes more dearer.

Quotations

	1956	1955
Medium Doonars Dust	1 7 0 to 1 8 0	2 5 0 to 2 5 6
Medium Assam Grainy Dust	1 9 0 to 1 10 0	2 7 0 to 2 8 6
Best Assam CTC Dust	3 0 0 to 3 4 0	2 14 0 to 3 0 0

Leaf offerings amounted to only 312 packages for which there was a poor enquiry at lower rates.

SUGAR MARKET EASY

During the week ended 1st August, sales in the Calcutta market averaged 3,000 bags daily. Arrivals a day were 7,000 bags and stocks totalled 160,000 bags. Rates for ready sugar, ex-Kantapukur delivery, were Rs. 31-6 for ordinary grain and Rs. 33-8 for big grain. The market went dull and prices eased by Rs. 1-3 to Rs. 1-12.

LINSEED

Generally firm conditions prevailed last week, and prices advanced appreciably. Fairly good enquiries have been noted, but trading has been rather poor because of an acute shortage of ready goods and very firm advices from the centres. Prices in the oil section have displayed a noticeable advance in sympathy with mustard oil. There was however little chance of fresh export business. Local enquiries have been good. Latest quotations were as follows:—Ready-August Rs. 22-12 a maund.

HIDES AND SKINS DULL

The market was dull. Stocks were higher than in the previous week.

Bazaar Sales

(Between 24th July and 30th July, 1956)

Cowhides: Wet salted (Ord.) 25,000 pcs. on the basis of Rs. 5-4 to Rs. 7; Wet salted (Slaughtered) 17,500 pcs. on the basis of Rs. 11-8 to Rs. 20.

Goatskins: Wet salted (Daissee, Killed) 39,500 pcs. on the basis of Rs. 205, Rs. 230 to Rs. 250 and Rs. 330 to Rs. 340; Purneah-Kissenganj-Maldah 5,600 pcs. on the basis of Rs. 170 to Rs. 250; Pakur-Patna 12,000 pcs. on the basis of Rs. 167-8 to Rs. 167-8.

Bazaar Stocks

(30th July 1956)

Cowhides: Wet salted 1,70,000 pcs.
Goatskins: Wet salted (Daissee, Killed) 40,500 pcs.; Assam-Dinajpur-Jalpaiguri 75,000 pcs.; Muzafferpore - Patna - Pakur - Purneah - Kissenganj - Maldah 206,000 pcs.

COMPANY AND PUBLIC NOTICES

KUMARDHUBI ENGINEERING WORKS,
LIMITED.

NOTICE is hereby given that the Twelfth Ordinary General Meeting of KUMARDHUBI ENGINEERING WORKS, LIMITED, will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta, on Friday, the 31st day of August, 1956, at 2-30 P.M., for the purpose of receiving the Directors' Report, passing the Audited Accounts for the year ended 30th November, 1955, declaring the Dividends recommended by the Directors, electing a Director and appointing Auditors.

The Share Registers of the Company will be closed from the 16th August to the 31st August, 1956, both days inclusive.

By Order of the Board,
BIRD & CO. (PRIVATE) LIMITED,
Managing Agents.

Chartered Bank Bldgs.,
Calcutta, 28th July, 1956.

NOTE—

1. A member entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote in his stead. Such proxy need not be a member of the Company.
2. The Dividends, if sanctioned, will be paid on or after 10th September, 1956, to those Shareholders so entitled whose names appear in the Company's books on the 31st August, 1956, or to their mandates. No application for Dividend Warrants will be necessary.

THE KARANPURA DEVELOPMENT COMPANY
LIMITED.

NOTICE is hereby given to the members of the abovenamed Company that an Annual General Meeting within the meaning of the Companies Act, 1956, (being the Seventieth Ordinary General Meeting of the Company) will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta, on Saturday, the 4th August, 1956, at 10 A.M. for the purpose of receiving the Report of the Directors, passing the Audited Accounts for the half-year ended 31st December, 1955, declaring the Dividends recommended by the Directors, electing Directors and Auditors and for transacting any other ordinary business of the Company.

The Share Registers of the Company will be closed from the 21st July to the 4th August, 1956, both days inclusive.

By Order of the Board,
BIRD & CO. (PRIVATE) LIMITED,
Managing Agents.

Calcutta, 3rd July, 1956.

NOTE: 1. A member entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote in his stead. Such proxy need not be a member of the Company.

2. The Dividends, if sanctioned, will be paid on or after 11th August, 1956, to those shareholders so entitled whose names appear in the Company's books on the 4th August, 1956 or to their mandates. No application for Dividend Warrants will be necessary.

THE PUNJAB NATIONAL BANK LTD.
'SHREE NIWAS', 8, UNDERHILL ROAD, DELHI.

Notice of Interim Dividend.

THE Directors of the Punjab National Bank Limited, Delhi, have decided to pay an Interim Dividend @ Rs. 2/- per share, free of Income-tax, for the current year, at the Registered Office of the Bank at Delhi on or after the 1st September, 1956, to the shareholders whose names stand on the Register of Members of the Bank as on 27th August, 1956.

The Transfer Books and Register of Members of the Bank will remain closed from 28th August, 1956 to 31st August, 1956 (both days inclusive).

By Order of the General Board of Directors,
R. L. TULL,
Offg. General Manager.

Delhi, 19th July, 1956.

DISHERGARH POWER SUPPLY CO. LTD.

THE Board of Directors has today decided to recommend to the forthcoming General Meeting of the Shareholders the following Dividends without any deduction in respect of Taxation payable by the Company for the year ended 31st March, 1956.

At the rate of Rs. 5/- per share on the "A" Pref. Shares.

At the rate of Rs. 4/8/- per share on the "B" Pref. Shares.

At the rate of Rs. 6/- per share on the Ordinary Shares.

By Order of the Board,
ANDREW YULE & CO., LTD.,
Managing Agents.

Calcutta, 28th July, 1956.

ALLIANCE JUTE MILLS COMPANY, LIMITED.

NOTICE is hereby given that the One Hundred and Twenty-second Annual General Meeting of the Shareholders of ALLIANCE JUTE MILLS COMPANY, LIMITED, will be held at McLeod House, No. 3, Netaji Subhas Road, Calcutta, the Registered Office of the Company, on Tuesday, the 28th August, 1956, at 3 P.M., for the following purposes:—

- (1) To receive and adopt the Directors' and Auditors' Reports and to pass the Accounts for the half-year ended 31st December, 1955.
- (2) To declare a Dividend on the Preference Shares.
- (3) To appoint a Director in place of Mr. H. J. Silverston who retires by rotation, but who is eligible for re-appointment.

And, in this connection, to consider, and if thought fit, to pass the following resolution as a Special Resolution of which Special Notice as required by Section 261 of the Companies Act, 1956, has been received by the Company and the relative explanatory statement concerning which, as required by Section 173 of the said Act, is annexed hereto.

To be proposed as a Special Resolution.

"That Mr. H. J. Silverston an Associate of McLeod & Co. Ltd., the Managing Agents of the Company who retires by rotation be and is hereby re-appointed a Director of the Company."

- (4) To consider, and if thought fit, to pass the following ordinary Resolution pursuant to Section 293(1) (d) of the Companies Act, 1956, the relative explanatory statement, as required by Section 173 of the said Act, being annexed hereto:—

"That the Board of Directors be and is hereby permitted with effect from the commencement of the Companies Act, 1956, to borrow moneys from time to time for the carrying on of the business of the Company notwithstanding that the moneys to be borrowed, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) will exceed the aggregate of the paid-up Capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose."

- (5) To appoint Auditors for the year 1956 and to fix their remuneration.

A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member.

The Share Transfer Books of the Company will be closed from 6th August '56 to 28th August '56, both days inclusive.

By Order of the Board,
MCLEOD & CO. LTD.,
A. T. DOIG,
Managing Director,
Managing Agents.

3, Netaji Subhas Road,
Calcutta, 26th July, 1956.

NOTE:—Payment of the proposed dividend, if declared, will be made on or after 28th August, 1956, only to those members whose names are registered in the Books of the Company on the 28th August, 1956, or to their Mandates.

No application for Warrants will be necessary. Claims on behalf of holders of shares on blank transfer will not be entertained.

EXPLANATORY STATEMENTS.

1. In the Special Notice given to the Company of the resolution under item No. 3 of the above Notice, it has been pointed out that Mr. H. J. Silverston is an Associate of the Managing Agents and, in view thereof, it will be necessary for the Shareholders to pass a Special Resolution in accordance with Section 261 of the Companies Act, 1956, if they decide to re-appoint him as a Director of the Company.

2. The resolution under item No. 4 of the above Notice is intended to provide the Board of Directors with the necessary authority to enable them to borrow moneys from time to time for the Company's business in excess of the paid-up capital of the Company and its free reserves pursuant to Section 293(1)(d) of the Companies Act, 1956.

TIDE WATER OIL CO. (INDIA) LTD.

THE Board of Directors has today declared an interim dividend for the half-year ended 30th April, 1956 of -/8/- per share without any deduction in respect of taxation payable by the Company.

By Order of the Board,
ANDREW YULE & CO. LTD.,
Managing Agents.

Calcutta, 25th July, 1956.

THE HOOGHLY FLOUR MILLS COMPANY, LTD.

NOTICE is hereby given that the Annual General Meeting of the Members will be held at the Registered Office of the Company, No. 4, Bankshall Street, Calcutta, at 4 P.M. on Thursday, the 30th August, 1956, for the following purposes:—

- (1) To receive and adopt the Directors' Report and the Audited Accounts for the half-year ended 31st December, 1955.
- (2) To declare a Dividend.
- (3) To elect a Director.
- (4) To appoint Auditors and to fix their Remuneration.
- (5) To consider and if thought fit to pass the following Resolution as a Special Resolution:—

"Resolved that the appointment of Messrs. Chaudri & Co., as Sole Banians of the Company on the terms and conditions set out in an Agreement dated 27th March, 1945, for the period 1st January, 1945 to 31st December, 1959, be and is hereby approved.

- (6) To consider and if thought fit to pass the following Resolution as a Special Resolution:—

"Resolved that an Agreement be entered into between the Company and Messrs. Shaw Wallace & Co. for a period of 5 years from 1st April, 1956, whereby the Company will purchase from Shaw Wallace & Co., and Shaw Wallace & Co. will sell to the Company, goods of the description and quantities set out hereunder at the prices hereunder described, delivery of such goods to be as mutually agreed, such Agreement not to impose any obligation upon either Shaw Wallace & Co., or the Company for the former to sell or the latter to purchase more than the maximum quantities as specified below, but all purchases of goods in excess of such maximum quantities hereunder specified shall be purchased and sold under and in pursuance of the terms of the Agreement above referred to."

Description of Goods.	Maximum Quantity.	Price.
New Gunny Bags	3,00,000 per annum	Market price prevailing at dates of orders.

The Transfer Register will be closed from the 23rd August, 1956 to 30th August, 1956, both days inclusive.

N.B.—A Member entitled to attend and vote at the Meeting is entitled to appoint a Proxy who need not be a Shareholder of the Company. If it is desired to use a Proxy, the same should be completed in the manner described by Section 176(5) of the Companies Act, 1956, and delivered at the Registered Office of the Company at least 48 hours before the time fixed for the Meeting.

By Order of the Board,
SHAW WALLACE & COMPANY LTD.,
Managing Agents.

Calcutta, 25th July, 1956.

Explanatory Statement for Item No. 5 above. Under the provisions of Section 294 of the Companies Act, 1956, the appointment of Sole Selling Agents prior to the 15th February, 1955, requires to be confirmed by the Members in General Meeting.

Chaudri & Co. have been actively associated with the Company since its inception and the prosperity of the Company is in no small measure due to their Industry, energy and foresight. They have acted as Sole Banians for the Company for very many years and an Agreement, officially appointing them as such for 15 years as and from the 1st January, 1945, was entered into on the 27th March, 1945. The remuneration currently payable to the Sole Banians under this Agreement is as follows:—

- (1) Commission of 1% on all sales of Wheat Products with an additional 1% on all sales guaranteed by the Banians.
- (2) Commission of 1% on all sales of old gunnies, refractions and waste products.

The Agreement is open to inspection by any Member of the Company at the Registered Office on any working day during normal office hours.

Explanatory Statement for Item No. 6 above. Under the provisions of Section 360 of the Companies Act, 1956, a special resolution is required to approve a contract between a Company and its Managing Agents, or an Associate of its Managing Agents, for inter alia, the sale, purchase or supply of any property, movable or immovable.

For very many years, the Company has obtained its requirements of Gunny Bags from Messrs. Shaw Wallace & Co., who, as one of the leading Calcutta shippers of Gunnies, are in a position to obtain the Company's supplies for it on favourable terms. It is therefore considered that the Company will benefit by a continuance of this arrangement.

Since the Managing Agents are a Partner in the firm of Shaw Wallace & Co., the latter might be held to be an associate of the Managing Agents within the meaning of the Companies Act, 1956, and this resolution is required to regularise this arrangement and authorise its continuance.

Mr. C. I. M. Arnold, a Director, is an employee of Shaw Wallace & Co. Ltd., and is to that extent interested in the above Agreement.

THE BHULANBARAREE COAL COMPANY,
LIMITED

NOTICE is hereby given to the members of the abovenamed Company that an Annual General Meeting within the meaning of the Companies Act, 1956, (being the Ninety-ninth Ordinary General Meeting of the Company) will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta, on Tuesday, the 28th August, 1956, at 10-30 A.M., for the purpose of receiving the Report of the Directors, passing the Audited Accounts for the half-year ended 31st December, 1955, electing Directors and Auditors and for transacting any other ordinary business of the Company.

The Share Register of the Company will be closed from the 14th to the 28th August, 1956, both days inclusive.

By Order of the Board,
F. W. HEILGERS & CO. (PRIVATE) LIMITED,
Managing Agents.

Calcutta, 26th July, 1956.

NOTE—A member entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote in his stead. Such proxy need not be a member of the Company.

INDIAN COPPER CORPORATION LIMITED.

The following are the returns for the quarter ended 30th June, 1956:—

Ore treated	S/Tons.	101093
Average value of ore treated		2.171
Refined Copper produced	L/Tons.	1901
Refined Copper issued to Mine		2
Rolled Brass Produced		1596
Rolled Brass issued to Mine		.08
Y. M. Circles Produced		109
Rolled Copper Produced		62

The results of development work carried out on the properties of the Corporation during the quarter under review are as follows:—

	Footage developed.	Footage sampled.	Footage payable.
Mosaboni	2473	2198	1045.5
Badia	137	137	39.5

By Order of the Board,
GILLANDERS ARBUTHNOT & COMPANY LIMITED,
Managing Agents.

Clive Buildings,
Netaji-Subhas Road,
Calcutta, 17th July, 1956.

THE MIM TEA COMPANY LTD.

THE Board of Directors has decided to recommend to the forthcoming Annual General Meeting of Shareholders a dividend of Rs. 15/- per share in respect of the year ended 31st December, 1955, without any deduction in respect of taxation payable by the Company.

By Order of the Board,
ANDREW YULE & CO. LTD.,
Managing Agents.

Dated
Calcutta the 25th July, 1956.

RAJGARH TEA COMPANY LTD.

THE Board of Directors has decided to recommend to the forthcoming Annual General Meeting of Shareholders a dividend of Rs. 2/8/- per share in respect of the year ended 31st December, 1955, without any deduction in respect of taxation payable by the Company.

By Order of the Board,
ANDREW YULE & COMPANY LTD.,
Managing Agents.

Dated
Calcutta the 25th July, 1956.

CHOONABHUTTI TEA COMPANY LTD.

THE Board of Directors has decided to recommend to the forthcoming Annual General Meeting of Shareholders a dividend of Rs. 6/8/- per Share on the Preference Shares and a dividend of Rs. 20/- per Share on the Ordinary Shares, in respect of the year ended 31st December, 1955, without any deduction in respect of taxation payable by the Company.

By Order of the Board,
ANDREW YULE & COMPANY LTD.,
Managing Agents.

Dated
Calcutta, 26th July, 1956.

THE MURPHULANI (ASSAM) TEA CO. LTD.

THE Board of Directors has decided to recommend to the forthcoming Annual General Meeting of Shareholders dividends of Rs. 1/12/- per share on the preference ordinary shares and Rs. 1/4/- per share on the ordinary shares, in respect of the year ended 31st December, 1955, without any deduction in respect of taxation payable by the Company.

By Order of the Board,
ANDREW YULE & COMPANY LTD.,
Managing Agents.

Dated
Calcutta the 25th July, 1956.

KUMARDHUBI ENGINEERING WORKS,
LIMITED.

THE Board of Directors have recommended the payment of the following Dividends for the year ended 30th November, 1955.

On Preference Shares at the rate of 5 per cent per annum without any deduction for Income Tax paid by the Company.

On Ordinary Shares at Eight Annas per share without any deduction for Income Tax paid by the Company.

By Order of the Board,
BIRD & CO. (PRIVATE) LIMITED,
Managing Agents.

Chartered Bank Buildings,
Calcutta, 27th July, 1956.

COMPANY MEETINGS AND DIVIDENDS
DECLARED OR PROPOSED

Name of Company	Date	Hour L.S.T.
Investment & Finance Co., Ltd.	3-8-56	11 a.m.
General Investment & Trust Co., Ltd.	3-8-56	11-5 a.m.
Karanpura Development Co. Ltd.	4-8-56	10 a.m.
Shree Sitaram Sugar Co., Ltd. (E)	13-8-56	4 p.m.
Bareilly Electricity Supply Co. Ltd.	16-8-56	11 a.m.
Saugor Electricity Supply Co. Ltd.	16-8-56	11-10 a.m.
Upper Ganges Valley Electricity Supply Co. Ltd.	20-8-56	11 a.m.
Balmer Lawrie & Co., Ltd.	20-8-56	Noon
Birla Jute Mfg. Co., Ltd.	22-8-56	3-30 p.m.
Bhulanbararee Coal Co., Ltd.	28-8-56	10-30 a.m.
Alliance Jute Mills Co., Ltd.	28-8-56	3 p.m.
Hooghly Flour Mills Co., Ltd.	30-8-56	4 p.m.
Kumardhubi Engineering Works, Ltd.	31-8-56	2-30 p.m.

(E) Extraordinary General Meeting.

DIVIDENDS DECLARED OR PROPOSED—Mim Tea Co., Ltd.—Rs. 15 per share. Murphulani (Assam) Tea Co., Ltd.—Rs. 1-4 per share (o) and Rs. 1-12 per share (P.O.) Rajgarh Tea Co., Ltd.—Rs. 2-8 per share. Punjab National Bank Ltd.—Rs. 2 per share (Int). Kumardhubi Engineering Works, Ltd.—Annas 8 per share (o). Choonabhutti Tea Co., Ltd.—Rs. 20 per share (o). Tide Water Oil Co. (India) Ltd.—Annas 8 per share. Dishergarh Power Supply Co., Ltd.—Rs. 6 per share (o). Straw Products Ltd.—10 p.c. Triton Insurance Co., Ltd.—45 p.c. Jost's Engineering Co. Ltd.—8 p.c.

O—Ordinary Dividend. In—Interim Dividend.
P—Preference Dividend. L—Less Income Tax.
P.O.—Preferred Ordinary Dividend. F—Final Dividend.
D.—Deferred Dividend. C.—Cumulative.

† Less Tax at 8s 6d in the £

Mr. Eugene R. Black, president of the World Bank, has announced the formation of the International Finance Corporation, and the appointment by its board of directors of Mr. Robert L. Garner as president of the Corporation. The I.F.C. is now established as an affiliate of the World Bank with the purpose of encouraging the growth of productive private enterprise, particularly in the less developed areas of the world. Mr. Black has made this announcement in his capacity as chairman of the board of directors of the Corporation.

A £300,000 contract to build a sugar factory in India has been obtained by a Glasgow firm. The factory is to be built for a Calcutta company, and will be located in Ahmedpur, West Bengal.

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4, Fairlie Place,

CALCUTTA.

ANALYTICAL

JOINT STOCK COMPANIES' DEBENTURES

Exchange Associations and other sources.

Wednesday 1st August, 1956.

Amount Authorised	Amount Outstanding	Rate of interest per cent	NAME OF COMPANIES	Year of Issue	MARKET PRICE			Interest Payable	Principal Repayable	Remarks.
					1-8-56	25-7-56	A year ago			
					Rupees	Rupees	Rupees			
			(CALCUTTA)							
			COAL							
30,00,000	30,00,000	4½	Bharat Collieries	1944	95½	95½	95½	30th April 31st Oct	30-6-56	..
20,00,000	20,00,000	4	Burrakur Coal Co. Ltd.	1947	91½	91½	91½	30th June 31st Dec.	30-6-67	(G*)
50,00,000	50,00,000	5½	Equitable Coal Co. Ltd.	1953	100	100	99½	15th June 15th Dec.	14-12-68	(I*)
2,00,000	2,00,000	4½	Sendra Coal Co., Ltd.	1947	88	88	88	30th June 31st Dec.	30-6-67	..
			COTTON MILL							
4,00,000	4,00,000	4½	Bengal Nagpur	1897	98½	98½	99	10th May 10th Nov.	15-11-56	(i)
			JUTE MILLS							
15,00,000	12,00,000	5½	Agarpara	1939	99	99	99½	1st Oct. 1st April	31-3-69	..
15,00,000	15,00,000	4	Auckland	1945	90	90	90½	30th June 31st Dec	15-7-66	(F)
9,00,000	6,00,000	5½	Alexandra	1938	99	99	100	30th June 31st Dec	30-6-69	(g)
10,00,000	10,00,000	5½	Bengal	1940	99	99	99½	30th June 31st Dec	30-6-65	(b)
12,00,000	10,69,000	5	Chitavalah	1951	96	96	96	30th June 31st Dec	30-6-56	(er)
25,00,000	25,00,000	5½	Dalhousie	1954	99½	99½	99	31st Mar 30th Sept.	31-3-69	(u*)
10,00,000	8,86,000	5	Empire	1951	94½	94½	95	15th Jan 15th July	15-7-66	(e*)
25,60,000	25,00,000	5½	Fort Gloster	1952	100	100	100	31st Mar 30th Sept	30-6-66	(Q*)
30,00,000	30,00,000	5½	Howrah	1955	99	99	100	31st Mar 30th Sept	31-3-70	(N)
25,00,000	25,00,000	3½	Hukumchand	1947	92½	92½	92	1st Jan 1st July	30-6-57	(n)
25,00,000	25,00,000	5	Kinnison	1949	96½	96½	96½	30th June 31st Dec.	31-12-64	(I*)
25,00,000	25,00,000	5	Naihati	1952	98	98	98	30th June 31st Dec.	31-3-67	(I*)
5,00,000	5,00,000	4½	Nellimarla	1939	93	93	93	14th Nov 14th May	14-5-59	(d)
20,00,000	20,00,000	4	Northbrook	1945	88	88	88	30th June 31st Dec.	31-12-64	(B)
8,00,000	8,00,000	4	Presidency	1943	93	93	93	30th June 31st Dec	30-6-58	..
25,00,000	25,00,000	5	Reliance	1950	91	91	91	31st Mar 30th Sept	14-9-57	(M*)
8,00,000	8,00,000	4½	Soorah	1937	96	96	96	14th Mar 14th Sept	31-3-68	(J*)
25,00,000	25,00,000	5	Standard	1953	95½	95½	95½	30th June 31st Dec.	30-6-57	(r)
12,00,000	12,00,000	4½	Union	1953	96½	96½	96½	31st Jan 31st July	31-7-60	(h)
10,00,000	10,00,000	3½	Waverley	1925	28	28	28	30th June 31st Dec.	30-6-70	..
25,00,000	..	5½	Kamarbhaty	1955	98	98	..	30th June 31st Dec.	30-6-70	..
			MISCELLANEOUS							
30,00,000	26,80,000	4½	Associated Hotels of India (1st Mortgage)	1948	1,000	1,000	1,000	1st Jan 1st July	31-12-62	(v)
11,50,000	9,40,000	6½	Associated Hotels of India (2nd Mortgage)	1948	96	96	96	1st April 1st Oct.	31-3-60	(o)
10,00,000	10,00,000	5	Aluminium Corp. of India Ltd.	1948	98	98	98	1st Jan 1st July	31-12-65	(U)
5,00,000	5,00,000	4½	Bareilly Electric Supply Co. Ltd.	1949	92	92	92	30th June 31st Dec	31-12-64	(m*)
12,00,000	12,00,000	4½	Benares Elec. Ltd. & Power Co. Ltd.	1949	94	94	94	30th June 31st Dec.	31-12-64	(m*)
6,00,000	4,90,500	4½	Bengal Paper Mills	1937	97	97	97	30th June 31st Dec	30-6-57	(b)
25,00,000	15,00,000	5½	Buckingham & Carnatic Co. Ltd.	1953	99	99	99	31st Mar 30th Sept	31-3-68	(R*)
1,00,00,000	90,00,000	5	Buckingham & Carnatic Co. Ltd.	1952	98	98	99	1st April 1st Oct.	1-3-72	(T*)
3,00,000	2,00,000	5	Bridge & Roof (India)	1928	98	98	99	30th June 31st Dec.	30-6-68	(k)
5,00,000	5,00,000	5½	Britannia Engineering	1945	96	96	99	30th June 31st Dec.	31-12-69	(g)
8,00,00,000	8,00,00,000	5½	Burma Shell Refineries Ltd.	1954	103	103	102½	1st Mar 1st Sept.	1-9-69	(K*)
2,66,00,000	2,45,01,800	5	Calcutta Elec. Supply Corp.	1950	99½	100	100½	1st Jan 1st July	2-1-1970	(*)
£350,000	£350,000	4½	Calcutta Tramways	1900	£66½	£66½	£66½	1st Jan 1st July	1-10-74	(w)
£250,000	£189,363	5	Do.	1933	£77½	£77½	£77½	1st April 1st Oct.	1-10-74	(y)
19,50,000	19,50,000	6	Carew & Co.	1938	99½	99½	100	1st June 1st Dec.	1-6-63	(s)
5,50,000	4,00,000	5½	Do (2nd Mortgage)	1941	95	95	95	1st Mar 1st Sept.	28-2-69	(j)
21,00,000	21,00,000	5	Chowringhee Properties	1915	92	92	92	1st Feb 1st Aug.	1-2-64	..
26,00,000	26,00,000	5	Do (2nd Mortgage)	1945	88	88	87	1st Feb 1st Aug.	1-2-64	..
25,00,000	21,54,000	4½	Clive Buildings	1936	89½	89½	89½	1st July 1st Jan.	1-7-86	(A)
1,00,00,000	1,00,00,000	4	Dalmia Cement	1936	92	92	90	31st Mar 30th Sept	1960	(p)
1,30,00,000	1,30,00,000	5	Dunlop Rubber Co. (I) Ltd.	1950	101	101	102½	1st Jan 1st July	1-1-71	(e*)
25,00,000	25,00,000	4	Gourepore Electric Supply	1945	85½	85½	87	30th June 31st Dec.	31-12-70	(x)
£1,500,000	£1,146,600	4½	Indian Iron & Steel (1st Mortg.)	1936	£88	£88	£96	1st Jan 1st July	31-12-56	(z)
1,00,00,000	1,00,00,000	5½	Indian Cable Co. Ltd.	1954	105	105	104	1st Jan 1st July	30-6-69	(I*)
20,00,000	20,00,000	5½	Kumardhubi Fireclay & Silica Works	1954	1,000	1,000	1,000	31st Dec.	31-12-69	(D*)
10,00,000	10,00,000	4	Kumardhubi Eng. Works Ltd.	1946	87	87	86	31st May 30th Nov.	31-5-71	(O)
£50,000	£50,000	4	Katakhal Lalabazar Rly	1945	90½	90½	90½	30th June 31st Dec	31-12-59	(a*)
40,00,000	38,08,500	4	Martin Burn Ltd. (Con. Notes)	1946	550p note	550p note	540 note	31st Mar 30th Sept	30-9-76	(I*)
45,00,000	45,00,000	4	McLeod & Co. Ltd. (Con. Notes)	1947	470p note	470p note	475p note	30th June 31st Dec.	31-12-72	(P*)
1,00,00,000	75,00,000	5	Macneill & Barry Ltd.	1951	90½	90½	90½	1st April 1st Oct.	1-4-71	(S)
12,00,000	12,00,000	4	National Tobacco Co. India Ltd.	1946	84½	84½	85	30th June 31st Dec	30-6-66	(V)
1,00,00,000	1,00,00,000	5½	Orient Paper Mills Ltd.	1951	97	96½	98	31st Mar	31-6-61	(*)
20,00,000	20,00,000	5	Patna Electric Supply Co. Ltd.	1949	95½	95½	95½	31st May 30th Nov.	1-12-64	(q*)
6,00,000	6,00,000	5½	Ramnugger Cane & Sugar Co.	1936	99½	99½	99½	30th June 30th Dec.	30-12-56	(b)
1,00,00,000	1,00,00,000	4	Rohas Industries Ltd.	1946	91½	91½	90½	30th June 31st Dec.	31-12-59	(H)
400,00,000	400,00,000	5	Standard Vacuum Rfg. Co. of India	1953	104½	104½	104	1st May 1st Nov.	15-7-66	(*L)
10,00,000	10,00,000	4½	Shree Gopal Paper Mills Ltd.	1944	101	101	101	Jan & July	1-5-69	(E*)
£200,000	£200,000	4½	Shabdara (Delhi) Saharanpur Rly.	1905	£85½	£85½	£85½	1st Jan 1st July	30-6-76	(C*)
15,00,000	15,00,000	5	Sijua Jherriah	1951	96	96	96	1st Jan 1st July	31-12-60	(*)
40,00,000	40,00,000	6	Textile Machinery Corp. Ltd.	1950	101	101	100½	31st Dec	31-12-64	(m*)
30,00,000	30,00,000	4½	United Provinces Elec. Sup. Co. Ltd.	1949	96	96	96	30th June 31st Dec.	31-12-64	(m*)
			TEA							
2,50,000	2,50,000	6	Baitakhal	1943	100	100	100	30th June 31st Dec.	1-7-63	..
			(BOMBAY)							
1,10,00,000	98,28,000	4	Andhra Valley Power Supply.	1940	100½	100½	100½	1st April 1st Oct.	1952	..
60,00,000	50,00,000	4	Tata Power.	1941	100½	100½	100½	..	1951-55	..

(P) Redeemable at par on 31st Dec., 1972 with option to re-

deem at par at any time on 6 months notice after 30th June, 1958. At any time after 31st Dec., 1948 each note of Rs. 500 may be converted into two ordinary shares

(Q) With option to redeem annually Rs. 2,00,000 at par

(B) May be redeemed annually at par by drawing after

(17) may be redeemed annually on or after the 10th year; also the whole issue at 101% on or after 31-3-63.

(T) (Option to repay at par on 6 months' notice) after

(U) (Option to repay on 3 months' notice). At any time after 31st December, 1960.

(V) May be redeemed at par on 30-6-56 or any subsequent interest date on one month's notice.

transfer deeds.

JOINT STOCK COMPANIES PREFERENCE SHARES

Dividends are cumulative and shares carry a preferential claim on the property for the payment of capital and on the profits for dividend except in case of companies marked otherwise. Months against names of companies indicate approximately times of payment of dividends.

Year of Issue	NAMES	Amount Issued in 1000	Rate per cent	Paid-up per Share	Market Quotations		Year of Issue	NAMES	Amount Issued in 1000	Rate per cent	Paid-up per Share	Market Quotations	
					1-8-56	A year ago						1-8-56	A year ago
BANK.													
1901	Allahabad Bank (May Nov.)	15.00	6	100	120	131½	1920	Birds Investments (Dec.)	24.00	5½T	100	78½	80½
COAL.													
1905	Bengal Nagpur (Feb. Aug.)	11.25	7	100	105	118	1935-9	Bombay Steam Navigation (July)	15.00	5T	250	153	15
1899-01	Borra (June Dec.)	4.00	6½	100	110	119	1935-1	Britannia Biscuit (Feb. Aug.)	15	8	10	153	15
1901-20	Durratpur (June Dec.)	22.98	6½	100	111	125	1935-1	BritishLeytonCorporation(14) (Apr. Mar.)	7.50	6	5	99	11
1895	Equitable (May Nov.)	4.00	5T	10	73	81	1935-1	British India Corporation (Feb.)	81.00	8	100	123	138
1931	Khas Kajora (Mar. Sept.)	1.93	6	10	5	2	1935-1	Burn Eng (1st & 2nd) (Feb. Aug.)	13.00	7	100	138	145
1920	New Beerboom (Jan. July)	2.00	7	10	12	13	1935-1	Burn Engineering (Feb. Aug.)	15.00	6	10	121	124
1898-99	Jodal (June Dec.)	2.00	6½	100	110	113	1935-1	Calcutta Electric Supply (Mar. Sept.)	£1,900	5	51	11½	12½
COTTON MILLS.													
1906	Ahmedabad Advance (Apr. Oct.)	10.00	9	100	110	110	1935-1	Calcutta Silk Manufacturing (July Jan.)	2.00	6	100	55	60
1884	Bangalore (Jan. July)	6.00	9	100	125	128½	1935-1	Calcutta Tramways (Jan. July)	£250	5T	100	8½	9½
1938	Basanti (Oct.)	5.00	6½	10	8	8	1935-1	Carew & Co (January)	8.00	6½	100	101	104
1930	Bowreah 'A' (Apr. Oct.)	5.00	7	100	99	116	1935-1	Cawnpore Sugar Works (Feb. Aug.)	10.00	8	100	137	143
1900	Bowreah 'B' (6) (1) (Apr. Oct.)	6.00	8	100	126	135	1935-1	Chrestien Mica Industries Ltd.	30.00	5½T	100	59	63
1919	Bradbury 'B' (Jan. Dec.)	14.75	7	250	324	324½	1935-1	Dacca Electric Supply (July)	6.00	6	100	101	100
1920	Buckingham & Carnatic (Jan. July)	21.30	7½	100	144	139½	1935-1	Daimia Cement (Bharat)	3.50	6	100	101	100
1928	Cambodia (Jan. July)	1.00	7	100	122½	123	1935-1	Daimia Cement (Bharat)	3.50	6	100	101	100
1912	Central India (Apr. Oct.)	50.00	5	500	531½	531½	1935-1	Delhi Flour Mills (Oct.)	9.00	7T	100	133	133
1912	Delhi Cloth & General (Oct.)	20.00	4½	25	20	20	1935-1	Deshgarh Power Supply 'A' (Jan.)	16.00	5	100	102	104
1912	Elgin (May Nov.)	11.00	5	100	135½	143	1935-1	Deshgarh Power Supply 'B' (Jan.)	12.00	4½	100	93	91½
1943	Elgin 'B'	4.20	5	10	91	91	1935-1	Dunlop Brothers & Co. Ltd.	45.00	4	100	64	72½
1919	Elphinstone (May Nov.)	25.00	7T	100	87½	87½	1935-1	Dunlop Rubber 'First' (Jan. July)	30.00	6	100	125	126
1919	Kesoram (June Dec.)	20.00	7	100	130	133	1935-1	Dunlop Rubber 'Second' (Apr.)	40.00	5T	100	96	101½
1925	Khatas Makani (Nov.)	10.00	6	100	88	88	1935-1	East India Distilleries (Jan. July)	£200	7	21	17½	17½
1937	Kothari (Nov.)	12.00	6	10	108	109	1935-1	Eastern Investments Ltd (Apr.)	2.500	5T	100	—	—
1900	Mul (Feb. Aug.)	30.00	6	100	87	89	1935-1	General Investment & Trust (Feb. Aug.)	1.00	5	100	75	77½
1913	New Great Eastern (Mar.)	3.00	5½	200	18½	185	1935-1	General Investment & Trust (Feb. Aug.)	1.00	5T	100	65	70
1920	New Victoria (Apr. Oct.)	26.00	6	5	5½	3½	1935-1	Gillanders Arbuthnot (Apr. Oct.)	2.50	5T	100	68	73
1933	Palani Andavar (Mar.)	2.00	7	50	58½	58½	1935-1	Gladstone Lyall & Co. Ltd.	15.00	6T	100	66	66
1935	Swadeshi (Bombay) (May)	35.00	6	100	115	115	1935-1	Godfrey Phillips India Ltd.	50.00	5½T	100	68½	68½
1927	Swadeshi (Cawnpore) (Mar.)	3.00	6½	100	113	120	1935-1	Gwalior Sugar (Redeemable) (Dec.)	5.75	7	100	68	66
1931	Vasanta (Apr. Oct.)	16.00	7	500	550	550	1935-1	Gwalior Sugar (Dec.)	5.00	7	100	68	66
1908	Vishnu (Apr.)	16.00	7	500	550	550	1935-1	Humayun Properties Ltd (Nov.)	12.00	6	10	10½	10½
JUTE MILLS.													
1927	Agarpara (Jan. July)	10.00	7	100	112	112	1935-1	Indian Aluminium (Mar. Sept.)	40.00	5T	100	86	71
1905	Alexandra (Feb. Aug.)	4.00	7	100	100	106	1935-1	Indo Burma Petroleum (Jan. July)	30.00	7T	100	108½	106
1896	Alliance (Mar. Sept.)	4.00	6	100	96	103½	1935-1	Indo General Navy & Railways	£244	6	210	85	78
1917	Anglo-India (May Nov.)	40.00	7	100	109	120½	1935-1	Indian Cable Co (Nov.)	12.88	6	10	33½	27
1908	Auckland (July Jan.)	10.00	5½	100	90	96½	1935-1	Indian Standard Wagon (Aug. or Sept.)	1.966	7	100	140	141½
1918	Bally (Jan. July)	20.00	4½	100	72	76	1935-1	Indian Iron & Steel	2.695	5	100	109	109
1918	Barnagore (Oct. Dec.)	2.200	7T	100	108	117½	1935-1	Investment and Finance (Feb. Aug.)	2.00	5	100	75	77½
1906	Belvedere (Jan. July)	10.00	5T	100	111	121	1935-1	Investment and Finance (Feb. Aug.)	2.00	5T	100	65	70
1940	Bengal (June Dec.)	10.00	5	100	92	100	1935-1	James Wright (Jan. July)	1.30	6	50	41	40
1919	Birla (June Dec.)	23.54	7½T	100	101	106	1935-1	Jardine Henderson Ltd.	50.00	5½T	100	71	80
1896	Budge Budge (May Nov.)	9.00	7	100	109½	120	1935-1	Jessop & Co.	10.00	5	100	102	105½
1934	Calcutta (Jan. July)	6.00	6½	100	85	84	1935-1	Jumari General Insurance (Sept.)	4.99	6½	10	—	—
1919	Caledonian (June Dec.)	10.00	7	100	112	118	1935-1	Kumardhubi Engineering (June)	12.00	5	100	103½	109
1919	Cheviot (June Dec.)	10.00	7	100	111	118	1935-1	Do Fireclay & Silica (June)	2.00	7	100	116	116
1928	Chitavalah (Mar. Dec.)	10.00	7	100	111	118	1935-1	Martin Burn Ltd.	30.00	5	100	104½	105½
1905	Clive (First) (May Dec.)	8.00	7	100	91	113	1935-1	McLeod & Co.	10.00	5T	100	69	73
1905	Clive 'A' (Second) (May Dec.)	8.00	7	100	101	105	1935-1	Mettur Chemical & Industrial (Sept.)	40.00	5	100	75	83
903 12	Dalhousie (July Jan.)	15.00	7	100	103	117	1935-1	Metal Box Co of India Ltd.	20.00	6T	100	96	97
1927	Delta (June Dec.)	5.00	5	100	93	94	1935-1	Midnapore Zemindary (Feb.)	8.76	5	100	92	92
1912	Empire (Jan. July)	10.00	7	100	110	115	1935-1	Mysore Chemical Mfg (Sept.)	2.00	5	10	9½	8½
1890-98	Fort Gloster (Jan. July)	14.00	7	100	110	115	1935-1	National Insulated Cable	10.00	5½	100	—	—
1948	Fort Gloster (2nd)	7.00	5	100	118	122	1935-1	National Tobacco (June Dec.)	25.00	4½	100	70	71
1911	Fort William (May Nov.)	10.00	7	100	115	128½	1935-1	National Tobacco (Jan. Dec.)	20.00	4½	100	70	71
1918	Janges (June Dec.)	10.00	7	100	101	105	1935-1	Northern India Oil (Jan. July)	2.00	6	100	48	56
1895-04	Jourapore (June Dec.)	26.50	6	100	98	105	1935-1	Poona Electric Supply Co. Ltd. (June Dec.)	4.00	7	100	103½	103½
1935	Kastings (Aug. Feb.)	25.00	6	100	100	106	1935-1	Premier Construction 'First' (Apr.)	10.00	6½T	100	104	104
1913	Khooly (July)	11.00	10	10	10	10	1935-1	Premier Construction 'Second' (Apr.)	15.00	6½T	100	99½	99½
1906	Kowrah (Jan. July)	7.75	7	100	112	123	1935-1	Purnabore (Sugar) (Oct.)	6.00	10	10	15½	16
1919	Kutcheng (June Dec.)	11.00	7	100	110½	114	1935-1	Ramnagar Cane & Sugar (Aug.)	4.00	6	100	99½	105½
1890-04	Kamarbhat (Apr. Oct.)	40.00	7	100	108½	114	1935-1	Robtas Industries (April)	4.00	6	100	121½	139
1900	Kankannar (Apr. Oct.)	16.00	6	100	99	105	1935-1	Robtas Industries 'B' (Apr.)	36.00	4½	100	63½	70
1935	Kedarnath (Jan. July)	2.00	6	100	102	105	1935-1	Shaw Wallace & Co. Ltd.	75.00	6T	100	84½	84½
1907	Kelvin (Mar. Sept.)	10.00	7	100	110	112	1935-1	Shree Gopal Paper	7.50	6	100	120	125
1895-09	Khardab (May Nov.)	10.00	7	100	110	112	1935-1	Shree Krishna Gyanodaya Sugar 'A' (Oct.)	6.00	6	100	89	100
1900-1	Kinnison (July Jan.)	15.00	7	100	111	119	1935-1	Shree Krishna Gyanodaya Sugar 'B' (Oct.)	6.00	6	100	89	100
1910	Kandowne (July Jan.)	15.00	7	100	111	119	1935-1	Smith Stanistreet (Chemists) (Nov.)	12.00	10	50	70	66½
1912	Lawrence 'A' (July Jan.)	15.00	7	100	110	116½	1935-1	Son Behar Sugar (Oct.)	5.00	7	100	161½	161½
1906-07	Lawrence 'B' (July Jan.)	5.00	7	100	111	117	1935-1	Spencer & Co. 'A' (Provisions) (Jan. July)	23.20	6½T	100	91	91
1905	Naihati (July Jan.)	10.00	7	100	110	116½	1935-1	Spencer & Co. 'B' (Provisions) (Jan. July)	36.80	8½T	100	101	101
1945	Naihati (July Jan.)	7.50	7	100	118	120	1935-1	Sural Paper (Apr. Oct.)	10.00	5	100	82	82
1917	National (May Nov.)	40.00	7	100	119	126	1935-1	Sural Electricity (Apr.)	5.00	6½	100	131	131
1939	Nellimara (Apr. Oct.)	3.00	6	100	104	104	1935-1	Tata Chemicals (Nov.)	80.00	5	100	117½	117½
1915	New Central (Jan. July)	5.00	6	100	101	104	1935-1	Tata Hydro Electric Power (Sept. Mar.)	99.28	7	100	121½	121½
908 9	Northbrook (July Jan.)	33.00	7	100	105½	116	1935-1	Tata Iron & Steel (First) (Nov.)	75.00	6T	150	166½	170
1935	Rameshwara (Jan. July)	15.00	5½	100	85½	92	1935-1	Tata Iron & Steel (Second) (May)	93.82	7½T	100	127½	133
906-12	Reliance (Jan. July)	7.00	6	10	10	10	1935-1	Tatapore (May Nov.)	36.97	7½	100	127½	127½
1901	Sammugger (Feb. Aug.)	2.00	7	100	98	115	1935-1	Tatapore Paper Mills (Mar. Sept.)	11.50	6	100	145	153
1928	Shree Ambica (Mar. Sept.)	£150	7	21	sh 21/16	sh 21/16	1935-1	Tatapore Paper Mills '2nd' (Mar. Sept.)	11.50	6	100	145	153
1920	Soorah (Feb. Aug.)	11.70	7½	100	99	106	1935-1	Vellore Electric (Sept. Mar.)	1.25	6	10	8	8
1895-01	Standard (July Jan.)	10.00	7	100	104	111	1935-1	Vizagapatam Electric Supply (July)	1.00	6½	100	82½	82½
1897	Tatagur (Feb. Aug.)	3.00	6	100	91	103	1935-1	TEA.					
901-02	Union (July Jan.)	£150	6	21	sh 21/16	sh 21/16	1935-						

COAL COMPANIES

O. Po. F. and Dd. indicate Ordinary Preferred Ordinary Founders' and Deferred shares respectively. P. next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1953 1954 1955	Rs.	1-8-56 25-7-56 A year ago
25,50,000	26,43,473	24,50,000	6,60,570	Amalgamated	3-9	236	6,83,393	26,953	5-5 3-5 6-7-1	10	22 22 24
1,00,00,000	1,96,15,288	1,40,49,223	18,85,659	Bengal P	4-10	2	26,18,986	7,31,563	8-7-7 7-7-7 8-8-8	200	538 535 528
4,49,350	3,08,193	70,000	2,24,303	Bengal Bhatdee	6-12	2	15,149	4,951	1-1-1 1-1-1 1-1-1	10	6 6 6
2,25,000	2,52,838	5,34,591	13,899	Bengal Nagpur P	6-12	2	-57,417	-57,417	Nil-Nil Nil-Nil Nil-Nil	10	16 16 11
15,97,000	14,16,665	6,91,475	13,52,076	Bhaigora	9	152	8,13,899	39,970	...	10	6 6 7
40,00,000	68,01,474	20,23,235	32,65,320	Bharat Collieries P	6-12	106	-2,52,221	27,433	...	10	6 6 7
7,15,000	15,71,904	14,27,545	68,818	Bhulanbarare	6-12	106	16,884	-1,65,136	Nil-Nil Nil-Nil Nil-Nil	10	12 12 13
16,00,000	38,87,275	16,18,636	7,185	Bokaro & Ramgur	6-12	315	1,21,936	-79,196	...	10	12 12 15
7,50,000	18,56,889	24,29,026	11,60,065	Borra P	6-12	106	2,14,682	84,207	15-12-1 10-10-1 10-10-1	10	23 23 28
90,92,480	2,38,29,968	1,75,17,502	25,32,133	Burrakur P	6-12	21	11,90,330	1,15,376	1-1-1 2-1-1 3-1-1	10	13 13 15
49,97,000	35,80,075	750	1,75,962	Central India	3	166	1,33,037	14,019	...	10	7 7 8
8,00,000	16,07,573	13,30,519	15,752	Central Kurkud P	6-12	323	34,743	82,768	3-1-1 3-1-1 3-1-1	10	13 13 11
6,00,000	1,43,678	7,32,538	3,59,899	Churulia	6-12	106	-6,374	2,129	...	10	2 2 3
2,24,000	2,76,131	1,20,000	35,989	Dheme Main	6-12	10	70,801	-2,43,279	Nil-Nil Nil-Nil Nil-Nil	10	8 8 9
29,63,760	1,02,83,132	76,84,250	21,79,507	East Indian	6-12	19	51,573	93,266	10-8-3 7-7-7 7-7-7	10	30 30 33
10,00,000	6,74,708	2,07,486	3,32,973	Equitable P	3	307	12,979	24,844	...	10	15 15 17
6,50,000	5,06,856	33,155	4,95,544	Ghuseck & Muslia	6-12	19	24,500	2,401	...	10	22 22 24
8,00,000	2,81,843	6,75,000	5,09,694	Guzdar Kajora	6-12	10	2,58,582	65,461	7-7-7 7-7-7 12-1-1	10	22 22 20
3,50,000	6,31,200	5,66,816	1,407	Hurridadi	2-8	2	1,38,130	-2,21,237	17-10-1 Nil-Nil Nil-Nil	10	20 20 29
15,00,000	31,71,936	24,32,396	25,61,314	Kalanpahari	6-12	21	49,116	17,839	Nil-Nil Nil-Nil Nil-Nil	100	22 22 19
20,00,000	25,67,864	2,27,825	75,106	Karanpura Development	1-7	2	2,23,402	2,661	Nil Nil Nil	100	116 116 125
5,00,000	10,29,548	16,60,000	11,25,332	Karanpura Collieries P	6-12	326	5,92,347	1,37,475	20-20-2 25-30-35	10	60 60 53
1,38,400	6,75,000	95,000	11,80,294	Khat Kajora P	6-12	326	49,776	1,918	...	10	9 9 9
5,65,750	10,84,977	85,000	9,560	Mundulpur	6-12	326	-79,868	-79,868	Nil-Nil Nil-Nil Nil-Nil	10	21 21 21
7,48,240	2,62,442	1,50,000	5,04,429	Nazira	6-12	347	82,501	25,598	...	10	7 7 7
7,00,000	5,13,418	26,617	61,641	New Bansdeopur	3-9	5	59,011	6,071	3-7-7 3-7-7 7-7-7	10	10 10 6
17,76,230	31,15,787	20,00,000	3,78,538	New Beerbhoom P	4-10	2	2,64,716	94,383	5-5 3-3-3 3-3-3	10	20 20 21
6,00,000	11,71,307	75,000	40,447	New Manbhoom	3-9	202	-25,330	2,233	Nil-Nil Nil-Nil Nil-Nil	10	11 11 11
2,50,000	7,69,623	1,75,500	10,12,916	North Damuda	1-7	306	7,954	-32,184	...	10	2 2 2
1,15,000	4,51,490	2,55,193	90,055	North West	3-9	2	29,656	14,968	2-1-1 Nil-Nil 6-7-7	10	19 19 18
7,50,000	1,20,000	12,19,987	23,26,757	Ondal P	6-12	106	22,197	56,646	10-10-1 5-5 5-5	10	15 15 18
8,34,000	9,21,342	10,862	4,36,015	Parasae P	6-12	207	10,075	8,018	1-1-1 3-3-3 3-3-3	10	14 14 14
85,75,000	12,40,000	16,00,000	12,21,654	Pench Valley	3-9	236	4,18,450	33,343	7-8-8 8-8-8 7-7-7	10	22 22 23
2,50,000	2,62,405	7,500	11,536	Pure Sitalpur	6-12	5	2,008	-18,581	...	10	6 6 6
27,93,500	37,59,038	19,17,105	39,198	Raneegunge	3-9	79	1,83,814	16,946	Nil-Nil 2-1-1 2-1-1	10	13 13 12
13,50,000	7,63,001	8,53,385	12,13,452	Rewa	6-12	236	2,76,942	28,521	10-10-1 7-6-6 8-8-8	10	22 22 19
20,00,000	23,74,261	7,52,027	1,01,827	Samla	12	48	1,80,660	31,543	2-1-1 7-7 7-7	10	14 14 12
1,25,000	1,57,243	2,52,664	2,20,212	Searsole	1	353	1,05,156	25	25 30 2	10	7 7 13
2,80,000	10,92,193	8,36,598	7,87,726	Seepore P.	6-12	2	2,42,112	49,299	12-1-1 14-7-14 17-6-17	10	29 29 27
8,00,000	23,624	5,29,306	6,32,757	Sendra	6-12	106	-4,098	7,503	Nil-Nil Nil-1-1 1-1-1	10	8 8 8
17,50,000	22,81,985	10,75,016	63,654	South Karanpura	2-8	21	-59,079	-51,533	1-1-1 Nil-1-1 1-1-1	10	9 9 9
8,00,000	1,43,000	13,69,395	21,89,890	Standard	6-12	106	47,444	17,347	10-10-1 7-7-7 5-5-5	10	25 25 20
10,00,000	15,58,085	15,075	3,910	Talcher	9	277	22,689	-3,85,056	Nil Nil Nil	10	3 3 3
3,50,000	4,66,000	3,53,000	8,176	Union	6-12	279	-4,033	44,167	10-7-7 5-2-2 2-1-1	10	14 14 18
49,98,000	30,14,812	21,550	4,20,307	Western Bengal	3	166	3,99,468	37,694	3-3 3-3 5	10	6 6 6
7,00,000	32,55,152	1,38,190	40,060	West Jamuria	6-12	19	-1,31,849	122	Nil-Nil Nil-Nil Nil-Nil	10	11 11 14

* 1956.

N = Nominal

COTTON MILLS

Paid-up Capital Ordinary	Number of Spindles	Number of Looms	Net Block Account	Reserve & Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until
Rs.			Rs.	Rs.	Rs.				Rs.	Rs.	1953 1954 1955	Rs.	1-8-56 25-7-56 A year ago
15,00,000	14,108	356	14,62,919	1,73,478	11,90,008	Basanti P	12	49	1,97,268	41,227	2-1	10	6 6 5
32,72,340	22,197	505	27,69,676	23,18,909	24,551	Benares P	3-9	120	-1,27,187	-1,27,187	...	10	1 1 1
7,11,280	36,000	932	17,17,120	20,23,669	30,342	Bengal Luxmi	3	27	3,66,176	47,818	...	10	39 38 40
27,00,000	31,476	624	23,53,000	15,50,000	3,84,224	Bengal Nagpur P	6-12	236	-5,23,389	18,199	2-1-1 Nil Nil	10	9 9 9
15,00,000	38,704	992	31,35,500	1,09,84,251	21,32,642	Birla Cotton	3	22	5,28,332	4,25,221	30 30 30	10	30 30 80
6,00,000	42,872	641	37,54,142	22,72,528	1,44,948	Bowreah P	6-12	138	84,028	-23,47,373	Nil-Nil Nil-Nil Nil-Nil	100	169 169 390
30,00,000	22,000	510	84,43,453	29,51,420	1,00,393	Cawnpore Textiles	3	25	6,73,253	36,767	1-1-1 10 Nil-5	5	9 9 9
3,27,02,900	1,01,808	2,762	9,94,63,168	2,74,48,393	2,94,83,803	Delhi Cloth & Genl. P.	6	238	1,81,41,278	82,759	...	25	37 37 31
19,00,000	42,844	518	34,12,181	25,71,925	1,63,884	Dunbar	6-12	138	9,92,376	1,37,951	Nil-Nil Nil-Nil Nil-2-1	100	300 300 248
63,00,000	54,000	1,200	22,44,751	66,33,360	43,06,583	Elgin P	9	25	32,80,464	93,386	15 10 10	10	28 28 19
1,20,00,000	59,250	1,872	2,38,99,575	1,60,53,952	47,29,268	Kesoram P	3	22	37,41,719	2,45,435	1-1 8-1	20	18 18 11
6,00,000	35,864	864	17,48,143	9,75,679	14,08,655	Mohini P	12	45	9,53,316	5,158	...	10	25 25 25
33,96,288	88,000	1,825	47,44,546	52,19,601	92,65,055	Muir P	12	208	-18,77,941	-7,77,290	...	100	88 88 118
22,89,892	78,848	1,367	43,25,577	26,00,968	1,45,701	New Victoria P	12	237	-18,83,371	-13,76,473	...	210	2 2 1
19,47,750	23,196	795	22,57,946	18,38,739	2,02,179	Rampoora Cotton	6	4	6,16,936	1,094	...	10	1 1 1
5,00,000	1,14,836	2,077	2,83,77,688	2,65,04,931	32,30,412	Swadeshi (Cawnpore) P.	12	333	43,71,838	7,09,029	...	100	11 11 9
1,75,00,000	48,756	1,310	91,31,708	1,89,73,217	43,89,979	Bangalore W. C. Silk P	12	26	56,34,938	2,38,649	25 30 30	100	58 58 40
1,78,47,800	1,20,012	2,770	32,071,600	1,87,39,278	23,80,514	Buckingham Carnatic P	12	26	1,01,66,075	2,38,445	10 10 10	100	204 205 172
20,00,000	28,000	...	18,03,003	20,32,074	11,26,239	Cambodia P	12	210	1,96,274	27,593	7-1 Nil	10	14 14 13
12,00,000	22,864	407	41,12,112	6,41,058	35,53,502	Coimbatore Cotton	12	188	6,53,750	61,404	...	100	380 380 290
20,76,900	72,832	...	41,12,112	7,98,681	22,227	Coimbatore Spg & Wvg	6	46	-75,242	-10,23,340	Nil	50	117 112 71
6,50,000	50,640	295	12,25,505	1,00,000	58,77,434	Kaleeswarar	12	139	2,05,780	7,677	...	100	332 332 310
24,00,000	30,512	200	52,38,868	16,23,000	7,43,757	Kothari Textile P	6	141	3,25,924	29,382	...	10	17 17 13
23,64,000	48,756	...	15,01,051	21,70,200	78,050	Lakshmi	12	186	31,41,248	2,209	...	50	250 240 149
1,75,02,480	4,65,324	...	2,15,02,107	4,13,81,878	31,04,681	Madura	12	108	77,86,509	18,86,813	20 20 20	15	51 51 48
12,00,000	...	...	8,43,189	5,85,363	10,32,898	Malabar Spg & Wvg.	12	240	-85,193	-84,039	...	200	112 115 118
60,00,000	24,252	603	20,49,823	69,00,000	1,19,91,755	Mettur Industries	3	29	48,44,863	45,835	22 35 42	100	494 532 343
13,61,780	6,000	...	14,15,992	6,90,279	1,34,683	Mysore Spun Silk	3	142	1,753	3,986	Nil Nil	10	7 7 3
4,00,000	20,137	Nil	8,36,608	6,90,279	24,24,908	Palani Andavar P	12	30	7,39,437	2,687	...	50	168 168 120
7,79,700	15,540	416	5,42,118	2,43,421	2,65,911	Sataram Spg & Wvg	3	164	87,724	3,093	...	60	34 34 31
7,00,000	28,104	270	12,96,563	18,23,501	11,71,924	Vasanti P	12	47	16,37,459	...	...	100	342 345 234

† Liquid Assets.

BOMBAY COTTON MILLS

O. Po. C. and Dd. indicate Ordinary Preferred Ordinary Contributory and Deferred Shares respectively. P. next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Number of
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TEA COMPANIES

O. Po and Dd indicate Ordinary, Preferred Ordinary and Deferred Shares respectively. P next to the name of the company indicates that the Company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital	Net Block Account	Reserve & other Funds	Acreage under Tea	Outturn and Average Price per lb. realised for crop				Estimate 1955	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			
				1953		1954							1952	1953	1954		1-8-56	25-7-56	A year ago	
				Lbs.	As. P.	Lbs.	As. P.													
Ra.	Ra.	Ra.		Lbs.	As. P.	Lbs.	As. P.	Lbs.				Ra.			Ra.	Ra.	Ra.	Ra.		
CACHAR																				
3,00,000	3,40,887	1,75,000	862	2,71,440	30-1	2,89,040	39-11	..	Arcuttipore	12	88	1,72,377	Nil	Nil	Nil	10	12	12	13 1/2	
4,00,000	6,26,259	49,878	465	..	..	..	..	..	Baitakhal	12	35	43,007	Nil	..	..	10	10 1/2	10 1/2	13 1/2	
10,00,000	17,71,849	3,13,800	1,480	8,01,321	31-1	8,90,263	40-10	8,19,040	Central Cachar	12	128	5,98,004	Nil	..	7 1/2	100	100 1/2	100 1/2	130	
2,50,000	3,77,733	Nil	794	3,80,734	3-11	7,00,450	4-2 2/5	6,87,760	Chandypore	12	128	66,346	Nil	Nil	Nil	100	116	116	123	
7,00,000	6,99,137	11,000	649	3,74,480	27-11	3,91,320	38-6	4,40,000	Eastern Cachar	12	202	2,48,284	Nil	Nil	Nil	10	9 1/2	9 1/2	12 1/2	
12,50,000	18,43,015	11,50,000	2,153	14,44,160	27-5	17,59,920	35-0	16,00,000	Hatikkhira	12	202	13,22,856	Nil	25	40	10	19 1/2	19 1/2	28 1/2	
4,50,000	2,97,000	1,65,222	586	..	..	..	..	..	Kallinungur Khoreal	12	313	91,071	Nil	Nil	15	100	110	110	126	
3,60,000	2,40,000	2,51,794	599	3,44,610	31-4	3,40,507	46-8	3,20,000	Kunchupore	12	33	3,31,927	Nil	Nil	27 1/2	10	14 1/2	14 1/2	21	
7,00,000	3,25,000	2,50,000	1,350	1,44,302	32-4 1/2	7,33,267	47-6	7,84,000	North Western Cachar	12	63	2,21,673	Nil	Nil	20	100	264	264	264	
1,84,050	3,00,329	Nil	486	3,54,000	29-5	..	..	..	Pathemara P.	12	202	1,64,444	Nil	Nil	..	10	15	15	25 1/2	
2,60,000	3,90,357	1,16,592	618	4,54,160	29-7	3,04,720	36-6 4/5	3,84,000	Rooopacherra	12	165	4,33,780	Nil	Nil	10	10	22 1/2	22 1/2	21 1/2	
5,25,000	3,25,000	6,28,514	688	5,99,410	33-9	6,76,800	41-11	5,60,000	Rungamattee	12	63	5,75,715	Nil	20	35	50	104 1/2	104 1/2	144 1/2	
4,00,000	6,88,316	5,52,313	662	4,74,400	28-7 1/2	4,49,336	36-7 1/5	5,20,000	Sonai River P.	12	74	3,73,677	Nil	Nil	12 1/2	10	19 1/2	19 1/2	23 1/2	
3,75,000	5,02,307	4,31,250	1,050	..	..	4,63,320	..	5,12,000	Tilkah	12	95	5,22,670	Nil	Nil	20	10	12	12	10 1/2	
DARJEELING																				
3,99,750	6,89,413	4,157	562	1,19,351	33-9	1,14,311	29-11	1,44,000	Bloomfield	12	101	73,268	Nil	Nil	Nil	10	3 1/2	3 1/2	6	
2,79,000	4,72,561	1,25,000	407	1,06,686	42-9 1/2	1,41,174	62-0	1,60,000	Chamong	12	279	1,34,209	Nil	Nil	20	10	17	17	20 1/2	
3,75,000	3,75,900	3,11,928	991	..	..	..	..	..	Darj. Tea Chinchona	12	139	1,15,695	Nil	7 1/2	40	100	175	250	290	
2,00,000	1,74,363	1,62,639	488	1,04,560	39-10	1,35,760	52-5	1,28,000	Dilaram	12	200	1,03,183	Nil	Nil	21	100	190	315	315	
2,00,000	3,12,500	5,53,585	500	2,45,013	37-0 1/2	2,84,204	49-1 1/2	2,68,300	Giele P.	12	74	3,24,074	Nil	Nil	25	10	31 1/2	31 1/2	22 1/2	
7,00,000	6,25,300	3,10,770	1,049	5,34,222	38-0	6,53,740	58-3 1/2	6,64,000	Lingia P.	12	279	8,25,171	Nil	20	50	10	30 1/2	34 1/2	22 1/2	
10,32,000	5,37,576	1,18	761	3,88,233	34-3	5,26,515	48-8 1/2	5,84,000	Longview	12	95	8,04,823	Nil	10	20	10	13	13	16 1/2	
4,00,000	3,67,134	3,00,000	816	3,09,526	42-4 1/2	..	..	..	Margaret's Hope	12	165	1,53,561	Nil	7 1/2	40	10	17 1/2	17 1/2	20 1/2	
1,59,000	1,76,390	3,10,239	463	1,63,520	42-1	1,82,080	62-4	1,84,000	Mim	12	2	2,10,365	Nil	10	40	100	300	300	377	
2,99,000	3,40,000	3,00,000	689	3,27,742	34-9 1/2	4,35,016	53-4 1/2	4,40,000	Nagri Farm	12	279	5,44,268	Nil	20	50	10	30 1/2	34 1/2	22 1/2	
1,00,000	1,50,000	1,07,500	705	1,63,571	40-2	1,81,153	53-3	1,80,000	Oxyati P.	12	63	1,93,358	Nil	Nil	37 1/2	100	600	600	560	
3,00,000	3,02,800	2,61,118	776	..	..	..	..	..	Pashok	12	139	..	Nil	10	30	10	600	600	560	
3,00,000	3,85,000	3,73,387	509	1,47,595	35-9	1,68,697	54-5	1,76,000	Poonong	12	63	1,73,613	Nil	21	15	10	28	18	21 1/2	
2,05,000	4,20,500	2,68,427	570	1,03,413	40-8	1,32,720	58-0	1,60,000	Rusimong P.	12	74	2,02,628	Nil	Nil	10	15	15	15	15 1/2	
1,40,000	1,40,000	4,77,000	341	1,72,120	40-8	1,80,720	58-0	..	Runglee Rungliot	12	63	2,83,196	Nil	17 1/2	50	100	408	408	450	
3,00,000	2,60,300	71,302	389	1,64,382	39-1	1,77,704	53-3	1,60,000	Seyok	12	63	1,99,621	Nil	24	15	10	15 1/2	15 1/2	18 1/2	
6,25,000	5,98,413	1,459	747	1,63,184	34-4 1/2	2,05,035	47-0	2,40,000	Singell	12	113	45,341	Nil	Nil	5	10	38 1/2	38 1/2	65	
9,00,000	9,27,823	1,46,857	683	2,36,381	35-8 1/2	2,64,090	50-4 1/2	2,80,000	Singom P.	12	101	2,87,270	Nil	Nil	5	10	51	51	9 1/2	
3,00,000	2,89,000	3,90,000	534	2,67,892	40-0 1/2	2,89,738	60-3 1/2	2,80,000	Soom	12	279	4,43,350	6	30	50	10	36 1/2	36 1/2	30 1/2	
6,25,000	11,06,947	5,74,585	382	3,04,180	37-9 1/2	3,76,000	54-5	3,90,000	Sungma	12	165	3,50,250	Nil	Nil	7 1/2	10	104	104	12 1/2	
3,20,000	4,86,000	9,62,401	1,181	3,64,018	38-2	4,40,947	48-8 1/2	4,40,000	Teesta Valley	12	74	5,34,651	10	15	40	10	31 1/2	31 1/2	35 1/2	
8,01,359	10,96,000	2,90,000	1,666	6,68,393	35-6	7,11,945	50-5 1/2	7,76,000	Tukvar	12	279	3,99,993	Nil	Nil	10	10	31 1/2	31 1/2	18 1/2	
DUARS																				
15,00,000	17,66,862	34,25,000	2,540	29,22,380	32-4 1/2	30,81,680	51-2	32,00,000	Banarhat P.	12	2	51,07,307	17 1/2	45	120	100	325	367	715	
6,00,000	20,53,853	18,70,000	1,105	14,08,364	32-3	13,91,320	43-7	13,77,200	Baradighi	12	128	13,94,614	5	30	65	10	494	504	674	
9,00,000	4,05,410	11,02,042	1,112	13,97,526	30-9	..	..	..	Bhatkwa	12	165	9,45,451	Nil	30	..	10	394	394	444	
9,00,000	9,00,000	6,50,000	1,843	12,02,358	35-2	11,96,886	52-5	12,80,000	Birpara P.	12	63	12,07,487	Nil	Nil	20	100	171	171	232	
6,00,000	6,00,000	5,33,098	901	5,32,226	32-2	5,04,104	35-10	5,20,000	Carron	12	63	4,07,831	Nil	22 1/2	25	100	201 1/2	201 1/2	274	
3,00,000	5,97,972	12,00,000	901	4,82,566	32-2	10,68,480	49-4	11,20,000	Choonabhatti P.	12	4	17,59,621	10	25	90	100	322 1/2	367	553	
1,20,000	1,70,517	2,50,000	600	4,41,787	32-4	4,01,294	43-8	4,48,000	Ellenbarrie	12	63	3,28,025	Nil	Nil	15	100	272	272	378	
3,50,000	1,51,776	3,00,000	447	4,59,440	28-9	4,75,840	39-9	5,20,000	Engo	12	4	3,49,363	Nil	5	110	100	272	272	378	
5,00,000	1,58,424	6,50,000	123 1/2	9,11,840	33-1	7,62,720	47-4	8,00,000	Ethelbari	12	88	4,64,519	Nil	Nil	50	10	298	298	400	
10,50,000	14,08,462	19,78,585	956	11,68,884	29-4	12,26,090	47-11	14,57,249	Gopalpur	12	99	15,05,463	Nil	16	24	25	231	231	231	
24,00,000	20,00,000	14,48,782	926	32,32,775	32-6	30,88,842	44-1	31,20,000	Hantapara P.	12	63	39,77,805	2 1/2	20	60	100	206	206	364	
32,00,000	52,36,929	60,63,333	423 1/2	60,35,022	32-6	63,71,277	41-11	62,96,320	Hasmara P.	12	74	49,76,926	Nil	25	60	10	34 1/2	34 1/2	48	
8,25,000	9,40,000	17,29,213	1,452	18,54,630	37-2 1/2	16,07,368	42-5	17,20,000	Hudbari	12	74	19,89,593	Nil	22 1/2	30	10	33 1/2	36 1/2	46 1/2	
3,50,000	4,50,925	6,65,000	907	3,46,720	32-9	4,86,400	54-3	6,00,000	Jaybipara	12	74	19,89,593	Nil	22 1/2	30	10	33 1/2	36 1/2	46 1/2	
9,00,000	6,75,000	7,12,233	937	3,39,383	35-0	11,46,814	39-4	10,00,000	Killcot	12	63	10,39,752	Nil	25	65	10	25 1/2	25 1/2	33 1/2	
2,00,000	4,12,000	3,50,000	620	5,05,247	32-8	4,73,830	45-7	5,00,000	Manabarrie	12	217	5,69,183	Nil	10	65	100	783	783	800	
9,50,000	9,60,000	12,28,223	1,125	10,53,498	33-10	1,69,5,5														

MISCELLANEOUS COMPANIES—Contd.

O, Po, C and Dd indicate Ordinary, Preferred Ordinary, Contributory and Deferred Shares respectively. P next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until.		
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1953	1954	1955	Rs.	1-8-56	25-7-56	A year ago
													Rs.	Rs.	Rs.
SUGAR BREWERIES, ETC.															
11,00,000	6,45,722	3,75,000	10,90,564	New Savan Sugar and Gur	5	140	95,437	52,205	..	..	..	10	9 1/2	6 1/2	7 1/2
9,00,000	7,28,559	17,64,369	58,734	Purtabpur Sugar P.	10	25	5,08,340	6,871	10	7 1/2	..	10	15 1/2	15 1/2	18 1/2
16,59,820	26,52,127	35,00,000	4,84,050	Ramnugger Cane & Sugar P.	8	1	18,11,594	20,350	20	15	20	10	27 1/2	28 1/2	25 1/2
19,99,600	25,02,553	39,88,218	13,92,915	Raza Sugar	10	92	10,78,193	3,144	10	..	..	10	..	..	..
8,00,000	4,42,169	6,54,762	1,85,115	Ryam Sugar P.	6	25	1,43,798	24,340	5	5	..	10	20 1/2	13 1/2	22 1/2
11,99,000	15,94,631	18,37,523	98,312	Samastipur Central Sugar	6	25	-79,022	8,477	5	5	Nil	10	13 1/2	13 1/2	15 1/2
20,00,000	72,62,286	36,66,708	1,63,444	Shree Krishna Gyanodaya Sugar P.	7	335	12,99,571	34,046	15	15	17 1/2	10	13	13 1/2	18 1/2
7,94,500	13,54,858	11,65,175	11,16,368	Shree Sitaram Sugar	6	140	1,90,057	7,991	Nil	Nil	..	10	15 1/2	15 1/2	15 1/2
9,99,950	14,54,274	1,54,304	1,42,696	Sitalpore Sugar	6	94	-1,39,515	-1,39,515	Nil	Nil	..	10	4 1/2	4 1/2	6 1/2
16,00,000	6,07,894	7,99,778	4,22,572	United Provinces	9	341	4,23,880	39,061	5	12 1/2	..	10	19 1/2	19 1/2	25 1/2
8,00,000	38,92,308	21,57,556	3,60,236	Upper Ganges Sugar P.	8	227	10,24,525	82,931	25	25	25	10	94 1/2	94 1/2	62
14,00,000A	14,24,740	23,74,426	10,72,924	Upper India Sugar	4	302	16,80,986	86,393	..	15	20	100AC 12 1/2 BC	280	280	127
7,00,000B													28 1/2	28 1/2	15
MISCELLANEOUS															
8,00,000	2,20,232	1,56,200	9,53,526A	A Firpo (Restaurateurs)	10	85	84,518	4,475	..	..	..	10	4 1/2	4 1/2	4 1/2
1,50,00,000	1,40,80,394	6,21,715	51,061	Air India Ltd.	12	269	-6,02,785	-14,30,401	Nil	..	..	100	..	..	..
2,00,00,000	2,58,39,656	6,01,534	50,022	Air India International Ltd.	12	322	-10,51,340	30,205	Nil	..	..	100	..	..	..
47,50,000O	1,31,03,534	15,00,000	5,97,941	Aluminium Corp. P.	3	132	12,82,024	32,582	Nil	Nil	Nil	100	10 1/2	10 1/2	7 1/2
2,50,00,000D	42,43,917	14,50,000	55,36,059	Anderson Wright, Ltd. P.	12	1	4,94,322	24,401	6	7 1/2	..	10	11 1/2	2 1/2	2 1/2
20,00,000	10,11,675	37,63,779	14,41,315	Angelo Bros.	8	268	11,84,131	3,43,961	12 1/2	12 1/2	20	10	22 1/2	18 1/2	23 1/2
30,00,000	17,54,434	27,66,265	5,49,634	Assam Match	12	274	8,35,902	1,18,395	12 1/2	12 1/2	10	10	18 1/2	18 1/2	19 1/2
13,99,998	21,25,615	28,30,285	64,182	Assam Saw Mills & Timber	9	21	-97,045	-5,14,537	Nil	Nil	Nil	3	4 1/2	4 1/2	4 1/2
20,00,000	61,61,507	23,00,000	61,84,607	Associated Hotels of India P.	8	204	8,82,993	32,683	2	2	4	10	9	8	5 1/2
80,01,400	33,50,000	1,09,53,000	1,12,08,422	Balmer Lawrie & Co.	12	304	32,12,152	5,03,129	20	13	12 1/2	100	181	186	161
12,80,000	2,65,000	8,24,890	1,80,023	Bararee Coke	3-9	128	2,16,123	22,708	7-7	7-7	7-7	100	19 1/2	19 1/2	21 1/2
6,00,000	76,414	Nil	30,72,417	Bengal Timber Trading P.	6	128	-6,43,164	-1,19,103	..	..	..	100	44	44	43
50,00,000	19,53,822	Nil	19,59,059	Bharat Airways Ltd.	6	22	3,19,589	-3,19,229	..	..	..	100	54	51	31
20,00,000	71,47,020	7,95,430	62,81,006	Birds Investments P.	9	160	5,89,372	1,15,707	12 1/2	12 1/2	12 1/2	10	17 1/2	16 1/2	18 1/2
45,97,020	27,44,814	2,71,408	2,71,408	Britannia Biscuit P.	3	50	8,44,363	1,98,548	5	10	10	10	15 1/2	15 1/2	15 1/2
22,50,000	13,98,796	43,18,775	3,38,973	British Ceylon Corporation P.	12	6	27,75,295	1,85,955	..	..	..	7 1/2	10 1/2	10 1/2	10 1/2
3,25,00,000	59,89,738	1,18,60,524	2,50,83,659	British India Corporation P.	12	33	-30,23,938	-27,36,584	10	11	Nil	5	11	11 1/2	9 1/2
32,50,000A	2,10,569	5,83,976	1,16,62,849	Calcutta Gas Co. (Propr.) Ltd. P.	9	235	6,87,704	22,189	5	5	6	10A 10B	7 1/2	7 1/2	7 1/2
32,50,000B	5,92,780	2,40,684	1,02,576	Calcutta Silk Manufacturing P.	3-9	213	45,711	22,586	..	..	..	10	4 1/2	4 1/2	4 1/2
5,00,000															
90,00,000	17,68,710	67,71,168	2,49,58,018	Duncan Brothers & Co. Ltd.	12	169	48,24,539	4,28,060	10	12	..	100	120 1/2	121	141 1/2
1,60,00,000	2,94,09,046	3,14,86,174	4,04,79,333	Dunlop Rubber Co. (India) P.	12	96	96,72,154	11,71,685	15	15	15	100	29 1/2	29 1/2	37 1/2
51,26,000	54,12,212	1,48,29,523	1,48,29,523	Eastern Investments Ltd. P.	12	21	12,83,240	3,06,138	9	9	100	10	145	170	170
75,00,000	13,79,357	43,83,826	1,02,21,271	F & C Osler (India) Ltd. P.	3	84	-4,26,249	-5,26,954	..	..	..	10	11 1/2	11 1/2	16 1/2
7,50,000	12,02,139	16,59,676	25,63,120	French Motor Car	3	51	19,33,237	1,02,899	..	..	..	5	20	20	19 1/2
14,00,000	14,92,000	10,02,000	11,384	Ganges Rope	3-9	19	89,571	27,194	10-10	7 1/2-7 1/2	7 1/2-7 1/2	100	186 1/2	186 1/2	190
2,25,000	37,892	37,892	5,12,210	General Investments Trust P.	2-8	21	45,701	8,851	24-24	24-24	24-24	75	43	43	43
65,00,000	34,18,813	42,00,000	1,09,15,528	Gillanders Arbuthnot & Co. Ltd. P.	3	105	29,71,809	1,51,360	7 1/2	7 1/2	14	10	19 1/2	13 1/2	14 1/2
20,00,000	27,08,049	5,00,324	12,84,357	Gladstone Lyall & Co. Ltd. P.	12	209	7,02,792	34,255	..	..	..	10	..	..	..
40,00,000	31,71,333	7,81,000	98,384	Godfrey Phillips (India) Ltd. P.	12	310	19,01,201	11,96,811	17 1/2	10	20	10	25	25 1/2	17 1/2
30,00,000	32,90,010	17,22,203	6,22,424	Great Eastern Hotel	3	225	5,30,579	16,373	..	..	..	250	239	239	235
10,00,000	17,38,764	1,61,173	9,221	Hindustan Ice & Cold Storage	9	..	43,377	24,274	..	..	..	5	11	11	11
35,20,000	31,95,729	19,00,000	19,72,452	Hoare Miller & Co. Ltd.	12	294	-91,339	67,868	Nil	Nil	..	10	6 1/2	6 1/2	7 1/2
15,16,00,000	7,28,49,459	7,23,36,779	5,90,97,499	Imperial Tobacco	3	325	3,18,18,053	25,00,733	4 1/2	6	8	10	15 1/2	15 1/2	14 1/2
1,60,00,000	24,97,583	53,33,999	10,13,114	Indian Aluminium Co., Ltd. P.	12	293	26,79,662	14,18,074	Nil	Nil	9	10	22 1/2	22 1/2	22 1/2
1,52,89,220	98,54,740	1,02,50,000	3,30,322	Indian Cable P.	3	34	77,23,781	28,98,462	10	10	12 1/2	10	35 1/2	35 1/2	29 1/2
5,00,000															
83,75,000O	22,07,269	2,21,280	11,69,467	Indian National Airways	12	93	36,302	-12,62,971	..	..	..	10PO	8 1/2	8 1/2	8 1/2
1,25,00,000															
8,27,970	6,57,319	8,08,000	8,08,202	Indian Rubber Manufacturers P.	3	173	4,07,268	1,36,845	..	..	..	10	16	15 1/2	13 1/2
20,00,000	4,64,735	18,15,487	10,03,705	Indian Wood Products	9	88	17,28,038	2,76,619	25	27 1/2	30	10	39 1/2	39 1/2	39 1/2
5,00,000		235,590	12,40,386	Investments and Finance P.	2-8	21	1,07,254	7,890	24-24	24-24	24-24	100	65	65	65
2,40,000	15,362	4,46,244	3,20,757	Ivan Jones Ltd.	9	194	1,39,321	36,496	..	..	..	2	2 1/2	2 1/2	2 1/2
5,87,500O															
1,17,50,000D	2,23,827	2,97,161	6,66,685	James Wright P.	12	281	62,875	5,299	6	5	..	50	4 1/2	4 1/2	2 1/2
2,00,00,000	51,23,900	55,00,000	3,73,43,977	Jardine Henderson Ltd. P.	3	39	41,68,361	4,70,107	7 1/2	7 1/2	7 1/2	100	100 1/2	100 1/2	121
6,34,00,000	3,17,363	6,02,958	3,21,617	Macfarlane & Co.	3	133	-14,078	-4,849	..	..	..	50	2 1/2	2 1/2	3 1/2
65,00,000D															
1,50,00,000	82,21,000	44,53,211	3,30,53,361	Macneil & Barry Ltd. P.	3	334	37,93,020	6,21,756	7 1/2	7 1/2	7 1/2	100	..	..	..
1,37,53,000	36,41,510	54,56,063	1,85,74,341	Martin Burn Ltd. P.	9	309	71,18,708	2,03,456	13 1/2	13 1/2	18 1/2	10	24	24 1/2	24
40,00,000	37,19,459	72,01,909	2,34,00,554	McLeod & Co. P.	12	282	25,04,502	1,87,834	5	12	..	100D	240	240	240
5,00,000D															

BOMBAY MISCELLANEOUS COMPANIES

O P. F. D. G. and R indicate Ordinary, Preferred Ordinary, Founders', Deferred, Guarantee and Rebate Shares respectively P next to the names of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	1-8-56	25-7-56	A year ago
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1953	1954	1955	Rs.	Rs.	Rs.
CEMENT														
12,67,59,333	16,16,27,689	6,15,51,096	3,90,26,918	Associated Cement	7	53	4,71,77,960	5,62,770	9 1/2	8 1/2	10	100	191 1/2	191 1/2
ELECTRIC LTG. POWER														
6,99,95,600	11,08,94,307	69,91,218	20,82,140	Ahmedabad Electricity	9	146	35,75,580	188	6 1/2	6 1/2	5	100	99 1/2	100
2,92,83,500	4,18,62,358	52,34,507	65,30,599	Andhra Valley Power Supply P.	6	267	46,19,171	25,735	7 1/2	7 1/2	7 1/2	1,000	1,235	1,232 1/2
1,74,99,700	2,14,85,122	39,32,485	5,79,834	Bombay Suburban Elec. Sup.	3	146	19,21,739	45	7	7	7-7 1/2	100	116 1/2	118 1/2
38,08,200	17,49,053	4,75,323	14,87,557	Poona Electric Supply P.	12	229	3,86,015	..	..	..	..	100	146	146
2,34,45,225	3,37,65,356	63,82,045	58,39,875	Tata Hydro Elec. Power sup. P.	6	267	37,75,587	21,171	7 1/2	7 1/2	7 1/2	100	129	130
5,02,78,750	8,96,37,405	1,41,56,578	1,29,22,549	Tata Power P.	6	267	77,32,961	27,952	7 1/2	7 1/2	7 1/2	1,000	1,315	1,320
ENGINEERING & METAL														
83,42,200	20,17,852	57,16,505	18,77,516	Alcock Aspdown	12	268	11,78,891	44,704	..	..	..	100	380	372 1/2
6,00,000	36,058	453,124	91,038	Just's Engineering	3	115	1,17,555	5,394	15	15	15	50	96	96
40,00,000	11,26,513	10,00,000	9,74,664	Larsen & Toubro P.	3	351	14,60,736	28,740	10	10	10-10 1/2	10	16 1/2	16 1/2
40,95,100	81,25,753	2,02,500	49,333	Machinery Mfgs. Corp. Ltd. P.	3	330	2,02,006	64,676	Nil	Nil	Nil	100A	..	96 1/2
1,10,00,000	15,09,978	16,66,194	7,06,260	McKenzie's	7	283	1,49,085	64,938	..	..	..	100	96 1/2	96 1/2
2,50,000	5,834	1,00,53,052	1,79,52,042	Premier Construction P.	12	284	3,35,178	59,102	20	25 5/6	28 1/3	300	202	209 1/2
1,31,250	7,83,56,426	26,78,952	44,49,499	Tata Locomotive & Eng. P.	3	69	3,303	50,350	Nil	Nil	Nil	100	106	150 1/2
4,18,72,400	23,91,91,753	12,54,91,333	9,61,90,447	Tata Iron & Steel P.	3	269	4,62,47,072	5,52,548	28	14	14	750	204 1/2	202 1/2
INSURANCE COMPANIES														
20,00,000	..	23,84,913	95,96,033	British India General	12	297	4,24,629	1,18,606	..	..	..	10	13 1/2	13 1/2
5,15,000	..	11,04,84,687	8,95,48,481	Empire of India Life	12	253	..	..	..	..	..	100	675	675
8,46,120	..	36,33,999	46,38,803	Indian Mercantile	12	75	..	1,13,109	..	..	..	20	45 1/2	45 1/2
18,74,940	25,01,134	2,88,61,155	2,61,49,442	Jupiter General P.	12	55	38,351	4,65,316	Nil	Nil	..	15	9 1/2	9 1/2
1,06,81,590	..	1,68,81,793	27,25,18,952	New India	12	179	43,58,653	71,250	13 1/2	16 2/3	..	200	3,820	3,855
6,00,000	..	67,43,74,430	63,46,53,420	Oriental Life	12	298	..	..	..	..	..	200	3,820	3,855
15,99,270	..	29,41,860	59,86,789	Vulcan	12	255	6,05,803	2,81,242	10	10	..	10	15 1/2	15 1/2
MISCELLANEOUS														
90,79,065	31,95,468	3,97,409	12,61,996	Air Service of India	6	336	-15,61,405	-37,22,790	..	..	..	15	..	..
47,91,250	21,34,989	35,75,182	78,89,034	Belapur Sugar	9	42	53,89,000	61,389	..	..	..	50	256	242
50,00,000	2,20,64,303	4,12,86,155	2,67,27,639	Bombay Burmah Trading	5	285	47,93,172	61,990	..	16	21	125	733 1/2	701 1/2
42,00,000	..	..	..	Bombay Steam Navigation P.	6	256	4,54,215	39,135	..	..	..	25	72	72
99,99,250	3,085	19,47,385	1,28,40,992	Industrial Investment Trust	12	299	5,91,809	2,83,136	..	4 1/2	4 1/2	100	215	215
8,00,000	1,36,558	39,662	4,76,114	Kenn (Chemists)	3	87	4,99,559	4,78,677	..	..	..	200	215	215
1,57,71,400	5,74,05,779	1,81,13,445	2,99,042	National Rayon Corp.	12	352	63,19,604	5,72,076	9	10	..	200	213 1/2	213 1/2
9,39,98,069	18,36,63,413	12,46,31,677	7,10,16,957	Scindia Steam Navigation	6	198	32,72,555	22,72,555	5	2 1/2	2 1/2	20	19 1/2	19 1/2
7,00,000	27,45,053	57,30,000	11,27,080	Shivrajpur Synd. (Manganese)	11	146	35,49,059	21,661	70	80	80	10	91	91 1/2
1,39,95,990	1,96,71,944	13,51,214	4,14,939	Tata Chemicals P.	6	209	13,55,026	57,597	Nil	Nil	Nil	10	20 1/2	19 1/2
70,07,475	76,97,267	28,13,586	22,30,261	Tata Oil P.	3	269	9,47,111	13,236	7	9	8	25	58	58
2,75,00,000	1,46,45,903	2,43,20,936	1,50,49,201	Western India Match	12	274	14,05,281	5,01,994	11	11	11	100	186 1/2	184 1/2

*1956

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Block Account	Reserve & other Funds	NAMES	Accounts closed	Managing Agents	Net Earning	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	1-8-56	25-7-56	A year ago
Rs.	Rs.	Rs.				Rs.	Rs.	1953	1954	1955	Rs.	Rs.	Rs.
CALCUTTA													
17,24,000	20,62,356	2,00,894	Ahmedpur Kutwa S.S.G.	3	165	-29,367	..	2 1/2	2 1/2	2 1/2	100	58 1/2	58 1/2
21,09,300	33,24,679	6,00,722	Arrah Sasaram D.B.G.	3-9	32	1,491	810	3-3	3-3	3-..	100	72	72
34,00,000	41,30,202	3,11,043	Bankura Damodar River S.S.G.	3	165	46,607	..	2 1/2	2 1/2	2 1/2	100	57 1/2	57 1/2
19,00,000	29,09,643	4,91,171	Baraset Basirhat D.B.G.	3-9	331	18,844	1,18,863	..	..	..	100	10	10
17,80,000	21,78,766	2,20,877	Burdwan Cutwa S.S.G.	3	165	78,839	..	..	2 1/2	2 1/2	100	57 1/2	57 1/2
31,00,000	50,48,010	29,296	Chaparmukh-Slighat S.S.G.	3-9	32	45,823	7,100	1,29-1,29	1 1/2-1 1/2	1 1/2-..	100	53 1/2	53 1/2
4,75,000	3,20,040	4,75,000	Cherra Chitak Roweway	3	88	7,071	9,917	12 1/2	5-..	Nil	5	71	71
2,47,650	2,75,015	65,026	Darjeeling Robeway	3	101	18,097	4,549	14	2 1/2-..	2 1/2	10	61	61
22,50,000	60,65,477	12,50,000	Dohri-Rontas	3	335	5,10,908	26,753	6 1/2	7 1/2-..	10	10	14 1/2	13 1/2
11,49,700	20,10,843	1,57,174	Futwah Islampur S.S.G.	3-9	32	-1,02,611	5,714	96-98	99-1	1-..	100	56 1/2	56 1/2
16,00,000	50,48,405	20,39,596	Howrah Amta D.R.G. (P)	3-9	32	51,543	72,160	3-3	3-3	3-..	100	59 1/2	59 1/2
6,00,000	13,78,138	4,41,518	Howrah Sheakhala D.B.G.	3-9	32	1,81,260	18,320	3-3	3-3	3-..	100	37	37
19,50,000	27,95,689	2,47,135	Kalighat Falta S.S.G.	3	165	-1,99,473	..	2 1/2	2 1/2	2 1/2	100	58 1/2	58 1/2
8,91,100	15,16,175	10,551	Katakhal-Lala Bazar S.S.G.	3	165	31,257	..	4 1/2	5	..	100	73 1/2	73 1/2
15,00,000	62,15,417	22,45,137	Shahdara Delhi Saharanpur	3-9	32	-1,10,300	14,031	6-6	6-6	6-..	100	125	125
1,75,000	5,41,779	2,04,841	Tezporo Balipara Tramway P	3-9	165	-43,574	5,944	..	..	..	100	..	..

Managing Agents Managing Directors and Secretaries with their Respective address.—(Contd.)

820 F. W. J. Penn—United Breweries Ltd., Bangalore-1.	329 Sri G. D. Bhagat—15, Shib Thakur Lane, Calcutta.	339 M. G. Investment Corp., Ltd.—127, Mahatma Gandhi Road Fort. Bombay.	348 Sahu Jain Ltd.—11, Clive Row Calcutta.
821 F. O. Williams—14, Old Court House St., Calcutta.	330 Mahindra & Mahindra Ltd.—Gateway Building, Apollo Bunder, Bombay.	340 K. O. Cheryan—Travancore.	349 Chandmull Batia—7, Canning Street, Calcutta.
322 Messrs. Tata Sons, Ltd.—New India Assurance Buildings, Mahatma Gandhi Rd. Fort. Bombay-1.	331 N. L. Roy & Sons—Canning St., Calcutta.	341 James Finlay & Co. Ltd.—2, Netaji Subhas Road Calcutta.	350 K. E. Agarwal—Empire House, Hornby Road Fort. Bombay.
323 Anderson Wright & Co.—4, Wellesley Place, Calcutta.	332 M. Paspatil, 21, Ravelin Street, Fort. Bombay.	342 U. N. Chatterjee—2, Royal Exchange Place, Calcutta.	451 E. & F. (Management) Ltd.—J. K. Building, Douglall Road, Ballard Estate, Bombay.
324 Bathgate & Co.—17/19, Old Court House St., Calcutta.	333 Jaipuria Bros., Ltd.—33, Netaji Subhas Road, Calcutta.	343 Eastern Smelting & Refining Co., Ltd.—10, Clive Row Calcutta.	352 C. G. Mahant—Swami House, Bruce Street, Fort. Bombay.
325 John Butterfield Blackie—Virginia House, 37, Chowringhee, Calcutta.	334 S. Lalimer—2, Fairlie Place Calcutta.	344 V. J. Pilani—Victoria Bunder Colaba.	353 N. K. Jha—14, Netaji Subhas Road, Calcutta.
326 Beriwalla Bros.—33, Netaji Subhas Rd., Calcutta.	335 Sahu Jain, Ltd.—Dalmianagar.	345 The National Tea Corporation—130, Cotton Street Calcutta.	354 C. C. Kanoo—P-8, Mission Row Extension, Calcutta.
827 Marwat Textiles (Agency), Ltd.—Waudby Road, Fort. Bombay-1.	336 Rajsidas Kitchand—Scindia House, Douglall Road, Bombay.	346 Seshasayee Brothers (Travancore), Ltd.—Elloor Factory Alwaye.	355 G. G. Robertson—16, Seagard Road, Calcutta.
328 John Taylor & Sons (India) Ltd.—Mysore, Oorgram, South India.	337 Beriwalla & Co.—63, Netaji Subhas Road, Calcutta.	347 Associated Commercial Co. Ltd.—161/1, Harrison Road, Calcutta.	
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WITH WHICH IS INCORPORATED
THE INDIAN FINANCIAL REVIEW

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68th YEAR OF ISSUE

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WORLD BANK MISSION ON THE SECOND PLAN

REVISION OF RAIL CHARGES URGED

THE report of the recent World Bank mission to India, excerpts from which are featured in this week's New Delhi letter on page 183, appears to be a most important document. For some reason, it has not previously been made available to the public except through the entirely unofficial medium of a daily newspaper—the *Hindu* of Madras. The delay is perhaps understandable because there is, it seems, much in the report which the Government will no doubt wish to take its time over. Expressing as it does the expert opinion of an independent international agency on the second five year plan, the survey deserves careful study by all sections of the community and the sooner they have access to it the better. The mission, which has a background of considerable experience of developing economies on which it can draw, says a good deal with which the public must already be familiar and which should strengthen its faith in the good sense of the more sober among India's newspapers. But a number of the remaining comments touch on subjects which have not previously come in for serious discussion and which must now be considered to qualify for it.

The more general comments on the plan approximate to those already made by other independent observers, by organised business and through the columns of the Press. There is no reason to suspect that the Government and the general public are not already acquainted with them; the opinion of so authoritative a body as the World Bank should simply provide some much-needed weight on the points of maximum controversy. The mission considers, for example, that the plan is too large and is able to avoid the charge of indifference to the country's obvious needs by pointing out, with all its impartial authority behind the contention, that the psychological effect of failure may be even more dangerous. The inadequacy of the priority given to transport is stressed, so are the risks of leaving too large a proportion of the supply of indispensable consumer goods to untended cottage and hand industries. The feasibility of the Government's textile policy comes under critical scrutiny and the need for a more healthy climate for private investment is reaffirmed. Considering the number of features in the plan of which the realism is doubted, it is scarcely surprising that the report should welcome one of the few concessions which have been made to hard thinking—that is the maintenance of flexibility. Annual reviews are certainly a necessity in a project of this size, but from the way the mission urges the importance of handling carefully, and only after prior planning, the changes which are likely to be necessary, it is disappointingly obvious that it is expected that these will be radical. It might have been better to have listened to more cautious counsel in the first place, than to be running the risks which the report appears to consider India is at present taking. But if it is now too late to redraw the plan on more practical lines, there is still time to take valuable advice of the kind given in this survey.

has advocated. An excellent case can no doubt be put for revising railway rates, but it might be easier on the industrial cost structure to restrict it to passenger fares and, especially, amenities, some of which are now becoming quite unrealistic. The report also offers suggestions for improving the efficiency of the transport system in general. Those concerning road haulage have often been mentioned in public discussion. The obstacle remains chiefly, perhaps, the attitude of the railways, which have a monopoly and intend to keep it. Progress made in road transport continues to be one of the more disappointing features of India's economic development. The trouble is so obvious that the only acceptable conclusion is that this is the deliberate aim of Government policy. But for all that, it is no less a candidate for immediate reform. The report suggests special wagons for the movement of coal and ore and the establishment of fully mechanised handling facilities to reduce the waste involved when ships and railway wagons have to be immobilised. These, and the proposal for change in the present system of allocating coal wagons on a day-to-day basis, are too obvious to need comment.

The mission's advice on incentives for the private sector can usefully be borne in mind when drawing up each of the next four annual Budgets. The present level of personal taxation in this country has, of course, not been determined on economic considerations alone. This may have been a necessary hostage of political expediency, but so long as the private sector is to be held responsible, as the report points out, for the major part of the country's increase in wealth, it seems only sensible to avoid discouraging its efforts by ensuring that they are no longer worthwhile. Recent Government economic measures have gone well beyond the boundaries of "co-existence" with the private sector. The damage to confidence and the will to expand is clear enough for all who are prepared to see it. Perhaps the explanation of this unaccountable disregard for the most important of private enterprise's needs—its confidence—is to be found in the suspicion the mission has expressed that in India "the importance of private business has not yet been sufficiently recognised and publi-

THE RISK OF RISING PRICES

MUCH concern is being expressed over the fairly sharp rise in prices which has occurred in recent months—a rise which in its latest phase has sent the official wholesale price index (base: year ended August 1939=100) bouncing up to 409.1, compared with 356 or so a year ago. The movement began around the middle of 1955 as a corrective to an earlier fall, but now appears to be becoming distinctly inflationary; official recogni-

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million tons, which might prove to be an optimistic estimate in view of the large-scale smuggling which has been going on into East Pakistan. Periodic shortages, both severe and mild, have been reported in other sectors also, such as cotton, jute and oilseeds; in some cases, these are due to a decline in production, while in others they reflect the failure of agriculture to keep pace with the increase in activity of industries whose primary materials it supplies. The more serious shortcomings, from the viewpoint of general economic development, however, are in the case of food rather than cash crops, and the Government has been making welcome efforts to get over them, for the time being at least, by stockpile releases and increased imports. It cannot claim to have had much success yet; food has played its customary fundamental rôle in the movement of wholesale prices generally, and since the beginning of this year, the food index alone has risen from 327.4 to 381.1.

At a time when agricultural targets and allocations are still being debated, the trend is of major immediate significance. For the Government and its plan, it is important because the whole progress of economic development depends on a relative stability in prices, and that means first of all food prices. As more and more money is pumped into an economy where living standards are already deplorably low, the largest proportion of the increase will be devoted to buying extra food. For some time, the inclination in official circles was to suggest that food had become dearer because of speculation and hoarding; but recent Ministerial statements indicate a welcome realisation that this is not the whole story. The Reserve Bank's efforts may, as Mr. A. P. Jain claimed, have caused the disgoring of Rs. 10-crores worth of paddy and rice from hoarders' godowns, but the fact is that rice is still not much cheaper in the free markets now than it was three months ago when those efforts were first inaugurated. A generalisation which comes nearest the truth would probably be that food is dear partly because production has been smaller while consumption has increased; the prospect of its becoming still more expensive has induced hoarding, which in turn has accentuated the upturn in prices.

All this is of considerable importance not only for the Government, nor merely for the consumer, but for industry as well. The entrepreneur knows that an inflation which starts with food cannot fail to affect him ultimately, for it will push up his costs. Labour unrest is accentuated, and has to be assuaged by conceding the demands of workers who find their pay-packets worth less in real terms than they used to be. As long as the markets for finished products are competitive, as they are today, these cost increases cannot be immediately offset by price adjustments; the upward movement in the latter lags far behind that in the former, and the inevitable result is that profit margins are squeezed. There is evidence to show that this process has been at work in the economy during the past few months. Since the beginning of this year, the official price index for food has risen by 53.7 points to 381.1; for industrial raw materials by 52.1 points to 490.4; and for semi-manufactures by 48.3 points to 394.9. But the index for manufactures, having fluctuated narrowly around 376 over the first half of the year, has only now moved up to 386. There is reason to believe that the last of these increases is cost-induced—a belated effort by industry to salvage something of its narrowing profit-margins. How much will ultimately be salvaged is difficult to say; only company reports appearing many months hence will be able to give a rough idea of the impact of higher railway freight rates from April, and of dearer steel, cement and coal (price increases whose reversal cannot be foreseen in the near future). Expanding enterprises may be able to whitewash the effects by showing increased turnover, but not many of the remainder could offer the same consolation.

The cost-price problem assumes a special importance in the light of the country's foreign trade ambitions. Here, stated in its simplest terms, the difficulty is that inflation will tend to restrict exports by pricing Indian goods out of foreign markets (world trade in four of India's biggest exports, jute manufactures, tea, cotton textiles and ores, is highly competitive). At home, it will tend to increase the demand for food (among other essentials), which in the short term at least can be satisfied only by sharply increasing imports. The healthy foreign trade position India has built in the last two or three years is a major factor which has enabled her to boost the tempo of import licensing for capital goods in recent months. If exports cannot be increased, or if foreign exchange has to be spent on food for an inflated domestic economy, it is clear that development plans will suffer. That is only one of many good reasons why today's price trends are of vital importance for the future.

CURRENT COIN

Bombay's Electricity Needs.—The electric power shortage has been an important factor retarding industrial expansion in the Bombay region, but the address of Mr. K. G. Milne, chairman, to shareholders of the Bombay Suburban Electric Supply Ltd. last Thursday gives an encouraging indication that needs are likely to be better satisfied in the next few years. (A fuller report on the address appears on a later page.) This is partly because of the bold development plans his own company has implemented, which have enabled it, over the past year alone, to increase sales by 20 percent to over 60 million units. Partly, it is due to the two new thermal plants with a capacity of 50 mWs each which are being set up in Trombay; the first of these is expected to come into commercial use at the end of this year, and the other six or nine months later. As a result, says Mr. Milne, "within the next 12 months, the power position in the Bombay region will become extremely favourable, and we hope it will continue to remain so till around 1959." Thereafter, much depends on the progress of the Koyna project; and many share Mr. Milne's frank scepticism whether much power will be available from it before 1961-62. He feels that it is necessary to make arrangements now to expand plant capacity either in Bhira or in Trombay if a shortage is to be avoided. The extent of potential demand is such that there seems to be a good case for expansion already. When the Government invited applications for industrial loads to be sanctioned after the Trombay station is commissioned, no less than 400 of them were received for loads aggregating about 25,000 kWs. It is unfortunate that the expansion of a vital industry such as electricity supply has been hampered by the statutory fixation of the "standard rate" of return at 5 percent. Mr. Milne expresses a widespread doubt when he suggests that the pressure of work in Parliament might delay the passage of the Electricity Supply (Amendment) Bill, under which the "standard rate" would be raised to 5½ percent (2 percent above Bank rate, which now stands at 3½ percent). The measure is urgent enough to deserve higher priority, as its early enactment would enable producers to frame their expansion plans with greater speed and assurance. Under the present law, Bombay Suburban has been placed in the extraordinary position that although it has earned more than enough to maintain the 7 percent dividend, because of the appropriations it has to make to statutory reserves it has once again had to draw something from the dividend equalisation reserve to pay the distribution. Mr. Milne emphasises that as long as the "standard rate" of return is limited to 5 percent, companies which expand are handicapped more than those which do not.

Nationalising Kolar Gold.—The chairman's speech to shareholders of the Kolar gold mining companies in Oorgaum on 2nd August (extracts from which appear on a later page) outlines the evolution of the Mysore Government's proposal to nationalise the companies. It points to the political origins of the dispute, and then traces the irrational attitude adopted by the State Government in subsequent discussions on whether or not the companies had violated the Agreement signed in 1949. The main issue now is what compensation shareholders are likely to be offered if the nationalisation of the companies is finally decided upon. The question is of wider interest than just to Kolar gold shareholders; there is a large foreign investment in the companies, and if the compensation is as blatantly unfair as the Mysore Government intends, India's prospects of attracting capital from abroad will suffer. That is probably why the Central Government has intervened to try to suggest reason to the Mysore nationalists, though it is regrettable that efforts to have the entire nationalisation idea dropped have not been noticeably successful. The Mysore Government originally intended to fix compensation on the basis of the market quotations of the shares. But at a meeting with a committee of three Central Government officers in June, "the companies' representatives strongly opposed this, and took the opportunity to repeat that to take drastic measures, as the Mysore Government had done, that debilitated and crippled the enterprise and brought down the share prices, and then to use the depressed, and restricted market quotations as the basis for fixing compensation, is to inflict a double injury on shareholders. Detailed statements were submitted of the valuations of assets and liabilities made by an expert firm of valuers of international standing, as well as of the present position of each company, its future prospects, etc." But the companies have apparently not been informed officially of what has happened since. The Mysore Government however made an announcement a few days ago, which was published in the Press, that it had agreed to the Central Government's suggestion to pay Rs. 119 lakhs as net compensation to the three companies. The chairman says that this figure is "unreasonably low and totally unac-

ceptable." He hopes that the compensation will not be unjustly or arbitrarily fixed, and that the companies' claims will be heard by an independent tribunal.

Mukand Iron and Steel.—At the annual general meeting of the Mukand Iron and Steel Works Ltd in Bombay on Monday, Mr. K. Bajaj, chairman, emphasised the need to ensure adequate steel supplies for the steel-processing industries. (A fuller report on the speech appears on a later page.) Re-rolling mills, he said, were suffering from the acute shortage of billets; production had fallen and stagnation had set in. Until the steel plants could supply more billets, imports should be increased. The company was making progress with the manufacture of steel castings. The demand for these had increased in recent years, and was likely to rise further. Plans had therefore been framed to expand the company's steel re-rolling and steel casting capacity, and to improve the plant and lay-out. Efforts were also being made to secure foreign technical collaboration in these schemes. Among the difficulties which Mr. Bajaj stressed was the shortage of power in the Bombay region. The company's application for additional power supply had been pending for a long time, but he hoped that as more power became available the requirements of the steel-processing industries would be given proper consideration. Electricity rates, he urged, should be kept as low as possible, and the provision of railway sidings for heavy industries should be facilitated. Mr. Bajaj emphasised the need for a steady and long-term price structure for rolled steel as applicable to the steel re-rolling mills; this would facilitate their progress by enabling them to know to what extent they could finance development programmes from their own resources. The Government's proposals for setting up a new steel foundry to make heavy castings and forgings were welcomed, but the chairman hoped that "care will be taken to avoid overlapping with the private sector." The directors have recommended the payment of all dividend arrears for the six years preceding 1955-56, as well as the dividend for 1955-56, on the cumulative preference shares.

Expansion in Engineering.—In spite of many difficulties, such as a critical shortage of vital raw materials and of skilled personnel, the engineering industry in this country has been maintaining a dynamic rate of progress. In his inaugural speech to the tenth annual general meeting of the Bombay branch of the Engineering Association of India, the Union Minister for Heavy Industries, Mr. M. M. Shah, referred to the happy state of affairs in engineering, an industry which occupies a pivotal position in the country's industrial structure. "As far as estimated production in the general engineering and electrical engineering industries is concerned", said Mr. Shah, the Government of India hoped, that "the targets laid down for the second five year plan" would be outstripped, "if possible within the first three years". He assured his listeners that the Government was always ready to help if the industry kept up its endeavour to reach the targets as early as possible. The Government's anxiety to help the industry along is doubtless genuine, because on its progress will depend the success of the country's industrialisation programme, and the Government recognises this. Mr. Shah's statement contained evidence of the fact: "The engineering industries form one of the most vital and essential components of India's economy, because from heavy industries, particularly engineering industries, flow large-scale industries, big enterprises, medium-sized industries and other important and widespread ancillary and feeder small-scale cottage industries." But this realisation has yet to be backed by vigorous efforts on the Government's part to remove those difficulties which at present balk the industry's progress. The leading article in *Capital* of 5th April drew pointed attention to the most important of the engineering industries' difficulties and the dangers which would follow the failure to find a speedy solution. Those problems—an acute shortage of steel, inadequate transport facilities and the shortage of personnel in the higher-skilled categories—are still with the industry, as is clear from the speech of Mr. S. G. Shah, the Association's president. The Union Minister explained at length the steps which the Government has been taking to remove each of them, but it is also obvious that the efforts have fallen far short of what is required, and a more vigorous drive is clearly called for.

Joint Consultation in Industry.—To Tatas, the pioneers in many a field of industrial enterprise in the past, must now go the credit for being the first to introduce joint consultation in Indian industry, through an agreement with the workers of their Jamshedpur steel works. In January this year, the agreement was signed between the management and workers, committing formally to paper an idea that had been working in practice for the

previous ten years. But the written agreement in itself has assumed an extra importance, in that it is the more clear-cut and definite expression of the idea. It will be for other industries to draw such lessons from this experiment as it may eventually provide. The January agreement was essentially a broad statement of the principles of joint consultation in industry; the supplemental agreement of 4th August lays down a detailed scheme for working them. The scheme provides for a three-tiered organisation, at the base of which will be joint departmental councils, one for each department of the works. Above these will be a Joint Works Council for the entire plant and parallel to this, there will be a Joint Town Council to deal with matters relating to the company's town, medical, health and education departments. Co-ordinating the activities of them all will be a Joint Consultative Council of Management. The existing machinery of joint consultation will be reorganised, bringing within the scope of the Joint Works Council's functions such matters as workers' welfare, general safety and the workers' Benefit Fund Trust, which hitherto have been looked after by the management only. The happiest feature of this agreement is that an important function of the joint councils will be the study of operational results and production problems and the giving of advice on "steps necessary to promote and rationalise production, improve productivity and discipline, and economise costs." The experiment will have fully justified itself if these objectives are constantly pursued. It has been stated that these councils are purely advisory; they should not be otherwise. Any attempt to impose advice, on the management, particularly when the benefit to be derived from it will accrue to one side only, would clearly go against the spirit and letter of this agreement.

Hooghly Changes Hands.—Gillanders Arbuthnot and Co. Ltd. have announced their intention, with the approval of the Central Government, to relinquish the managing agency of the Hooghly Jute Mills Co. Ltd. The group of shareholders which has succeeded in securing a majority interest in the company has offered to pay Rs. 35 for any share which it does not already hold. The decision of the managing agents follows their success in persuading the Government to invalidate all decisions made at an extraordinary general meeting of the company in May, by the directors appointed to represent the controlling group, on the grounds that not all the nominees were suitably qualified for managing a company of this kind. Their objection has now been dropped by Gillanders Arbuthnot because the opportunity which the shareholders have for disposing of their holdings at an approved price can be considered adequately to safeguard their interests. The managing agents have insisted on the shareholders' rights throughout the negotiations, and at one time turned down an offer from the group of Rs. 40 for each of their shares, numbering about 46,000, because the same terms had been extended to other shareholders. The Hooghly Jute Mills Co. Ltd. will now be managed by a board of directors.

India's Tobacco Prospects.—The Tobacco Export Committee visited Madras last week after visits to Cochin and Coimbatore where tobacco interests pleaded for tax relief and asked for adjustment of excise. The Andhra Chamber of Commerce in its memorandum informed the committee that of the total yield of 98,800 tons in Andhra, which produces one-third of India's tobacco, virginia accounts for 55 percent and that the tobacco trade is now, to a great extent, dependent on exports. Although Indian tobacco is not equal to American in quality, the cigarette manufacturer does rely on it, taking 125-130 million lbs. a year. The cess plus sales tax levied on exports up to 7½ pies in the rupee has raised the price for the foreign buyer. Country tobacco also finds a market abroad, but domestic consumption in Andhra is not high. Prices realised are unremunerative. Only the best type fetches a good price and the grower runs many risks, though crop output may exceed 600 lbs. an acre. Beedi manufacturers continue to buy tobacco from Gujarat and the wrapper leaves from Madhya Pradesh. The high excise duty of 14 annas a lb. makes it necessary to buy superior tobacco from Gujarat and blend it with Andhra tobacco. A cut in duty to 8 annas a lb. on tobacco sold for beedi manufacture is deemed necessary, and to offset any loss of revenue the Chamber has suggested the levy of a flat rate of 8 annas or 9 annas a lb. on Indian-grown tobacco. Although tea and coffee are subject to excise, the importance of developing tobacco exports along with manufactures makes it necessary to think of tax relief, especially when consumption at home is rising. Since sales tax on tobacco has been stepped up in most States and the beedi industry has lost its market in Pakistan, the case for tax relief is strong. The manufacture of cigars, although long established, is not flourishing, but Madras has a big trade in snuff and produces a

large quantity for export to many places, including Calcutta. The U.K. is still the main market for Indian tobacco, but last year the Andhra Chamber devoted attention to a study of Eastern markets. In the last two years China and Indonesia have emerged as important customers for Indian tobacco and trade with Hongkong has improved. Japan, with a State monopoly, has also been taking Indian tobacco, most of which has been shipped from southern ports. But China has increased her cultivation and the cigarette manufacturer, as in Japan, is relying more on home production. Whether tax relief comes or not, the grower's view has been made plain to the Committee now reviewing the system of taxation.

End of the Steel Strike.—The U.S. steel strike is being settled, but its effects will be felt for many weeks to come. About 85 percent of the industry's capacity has been closed down for more than four weeks, resulting in the loss of over 10 million tons of ingot production. Strikers forfeited over a quarter of a billion dollars in wages, and additional millions of dollars in wages and profits were lost to companies doing business with the steel mills. Further losses will be suffered before the dislocations caused by the strike are eliminated. At this price, the union has won an improved version of the original offer by the steel companies. The three-year no-strike agreement provides for increases in wages and fringe benefits estimated by the union as equivalent to 20.3 cents an hour in the first year and 45.6 cents by the third. In an about-face from its stand in previous contract negotiations, the union demanded and was granted a cost-of-living escalator clause—tacit recognition perhaps that the union members need protection against the wage-price spiral which these substantial wage boosts might well touch off. The steel industry is expected to offset the increase in labour costs by raising steel prices, probably by \$10 or so a ton. The end of the strike is only the beginning of a long process of reheating coke ovens, blast furnaces, and open hearths, bringing them back into production, and finishing steel to customers' specifications. Repairs necessitated by the shut-down will delay full-scale production, but ingot output may reach a relatively high level in a couple of weeks. Officials of steel companies say it may be anywhere from a few weeks to several months before the quantity and quality of steel flowing from the mills is fully restored to pre-strike levels. The impact of the strike upon the economy was cushioned by widespread vacation shutdowns at metal-fabricating plants in early July and by inventories of steel accumulated during the first half as a hedge against price increases and shortages. Reports of plants closing for lack of steel have been scattered and relatively minor. Most firms have been able to dip into steel stocks to maintain business as usual. The automobile industry, in fact, assembled more passenger cars in July than in June and boosted weekly output to the highest rate since late April. Altogether, the Federal Reserve Board estimated in mid-July that industrial activity had been cut about 4 percent by the strike—equivalent to a drop in the production index to 135 or 136 in July from 141 in June. A rebound is indicated for August as steel mills, coal mines, and other allied industries get back into production. The strike also hit heavy construction projects, railroads, and other forms of transport. Retail sales, however, appear to have been maintained close to the record June level.

VALUE OF CAPITAL

THERE has been considerable buying of preference shares in our local companies during the last few months, and prices have advanced to about the parity of a 5 percent dividend. There is no doubt that in the great bulk of our manufacturing companies, a preference share is a safe and desirable investment. But we think that we ought to draw attention to a little cloud on the horizon, which may forebode a coming storm for preference shareholders. We refer to the present craze for transferring Indian companies to London. Of course, if the shareholders in a concern, the shares of which are not readily saleable, are offered a price very much beyond that which has been obtaining in the market, the first instinct is to close and take the profit; while speculators "in the know" who have been loading themselves up with stock for the rise naturally wish to quit the shares as soon as the profit is assured. But the question for the investor is, what is he to do with his money if he is to sell all his good stocks, and of what benefit is the increase in his capital, if the interest thereon does not keep pace with it? We are, therefore, strongly of opinion that these transfers of good dividend-paying concerns to London can be overdone. In the first place, capitalists here lose a good investment, and in the second place, the good investment consequent on the watering of its capital by the company-promoter becomes a very ordinary affair.

FROM

CAPITAL

11th August, 1896.

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MAINTAINING BRITISH ASSETS ABROAD

SHORTAGE OF DEVELOPMENT FINANCE

THE dispute on the American acquisition of the Trinidad Oil Company may be concluded, but discussion on the implications of this distressing episode has only begun. It may be that the Texas Company is not interested primarily in Trinidad's oil, the Trinidad Company's interests in refining in Trinidad and in refining and marketing in Britain being, doubtless, more important to the buyer. But Trinidad Oil's interest in the American offer is simply explained by the lack of British capital for development in Trinidad. This is not a problem specific to the company or to Trinidad, nor even to private finance as against public finance. It is a problem of the whole British economy, and it shows itself increasingly in the development of the Commonwealth. Just before the formal parliamentary debate on the oil deal (which itself followed a much more spirited informal debate), the Chancellor of the Exchequer announced an important change of policy relevant to such problems. He assured the House of Commons that in next year's Finance Bill, he would provide relief (retroactive to the beginning of the current fiscal

year) for British companies undertaking new development in the Commonwealth, and that he would if possible grant tax-concessions to all overseas trading corporations, as such, that were managed in the U.K.

This statement showed that the Treasury had reacted in the only intelligent manner to the impending loss of the Trinidad oil business. Many people who understood the implications of the sale of an important group of sterling assets to America had demanded that the deal should be prevented. The Government had perceived that (apart from the risk of retaliation) such action would be futile, because it would merely cover up one symptom of a disease and leave the disease itself uncured. The Government left the symptom, diagnosed the disease, and proceeded to prepare a cure. To assume that there was no further cause for anxiety would be very premature. Taxation of overseas earnings is an important cause of the lack of capital for development, but it is not the only cause. Moreover, the major tax-concession which the Chancellor has promised to make if possible is by no means assured for next year: it depends on a favourable position in the Budget and in the balance of payments, and strengthening the latter is a slow process. However, important as the time-factor may be at this late stage, what matters most is the emergence of a new policy.

The Problem of High Taxes

This policy is a belated reaction to circumstances that were appreciated years ago. When the Conservatives gained power in 1951, Mr. Butler went to the Treasury with the clear idea that something ought to be done about taxation of profits earned abroad, and very soon after becoming Chancellor he asked the Royal Commission on Taxation to treat the problem as urgent. It was not, however, until the middle of 1955 that the Commission published its recommendations. They were drastic, and in Mr. Butler's supplementary Budget in October, and again in Mr. Macmillan's normal Budget in April, they were ignored. The anomaly that Mr. Macmillan has now promised to correct is the frustration of "pioneer industries concessions", and of special depletion allowances for mines granted abroad to assist development. Under the present system, the tax that British companies save abroad accrues, in effect, to the British Exchequer; which denies the intended benefits to the British companies and is unfair to the governments abroad. In future, the concessions will be retained by the companies. That was one recommendation of the Royal Commission on Taxation. A much more important one was that a new category of business should be recognised, the "overseas trading corporation", which would be entirely exempt from U.K. taxation of profits up to the point where they were distributed as dividends. The Commission did not envisage these corporations as entirely new enterprises only, but also as separate overseas sections of companies that operated also in the U.K. This was a complex proposal, involving separate negotiations with governments abroad as well as a considerable sacrifice of revenue by the British Exchequer, and the Chancellor does not seem very optimistic that it will soon be put into effect. At least, however, he has conceded that the change must be made as soon as practicable.

Taxation of Overseas Earnings

Trinidad Oil will not be the first British company to withdraw from its British domicile, primarily because British taxation leaves too little finance for development. A company may migrate without radically changing its ownership, or it may—as in the case of Trinidad Oil—be bought by a foreign company which can develop it on a more liberal basis of taxation. Until British taxation as a whole can be appreciably reduced, tax-concessions on overseas earnings are urgently needed if the loss of physical assets is to be stopped. Payment of "hard dollars" for these assets is only partial compensation for a country which "ate" its Argentine railways—using the proceeds of the sale of those assets to pay for current deliveries of meat. These proposed technical changes, important though they are, should not obscure the underlying problem that only more radical changes can solve the absolute deficiency of resources for investment abroad. The simple fact is that on her own account, Britain invested in the rest of the Commonwealth last year almost no capital at all, other than the local investments of British companies operating in the Commonwealth. Almost all of the current surplus of transactions with the rest of the sterling area (£215 million, which might appear to be available for investment, was in fact absorbed in sterling countries' withdrawals from balances in London or exchanged for sterling countries' non-sterling currencies—mostly the latter. Such investment as was made from Britain in other sterling countries (estimated at £100 million) was counterbalanced by new short-term lending by other sterling countries to Britain. How can Britain hope to keep her assets abroad if she cannot finance their development?

Mr. Lalithchandra C. Devkar Nanjee has been appointed chairman of the Devkar Nanjee Banking Co. Ltd., in the place of the late Mr. Pramod Devkar Nanjee. Mr. Lalithchandra Nanjee has been vice-chairman of the Bank for several years, chairman of another Devkar Nanjee companies, and a director of a number of industrial and other concerns.

DEATH came suddenly and unexpectedly to the Governor of West Bengal, Dr. H. C. Mookerjee, on Tuesday afternoon. He was seventy-nine and had, I suppose, long exceeded the psalmist's allowance of years. But he was still indefatigable in the service of the poor and the sick, besides, of course, of the State he was called upon to serve as Governor so late in life. I met him at various functions, and was always impressed with how perfectly he seemed to fit the Indian conception of a *rajarsi*, or royal saint. A man so utterly simple, so completely oblivious of the pomp and circumstance of office and yet so full of a kindly good humour, is rare anywhere. I still recall the pictures that appeared in the Press on the day of his appointment to the Governorship; these showed him smoking a hubble bubble, sitting bare-bodied in his Dehi-Serampore home. When he went to Darjeeling, which was often, in connection with the establishment of a sanatorium at the house of the late Deshabandhu C. R. Das or other welfare activities, he was as readily accessible to the public as he was here. The story of his personal charities and donations has always struck me as quite remarkable. Starting life as a humble college lecturer on something like a hundred rupees a month and rising to an income of no more than, perhaps, one thousand rupees as Inspector of Colleges, he was, nevertheless, able to donate to Calcutta University quite a few lakhs. He kept up this habit of noble thrift all through his days as Governor, his total donations amounting, or so I believe, to something in the region of fifteen lakhs of rupees. It is common knowledge that he did not touch a pie of the salary he received in his high office, but instead gave it all away. Such a man is bound to leave behind him a sense of irreparable loss.

India's stand in the present Suez Canal dispute is clearly a difficult one. It might be summed up as a conflict between the obvious dictates of self-interest, which require that the Canal remains permanently open to all shipping, and concern that Egypt's sovereignty should not be impaired. The claim of Britain, France and the United States for international control has not found wholehearted favour here because President Nasser is denouncing it as interference in Egypt's internal affairs. But the principle of international control over the world's important waterways has been established, and apparently accepted as perfectly respectable, for the last hundred years at least. And, although the nations concerned have been every bit as jealous about their independence and pride as Egypt, disputes on these grounds, except in times of war, have been remarkably few and far between. The nearest parallel to the present problem is, perhaps, the international control of the Dardanelles, from which Russia, who is at present the most outspoken supporter of President Nasser's case, has been the chief gainer. This has been maintained by a number of agreements of which the latest is the 1936 Montreux Convention. Turkey has full rights in time of war, but otherwise the movement of merchant shipping is subject only to the payment of agreed servicing charges. The free navigation of the Danube has been the subject of various forms of international control since 1857, although they are now in abeyance thanks to the intransigence of the Soviet bloc. The much fought-over River Rhine, an excellent subject for the "sovereignty" red herring if ever there was one, has been under international control since the signing of the Convention of Mannheim in 1863. The passage of the Kattegat, the entrance to the Baltic, first came under international agreement in 1857, and here again, Russia must rank as one of the chief beneficiaries. The common features of these agreements

A DITCHER'S DIARY

are that the principle of unimpeded commercial use by all nations has largely withstood the periodic changes of Europe's national politics, that they have been reasonably effective except in time of war and that, on the whole, no nation has regarded the principle as a serious infringement of its sovereignty. President Nasser is citing the case of the Panama Canal in support of his claim to full control over the Suez. But this waterway was built for avowedly strategic purposes, whereas not even President Nasser has claimed that the Suez Canal is essential to Egypt's military security, and the United States nowadays pays handsomely for the perpetual lease she holds. Unimpeded traffic is certainly maintained through the Panama without international control, but to the question, if the United States why not Egypt, there seems to be only one answer—if not one word: Israel.

The new Trombay atomic reactor provided stimulating news for an otherwise dull week-end, and the tales of top scientists spending sleepless nights feeding in enriched uranium and all agog for the moment when the reactor would become "critical", added an admirably warm human touch. To ordinary folk atoms spell annihilation or prolonged and painful diseases, especially when they recall the tales of Hiroshima and Nagasaki, and men like Professor Haldane are succeeding in making our flesh creep by reminding us that India, with its poor housing and intermittent rain, is more easily exposed to the dangers of atomic radiation than countries like Britain. Indeed, in a world feverishly racing for more and more atomic power, the only ray of hope seems to be that the leading nations are so far feeling the need for a *modus vivendi* that the present series of talks on disarmament has not yet been given up as a bad job. It is interesting to note that the U.S. Army has already devised a radiation process for the instantaneous ripening of fruit. The method, it is said, permits the packing and shipment of green fruits and vegetables which, on reaching their destination, can be ripened by being bombarded with high-energy electrons. So far as I can see, there is everything to be said for this kind of peaceful application of atomic energy except perhaps that it might prove to be a killer of poetry. The fully-developed atomic era may no longer need a Keats apostrophising the autumn as the season that fills "all fruit with ripeness to the core" or "swells the gourd, and plumps the hazel shells with a sweet kernel". I for one cannot picture a poet composing an ode to a reactor. I was very young when G. K. Chesterton said that the scientists had vulgarised the stars. I did not understand him then. Now I think I do.

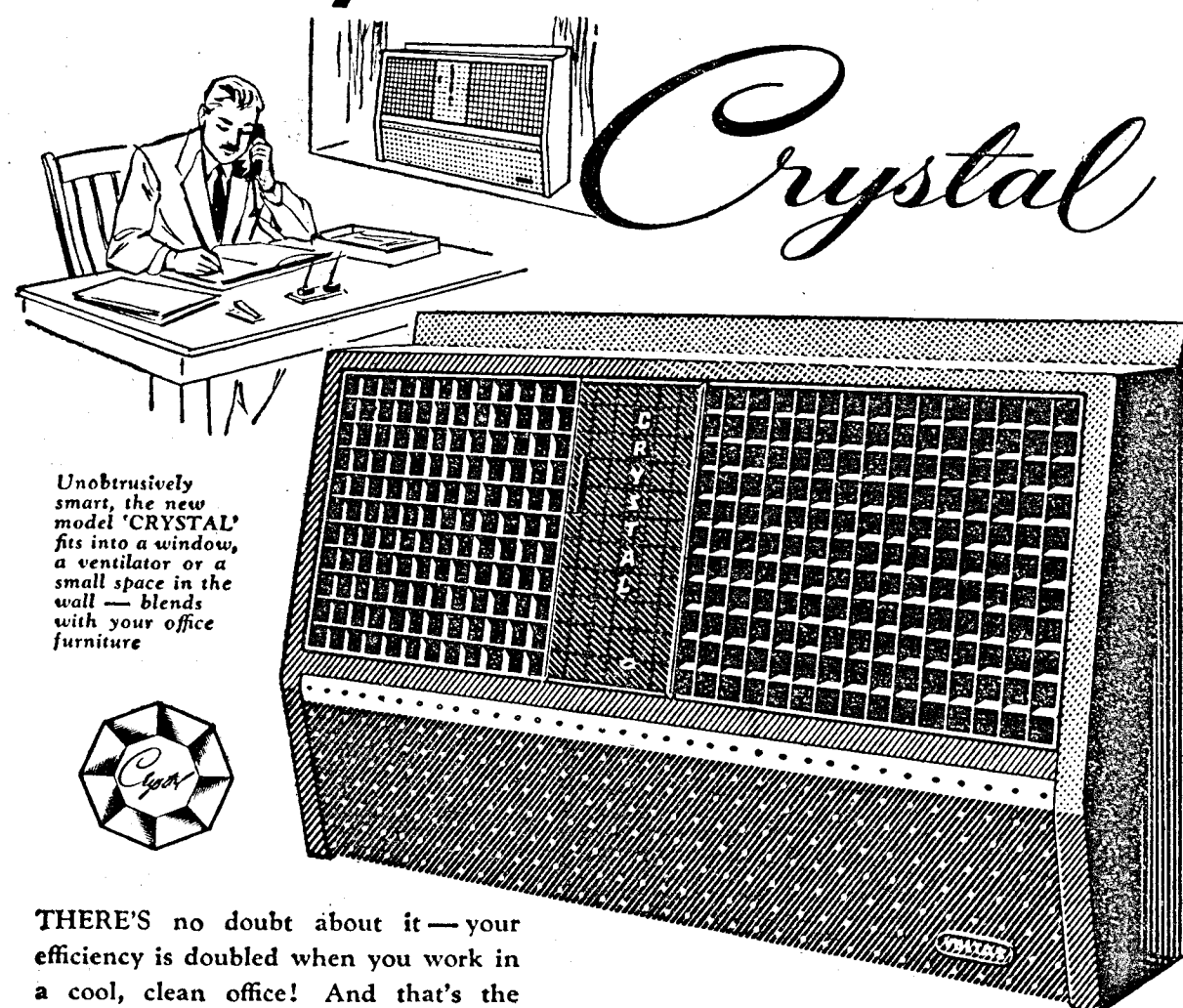
Publicity pays—or so they say, because it does not appear to have paid Sir Bernard Docker. In spite of his television appeal and the public explanations about the size of his wife's dress bills, he has still not been able to retrieve his seat on the Board of the Birmingham Small Arms Company. In fact, it may well be the publicity he and his wife have received during the past few years which accounts for his defeat; it does seem that the shareholders' final verdict was made not so much on the skimpy evidence put forward by Sir Bernard's fellow directors, as on the impression that no man allegedly guilty of such personal extravagances could possibly be a fit person to handle their property. That may only be evidence of the narrow middle-class puritanical prejudices on which English social life is based, but Sir Ber-

nard might have done better if he had taken the trouble to show them a little more respect. I wonder how many of the shareholders who crowded the extraordinary general meeting at the Grosvenor House Hotel last week were impressed as much by the apparently unsatisfactory evidence of the company's working, as by the fact that Sir Bernard could not give convincing answers to the personal charges levelled against him. Why, for instance, should the leader of Sir Bernard's renegade colleagues on the Board, Mr. J. Y. Sangster, refer to Lady Docker's dress bills with what he claimed to be "the greatest reluctance"—but which, in fact, turned out to be the greatest relish, if not on a shrewd hunch about what would really move his audience. Sir Bernard's attempt to explain the visit to the Monte Carlo wedding as a bid to increase the company's prestige in the dollar markets fell flat—as well it might. So did his answer to the accusations about his wife's extravagant taste in dress and motor cars being made a charge on the company. The implied contention that because the firm benefited from the publicity Lady Docker's social activities always incur, therefore it should pay for the dresses she wears, might have a certain logical appeal, but is unlikely to find much support in these austere times. The Dockers have not hesitated to make a public spectacle of themselves, even to the extent of buying television time at several hundred pounds a minute, to increase the dramatic quality of the fight they have been putting up. Sir Bernard has only himself to blame if his shareholders now no longer take him seriously as a hardworking and steadfast captain of industry.

I had the pleasure of attending the Schumann death centenary celebration at the German Consulate earlier this week. It was an excellent function opening with a few able talks by Drs. Alfred Rabe, Suniti Kumar Chatterjee and G. Schynoll, followed by a concert of some of Schumann's selected works, including the *Manfred Overture*, some piano variations, songs from the cycle *Frauenliebe und Leben* and the *3rd Symphony*. All these were greatly enjoyed by the audience, although a few among it appeared not to know when exactly a piece was ending. My own knowledge of music is not encyclopaedic, but I have always had the feeling that Schumann's status as a composer is still a controversial matter. His Dusseldorf conductorship is, for example, generally recognised to have been a failure, chiefly through his absent-mindedness and lack of personality. Many authorities share the view that he was greater as a discoverer of musical talents than as a composer. He worked indefatigably through his *Music Journal* to popularise Mendelssohn, and it was he who first spotted genius in Johannes Brahms and did his utmost to nurse it. This brings me to another great poet and composer whose death anniversary was also observed this week, namely, Rabindranath Tagore. He is, of course, known throughout the world as a great poet, but comparatively few know how great was his achievement as a composer. It is surprising to learn that he not only wrote about two thousand wonderfully-worded songs, but set most of them to music as well. His *Jana gana mana* has been heard by millions of people who may not have been fortunate enough to hear any other of his works, but this one alone is enough to convey the quality of the composer. And before I leave the musical mood, I note that the new Bosendorfer Grand Piano of the Calcutta School of Music is to make its debut at the New Empire theatre Sunday week. The premiere recital is to be given by Liesl Stary.

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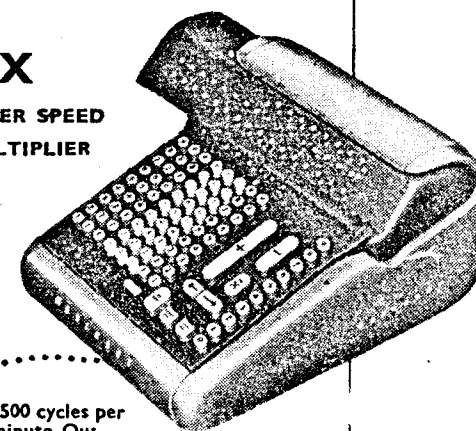
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BOMBAY SUBURBAN ELECTRIC SUPPLY LIMITED

CHAIRMAN MR. K. G. MILNE'S REVIEW

Addressing the Twenty-seventh Ordinary General Meeting of the Bombay Suburban Electric Supply, Ltd., held in Bombay on Thursday, the 2nd August, 1956, the Chairman, Mr. K. G. Milne, said:—

This time last year I told you how the Company's expansion during its 1948/54 development plan was bearing fruit and how our capacity for taking on new loads was ahead of load releases by the authorities. While the latter position still remains, we have during this year further consolidated on our own distribution network and as a result our sales of energy, exceeding 60 million units, have registered an increase of 20% over the sales of the previous year. At the end of the year the total number of consumers connected to our Mains reached the figure of 46,478. A further cause for satisfaction is the indication of the potential demand brought to light by the response to the Government Press Note inviting applications for industrial loads to be sanctioned after the Trombay Thermal Station is commissioned. No less than 400 applications were received for loads aggregating about 25,000 kW. While it should be borne in mind that even where an unrestricted supply is available there is usually a fairly large gap between the load applied for and that ultimately connected, we can look forward with confidence to the potential growth of load in this Company's area of supply in the immediate future.

It is necessary to ensure, however, that there will not be a repetition of the over-cautious attitude shown by the Power Shortage Board during the past year or two as the result of which Industries in the Bombay region were deprived of millions of units due to freezing of potential power which has remained unutilized. This caution was the result of excessive optimism on the part of the Authorities of the Public Sector as to their ability to absorb electric power for certain new ventures which, in actual fact, did not materialise. It has now been officially stated that the first 50 MW Set at Trombay will be brought into commercial use at the end of this year and a second similar Set about six or nine months later. In view of this anticipated accretion of some 100 MW of thermal plant within the next 12 months, the power position in the Bombay region will become extremely favourable, and we hope it will continue to remain so till around 1959. Thereafter there is again danger of a shortage of power unless arrangements are set in train now for augmenting plant capacity either at Bhira or at Trombay, entirely independent of Koyana power which I do not anticipate, despite all assurances to the contrary, will become available in Bombay before 1961/62.

I am taking this opportunity to bring this matter prominently to attention at the outset of my speech to you this year in view of the contemplated changes in the reorganisation of the Bombay State and in the hope that the Authorities concerned may promptly take the necessary steps to ensure that Bombay is not starved of urgently-needed power during the country's Second Five-Year Development Plan. We have already had bitter experience of this in the past and a repetition during the next five years would be calamitous.

Thermal Surcharge

The Tata Hydro Companies increased their Thermal Surcharge from 15% to 24½% from 1st January, 1956. You will appreciate that this surcharge primarily results from the inclusion of the Thermal Station erected by Government at Chola in the inter-connected system. While the addition of this 54 MW of capacity is most welcome in partly relieving the power shortage, from a purely economic view-point the addition is something of a weight, which will be relieved to some extent only when the greatly more efficient Tata Trombay Plant comes into full commission, leaving Chola merely as a standby or peaking station.

Despite the increased cost of electricity to the Company which I have just mentioned, and the ever-rising spiral of prices generally of which you are all only too well aware, your Board have decided to give effect to a substantial downward revision in the Company's tariff rates to residential consumers for Lights & Fans and Domestic purposes. Details of

the reductions about to be made will be made known to consumers by means of a circular at an early date. The result of the revision will be to bring the rates of supply for residential purposes in the Suburbs still closer to the rates obtaining in Bombay City, which is an area far more favourably placed on account of its compact nature and high concentration of industrial and residential load, to offer more favourable rates than your Company. It may be kept in mind that we supply energy in an area several times the area of Bombay City and with loads scattered over vast distances interspersed by hills, woodland and marshes.

Our ability to make a downward revision of rates at times when almost every other household necessity is increasing in price is due in great measure to the bold policy adopted by your Board in embarking on the Six-Year Plan already referred to for providing a vast distribution network in anticipation of release of load from the inter-connected system. Your Directors and Agents have always attached considerable importance to a progressive policy, feeling that unless a spirit of initiative is maintained, stagnation may all too easily invade the scene. The increased revenues that are now forthcoming are the fruit of such prudent and judicious planning. Although this development has yielded considerable benefit to the community at large, as well as to the Company in the form of increased earnings, it is this very expansion which, strange as it may seem, has reacted to penalise the investor. I have explained this ingratful phenomenon on several occasions in the past, but will do so again later in this speech as there seems to be a good deal of genuine, and perhaps some deliberate, misunderstanding about it.

The Future

We are still in the dark as to the future of the Bombay State Electricity Board which at present administers its affairs in the whole of Bombay State. The retention of one Board on a regional basis has much to commend it, for that Board will then be in the best position to continue to co-ordinate the efforts to provide adequate power in the whole of this part of India. However, this should not be construed to mean that the Electric Supply Industry in the Bombay region has been entirely satisfied with the attitude of the present Board since its inception in November 1944. We had been warned by pessimists that the retention of the Board might result in increasing the difficulties of the Electric Supply Industry in the State, which is already subject in certain directions to the control of the Public Works Department. While on the one hand the Board has received practically no assistance from the Board by way of loans or materials, there has been a continual pressure amounting almost to harassment at times as regards the rates charged to consumers by the Licensees in the State. Constant threats of Rating Committees appear to have become a feature of the Board's administration, and it has become painful necessary for the Association of Electrical Undertakings, Bombay, to have to draw the attention of the Board to the fact that the scheme of the Electricity (Supply) Act is to allow Licensees full freedom to formulate their rates of supply so long as they do not violate the provisions of the Sixth Schedule to the Act. The Board has increasingly tended towards interference in the day to day operations of the Licensees, not only of the relatively small and recent ones but even of those larger ones which have rendered such yeoman service to the communities in the State over a period of many decades. As one who had something to do with the drafting of the original Electricity (Supply) Bill, I can say with confidence that it was never the intention of the Act that Electricity Boards should hamstring Licensees to the extent that they should be deprived of their legitimate initiative in formulating their financial policies. If Electricity Boards, taking advantage of the weakness of the smaller Licensees especially, seek to put them in a financial straight jacket, they will certainly be defeating a good part of the purpose for which these Boards were formed.

Import Licences

Although I have recently dealt at some length in my speech delivered at the Annual General Meeting of one of your sister Companies, with the vexed

question of Import Licences for transformers and meters, I must repeat this important fact that, in the interests not only of the Electric Supply Industry but also of many other industries dependent on it for their power supplies, our programmes of expansion should not be impeded by undue restrictions in the import of transformers and meters and other equipment until and unless indigenous sources are able to afford reasonable deliveries. You will perhaps be interested to know that during the last year your Company placed orders for 12-250 KVA transformers with a local manufacturer, but so far only two units have been received, though at the time the order was placed favourable delivery periods were quoted by the suppliers. Of an order for 2,600 meters placed 8 months ago, only 300 have so far been received, and prospects of future deliveries are equally bleak. As it has turned out, the indigenous manufacturers are not only unable to fulfil their commitments, but unwittingly come in the way of the industry obtaining its requirements from elsewhere. While those indigenous manufacturers who are striving hard to maintain a reasonably high standard in their products deserve every encouragement, there seems to be no justification in adopting a dog-in-the-manger policy with regard to the question of allowing a reasonable volume of imports of transformers and meters in order to fill the gap. If the Electric Supply Industry is to play its part effectively in achieving the target set before it in the matter of power development under the Second Five-Year Plan, it is absolutely essential that the Central Government should adopt a more realistic policy in the imports of transformers and meters from abroad.

While we have had a satisfactory year from the revenue producing angle, and have earned more than sufficient to pay a 7½% dividend, you will note that we have once again had to withdraw an amount, small though this may be, from the Equalisation of Dividends Reserve in order to maintain that same modest rate as in the past. I will now explain in some detail how this extraordinary state of things comes about because, as I have said, there seems to be misconception about the reason and about who is to blame. As you are already aware, under the Electricity (Supply) Act, the standard of permissible return has been fixed at 5% of the Capital Base, which is, broadly speaking, the Capital employed in the business. Thus our ability to distribute a dividend in excess of 5% is essentially limited by the Capital structure, and the more fresh money which has been brought into the equity capital of a concern the nearer to unity will be the ratio of the Capital Base to the Paid-up Share Capital. Therefore, to this extent and so long as the return is limited to 5%, your Company like yours are handicapped more than those other Companies which, for whatever reason, do not expand greatly. In fact your Company has almost sextupled its equity capital in the last decade alone in the course of fulfilling its role in the country's economy and in accordance with the terms of the legal obligation to return which we are being allowed on our money in the result is not, and for some years past has not been, enough to cover the moderate dividend rate of 7% per annum to which we have been accustomed.

Act Amendments

With the passing of proposed amendments to the Electricity (Supply) Act, for which we have so long waited, the position in our case should be somewhat improved, because with the Bank Rate standing at its present level the permissible return would be slightly enhanced. However we still have no news that time can be found for Parliament to take even the preliminary step of referring the amending legislation to a Select Committee.

Anyhow, the position is, and will remain, that any profit earned above the statutory maximum from time to time has to be dealt with in the statutory manner, and thus no blame can attach to anyone, other than our law-makers, if in these circumstances the resulting amount left for the benefit of investors is considered to be disappointing.

It is because of our legal obligations that we have had to appropriate from the balance of profit this year a sum of Rs. 70,466 to each of the two Statutory Reserves, namely the Tariffs & Dividends Control Reserve and the Consumers' Benefit Reserve, thereby finally leaving a deficit of approximately Rs. 12,000 between the amount at the Company's disposal for the year and the requirements for a 7% dividend. We are thus, as on previous occasions, left with the choice of lowering the dividend or making a withdrawal from the Reserve whose name implies such use, that is the Dividends Equalisation Reserve. So long as there is hope, and there is hope, that some day the law may allow us that extra which we need, and so long as there is money enough left in the Reserve which can be used, I have no doubt in my mind that what your Board have proposed to do is in your best interests and will receive your wholehearted approval.

There are some people I believe who urge that solution to the difficulty lies in increasing the profit

by cutting down expenditure. Apart from the fact that the Company could not cut down expenditure without sacrificing efficiency and goodwill, it will be apparent from an intelligent reading of the law that it is the net earnings which are limited by the Statute irrespective of what the expenditure is. The more profit we earn in the circumstances the more would have to go to the two Statutory Reserves I have referred to, leaving the final balance available to shareholders unaltered at its legal ceiling. I would therefore reiterate that the level of divisible profits in your Company results at present entirely from the two factors I have just mentioned, namely the inadequacy of the standard allowed at its present rate of 5% and the legal ingenuity displayed towards extremely rapid expansion.

Another subject which I am sure has been agitating your minds is the question of "grossing up" of dividends to entitle you to a refund of Income Tax. I have already explained to you in the past how an expanding Company like yours being entitled to considerable Income Tax Depreciation Allowances, including the recently announced Development Rebate, has had no assessable income for Income Tax purposes, although the Company itself has to pay Accounts which are based on the Depreciation laid down under the Electricity (Supply) Act. In spite of all efforts made to convince the Income Tax Authorities that the effect of the accelerated depreciation allowances under the Income Tax Act is only to defer and not to eliminate the tax, they have held the view that where no tax is leviable in the hands of a Company for a year of account, the shareholders of the Company are to be denied the "grossing up" of dividends in their hands for that year. In fact no one is more affected by this denial of "gross up" than your Company itself, and it is only testing a test case on the subject. In addition the Association of Electrical Undertakings, Bombay, and the Federation of Electricity Undertakings of India, in the activities of both of which your management takes a prominent part, have been representing the injustice to shareholders in this context at the highest level possible.

Linked with the above problem is that of Additional Income Tax for which, as you will see from one of the footnotes to the Balance Sheet, we have a contingent liability. High hopes were entertained recently that this note would no longer be required with the Company's freedom from the Tax definitely established when the High Court pronounced its decision in favour of a Company whose position was similar to ours. However, the Income-tax Department have gone in appeal to the Supreme Court with the inevitable delay and uncertainty which this entails. With the enactment of the Finance Act, 1956, Additional Income Tax in its past from relative to dividend has been abolished, but a Tax applicable to Dividends distributed in excess of 6% has been introduced. This latter, however, of comparatively small significance to Companies like yours whose dividends now inevitably cannot be much in excess of the 6% which has been adopted as a base for the tax.

I am glad to say that our relations with the Greater Bombay Municipality on Street Lighting matters have been of the most cordial nature, and that the reference which I made last year to the great need for extension of street lighting in the Suburbs has borne fruit, as can be seen from the increase in the number of street lights from 6,559 to 7,295. In addition, a number of conversions to brighter lights are taking place and a number of mercury vapour lamps have been installed among the main thoroughfares. Another significant move is the gradual elimination of half-night lamps which are uneconomic both from the point of view of the Company and the Street Lighting Authority.

While the terms on which we render street lighting service have been found acceptable by the Greater Bombay Municipality, the Municipalities of Kanpur and Borivli have thought otherwise and resorted to arbitration for determining the rates charged for street lighting. The Arbitrator's Award published on the 18th August, 1955, upheld the Company's existing rates which are prevailing since March 1953.

During the year the Staff Union went to arbitration in the matter of several demands dealing with service conditions and bonuses for the years 1950/51, 1951/52 and 1952/53. The Award of the Industrial Court was given in December, 1955, but the Union chose to go in appeal. A fresh demand for bonuses for 1953/54 and 1954/55 has been referred to the Industrial Court for arbitration. Although your Agents have been in the forefront in recognising and safeguarding the legitimate rights of the workers in the Companies under their control, we are being compelled nowadays to expend more time than ever in Courts on industrial matters. So long as Labour Unions can go to Court on the slightest pretext, this state of affairs is likely to continue. Another tendency which appears to be becoming all too prevalent is the use of the cloak of Labour Union activities to achieve political objectives and without any real heed for the true interests of the workers.

Apart from the withdrawal of Rs. 12,000 this year from the Equalisation of Dividends Reserve, on reasons for which I have already commented, the only other special reference to the Accounts which I feel I need make concerns the appropriation of Employees' Retiring Gratuities Reserve of Rs. 4,26,649. This appropriation, made at the express wish of our Auditors, now brings this Reserve to the full amount of our present accrued liability in this regard and thereby relieves shareholders and consumers alike in respect of necessary contributions to meet this obligation. I am sure you will agree as to the wisdom of this step. Otherwise, I think there is nothing particular for me to add in respect of the Accounts, which are straight-forward, and which together with the notes appended are sufficiently informative.

The first effects of the Indian Companies Act, 1956, are reflected in the Notice convening this Meeting, covering inter alia the retirement and re-election of five of your Directors. I need not enlarge on the necessity for these Resolutions as the Notice itself is entirely self-explanatory. All five gentlemen have been properly proposed by shareholders for re-appointment. As from next year, the Accounts will be presented to you in the form laid down in the Companies Act, 1956, insofar as it is applicable to Electricity Companies, and I trust you will not find merely confusing the changes which that may necessitate.

THE CHAMPION REEF GOLD MINES OF INDIA (KGF) LIMITED, NUNDYDROOG MINES (KGF) LIMITED, OORGAUM, KOLAR GOLD FIELD.

Extract from the Chairman's Speech at the Fifth Annual General Meeting held at Oorgaum on 2nd August 1956:—

At the last meeting I dealt at some length with the events leading up to the proposal of the Mysore Government to nationalise the K. G. F. Mining Companies. A circular issued on the 15th June this year gave you a brief account of the position up to that date. In my speech last year, I told you how highly critical the Government of Mysore that assumed office in 1952 had been of the agreement entered into in 1949 by its immediate predecessor in office. It is regrettable that a tendency developed in the State in the last few years of dragging the Kolar Gold Mining Companies into the arena of provincial party factions where they were made the sport of group rivalries. It is now more widely known that this unfortunate circumstance has been the root cause of most of the trouble and misunderstanding your Company and its sister Companies in the Kolar Gold Field have had to live through during the past few years.

Your Directors and Managers have patiently and painstakingly striven to remove doubts and to clear up misunderstandings. You will recall that in reply to the unjust accusation made by the Mysore Government that the Agreement had been violated, the Companies requested that the question may be referred to arbitration, as specifically provided in the Agreement itself. The Mysore Government rejected this request—and expressed its preference for legislation. It was also represented that if the Government of Mysore were dissatisfied with the terms of the 1949 Agreement the Companies would be ready and willing to discuss a new agreement mutually acceptable to their anxiety to end all controversies, and smooth out differences and see cordial and harmonious relations restored, your Directors did also suggest, in more than one context, that the Government may be pleased to appoint an impartial expert committee of eminent and high-ranking personalities in the fields of Justice, (such as a retired Chief Judge of the Supreme Court of India), Finance, and Administration, to whom all the charges and differences may be referred for examination. It was also submitted that if nationalisation was decided upon, the question of fixing the compensation should also be referred to such an independent committee.

None of these requests has so far been heeded by the State Government.

The Companies have reason to be grateful to the Central Government at New Delhi for the calm, detached and sympathetic consideration they have given to our representations.

In response to a call from the Ministry of Natural Resources and Scientific Research, Government of India, representatives of the Companies met a Committee of three officers of the Government of India at New Delhi between the 11th and the 16th June, 1956

and placed before that Committee the Companies' views on statements relating to the claim for compensation in the event of nationalisation. During the discussions, the Companies' representatives were informed of the Mysore Government's intention to fix compensation on the basis of market quotations of the shares. The Companies' representatives strongly opposed this and took the opportunity to repeat that to take drastic measures, as the Mysore Government had done, that debilitated and crippled the enterprise and brought down the share prices, and then to use the depressed and restricted market quotations as the basis for fixing compensation is to inflict a double injury on the shareholders. Detailed statements were submitted of the valuations of assets and liabilities made by an expert firm of valuers of international standing, as well as of the present position of each Company, its future prospects, etc. Following this meeting and discussions, the Companies wrote to the Hon'ble Minister for Natural Resources and Scientific Research, Government of India, submitting the views and claims of the Companies and requesting that the Companies be given a further hearing before any final decision is taken. No communication on this subject has since been received either from the Central Government or the State Government.

Neither the findings nor the recommendations of the officers were made known to the Companies; nor are the Companies aware of the advice conveyed to the Government of Mysore.

Union Government's Suggestion

On the 31st July the concerned Minister of the Mysore Government made an announcement which was published in the Press to the effect that the Government of Mysore had agreed to the Government of India's suggestion for the payment of 119 lakhs of rupees as net compensation to the three Companies. If this news report is correct it is not known how this unreasonably low and totally unacceptable figure was arrived at. The announcement said that the Draft Nationalisation Bill, embodying certain modifications suggested by the Centre, had been sent to the Government of India for their approval and the Mysore Government were now anxious to pass the Bill as early as possible. He is stated to have added that the Government's proposal was, to quote the report, "now reduced to a formality".

As I said, the Companies have received no communication to this effect so far from the Government of India or the Government of Mysore, and considering the uncertainty and speculation caused by such reports and announcements bearing on the basis and quantum of compensation I would refrain from dilating on this subject at this stage. I would only reiterate your Directors' earnest and assured hope that, if nationalisation of the Companies is decided upon, compensation will not be unjustly or arbitrarily fixed, and that the Companies' submissions and claims will be heard before an independent tribunal.



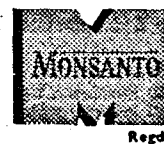
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CHAIRMAN MR. KAMALNAYAN BAJAJ'S REVIEW

Speech delivered by the Chairman, Mr. Kamalnayan Bajaj, at the Annual General Meeting of the Company held at Bombay on 6th August, 1956.

Ladies and Gentlemen,

We are meeting at a time when important political and economic developments are taking place both in this country and outside. On the question of States Reorganization, I may express my hope, which indeed is the hope of every citizen of this country, that the rich heritage of our great languages will be utilized towards strengthening the bonds of unity of the 360 million people of diverse creed and religion inhabiting this ancient land and not for weakening the same. Everyone should in his or her own little sphere strive to promote that unity, without which, whatever the plans and however ambitious they may be, no progress is ever possible.

Our great Prime Minister, who more than anybody else has been responsible for raising India's prestige high among the nations of the world, has returned only a few days back after visiting several foreign countries. It should be the duty of all sections of the

people to strengthen his hands in the paramount task of preserving and strengthening the unity of India.

The First Five-year Plan rightly laid stress on development of agriculture and essential raw materials for the industries. The Second Five-year Plan has laid greater emphasis on industrialisation of the country with a view to minimise unemployment and bring about more rapid increase in the earnings of the people. It does not, of course, mean that with our growing population, production of food could be neglected. We cannot afford to spend large sums of money in procuring food from outside. We have to utilise our limited foreign exchange resources in the best possible manner, more particularly in the import of things which will lead to higher production.

Steel is one of the major items in the import of which foreign exchange is being expended today. The important gap in our economy, which was left out in the First Five-year Plan is now sought to be filled in by increasing steel production during the next five years. The existing main steel producers are expanding their plants and besides them, three new major steel plants are being installed in the public sector.

Co-ordination

While these steps are essential, the question of co-ordination of these large plants with smaller producers of iron and steel who depend for the supply of their essential raw materials on the main producers, requires to be successfully tackled. The Second Five-year Plan has laid stress on regional development so as to meet a part of the regional needs and to afford employment to as large a section of the population as possible. Now it is known that big iron and steel plants can be installed only at places which are fortunate in having coal and iron ore close at hand which in this country are located only in a few tracts. Hence in the interests of regional development, a special responsibility is attached to these plants to supply semi-finished steel or billets to steel producers in other regions for the purposes of processing and meeting part of the regional needs, more particularly in the matter of steel sections not produced by the main steel works or cannot be economically produced by them in their large plants, which are more suited for production of heavier sections.

The importance of steel re-rolling industry in fulfilling the above important role of regional development and meeting regional demands, was recognised in the First Five-year Plan. Unfortunately, the recommendations made by the Planning Commission in the First Five-year Plan to supply sufficient quantity of billets to the re-rolling industry, if necessary by imports from abroad, were not fully carried out in practice and the industry had to continue to suffer from acute shortage of billets, resulting in low production and consequently stagnation.

The above drawback is now sought to be removed during the next five years by providing additional billet producing capacity in the main steel plants both in the public and the private sectors for supplying the same to the steel re-rolling industry, and in the interim period that is still sufficient indigenous supply of billets is available, by importing substantial quantities from abroad. These proposals however require to be stated in more precise and clear terms in the main body of the Second Five-year Plan itself so that the industry can go ahead with confidence in the task of fulfilling the role assigned to it in the national economy.

Progress

As you may have read in the Directors' Report, the other activity of the company, viz. manufacture of steel castings is also making progress. Requirements of steel castings have increased considerably in recent years and are expected to increase further with the growing industrialisation of the country and increased transport requirements for goods and passengers.

Our steel re-rolling and steel casting capacities, both require expansion and further improvement in plant and layout, for which applications for grant of sanction have already been made by your company to the Government, under the Industries Development & Regulation Act. In fact this matter has been engaging the attention of your directors since some time past and efforts are being made to secure foreign technical collaboration. Recently when I was in U.K. and the Continent, I had an opportunity to discuss these matters with the representatives of the firms who had shown interest in such collaboration and Shri V. J. Shah, our Chief Executive (Finance & Development) is at present there for pursuing these matters.

The Government have recently appointed a Committee of six members, three officials and three non-officials including Shri R. M. Agrawal, the General Manager of your Works at Bombay, to study the raw material requirements of the existing electric furnaces, foundries and re-rolling mills and assess the kind of expansion that is possible. It will also suggest ways and means of improving the efficiency of existing units and recommend steps that should be taken to make them economic and independent of any form of price subsidy for raw materials. The additional capacity required to be set up for these industries will also be assessed by this Committee, which has been directed to pay regard to the importance of regional development and other relevant considerations like transport facilities and supplies of raw materials.

It will not be out of place if I mention here some of our difficulties:

(1) Power Supply: The Government of Bombay have taken steps to increase availability of power. Our application for additional power supply is pending with them since long. While I do not minimise the difficulties of the Government in meeting all demands, the needs of the existing industries, particularly in respect of production of steel which is the basis for development in many spheres of economic activities, require adequate consideration. I trust the Government of Bombay would remove this difficulty of ours at the time of distributing additional power which will shortly be available.

(2) Rates of electricity: Electricity is a major item of cost in our line of production of steel. The rates of electricity which only a few years back compared favourably with our competitors in Calcutta, have been raised so high that they now exceed the electricity rates of concerns manufacturing similar goods in Calcutta area. The entire policy of regional development will receive a set back if electricity rates are raised unduly high as that impairs the competitive capacity of the industry.

(3) Railway Siding: Heavy industries require railway siding facilities. We have approached the Central Railway authorities for extending to us this facility. Certain technical difficulties are coming in the way. I, however, trust that these will be solved by the authorities concerned in such a way as would not impose unduly high financial burden on the company.

(4) Necessity for steady and long term price structure for steel as a case of re-rolling industry: The existing conversion cost arrangement in respect of rolling of steel bars and rods by registered steel re-rolling mills was fixed by the Government on the recommendation of the Tariff Commission with effect from 1st January 1953 for a period of three years and was subsequently extended by the Government for one year more, that is, up to 31st December 1956. During this period the Government have recognised the necessity of allowing substantial amounts for meeting a part of the rehabilitation and expansion needs of the various steel plants and have accordingly sanctioned increased retention prices to the existing main producers of steel. The steel re-rolling industry has also been recognised by the Planning Commission as an integral part of the steel industry of the country and as such similar considerations should be made by the Government for the smaller producers of steel as well, in regard to their needs of rehabilitation and expansion, so that they may make their full contribution to the economy of the country. Further as in the case of the main producers, it is necessary that the retention price arrangement should be for a minimum period of five years, so that like the main producers, the steel re-rollers may know, to what extent, they would be able to finance their development programmes from their own resources. This would assist in accelerating the pace of proper development of the industry.

Steel Foundry

Regarding steel foundry industry, one important matter deserves consideration. In the public sector, in addition to the steel foundry at Chittaranjan Locomotive Works, Government have decided to have another large steel foundry for making heavy castings and forgings. While such a foundry for making heavy steel castings is necessary, it is hoped that care will be taken to avoid overlapping with the private sector with a view to utilize the resources of the country in the best possible manner.

It is a matter of satisfaction to me and your Board that it has been possible to recommend payment of dividend on cumulative preference shares not only in respect of the year 1955-56 but also of arrears of dividend in respect of the preceding six years. Out of seven years' dividend including the year 1955-56, it has been proposed to make payment of Rs. 1,00,000/- for two years' dividend in the report and the balance of Rs. 2,50,000/- has been recommended to be carried to Dividend Equalisation Fund. The consent of the Industrial Finance Corporation has now been received for distribution of this balance amount.

An extraordinary General Meeting of the shareholders has been called on 22nd August, 1956 to make necessary amendment in the article concerned and to declare payment of the above dividend amount on cumulative preference shares in respect of five years, 1951-52 to 1955-56, from out of the dividend equalisation fund.

Our Director, Shri Lalji Mehrotra has been appointed by the Government of India as Ambassador to Burma. He will leave India shortly for taking charge of this high office. This will necessitate his resignation from the directorship of the Company. Shri Lalji Mehrotra has been associated with the Bachhra Group of concerns for nearly 30 years and has been a director of this company also for many years. He has rendered very valuable services to the company. His absence will be very much felt by the Board and the void that will be caused by his resignation will be difficult to fill. His selection to this high office is a tribute to his great abilities and devotion to the cause of the nation. I am confident that he will further cement the existing friendship between the two neighbour countries. We all wish him success in his new assignment in the service of the nation.

Staff Relations

I am glad to report that our relations with employees are cordial and a spirit of co-operation exists between them and the management. Unfortunately, for a few months, workers were misled into slowing down of production but after some time the situation improved and normal production was restored.

Rehabilitation of this company after loss of its Lahore factory, which was its major production unit, involved more than ordinary strain on the management of the company and I on behalf of the Board of Directors as well as on your behalf, offer to officers and other employees of the company, our grateful thanks for the work which they have done so far and trust that they will continue to work with zeal and enthusiasm as it is only by making success of the work each one does, that the nation as a whole can prosper.

After the notice of the Meeting and Auditors' Report were read, Resolutions adopting the audited accounts and Directors' Report for the year ended 31-3-1956 and declaration of dividends on Preference Shares for the years 1950-51, and 1951-52 were unanimously passed. The retiring Directors Shri Lalji Mehrotra and Shri Keshavdeo Nevatia and Shri Kamalnayan Bajaj were unanimously reappointed as Directors. The retiring Auditors Messrs. Dalal & Shah were also unanimously reappointed, as Auditors of the Company for the current year. The resolution authorising the Board of Directors for borrowing in excess of the Paid-Up Capital and free Reserves was also unanimously passed.

Finance in India and Abroad

THE CALCUTTA MONEY MARKET

EASIER CONDITIONS PERSIST

Tuesday, 7th August.

THE money market has shown little change in the past seven days. The larger borrowers are reducing their commitments slowly and there are slight decreases to be noted in the requirements of the sugar and jute industries and against grains and seeds. The interbank market is steady and the call rate is unchanged at 3½ percent.

Activity in the market for export documents continues to be rather brighter. A fair showing of tea bills has been reported and a number on account of gunnies shipment has come to hand. Remittance has been normal for the time of year. Last week's sharp fall in the value of sterling due to the sudden deterioration of the international situation has not been continued during the past few days. The American dollar is unchanged on last week's quotation of Rs. 49½.

Bullion was steady. Silver improved to Rs. 170-12 on bear-covering. Gold was firm due to scarcity of supply and the price rose to Rs. 104-8.

During the week ended 3rd August, Government of India Treasury Bills for Rs. 8,80,00,000 were sold in favour of the Reserve Bank.

Rises of Rs. 2.87 crores and Rs. 16 lakhs to Rs. 1,447.15 crores and Rs. 1,477.43 crores were the outstanding features of the return of the Reserve Bank of India for the week ended 3rd August, 1956. Notes held in the Banking Departments consequently decreased by Rs. 2.71 crores to Rs. 30.28 crores. Deposits of the Government of India and other Government accounts declined by Rs. 15.11 crores and Rs. 96 lakhs to Rs. 61.05 crores and Rs. 5.86 crores. Balances of commercial banks were Rs. 5.45 crores lower at Rs. 47.90 crores. Balances held abroad fell by Rs. 5.96 crores to Rs. 36.79 crores. Other loans and advances declined from Rs. 65.54 crores to Rs. 55.37 crores, of which advances to scheduled banks against usance bills amounted to Rs. 25.34 crores (Rs. 34.85 crores). These advances totalled Rs. 207.83 crores since 1st January, 1956. Other items showed little change.

The return of the State Bank of India for the week ended 27th July, 1956, shows a rise of Rs. 60 lakhs in total deposits to Rs. 221.31 crores. Investments in Government securities are down by Rs. 5 lakhs to Rs. 89.22 crores, while other authorised investments remain unchanged at Rs. 11.30 crores. Advances, including loans, cash credits and overdrafts, and bills discounted and purchased have declined by Rs. 3.87 crores to Rs. 126.44 crores. Cash and balances are, in consequence, shown at Rs. 18.33 crores or Rs. 1.76 crores higher.

The statement of the position of scheduled banks for the week ended 27th July, 1956, shows Demand and Time liabilities at Rs. 639.68 crores (Rs. 11.66 crores on account of borrowings from banks) and Rs. 456.97 crores (Rs. 3.56 crores), compared with Rs. 633.57 crores (Rs. 9.26 crores) and Rs. 454.87 crores (Rs. 3.35 crores) respectively in the previous week. Cash has decreased by Rs. 50 lakhs to Rs. 37.91 crores, while balances with the Reserve Bank have increased by Rs. 1 lakh to Rs. 50.38 crores. There is a rise of Rs. 2.16 crores in investments to Rs. 353.39 crores. Advances and bills discounted at Rs. 740.32 crores show a fall of Rs. 4.28 crores. The ratios to total liabilities of cash and balances, and of advances and discounts, are, in consequence, shown at 8.1 percent and 67.5 percent, against 8.1 percent and 68.4 percent.

Government Promissory Notes of the following loans (Central and State Governments) interest on which falls due for payment during the months of September and October, 1956, will be accepted by the Public Debt Office, Reserve Bank of India, Calcutta for preparation of interest warrants from 15th August to 15th September, 1956.

Interest falling due in September: 2½% 1976; 4% 1960-70; 3% Con. Loan 1946; 3% V.L. 1957; 3% U.P. 1961-66 & 1960; 3% M.P. 1964; 4% W.B. 1967; 4% Bihar 1967; 4% Bombay 1967; 4% M.P. 1967; 4% Saurashtra 1967; 3% Madras 1960; 3½% West Bengal 1962; 3½% U.P. 1962; 3½% Madras 1962; 3½% Bombay State Dev. 1962; 3½% Madhya Pradesh 1962; 2½% U.P. 1961; 2½% Madras 1961; 4% Hyderabad 1967; 4% U.P. 1967; 4% Madras 1967; 4% Andhra 1967; 4% Mysore 1967.

Interest falling due in October: 3% 1966-68; 3% 1970-75; 3½% N.P. Loan 1964; 4% Hyderabad State Dev. 1963.

Holders of the loans are advised to lodge their holdings well in advance to facilitate delivery of the securities and interest warrants on the due dates. In view of the heavy work involved, the

period for delivering securities tendered for payment of interest on the above loans may be extended to five clear working days.

BOOKS RECEIVED

University Education in India. (Published by the Publications Division, Ministry of Information and Broadcasting, Government of India, New Delhi. Price As. 8; pages 36.)

Folk Dances of India. (Published by the Publications Division, Ministry of Information and Broadcasting, Government of India, New Delhi. Price Rs. 1-8; pages 35.)

With Gun and Rod in India. (Issued on behalf of the Tourist Traffic Branch, Ministry of Transport, New Delhi. Price Rs. 3; pages 136.)

Indian Air Force. (Published by the Publications Division, Ministry of Information and Broadcasting, Government of India, New Delhi.)

Economics of Socialism. By Shivaux Mistry. (Published by the author from 17-G, Cowasji Patel Street, Fort, Bombay. Price Rs. 1; pages 40.)

Agriculture in the Second Five Year Plan. (Published by the Publications Division, Ministry of Information and Broadcasting, Government of India, New Delhi. Price Rs. 6; pages 20.)

Planting and Commerce, Annual Number, 1956. (Published by V. I. George, Mar Thomeus Memorial Printing and Publishing House Ltd., Ernakulam. Price Rs. 3; pages 88 + statistics on tea, coffee, rubber, pepper, etc.)

The Accumulation of Capital. By Joan Robinson. (Published by Macmillan & Co. Ltd., St. Martin's Street, London, W.C.2. Price 15s. Pages 440.)

Unkra in Action. (Published by the United Nations. Price \$0.30; pages 31.)

Gandhian Technique and Tradition. By R. N. Bose. (Published by the All-India Institute of Social Welfare and Business Management, College Square West, Calcutta. Price Rs. 5; pages 228.)



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(In 000's of Rupees)

	3-8-56	27-7-56	5-8-56
Liabilities—			
Notes in Banking Dept.	30,28.67	32,99.10	22,53.19
Notes in Circulation	14,47,14.64	14,44,28.08	13,05,80.15
Total Notes issued	14,77,43.31	14,77,27.18	13,28,33.34

Assets—			
A Gold Coin and Bullion	40,01.71	40,01.71	40,01.71
Foreign Securities	6,16,67.54	6,16,67.54	6,37,04.02
Total of A	6,56,69.25	6,56,69.25	6,77,05.73
B Rupee Coin	1,12,11.33	1,11,95.80	1,07,62.64
Rupee Securities	7,08,62.13	7,08,62.13	5,43,64.97
Total	14,77,43.31	14,77,27.18	13,28,33.34

Liabilities—			
Capital Paid-up	5,00.00	5,00.00	5,00.00
Reserve Fund	5,00.00	5,00.00	5,00.00
National Agricultural Credit (Long-term) Fund	15,00.00	15,00.00	—
National Agricultural Credit (Stabilisation) Fund	1,00.00	1,00.00	—

Deposits—			
(a) Central Govt.	61,64.00	76,16.09	76,70.97
2 Other Govts.	5,86.44	6,83.50	10,87.00
(b) Banks	47,80.79	53,34.84	49,51.22
(c) Others	12,21.80	12,21.80	15,73.24
Bills Payable	4,99.53	6,03.08	12,58.50
Other Liabilities	27,86.21	25,98.94	25,55.81
Total	1,85,68.17	2,06,58.25	1,99,98.13

Assets—			
Notes	30,28.67	32,99.10	22,53.19
Rupee Coin	3,86	9.76	4.33
Subsidiary Coin	5.82	5.63	6.50
Bills Discounted Int.	2.00	2.00	62.30
Govt. of India Treasury Bills	3,28.53	3,26.17	7,07.06
* Balances held abroad	36,79.22	42,75.30	62,24.47
Loans to Govt.	5,84.35	5,15.75	45.00
Other Loans etc.	50,37.13	65,53.82	19,57.57
Investments	49,41.15	49,39.43	61,86.36
Other Assets	6,27.04	7,31.29	5,31.33
Total	1,85,68.17	2,06,58.25	1,99,98.13

SCHEDULED BANKS

(In 000's of Rupees)

	27-7-56	20-7-56	29-7-56
Demand Liabilities—			
(a) Borrowings from Banks	11,66.30	9,25.77	12,81.76
(b) Others	6,28,60.97	6,24,31.17	5,87,54.71

Time Liabilities—			
(a) Borrowings from Banks	3,56.30	3,35.30	4,01.00
(b) Others	4,53,40.64	4,51,51.53	4,05,76.98
Borrowings from State Bank Demand Liabilities	5,74.55	6,29.04	2,46.32
Time Liabilities	47,27.49	38,40.58	31,91.64
Cash	50,38.08	49,38.52	52,32.05
Balances with the Reserve Banks	16,25.30	10,30.87	10,27.23
Balances with other banks in current account	15,52.00	12,34.14	22,30.15
Money at calls and short notice	3,53,30.28	3,51,22.69	3,68,70.54
Investments in Central and State Govt. Securities	5,97,63.65	6,01,01.75	4,89,87.68
Advances	95,51.29	96,69.73	68,90.43
Inland Bills purchased and discounted	47,17.24	47,58.14	42,34.82
Foreign Bills purchased and discounted	—	—	—

CLEARING HOUSE RETURNS

Week ended	Rs. (thousands)	Calcutta	Bombay
3-8-56	63,66.18	57,62.13	7,04.05
27-7-56	40,16.68	35,47.44	4,69.24
30-7-56	54,06.78	57,36.89	—
13-7-56	50,59.72	58,54.63	—

STATE BANK OF PAKISTAN

ISSUE DEPARTMENT

(In 000's of Rupees)

	Week ended	Week ended
Liabilities—	20-7-56	13-7-56
Notes in Banking Department	11,32.52	11,48.42
Notes in Circulation	2,84,46.05	2,84,42.60
Total Notes issued	2,95,78.57	2,95,91.02

Assets—		
A Gold Coin and Bullion	11,33.41	11,33.41
Sterling Securities	96,64.02	96,64.02
Government of India Securities	16,89.91	16,89.91
India Notes representing assets recoverable from the Reserve Bank of India	43,02.58	43,02.58
B Rupee Coin	6,55.75	6,67.76
Govt. of Pakistan Securities	1,15,63.28	1,15,63.28
Held with Reserve Bank of India pending transfer to Pakistan	19.02	19.02
Gold Coin and Bullion	4,40.63	4,40.63
Sterling Securities	1,00.90	1,00.90
Govt. of India Securities	29.51	29.51
Rupee Coin	2,55,78.61	2,55,91.02

Liabilities—		
Capital Paid-up	3,00.00	3,00.00
Reserve Fund	3,00.00	3,00.00

Deposits—		
(a) Central Government	33,60.40	25,60.00
(b) Provincial Government	7,77.37	7,01.43
(c) Banks	20,66.73	26,97.25
(d) Others	3,90.38	5,55.42
Bills Payable	1,86.68	1,56.07
Other Liabilities	8,75.53	7,18.10
Total	82,97.09	80,28.27

Assets—		
Notes	11,32.52	11,48.42
Rupee Coin	—	—
(a) Pakistan	11	11
Subsidiary Coin	—	—
(a) Pakistan	11	13
(b) India	—	—

Bills Purchased and Discounted—		
(a) Internal	—	—
(c) Govt. Treasury Bills	53.52	4.68
Loans and Advances to Govt.	—	—
Provincial Govt. Debtor Balances	—	—
Other Loans and Advances	3,70.50	2,67.25
Investments	56,27.94	55,48.42
Other Assets	11,12.29	10,59.26
Total	82,97.09	80,28.27

Stocks and Shares

SHARE MARKET IN MORE CHEERFUL MOOD

EQUITY PRICES WELL MAINTAINED: GOVERNMENT SECURITIES WEAKER

THE moderate optimism which followed last Tuesday Evening. The week's deterioration in the international situation has persisted throughout the past few days. The Calcutta market has improved slightly, mostly taking its cue from the better sentiment apparent in Bombay now that the State reorganisation issue appears to be nearing a solution. Speculative generally have increased fractionally in price, with the possible exception of Indian Irons which have encountered profit-taking off and on throughout the past few days. Irons are now moving narrowly at about the level ruling this time last week. Investment interest remains at a low ebb, although the volume of transactions has increased slightly since the beginning of the month. Business in investment shares is considerably below the normal for this time of year and a number of stockbroking firms in Calcutta are complaining that July was the quietest month experienced in the past few years.

There has been small enquiry for jute shares at present bargain levels, but the number changing hands has not been large. Engineering and miscellaneous scrip have accounted for most of the remaining business in the market. Coal and tea shares have ruled dull and neglected and there has been scarcely any activity worth mentioning among Government securities. The undertone of the market is fairly steady, although operators appear to be having second thoughts about the possible consequences of trouble in the Middle East.

Details of the week's trading follow.

The Government security market ruled extremely quiet and once again prices were marked down. Three percent 1986 was particularly weak with the quotation falling by As. 11 to Rs. 75-8 sellers. This is the lowest price touched since the loan was issued in 1946. Non-terminable Paper was marked back in sympathy to Rs. 76-10 without business passing. In short-dated loans, 3% 1957 was unchanged at Rs. 99-13 while 3% 1958 was asked for at Rs. 99-10. In the medium-dated group, 3% 1959-61 met with enquiry at Rs. 98-2 due to the approach of the interest payment date (15th August) but 3% 1963-65 was on offer at the lower rate of Rs. 95 and 3% 1964 was easier at Rs. 95-1; 2½% 1961 was traded at Rs. 93-7 and 2½% 1960 was quoted at Rs. 96-6. In National Plan loans, 3½% 1961 was easier at Rs. 99-7, but 3½% 1964 had small buyers at Rs. 98-11; 3½% 1965 had sellers at Rs. 98-10, as did 3½% 1967 at Rs. 98-7-6. In long-dated loans, 3% 1968-68 was slightly firmer at Rs. 93-4 but 3% 1970-75 and 3½% 1974 were on offer at Rs. 90-8 and Rs. 98-7-6 respectively.

Provincial loans were also quiet and there was an almost complete absence of buyers, due to the news that the States will again be in the market with new medium-dated loans. Practically no business was reported with sellers at last quotations.

In the banking section, United Commercial improved to Rs. 59 on good enquiry, as did Hind Bank, which were also better at Rs. 37-4. Punjab National Bank met with some profit-taking at the higher level of Rs. 61, to close at Rs. 60-8.

Business in coal shares was on a reduced scale, though prices showed little variation, as will be seen from the following table:

	Opening	Closing
	2-8-1956	7-8-1956
	Rs. As.	Rs. As.
Amalgamated	22 10	23
Bengal	540	540
Burrakur	13 7	13 9
East Indian	30 14	31 4
Katras Jherriah	58	59
New Beerbhoom	19	19 12
Raneegunge	12 14	13 1
South Karanpura	9 6	9

The solitary feature in the cotton section was Kesoram which were actively traded and improved from Rs. 18-14 to Rs. 19-4. New Victoria were slightly better at Rs. 2-12, but Dunbar were marked back from Rs. 300 to Rs. 295.

In electric, Calcutta were dealt in freely at the previous level of Rs. 13-15, while U.P. were taken two points higher to Rs. 150. Benares changed hands at Rs. 17-8, while Jubbulpore were marked at Rs. 14-4.

In the engineering section, Indian Iron fluctuated narrowly between Rs. 36-8 and Rs. 36-14 to close at Rs. 36-12. Braithwaite were scarce at the higher rate of Rs. 29-4, while Burn and Co. were slightly better at Rs. 357. Indian Standard Wagon rose from Rs. 177 to Rs. 180 but Jessops were shaded at Rs. 34-15. Textile Machinery rallied smartly from Rs. 22-8 to Rs. 23-8.

There was a fair enquiry for selected jute shares and prices improved in certain cases. In contrast to the general trend, there was a sharp fall in from Rs. 1,300 to Rs. 1,000, and Naskar-

para dropped Re. 1 to Rs. 17. Here is a chart showing representative price movements.

	Opening	Closing
	2-8-1956	7-8-1956
	Rs. As.	Rs. As.
Agarpara	11 5	12
Alliance	120	127
Anglo India	164	171
Barnagore	131	139
Birla	17 10	19 4
Budge Budge	123	133
Gourepore	226	232
India	130	142
Kinnison	161	178
Megha	72 8	84
National	24 1	24 15
Nuddea	38 8	41 8
Union	141	157

Sugar shares tended to lower levels with sellers predominating. Balrampur eased from Rs. 7-12 to Rs. 7-8, Carew from Rs. 9-4 to Rs. 9-2, Darbhanga from Rs. 23 to Rs. 22-10 and Ramnugger from Rs. 27-8 to Rs. 27.

In shipping, Port Shipping were active and rose from Rs. 16-4 to Rs. 17-8, while India Steamship were unchanged at Rs. 9-3. I.G.N. were better at Rs. 11-4 and Calcutta Landing were taken at the higher rate of Rs. 16.

In insurance, Concord were a shade better at Rs. 11-12, but Ruby General shed As. 6 to close at Rs. 5-14.

Paper shares were again in the limelight under the leadership of Orient, which improved from Rs. 39-13 to Rs. 40-9. Titagur were better at Rs. 41-2 and Bengal Paper after a considerable period jumped Rs. 10 to Rs. 120.

Among miscellaneous industrials, Angelo Brothers were Re. 1 better at Rs. 23-9 following the

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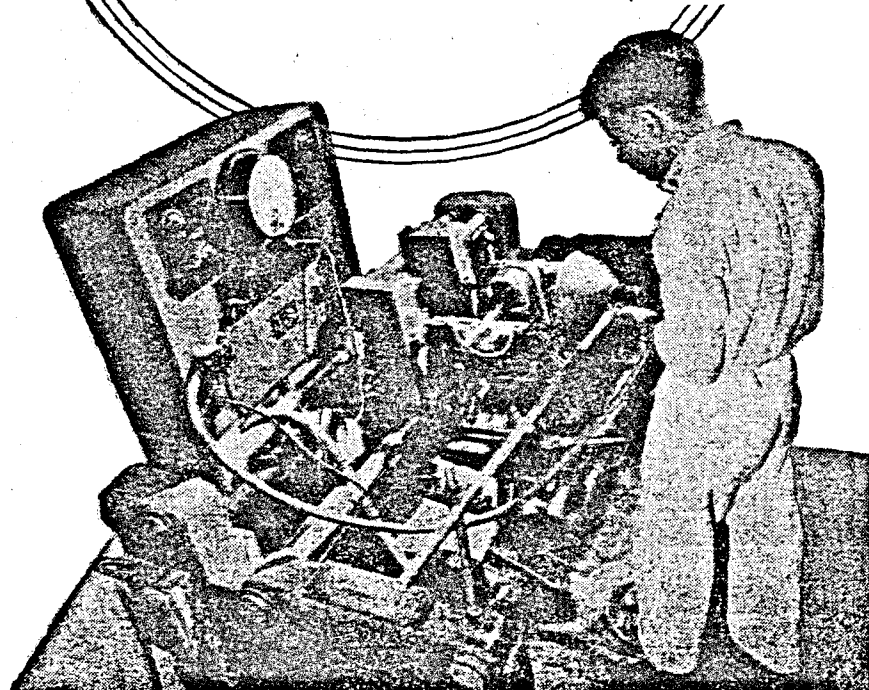
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improvement in the shellac market. Alkali and Chemical were slightly higher at Rs. 21-3. Balmer Lawrie changed hands at Rs. 172-8 ex-dividend and Birds Investments were taken higher at Rs. 17-10. Clive Row were subbed at Rs. 11-4. Dalmia Cement recovered to Rs. 15-10 and Sone Valley to Rs. 9. Dunlop Rubber met with some enquiries at Rs. 29-12 and Indian Rubber had buyers at Rs. 16. Imperial Tobacco went from strength to strength with buyers up to Rs. 16-10. Indian Aluminium were well supported from Rs. 22-3 to Rs. 22-14. Hindustan Motors met with special buying and improved from Rs. 10 to Rs. 10-10. Indo-Burma Petroleum recovered to Rs. 41 and Metal Box changed hands around Rs. 30. National Carbon met with some selling pressure at around Rs. 29. N.I. Cables were steady at Rs. 26-4, as were Indian Cables at Rs. 35. Martin Burn were quiet at Rs. 24-2, as were Shaw Wallace at Rs. 13-9 and Jardine Henderson at Rs. 99. Rohas Industries were marked around Rs. 22-14 and Tide Water Oil changed hands at Rs. 14-8 ex-dividend.

Among mining issues, Indian Copper were well maintained at Rs. 6-12 and Orissa Minerals were better at Rs. 27, as were Karanpura Development at Rs. 21. Burma Mines were done at around Rs. 3-4 and Chrestien Mica Industries were easier at Rs. 16.

Tea shares continued to be neglected, and in the absence of support prices were marked back as will be seen from the following representative table:

	Opening 2-8-1956	Closing 7-8-1956
	Rs. As.	Rs. As.
Banarhat	332	325
Bishnauth	24 12	24 2
Brooke Bond	23	22 8
Dhelahtat	23 9	22 8
Hantapara	200	186
Hasimara	34 4	32
Tezpur	24 8	24

Including Rs. 3,12,630 brought in, the profit of the BIRLA JUTE MANUFACTURING CO. LTD. amounted to Rs. 33,01 lakhs for the year ended last March, against Rs. 33,31 lakhs (Rs. 1,27 lakhs). Providing

Rs. 8,44 lakhs (Rs. 7,75 lakhs) for depreciation and Rs. 9 lakhs (Rs. 5 lakhs) for taxation, there is a balance of Rs. 15,56,672. The ordinary dividend is the same at Re. 1 a share, leaving a carry-forward of Rs. 4,37,393. The directors say that the calcium carbide factory attained full production during the year under report. They have now applied to the Central Government for permission to increase the present installed capacity of the plant from 10 tons to 20 tons a day. The working results of the factory have shown a loss of Rs. 27,701, after providing Rs. 5,14,151 for depreciation. The directors have decided to install a cement factory in Satna, Vinidya Pradesh. Orders have been placed for plant and machinery with a capacity to produce 800 tons of cement a day. They have also decided to put up a staple fibre spinning plant in Birlapur. Machinery for this plant has been ordered and the factory is expected to go into production from March 1957. On account of the additional finance required for these projects, the authorised capital of the company was increased from Rs. 145 lakhs to Rs. 4 crores by the creation of 800,000 additional ordinary shares of Rs. 10 each and 175,000 second preference shares of Rs. 100 each. Out of this, second preference shares worth Rs. 75 lakhs were issued and fully subscribed.

The ALLIANCE JUTE MILLS CO. LTD. incurred a loss of Rs. 7,470 for the half-year ended last December, against the previous half-year's profit of Rs. 1,15 lakhs. Bringing in Rs. 48,280, transferring Rs. 4,25 lakhs from general reserve and making other adjustments, there is a balance of Rs. 68,103. There is no distribution (6%), leaving Rs. 45,000 to be carried forward.

Transferring Rs. 3,28 crores (Rs. 1 crore) to plant rehabilitation and development, Rs. 3,45 crores (Rs. 2,40 crores) for taxation, Rs. 78 lakhs (Rs. 10 lakhs) for development rebate and Rs. 2,39 crores (Rs. 2,40 crores) for depreciation, there is a balance of Rs. 2,77 crores for the TATA IRON AND STEEL CO. LTD. for the year ended last March, against Rs. 3,19 crores. Profit-sharing bonus absorbs Rs. 1,02 crores (Rs. 1,06 crores).

Bringing in Rs. 5,52,548, there is an available balance of Rs. 1,95,42,882. The ordinary dividend is the same at Rs. 10-8 a share, leaving a carry-forward of Rs. 4,04,945. The directors state that the most important event during the year under report was the decision made, in consultation with the Government of India, to expand the company's output beyond the target of 1.3 million tons of steel ingots, fixed under the current modernisation and expansion programme, to 2 million ingot tons at an estimated cost of Rs. 75 crores. The company, with the approval of the Government of India, concluded an agreement with Kaiser Engineers for the provision by them of the engineering, procurement, supervision and construction services necessary for the execution of the main part of the 2 million ton programme, estimated to cost Rs. 62 crores. The Kaiser organisation has undertaken to complete the entire project by 31st May, 1958. In order to meet part of the finance required for this project, the company executed an agreement with the International Bank for Reconstruction and Development for a loan of Rs. 36 crores, at 4% interest, for a period of 15 years, repayable in instalments commencing from 1960. The first instalment of Rs. 2,355,000, due in 1960, has been taken over by three commercial banks in the U.S.A. at an interest rate of 4%.

Including Rs. 28,521 brought in, the profit of the REWA COALFIELDS LTD. amounted to Rs. 5,25,296 for the half-year ended last December. Taxation absorbs Rs. 2,55 lakhs (Rs. 1,35 lakhs). Development reserve is allocated Rs. 75,000 (Rs. 50,000). The dividend has been increased from 8% to 12% percent, leaving a carry-forward of Rs. 26,029. Raisings increased from 164,865 tons to 183,555 tons, and despatches from 162,787 tons to 186,060 tons.

Messrs. TATA INDUSTRIES PRIVATE LTD., managing agents for the TATA IRON AND STEEL CO. LTD., report that the total approximate production of iron and steel at the steel works in Jamshedpur during July 1956 was: pig iron 94,400 tons; steel ingots 91,300 tons; semi-finished steel for sale 19,600 tons; and finished steel 45,900 tons.

PRICES IMPROVE IN BOMBAY MARKET

T. I. S. C. O. RESULTS WELL RECEIVED

Wednesday Noon.

CHEERFUL conditions prevailed on the Bombay stock market last week and brisk activity took place on a broad front at rising prices. Anxiety felt over the crisis in the Suez Canal situation was more than offset by excellent corporate news. Operators seem to be optimistic about prospects of increased distribution and fresh bonus issues in the coming months. The report of the Tata Iron and Steel Company for the year ended last March was well received and the future prospects of the company were considered bright. Profit-taking in the textile group following fears of an increase in the excise duty was absorbed without difficulty, and replacement buying lifted values on excellent prospects for the cloth market during the coming Puja festival.

Renewed bouts of buying raised Tata Ordinary to Rs. 208-12. Indian Irons firmed up to Rs. 36-14 on short-covering, coupled with strong support from Calcutta interests. Larsen and Toubro rose smartly to Rs. 19 and Tata Locomotive were concerned by brisk trading, with the price increasing to Rs. 164-8. Alcock Ashdown improved to Rs. 362-8, as did Premier Construction to Rs. 205-8.

The mill group was dotted with numerous rises. Tata Mills and Swadeshi jumped to Rs. 60 and Rs. 264-12, respectively, on rumours of amalgamation. Professional support took the price of Kohinoor to Rs. 393. Bombay Dyeing were taken at Rs. 674-6 and Century changed hands at Rs. 591-8. Simplex were done at Rs. 216 and India United Ordinary were fractionally higher at Rs. 13-15.

Miscellaneous industrials took the pride of place and a number of smart rises were registered. Tata Chemicals improved to Rs. 20-11 on the expectation of a maiden distribution and National Rayon were taken higher to Rs. 268-12 on reports of advance sales of yarn. Gwalior Rayon increased to Rs. 18-1 on replacement buying. Cement shares were steady, with Associated Cements rising to Rs. 196-14. Sugar shares were favoured on the prospects of increased earnings and Belapur were absorbed at Rs. 254-8. Automobile shares experienced a flurry of activity, and Hindustan Motors were done higher at Rs. 10-7. Bombay-Burmah were better at Rs. 736-4. There was little interest in steamship companies and Scindia Steam were subbed at Rs. 19. Mining shares lacked interest and Sivraj Syndicate were on offer at Rs. 90. Indian Copper, however, improved to Rs. 6-12 on bear-covering and better metal prices.

Banking shares were steady on investment support. Bank of India were absorbed at Rs. 172-8, as were Central Bank of India at Rs. 55. Selected insurance shares showed gains on balance. New India came to hand at Rs. 49-8 and Oriental were done at Rs. 3,820.

Routine turnover took place in electricity supply shares, with Ahmedabad coming to hand at Rs. 100. Tata Hydro were quoted around Rs. 128-8.

THE WEEK'S TRANSACTIONS

(In the following list of stocks and shares in which transactions have taken place during the past week the figures indicate, Opening Quotations, Highest for the week, Lowest for the week, Closing Quotations—Quotation for the Corresponding Closing Date a Year Ago, the last named being shown in parenthesis and will not be given where such a quotation is not available).

GOVERNMENT SECURITIES	
2½ % Loan	(1961) Rs. 93-8-93-8-93-8
2½ % "	(1962) Rs. 93-15-93-15-93-15
3 % "	(1963) Rs. 76-2-76-4-75-12-75-15
3 % "	(1963-65) Rs. 94-15-94-15-94-15
3 % "	(1970-75) Rs. 99-14-99-14-99-14
3½ % "	(1964) Rs. 98-9-98-13-98-9-98-12
3½ % "	(1965) Rs. 98-8-98-8-98-8-98-8
3½ % "	(1967) Rs. 98-8-98-8-98-8-98-8
3½ % "	(1961) Rs. 99-7-99-7-99-7-99-7
4 % "	(1960-70) Rs. 100-15-100-15-100-14
4 % U.P.	(1967) Rs. 99-15-99-15-99-13-99-14
4 % West Bengal	(1967) Rs. 100-2-6-100-2-6-100-2-6

BANKS	
Allahabad (Conty.)	Rs. 165-165-165-165 (171)
Hind	Rs. 35-8-37-4-35-8-37-2 (28-4)
Hindustan Commercial	Rs. 9-8-9-12-9-8-9-12 (9-14)
Punjab National	Rs. 61-12-61-12-60-8-60-12 (49)
United Bank of India (D' Share)	Rs. 4-9-4-9-4-9-4-9 (5)
Do. (B' Share)	Rs. 10-4-10-4-10-4-10-4
United Commercial	Rs. 59-59-58-8-59 (49)

RAILWAYS	
Ahmadpur Katwa	Rs. 59-59-59-59 (56)
Bankura Damodar	Rs. 58-8-58-8-58-8-58-8 (63-4)
Burdwan Cutwa	Rs. 58-8-58-8-58-8-58-8 (63-4)
Dehri Rohas	Rs. 14-14-14-14-14-14 (15-2)
Katakhal Lalabazar	Rs. 75-75-75-75 (74-8)

COTTONS	
Basanti	Rs. 6-11-7-3-6-11-7-3 (5-9)
Bengal Nagpur	Rs. 9-7-9-7-9-7-9-7 (9-2)
Bowbath	Rs. 174-174-174-174 (300)
Cawnpore Textiles	Rs. 9-9-9-9-9-9 (8-14)
Dunbar	Rs. 225-225-225-225 (248)
Elgin Mills	Rs. 28-7-28-8-28-7-28-8 (20-1)
Jayshree Textiles	Rs. 6-14-7-2-6-12-7
Kesoram	Rs. 18-14-19-4-18-14-19-4 (17-14)
Rampooria	Rs. 14-15-4-14-15-4 (13-1)
New Victoria	Rs. 2-10-2-12-2-10-2-12 (1-13)
Do. (Pref.)	Rs. 5-6-5-13-5-6-5-12 (3-6)
Swadeshi (P.O.)	Rs. 11-14-11-14-11-14-11-14 (9-2)
Shree Niwas	Rs. 243-243-243-243

COALS	
Bengal	Rs. 539-541-539-539 (539)
Bharat Collieries	Rs. 7-6-7-7-7-6-7-6 (8-14)
Do.	Rs. 55-4-55-4-55-4-55-4
Burrakur	Rs. 13-6-13-10-13-5-13-9 (14-12)

Central India	Rs. 7-3-7-4-7-1-7-3 (8-6)
Dhemo Main	Rs. 8-8-8-8-8-8 (9-13)
East Indian	Rs. 31-1-31-3-31-1-31-1 (32-14)
Equitable	Rs. 30-3-30-3-30-3-30-3 (33-12)
Hurridadih	Rs. 22-2-22-2-22-2-22-2 (10)
Karanpura Collieries (Pref.)	Rs. 65-65-65-65
Kuadi	Rs. 4-4-4-4-4-4-4-4
Raneengunge	Rs. 12-14-12-15-12-14-12-14 (12-10)
Rewa	Rs. 22-2-22-2-22-2-22-2 (19-1)
South Karanpura	Rs. 9-9-9-9-9-9 (12-8)
Talcher	Rs. 3-3-3-3-3-3-3-3 (4-2)
United Collieries	Rs. 9-9-9-9-9-9
Western Bengal	Rs. 6-10-6-13-6-9-6-13 (7-12)

JUTES

Agarpara	Rs. 11-5-12-11-5-12-11-5 (15-15)
Anglo-India	Rs. 171-172-170-172-172 (254)
Do. (Pref.)	Rs. 109-109-109-109-109 (120-12)
Auckland	Rs. 115-115-115-115-115 (173)
Budge Budge	Rs. 124-125-124-125-125 (220)
Barnagore	Rs. 138-141-138-140-141 (214)
Birla	Rs. 18-4-18-11-18-4-18-11 (22-12)
Chitavalasah	Rs. 13-8-13-13-13-5-13-13 (16-12)
Champdany	Rs. 158-158-156-156-156 (193)
Clive	Rs. 14-8-14-8-14-6-14-6 (16)
Dalhousie	Rs. 95-95-95-95-95 (156)
Ganges	Rs. 69-12-69-12-69-12 (119)
Howrah	Rs. 22-22-12-22-12-22 (33-12)
Hukumchand	Rs. 22-24-22-22-24-24 (37-8)
Do. (Pref.)	Rs. 108-8-108-8-108-8-108-8 (114)
India	Rs. 145-145-8-142-145-8 (186)
Kamarhaty (B' Ord.)	Rs. 127-127-127-127
Kinnison	Rs. 175-175-170-176 (235)
Landsdowne	Rs. 102-102-100-101 (170)
Lawrence (Pref.)	Rs. 107-8-107-8-107-107-107 (113)
Megna	Rs. 83-84-8-83-84-8-83-84 (119-8)
National	Rs. 24-1-25-2-24-1-24-15 (37-11)
New Central	Rs. 16-14-17-3-16-12-17-1
Do. (Pref.)	Rs. 108-108-108-108-108 (116)
Nudea	Rs. 40-2-41-8-40-8-41-8 (61)
Orient	Rs. 134-142-134-142-142 (224)
Presidency	Rs. 5-8-5-10-5-8-5-9 (7-15)
Reliance	Rs. 9-13-10-9-13-10-10-10 (17-2)
Rameshwara	Rs. 7-7-7-7-7-7 (9-14)
Union	Rs. 155-162-155-162 (202)

MININGS

Burma Mines	Rs. 3-3-3-3-3-3-3-3 (2-3)
Consolidated Tin	Rs. 2-9-2-10-2-9-2-10 (2-10)
Chrestien Mica	Rs. 16-2-16-4-15-13-15-14 (9-8)
Indian Copper	Rs. 6-11-6-13-6-11-6-12 (5-6)
Karanpura Development	Rs. 20-14-21-2-20-14-21-2 (18-10)
Metal Corp.	Rs. 10-8-10-12-10-8-10-12 (8-1)
Do. (Defd.)	Rs. 3-14-4-3-14-3-15 (2-8)
Tavoy Tin	Rs. 13-14-13-13-14

CEMENTS

Ashoka	Rs. 12-2-12-5-12-2-12-5
Assam Bengal (Defd.)	Rs. 1-7-1-8-1-7-1-8 (2-4)
Dalmia (Bharat)	Rs. 15-11-15-11-15-10-15-10 (17-4)
Do. (Conty.)	Rs. 5-9-5-10-5-9-5-9 (4-9)
Do. (Pref.)	Rs. 101-102-101-102-102 (105)
Do. (Defd.)	Rs. 5-4-5-5-5-2-5-2 (3-2)
Do. (2nd Pref.)	Rs. 38-10-38-10-38-10-38-10 (35-2)
Orissa	Rs. 15-8-15-10-15-6-15-9
Sone Valley	Rs. 8-13-9-8-13-8-15 (8-2)

PRESSING

Hopghly Ganges Hydraulic	Rs. 5-7-5-9-5-7-5-9
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CHEMICALS

Alkali & Chemical (Ord.)	Rs. 21-21-8-21-21-8 (17-12)
Bengal	Rs. 105-105-105-105-105-105 (99)
Agra	Rs. 158-158-158-158 (166)
Benares	Rs. 17-8-17-9-17-9-17-9 (19-6)
Calcutta	Rs. 14-14-13-14-13-14-13-14 (16-4)
Do. (Pref.)	Rs. 11-7-11-9-11-5-11-8 (12-12)
Cuttack	Rs. 8-8-8-8-8-8 (9)
Dishgarh Power	Rs. 104-12-104-12-104-12-104-12
Jubbulpore	Rs. 14-4-14-5-14-4-14-5 (13-14)
Patna	Rs. 11-5-11-5-11-5-11-5 (13-8)
Upper Juma	Rs. 21-4-21-4-20-12-20-3 (19-2)
United Provinces	Rs. 148-12-152-148-12-152 (161-8)

ENGINEERINGS

Braithwaite & Co.	Rs. 29-29-8-28-14-29-8 (25-8)
Burn & Co.	Rs. 357-358-356-358 (283)
Britannia Engineering (New)	Rs. 16-16-16-16
Hooghly Docking	Rs. 135-8-135-8-135-8-135-8 (150)
Indian Galvanizing	Rs. 21-4-21-4-21-4-21-4 (23-14)
Indian Iron	Rs. 36-10-36-13-36-6-36-11 (39-3)
Do. (Pref.)	Rs. 109-110-8-108-8-110-8 (109)
Jessop & Co.	Rs. 35-3-35-4-34-12-35-1 (47-14)
Kumardhubi	Rs. 10-1-10-5-9-13-10-5 (13-1)
Do. (Pref.)	Rs. 103-103-8-103-103-8 (109)
Marshall's	Rs. 6-4-5-15-6-4-5 (7-8)
National Iron & Steel	Rs. 7-5-7-6-7-5-7-6 (6-14)
Nation Screw & Wire Pro.	Rs. 8-14-8-14-8-14-8-14 (8-14)
Richardson & Cruddas	Rs. 24-15-25-5-24-15-25
Do. (Pref.)	Rs. 91-92-90-8-90-8
Textile Machinery	Rs. 22-23-11-22-8-23-8 (25-5)

MISCELLANEOUS

Aluminium Corp.	Rs. 10-5-10-10-10-4-10-10 (8-1)
Do. (5% Pref.)	Rs. 98-98-98-98 (107)
Do. (6% Pref.)	Rs. 113-113-113-113 (108)
Angelo Brothers	Rs. 22-9-23-9-22-9-23-9 (23-9)
Associated Hotels	Rs. 9-4-9-4-9-4-9-4 (5)
Do. (Pref.)	Rs. 80-80-80-80-80 (64-4)
Bharat Commerce & Industry	Rs. 5-1-5-4-5-1-5-4
B. I. Corp.	Rs. 11-1-11-2-10-12-10-15 (9-4)
Do. (Pref.)	Rs. 125-8-125-8-124-125-8 (138)
Bararee Coke	Rs. 19-11-19-11-19-10-19-10 (22-2)
Birds Investment	Rs. 17-8-17-9-17-8-17-9 (18-12)
Balmer Lawrie	Rs. 170-8-172-8-170-8-172-8 x.d. (13)
Calcutta Tramways	Rs. 17-2-17-12-17-1-17-12 (18-4)
Do. (Pref.)	Rs. 9-10-9-10-9-10-9-10 (8-11)
Clive Row Investment	Rs. 11-8-11-8-11-3-11-5
Dunlop Rubber	Rs. 29-12-30-29-11-29-12 (37-6)
Electric Construction Equipment	Rs. 13-9-13-9-13-6-13-6
F. & C. Osler	Rs. 10-12-10-12-10-12-10-12 (16-9)
French Motor Car	Rs. 20-4-20-6-20-4-20-4 (19-8)
Ganges Rope	Rs. 186-187-186-187-187 (192)
Gillanders Arbuthnot	Rs. 13-2-13-3-13-2-13-3 (14-1)
Hindustan Gas	Rs. 11-4-11-4-11-4-11-4
Imperial Tobacco	Rs. 15-12-16-11-15-12-16-7 (14-7)
Indian Aluminium	Rs. 22-13-22-2-22-12-22-12
Indian National Airways	Rs. 5-10-5-13-5-8-5-12 (4-14)
Indian Rubber Mills	Rs. 16-2-16-4-16-1-16-1 (13-1)
Indian Cable	Rs. 34-12-34-13-34-11-34-15 (28-14)
Indian Wood Products	Rs. 39-5-39-8-39-2-39-6 (40)
Jardine Henderson	Rs. 99-99-8-99-99-8 (126)
Martin Burn	Rs. 24-24-24-24-24 (24-6)
Do. (Pref.)	Rs. 105-105-105-105-105 (105-8)
Metal Box	Rs. 30-2-30-2-30-2-30-2 (24-7-4)
Moradabad Water Supply	Rs. 4-7-4-10-4-7-4-10
National Carbon	Rs. 28-12-29-2-28-11-28-14

National Insulated Cable	Rs. 26-1-26-8-26-26-8 (19-6)
National Rolling	Rs. 10-4-10-10-10-10-10 (16-1)
National Tobacco	Rs. 12-12-13-15-12-12-13-15 (11-9)
Osier Elec. Lamp	Rs. 4-6-4-6-4-5-4-5
Refrigerators (India)	Rs. 2-10-2-10-2-10-2-10
Rallis India	Rs. 42-42-42-42-42-42 (36)
Rohas Industries	Rs. 23-23-22-13-22-14 (31-6)
Do. (B' Pref.)	Rs. 64-8-64-8-64-8-64-8 (69-8)
Shaw Wallace	Rs. 13-8-13

Our City Cable

DOWNWARD TREND IN STOCK MARKETS

INFLUENCE OF WALL STREET AND SUEZ DEVELOPMENTS

London, 8th August.

THE Suez Canal developments have dominated the stock markets during the past week, and prices have moved erratically throughout. The markets generally held fairly steady after recording an initial sharp fall immediately following the Suez news, but declined again after the holiday week-end. The renewed fall followed a sharp setback on Wall Street on Monday when the London Stock Exchange was closed. Oils particularly were affected and sustained heavy losses after the week-end. Business was highly selective, but a number of good features developed. Other adverse influences in addition to the Suez situation included the weakness of sterling after the Suez news. Gilt-edged securities remained out of favour throughout, and with business at a very low level, prices lost ground to record losses on balance, ranging to about half a point. The new Agricultural Mortgage loan remained at a substantial discount. The recent activity in the Japanese bond market subsided, but prices were fairly well maintained. By contrast, Chinese issues lost some of their recent gains. In rails, a feature was provided by Antofagasta ordinary which went ahead on dividend hopes now that the preference arrears have been cleared off. American dollar stocks advanced earlier under Wall Street's influence, and a feature of the overseas issues was the strong advance in Canadian stocks following investment and speculative buying. Some reaction was however recorded after the week-end in sympathy with the reaction on Wall Street. Interest in industrials was selective and a fair number of good features developed prior to the week-end, mostly among shares with an American following. Some of the gains, however, were lost after the week-end. Generally, industrials lost ground and most prices were lower compared with previous levels. Gold shares receded in the absence of interest and support, but coppers and other base metals were firm, although they eased after the

week-end. Oils recorded substantial losses on balance, the heavy fall in oil shares on Wall Street contributing to the trend. Rubbers were firm, but tea shares attracted little attention and generally recorded little change compared with the previous levels.

The Money Market

Stringent credit conditions prevailed throughout the past week in the London money market, and borrowers had to pay fairly dearly. Two factors which worked against the market were an excessive number of new Treasury bills and a fall in company profits as a result of the continuing credit squeeze. However, the gap between supply and demand did not cause any undue disturbance and was smoothed out by official operations. The cost of the day-to-day loans ruled on a firm basis of $\frac{1}{4}$ percent, and $\frac{1}{2}$ percent was paid during the worst phases. Overall bill business was moderate with October bills sold at 4-15/16 percent. In view of these conditions, discount houses dropped their tender bid by 3d for the week's Treasury bill offer, and rates came out higher at 100s 3/79d. Applications for £270 million worth of 91-day bills totalled £399,125,100, and were allotted at an average rate of 100s and 3/79d against 99s 6/39d in the previous week. Offerings for this week comprise £280 million worth of 91-day bills. The Bank of England return for the week ended 1st August showed that bankers' deposits were about £15 million lower at £215 million, while notes in circulation were £16 million higher at around £1,979 million.

Activity on Wall Street

U.S. Government obligations continued to decline in the past week under the lead of long-term securities. Dealings were quiet with the decline largely reflecting a lack of investment demand. Some traders, it was reported, were offering Treasury bonds to purchase other securities. Business in investment quality corporates also was limited with prices slightly easier. Bethlehem Steel $\frac{3}{4}$ percents were in demand among convertibles and scored a good advance. Rails generally eased in quiet trading. In foreigners, Australians improved slightly, while Germans and Italians were mixed. Greek and Polish issues eased. Japanese issues showed mostly small changes, although Shinyets Electric Power $\frac{6}{8}$ percent of 1952 advanced quite sharply on a single sale.

Chile 3 percents held steady, while Brazilian issues tended to improve.

Quicksilver Falls

The ex-warehouse price of quicksilver continues to edge lower with dealers indicating £84 a flask, compared with £84½ a flask previously. Demand is still limited, not only because of seasonal reasons, but also because buyers have been holding back pending more news of the Board of Trade's recent offer of 1,000 flasks from its stocks.

U.K. Official Cadmium Stocks

The U.K. Board of Trade is to release an undisclosed amount of cadmium, according to trade sources. But so far as it can be ascertained, the method of disposal has not yet been settled. One of the major problems is that in Britain, the supply and demand position is rather finely balanced and any surplus could be embarrassing. If, on the other hand, efforts are made to export the metal, some difficulty may well be experienced because of the looser supply position abroad and the lower price prevailing on the Continent. The price of Commonwealth and home-produced cadmium is 12s a lb.

Vegetable Oil Market

The tempo was inclined to slacken in vegetable oils prior to the holiday recess, but a moderate undercurrent of demand was noted in major sections. Coconut oil was marked higher on initial selling reserve, but Continental resellers were more prominent later in the day, and values were inclined to sag at the close. Philippine coconut oil was offered at \$245 c.i.f., but the best bid was put at \$241. Copra was quiet after a subsequent flutter, and prices were virtually repeated. Lined oil also showed little change in quiet trading. About £130 c.i.f. was reported to have been paid for a small quantity of South African bulk groundnut oil. Further sellers were cautious. Nigerian bulk groundnut oil was holding around £126 c.i.f. September-October with a near bid likely to be successful. American cotton and soyabean oils ruled steady, while Dutch soyabean oil was sold at 128 florins a 100 kilos ex-tank Rotterdam. Groundnuts were steady with resellers of Nigerian not prepared to go much below the Board's price of £68 c.i.f. October-December. Only a small quantity of British East African was circulating in the region of £66½ c.i.f. September-October. Other varieties lacked features in the pre-holiday trading.

World Sugar Markets

The International Sugar Council, managing body of the international sugar agreement, held a two-day extraordinary meeting in London from 30th July to consider the present supply and demand conditions in the world sugar trade. The Council would not have normally met until next September, but, sugar trade sources in London say, the meeting had to be called because of the tightening of sugar supplies since the Council made its last estimate of the free world requirements in November, 1955. The Council's estimate then put the free world requirements at about 4,500,000 tons in 1956. Since then, however, demand has been estimated by some quarters to be running at the rate of about 5 million tons a month. One of the reasons given for this is that East European countries, which have an export quota of over 660,000 tons, have not begun selling sugar and have in fact been net importers. Export quotas for the year were based on the November estimate, and informed circles believe that the question of shipment after August was on the agenda for the meeting. It is probable that countries which have been unable to fill their quotas have been asked to put their "deficits" into a pool for reallocation among other members who may be able to increase their exports. It is also possible, according to trade quarters, that the overall readjustment of the quota figures now operating might have been considered. These moves, they say, would help increase available supplies of sugar on world markets.

Price Cut in Lancashire Yarn

Sharp cuts in the prices of Lancashire yarns, made of American cotton, were effected on 1st August to meet world competition. Trade sources said that the amounts varied according to the mixing of cotton in the yarns, but the average price cut was probably about 3d a lb. The move followed reductions in the trade's agreed minimum yarn prices due to the release of American surplus cotton, and a change in the Yarn Spinners Association's price fixing arrangements by which it will now base yarn prices on the Liverpool October cotton futures contract, instead of that for the current month. Colonel J. B. Whitehead, Managing Director of the Lancashire Cotton Corporation, said that the reduction in cloth made of American cotton would be about 3d a yard. It would not bridge the difference in the price of cloth imported from India, but it would help Lancashire's competitive position.

Price Restraint by I.C.I.

The Board of Imperial Chemical Industries has announced in London that it has decided to make no further increases in home trade prices of chemical dyestuffs, explosives, fertilisers, fibres, paints, pharmaceuticals and plastics between now and 30th June next year, provided no unexpected or exceptional factors intervene and the company does not incur any major increase in freight or fuel costs in the interval. The Board adds, however, that production costs of certain products depend mainly on raw materials and for these, the Board is unable to promise more than a continuation of the present policy of price restraint.

New Delhi

REPERCUSSIONS OF SUEZ DISPUTE ON THE INDIAN ECONOMY

WORLD BANK MISSION DESCRIBES FIVE YEAR PLAN AS TOO AMBITIOUS

(FROM OUR NEW DELHI CORRESPONDENT)

THE nationalisation of the Suez Canal Company, the future of Bombay and the second five year plan have been the main subjects of interest this week in New Delhi. The mission believes that the Suez Canal might have far-reaching effects on India's economy and the five year plan. As matters stand, most of India's trade is with western countries. Any curtailment of traffic through the Suez Canal, or any change in the freight structure following the nationalisation dispute, could have serious repercussions.

Report of World Bank Mission

Capital's views on the second five year plan have been vindicated by the report recently submitted by the special mission of the World Bank to the Finance Minister. The mission believes that the plan is "somewhat too ambitious". It realises that the size of the plan must be such as to capture the popular imagination and to challenge the country to greater efforts. But it holds that targets must at the same time be sufficiently realistic to avoid the adverse psychological effects which would result from a marked failure to accomplish them. The plan seems too large in relation both to administrative and technical resources, and to the financial resources likely to be available on even the most sanguine assumptions. Having, however, now committed itself to the plan and the targets in it, the Government must henceforth concentrate on widening the administrative, technical and financial bottlenecks on the one hand, and prepare itself to make such timely adjustments in the programme as circumstances may require.

In the financial sphere, the mission urges: (a) considerable caution in resorting to deficit financing; (b) greater emphasis on raising more revenues through the adoption of more realistic pricing policies for the services and benefits rendered by the Government to the people; and (c) care in raising the additional taxation required to avoid such increases as might seriously impair the incentives of, and the resources available to, private business. While it is recognised that a certain measure of deficit financing may well be necessary to make the money supply fully responsive to the needs of an expanding economy, the measure of such financing proposed in the plan will produce an expansion of money supply considerably exceeding the requirements. Quite apart from the possibility of raising more tax revenue, the mission believes that there is still considerable scope for increasing Government income by raising railway rates, charges for power and water, and, in some cases, port charges. In view of the need to capture a considerable portion of the rise in national income for reinvestment, it is necessary to make certain Government enterprises, particularly those in the field of power, irrigation and transport, earn larger surpluses. In raising more taxes, the mission thinks it important that the Government should avoid an all-out effort to increase direct taxation just for the purpose of achieving public investment targets, if this can be accomplished only at the risk of substantially impairing the resources and incentives of the private sector, for the latter is still expected to contribute the lion's share of the rise in national income.

Transport Difficulties

The mission is deeply concerned about the transport situation, particularly the inability of the railways to cope with the existing traffic, and the congestion in the ports. While the plan contemplates a substantial increase in railway investment, and port congestion is being relieved to some extent by the expansion of physical facilities and the introduction of incentive schemes for stevedoring labour, it is not fully assured of the adequacy of these measures. It urges the Government to review its whole transport policy and the programme with a view to maximising transport by all available means—by rail, roads, coastal shipping and inland waterways. The mission urges that the level and structure of railway rates be revised promptly, so as to provide more incentives for the utilisation of other means of transport.

Other suggestions to overcome transport difficulties are: (a) to remove State and inter-State restrictions on road transport and to reduce tax rates bearing on road transport; (b) to lay greater emphasis on the use of special wagons for the movement of coal and ore, and on the establishment of fully mechanised loading and unloading facilities in order to reduce the time during which such capital-intensive facilities as railway wagons are kept immobilised; (c) to investigate the possibility of changes in the present system of allocating coal wagons to collieries on a day-to-day basis; (d) to examine the feasibility of a fully mechanised coal and ore port on the west bank of the lower Hooghly in order to relieve congestion in Calcutta and as a possible alternative to the plan for the expansion of ore exports through Vishakhapatnam; and (e) at least for a time, to prohibit the chartering of coastal vessels, so as to increase the carrying capacity of the coastal fleet. Above all, the mission urges that every effort be

made to improve the operating efficiency of the railways, for which there is apparently still considerable scope. While it is tempting to meet the developing railway bottleneck by still greater investment, the prospective shortage of resources makes it imperative to resist this temptation as far as possible and to exhaust all possible means of improving efficiency, especially in view of the railway programme.

Cottage and Small-scale Industries

The mission has substantial doubts about some parts of the Government's programme for cottage and small-scale industries. But it fully endorses the effort to raise efficiency and standards in these industries, and sympathises with the Government's concern to increase employment opportunities. It also understands the practical necessity of providing moderate subsidies to enable these industries to compete with factory enterprise, at least until modern industrialisation has made greater advances in India. In particular, the programme for the promotion of small-scale industries, as distinct from village (or hand) industries, is considered to be sound and calculated in the long run to encourage a healthy dispersal of industrial ownership. At the same time, the mission thinks that the difficulties inherent in an effective expansion of small enterprise are considerably underestimated, the impact of the programme will be slow in manifesting itself, and therefore, the contribution to national income expected from small-scale and village industries under the plan is probably substantially over-estimated. Above all, it questions the wisdom of insisting on the so-called "common production programme", whereby the required increase in output of more or less essential consumer goods is allocated between the factory and the non-factory sectors, thus involving excessive reliance on the unproved ability of non-factory industries to meet the demand.

The mission has expressed "serious misgivings" about the recently announced compromise for meeting the expected increase in demand for cotton textiles. It believes that the compromise will prove largely unworkable. The Government's decision greatly under-estimates the practical difficulties of installing and getting into operation the requisite number of *Ambar Charkhas* and powerlooms on a decentralised basis. The mission questions the feasibility of making the installation of automatic looms in the mill sector conditional on the allocation of the output of these looms to exports, and of making failure to meet this condition subject to a penalty, the nature of which appears to be unspecified. It is even inclined to doubt whether there is enough incentive to install the additional spindles necessary to supply a much greater quantity of yarn to the handloom sector, in view of the uncertainty whether the handloom sector will really be capable of producing the increased production expected of it.

Quota for Spindles

The fact that the existing quota for spindles has apparently not been taken up in full, it says, appears to bear out its misgivings. It understands that the Government is prepared to review this programme, if experience indicates that the hand-spinning and decentralised weaving sector does not live up to expectations, but it fears that the necessary remedial action might come too late in view of the time required to procure and install mill machinery and to reach a consensus of opinion that the programme has really been a failure. The mission, therefore, believes that the current programme will either jeopardise the supply of an essential consumer item at reasonable prices on the domestic market or bring about a serious curtailment of exports at a time when prospective export earnings appear already far short of what is required. It understands the need for Government measures to support the production of *khadi* and handloom cloth by various measures, but it believes that any such measures should leave the mill sector free to expand in the light of its own judgment of markets.

Foreign Capital

The mission feels unconvinced that sufficient attention has been paid in the plan to the promotion of exports. Cotton textiles and tea are mentioned in particular for the Government's attention. It is thought that the Government has not always used its influence in the way best calculated to foster the competitive power of this vital export industry. It has also urged that greater emphasis be placed on the production of other cash crops for export, particularly of vegetable oils and cotton. The policy of imposing restrictions on exports of commodities such as groundnut oil in order to conserve supplies for domestic consumption, is generally a misguided one.

The mission adds one final observation about private foreign enterprise and capital. "At this stage of development, India certainly needs the contribution which can be made by foreign tech-

nology, private capital and management. The plan itself counts on private foreign investment to an amount of Rs. 100 crores. It is evident, however, that this target is impossible of attainment, unless positive measures are taken to encourage and facilitate foreign investment and enterprise. At present, the attitude of both the Government and Indian business towards foreign capital and management is too negative and grudging, and can at best be regarded as tolerating rather than encouraging foreign participation. In the postwar expansion of many countries, there are striking examples of the constructive contribution which foreign capital and enterprise have made to national welfare. In India, foreign or joint Indian-foreign ventures can have a useful leavening effect on the economy. In our opinion, Indian business has in recent years been excessively shielded against competition from abroad and from foreign-managed ventures capable of operating in the Indian market. More competition from both sources is likely to improve the quality of Indian manufactures, which in many respects is still too low, and to inculcate in Indian business an attitude which will put more emphasis on expanding output at lower unit-costs and profits. There is evidence that foreign enterprise will be attracted to invest in a large expanding market, provided the investment climate is made more favourable. In our opinion, the Indian Government should make a determined effort to enlist foreign capital and management for new ventures."

Publicity Organisation

The mission urges that a single agency or department be made responsible for publicising the opportunities for participation by foreign capital, and for expediting all necessary approvals and clearances for foreign investors. The National Industrial Development Corporation, which has been established to fill the "gaps" in India's industrial structure, should also make every effort to invite foreign as well as Indian private capital and management in any new venture which it considers feasible. In this connection, further consideration will need to be given to the whole question of the taxation of foreigners working in India, particularly to their perquisites. The Government has given sympathetic consideration to representations made by the foreign business community following the 1955 Budget, and certain concessions have been made, for instance, over passages. The mission is aware also of the three-year tax exemption granted to foreign technicians. But it doubts whether these concessions go far enough to make a career in India reasonably attractive to the senior staff of foreign firms and, unless firms can find members of their staff ready to work in the country, full opportunities for foreign investment may not be realised.

The mission sympathises with the desire of the Government to have joint Indian-foreign ventures rather than wholly foreign-owned enterprises. But it believes that this desire should not be pushed so far as to deprive the foreign investor of an effective share in the management of the enterprise, without which he is unlikely to risk his capital. It would be a mistake, for example, to insist on such a measure of Government participation in the exploitation and development of oil resources as to discourage foreign oil ventures and saddle the Indian economy, which is already short of capital, with the excessive burden of finding the large amounts of capital which are necessary for an effective programme in this field.

Prices and the Plan

The index number for food articles rose from 314.8 on 23rd July, 1955, to 381.1 on 21st July, 1956. That for cereals increased from 364 to 484. After the Labour Tribunal's award, the prices of coal and coke were increased. This is expected to affect the freight structure of the railways and of steamer companies, and the cost structure of undertakings using coal. The price of cement has also been increased to Rs. 102-8 a ton. The question asked here is whether, and to what extent, the plan outlay will be affected by these increases. The increase in the price of coal will affect the price of bricks, and that in the price of cement will affect the estimates of all building projects.

Additions are continuously being made to the total outlay of the plan. The Education Ministry has already made an addition by its subsidy on teachers' salaries. The *Ambar Charkha* has made another addition to the plan outlay. A decision is now awaited on setting up a State-owned synthetic drug plant at an estimated cost of Rs. 20 crores in collaboration with the Russians. The search for oil and its extraction and refining in collaboration with the Assam Oil Company will need money which has not been accounted for in the plan. It is, however, doubtful whether any adjustments will be made until the next general elections are over. For the present, the emphasis is on the employment potential.

Purchase of Russian Planes

The Union Communications Minister recently told Parliament that the Government proposed to buy some *Ilyushin 14s* from Russia for use by the Indian Airlines Corporation. These aircraft were designed two years ago, and even the Russians are not sure of their life. The Minister indicated that it was proposed to replace the nine *Dakotas* lost during the last few years with the Russian planes. Apart from the fact that India will be rendering a useful service to Russia by testing the durability of the aircraft, the purchase of *Ilyushin 14s* will require the storage of a variety of new spares and new equipment, and involve new training for its personnel. The Indian Airlines Corporation fleet now consists of eight *Heron*s, 67 *Dakotas*, 12 *Vikings*

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Government Patronage to Khadi

In a signed article, published in the latest issue of the *A.I.C.C. Economic Review*, Mr. Shriman Narayan has conceded the point that "it may be difficult to prevent the installation of new spindles completely in view of the definite signs of inflationary trends." He also admits that "unless the people are prepared to pay a little more for *khadi* in the interests of the nation, it will not be possible to go full steam ahead with the (*Ambar Charkha*) scheme." It is probably because of the public apathy to *khadi* that Congressmen have been forcing the Government to impose it on its various departments. This should be evident from the fact that purchases of *khadi* by the Union Government rose from Rs. 28.78 lakhs in 1954-55 to Rs. 117 lakhs in 1955-56. Purchases in 1956-57, it is expected, will be even bigger.

New Oil Refinery

The establishment of three rupee companies to handle freshly tapped oil in Assam is being considered here. The first, in which the Government of India's holding will be limited to 33½ percent and the remainder of the capital will be contributed by the Assam Oil Company, will be engaged in oil exploration and extraction in Assam. The second, in which the Government of India will hold a majority of shares, will be in charge of refining oil. A committee of experts is being set up to determine the location of the refinery, Calcutta being one possible site and the oil belt in Assam another. The third company, in which the Government of India will also hold a majority share, will handle the transport of oil from oilfields to the refinery, the pipeline being one channel of transport. Representatives of the Assam Oil Company, who were here to negotiate an agreement with the Government of India, have now returned to Britain to secure its ratification by their principals.

Machine Tool Manufacture

The broad principles of the proposed amendment of the agreement with Oerlikon Machine Tool Works, Buehrle and Company of Zurich, Switzerland, have now been approved. The revised agreement, it is expected, will be signed soon. Buehrle and Company, it may be recalled, entered into a partnership contract on Hindustan Machine Tools Limited, to set up a machine-tool factory in Bangalore, south India. The agreement provided for the manufacture of a limited range of products, but the Government now wants a wider and more diversified programme, covering the production of larger lathes, milling and shaping machines, radial drills and grinders. The revised agreement will enable the Government to seek the participation of undertakings other than Buehrle and Company in the manufacture of machine tools which are outside the latter's capacity.

Second Rail Coach Factory

The Government of India has decided to set up a factory for metre-gauge railway coaches in Bareilly, Uttar Pradesh. Mr. J. Matthan has been appointed Project Officer. The broad-gauge coach-building factory in Perambur, near Madras, has already been commissioned.

Divisions in Finance Ministry

The Department of Revenue and Expenditure in the Union Ministry of Finance has been divided into the Department of Revenue with Mr. A. K. Roy as its First Secretary, and the Department of Expenditure with Mr. P. C. Bhattacharyya as its Secretary. Thus, the Ministry of Finance will henceforth have four departments—the Department of Economic Affairs with Mr. H. M. Patel as Secretary, the Department of Expenditure with Mr. P. C. Bhattacharyya as Secretary, the Department of Revenue with Mr. A. K. Roy as Secretary, and the Department of Company Law with Mr. D. L. Mazumdar as Secretary.

London

SUEZ IS THE DOMINANT ISSUE OF THE DAY

STOPPING INSURANCE COVER FOR EGYPT-BOUND GOODS

(FROM OUR LONDON CORRESPONDENT)

NOT surprisingly, the Suez Canal situation and the developments following upon Colonel Nasser's precipitate action have dominated both the political and economic scene over the past few days. From the City's point of view these have occasioned a new cautiousness in almost every direction of activity, mainly because it has been virtually impossible to secure any firm directives about procedure in different business transactions. Clarification will no doubt take some time. Meantime, although the Government is arming itself with emergency powers over a wide field, these will not be put into effect until absolutely necessary. The Export Credits Guarantee Department, however, has told holders of its policies that no new insurance cover can be granted for the time being on shipments to Egypt, though as it has so far been functioning normally it may well run into some small losses on recent business, especially where goods have already been shipped but payment cannot be realised on account of the importers' sterling accounts being blocked. In most cases goods have either been held back or the signing of contracts postponed until the outlook is clearer. The shipping industry has been warned that vessels might have to be requisitioned, but in general, precipitate action is being avoided as far as is practicable and even the freezing of funds and exchange restrictions are being administered so as to cause the least inconvenience and ill-will.

Steadying Prices

The Government's efforts to achieve Mr. Macmillan's hopes of a "prices plateau" reached their climax last week when Sir Anthony Eden and his principal Ministers had further separate meetings with representatives of the trade unions, private industry, and the nationalised industries. "Real progress" towards stabilising prices was reported, but it was also made clear that the national interest can be served only by a continual effort to keep prices steady and, if possible, to reduce them, even where this process would affect profits and dividends. "All those responsible for wages questions should show similar recognition of the national needs" a subsequent statement pointed out, and promised that the Government would go on trying to limit its own demands on the economy. It is significant that this is the first time the Government has called so bluntly for dividend as well as wage restraint, realising no doubt that unless it did there would be no chance of union co-operation. The industrialists, for their part, have not been slow in following up the lead of the nationalised industries in fixing prices for some time ahead, with influential new recruits joining the plateau campaign each day. Only the unions are still uncommitted, and it remains to be seen whether recent developments will finally influence the views at the various annual conferences which will start next month. The repercussions of the latest 6s. a week wage increase awarded to agricultural workers, adding some £10 million per annum to the industry's wage bill, will also be watched with some anxiety.

The main basis for the "real progress" claim rests on the recent showing of the gold and dollar reserves position and the maintenance of our exports of certain goods. It was anticipated that the reserves would begin to reflect the normal autumn pressure in July, and the latest international developments suggested that this drain would even be accentuated. In point of fact, the reserves actually improved by a further \$20 million against the June rise of \$16 million, to raise the total to

\$2,405 million. Allowing, on the one hand, for U.S. defence aid of \$16 million and, on the other, for \$19 million paid to the European Payments Union in settlement of the June deficit and for \$9 million paid to E.P.U. creditors in bilateral settlements, last month's residual surplus worked out at \$32 million, against only \$12 million in June. The difference between 1956 and 1955 is even more marked. In the first six months of this year the reserves rose by \$265 million, to which July's surplus of \$20 million must be added to more than cover the Chancellor's anticipation of a £100 million increase for the half-year. In 1955, however, the first six months produced a deficit of \$82 million, and the month of July raised that adverse result by no less than £136 million. That the adverse pressure is just around the corner is evident from the sharp increase from £9 million in June to £24 million in July in the sterling area's deficit with E.P.U., which will involve a gold payment of \$50 million from the reserves later this month. Tourist expenditure, now around its peak, is probably mainly responsible for this, but a contributory factor could have been the transfer of funds to Germany in view of the continued strength of the deutschemark against the weakness of sterling.

Economic Planning

The availability of accurate and up-to-date information of a statistical nature is essential if an economy such as ours is to be kept in reasonable balance, and it is safe to say that the lack of this has been largely responsible for much of the mismanagement which has led up to the crises through which we have passed from time to time. The Treasury's intention to improve matters was foreshadowed in the Budget, and Mr. Macmillan has now given some details as to how this is to be done. Some important industries will be asked to supply monthly statistics of production and orders. An annual sample enquiry is to be made into fixed investment and stocks in the distribution and service trades, about which so little is known. Information about new contracts in the building and civil engineering industries is to be regularly collected, thus helping to establish the notoriously volatile trend of building activity. The most intriguing novelty will be an "invitation" to a number of companies to provide quarterly estimates of profits confidentially to the Inland Revenue. The individual figures will be kept secret even from the Chancellor himself, but the general trend of profits should be traceable from the summary figures. Then the statistics of capital movements in and out of the country, which are at present extremely nebulous, are to be overhauled. Finally, the income and expenditure of private households is to be regularly followed through a continuing sample enquiry. Taken as a whole, the Treasury's plan seems to be along the right lines to make a rapid diagnosis of national trends easier, and if it leads to the publication of quarterly estimates, as the Chancellor of the Exchequer has promised, the results should be of considerable benefit both to business and to the Government. The Restrictive Trade Practices Act received the Royal Assent this week, and Mr. Thorneycroft lost no time in putting it to work. An order from the Board of Trade appeared almost simultaneously calling for the registration of a wide range of restrictive agreements, including those for level tendering. This order requires Parliamentary approval and will not come into force till the end of November.

Financing Industrial Expansion

Lord Bruce, chairman of the Finance Corporation for Industry, has always had something of interest as well as value to contribute to economic thinking in his speeches to the annual meetings. This year he has dealt with the inflationary danger and its effects on our exports. He views the economic situation with alarm, and in discussing how it is to be dealt with urges important changes in banking policy and the appointment of a new "Macmillan Committee." Describing as "valuable" the monetary measures in which the Government has put much of its trust, Lord Bruce said that a diminution in public spending and the switching of goods for export would not provide a solution. He uttered the warning that the difficulties in the motor and cotton industries may be followed by recession elsewhere unless steps are now taken to meet the situation. Representatives of all shades of thought should be appointed to examine and report on the financial problems confronting Britain. The best brains available must be employed. One matter, in Lord Bruce's view, brooks no delay: the need to finance industrial expansion and development, and this can only be done by the banks, who alone command the necessary resources. They must examine the possibility of granting fixed-term loans to vital industry, up to a given proportion of their total advances.

Bank Advances and Investment

This advice, to some extent at least, rather contradicts the purposes to gain which Government policy is aimed, for the credit squeeze is directed specifically against both bank advances of other than essential needs and the prevention of capital expenditure not governed by a similar qualification. In both respects, moreover, the evidence continues to accumulate that results are at last being achieved. From the latest statements of the "Big Five" banks, it is apparent that in the three weeks from 30th June to 18th July the trend of rising advances has been sharply reversed. Following the falls shown by Lloyds and Barclays, the Midland now discloses advances down by £8.3 million at £412.3 million, the Westminster, by £11.9 million at £258.2 million, and the National

Provincial, by £7.4 million at £271.1 million. Not too much emphasis should be laid on the month-by-month movements, but these figures would confirm that the steady rise in advances in the first six months of the year was due to exceptional factors rather than to any relaxation of the squeeze on borrowing for non-essential purposes.

At the same time, the pressure of demand for new industrial buildings has at last begun to slacken. New schemes approved by the Board of Trade in the second quarter of the year were for a total floor area of 14.4 million square feet, the lowest figure for any quarter in the past two years. It was much less than the 21.7 million square feet approved in the second quarter of 1955. But the decline will not affect the actual building of new factories for many months to come. During the calendar year 1955, 40,000,000 square feet of factory space were completed. At the end of March, 1956, the Board of Trade had notice of over 94,000,000 square feet under construction, more than all the "approvals" granted during 1955 as a whole. Building "starts" (which are reported slowly and incompletely) had declined somewhat in the last quarter of 1955, but expanded again in the first quarter of 1956. At any rate, the Board of Trade believes that, on past experience, the figure of 13,200,000 square feet so far reported as having been started in the first three months of this year will turn out to have been at least 15,000,000 square feet. That is a little less than the quarterly average of 16,000,000 square feet for the year 1955, but the fall is too small to indicate a trend.

A Production Plateau

While the price plateau is still precarious, though the Government is continuing its discussions with both sides of industry and many leading firms, notably I.C.L., have undertaken to hold prices for the next twelve months in response to the F.B.I. appeal, a plateau of industrial production appears to have been established. Between January and June the Treasury index of production averaged 139, compared with 133 in the same six months of 1955. This year started with production running higher than a year earlier, the index for January, 1956, being 139 against 135 for January, 1955. Gradually the lead fell away, the lowest point being in May with an index five points below that for May, 1955. In June there seems to have been some recovery. Returns so far point to a figure of 139.14 for June, which is better than the 137 of June, 1955. The average for the whole six months, however, is just one point up on the first half of 1955. One could surmise that this small gain will be lost in July as a result of the motor strike. Unless there is a spurt in the autumn, the year as a whole may fail even to equal its predecessor.

Brevities

The partnership agreement between the Burmese Government and Anglo-Burma Tin for the working of tin mines in the Tavoy district has been signed. The joint venture will have a working capital of about £168,000, of which the Government will hold 51 percent.

In competition with Krupp of Germany, Pegsons, the civil engineering plant makers and contracting subsidiary of Bentley Engineering, have secured a £200,000 contract. The order is for the complete crushing and screening plant for a new dam to be built near Bombay. The actual construction is being undertaken by German and Indian contractors.

The interest rate for new loans by the Agricultural Mortgage Corporation has been raised from 5½ percent to 5½ percent. Existing loans and those offered but not completed are not affected. The Corporation lends money to farmers secured by mortgage on their land.

London insurers have paid \$11 million, about £4 million, on the *Andrea Doria*, the Italian liner which sank after a collision with the Swedish ship *Stockholm*, off Nantucket Island recently. This represents 11/16 of the loss. The balance is insured in the United States and elsewhere. Settlement of such a heavy loss within five days of the occurrence provides a striking example of the prompt claims service which has earned Lloyd's underwriters and the companies comprising the London Insurance market their high reputation overseas.

The Treasury is blocking up one of the loopholes, which a few companies have been using to avoid the control of the Capital Issues Committee. Under an amendment to the Control of Borrowing Order, issues of securities against transfers of property will only be possible with Treasury consent. The type of transaction which this is aimed at is where a company sets up a subsidiary and sells it some of its property in exchange for securities. The subsidiary creates debentures, say, and uses these to "pay" for the property. The main company then sells the securities with which it has been paid and thus ends up with extra cash. The only exceptions to the new Order will be where companies issue shares in the course of amalgamating with other companies and where they are being issued as a result of the conversion of a partnership into a company.

In answer to a Parliamentary question, Mr. Macmillan, Chancellor of the Exchequer, said that he would make a statement in the House concerning the proposed improvement of the Government's economic statistical services. One of the most important improvements Mr. Macmillan is expected to announce is the speeding up of the Census of Production, the publication of which has hitherto involved such a long delay that the important statistical material has been almost worthless for shaping economic policies or business decisions.

Bombay

ECONOMIC PROBLEMS OF THE RAYON INDUSTRY

HIGH PRODUCTION COSTS AND EXCESSIVE IMPORT LEVIES

(FROM OUR BOMBAY CORRESPONDENT)

THE rayon piecegoods industry is somewhat uncertain of its future prospects. On the basis of its performance last year, it did seem at first sight that the industry was well on its way to progress and prosperity. Production increased by approximately 30 million yards to about 190 million yards. The internal offtake has been unusually satisfactory, and had adequate supplies of yarn been available, the actual output and consumption of piecegoods might have been still higher. But this apparent improvement conceals the industry's fundamental difficulties, and obscures the fact that drastic steps will have to be taken if the industry is to survive economically.

The main difficulty relates to the price and supply position of yarn—the single most important factor, and it is the vital raw material that accounts for most of the cost of production of the finished fabric. Indian mills consume approximately 60 million lbs. of yarn a year and a very considerable percentage of this quantity is imported from abroad to make up for the shortfall in domestic production which is still in its initial stages. It is not the fact of yarn imports itself which makes for the present instability within the piecegoods industry, but the circumstances of such imports, however, impose a crushing burden on the weaving mills. Although the Silk and Art Silk Mills Association in Bombay, which is a fully representative body, is consulted by the Government on yarn imports, the foreign exchange position has had to be taken into account in the past in determining the actual licensing policy. This has led to spasmodic shortages and increased prices which, in turn, have been reflected in the rising costs of production and restricted output. In spite of the present liberal import policy for raw materials, the supply position of yarn continues to be unsatisfactory.

Conflicting Interests

The position is still further complicated by the fact that in addition to the manufacturers, import licences are also issued to purely merchanting houses. Supplies, restricted to the overall import ceiling, are therefore divided between two distinct groups with conflicting interests. The merchants are frankly concerned with the maximum possible profits and are quick to take advantage of any shortage that may occur with the mills. Speculative activity has led to preposterous variations in prices to the detriment of the mill industry. It is true that a forward yarn market is in operation, but it does not provide adequate hedge facilities because there is no provision for the rigid enforcement of delivery contracts. It is difficult to see what useful purpose this market serves when it contributes practically nothing towards maintaining a reasonably stable price level. The entire supply system needs to be re-organised in the larger interests of the industry. It would perhaps be unfair to eliminate the middleman entirely, but it should be possible to work out a compromise formula which would ensure a reasonable ceiling on the margin of profit for the merchant importer, and at the same time, prevent speculative activity altogether.

Another aspect which needs immediate attention is the question of import duty on yarn. Normally, an import duty of 36½ percent *ad valorem* is levied, and this rate is applied at all Indian ports with the exception of Bombay. For some unknown reason, the import duty in Bombay port is not calculated on the invoiced value but on the market price prevailing in the city at the time of the arrival of the consignment. This is an extraordinary procedure and causes immense harm to the industry. It means that if the market price stands at a particularly high level because of speculative operations or a temporary scarcity, the mills have to pay excessive import duty which bears no relation to the actual cost of the material. It has happened that weavers have had to pay duty on an exaggerated market value which has worked out to an *ad valorem* rate of 50 percent to 60 percent. Moreover, the market value is a factor which varies beyond normal limits, and it is impossible to forecast what it will be on the day any particular consignment arrives. This means that the mills can never compute their cost of production in advance, and the normal procedure of forward sales becomes a hazardous venture.

Import Duty

Clearly, no industry can flourish if the supply and the price of its essential raw material are subject to violent fluctuations at short intervals and often without warning. It would seem that the present method of assessing duty is entirely unjustified except perhaps for revenue purposes, but it is absurd that such a consideration should be allowed to impede the progress of a growing industry. Although the abolition of this system under which the import duty is levied on the market value would afford great relief to the industry, the fact still remains that the basic *ad valorem* rate of 36½ percent is excessive. This industry claims that this is the highest rate of duty levied in any yarn-importing country of the world. Obviously, therefore, a case exists for a revision, and indeed it may

be argued that the import duty on yarn should be abolished entirely on the ground that it is an essential raw material of industry. A precedent already exists in the case of raw cotton which is exempt from import duty. In these circumstances, the plea of the rayon piecegoods industry for similar treatment for its raw material seems reasonable.

A permanent and a desirable solution, of course, is the development of the rayon yarn industry within the country. A beginning has already been made in this direction, but a great deal more remains to be accomplished to achieve self-sufficiency. There is an urgent need to supplement the production of the existing factories, and the Association took the initiative some time ago by negotiating with the Seta Viscosa group of Italy to set up a yarn production plant in this country. The original proposal envisaged an initial investment of Rs. 6 crores for the ultimate production of 10 tons of rayon and 10 tons of staple fibre a day. But the scheme has been held in abeyance because the Association has not been able to find the necessary funds. The main difficulty is that most of the mills are small units, which find it difficult to contribute their quota of the investment for a co-operative venture of this type. The biggest unit controls 600 looms and the smallest has 25 looms. Their approximate annual turnover amounts to a little over Rs. 1 crore and Rs. 6 lakhs respectively. Their difficulty in incurring a large outlay is therefore understandable. The industry hopes that financial assistance will be forthcoming either directly from the Government or through one of the industrial finance institutions sponsored by the State.

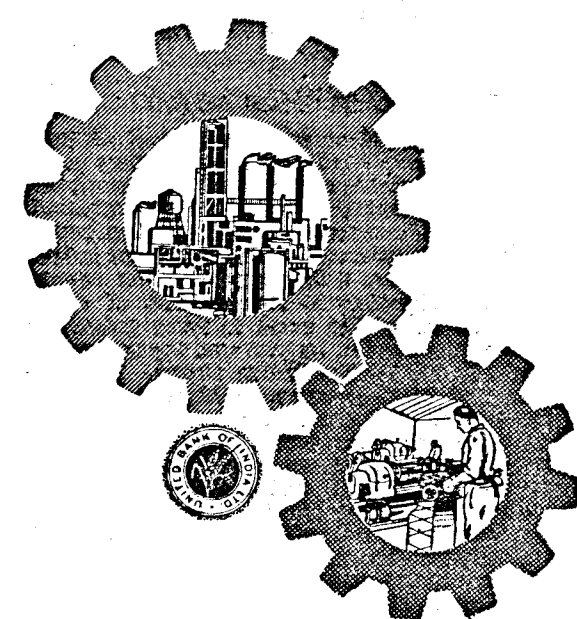
Plant Rehabilitation

Another major problem is the question of the rehabilitation of plant. Most of the present equipment was installed as far back as 1937 when the industry first came into existence, and it was even then not new. Millowners complain that they are compelled to purchase locally manufactured spare parts which do not conform to international specifications. This is an allegation which needs to be investigated and steps taken to exercise strict control over the domestic engineering industry, or perhaps to permit the import of foreign manufactured parts until such time as the required technical efficiency is achieved by the home industry.

Case for Assistance

It will be a grave error to underestimate the importance of the rayon industry. The demand for synthetic fabrics is steadily growing throughout the world and man-made fibres are today challenging the supremacy of cotton. The earning capacity of this industry in terms of the domestic and export markets is considerable. Fortunately, the Indian rayon piecegoods industry has not assumed such unwieldy proportions as the cotton mill industry has and, therefore, its complete overhaul and rationalisation should prove a comparatively simple task. The industry itself has shown initiative and has taken several progressive steps within its means which are commendable considering the limited resources of its individual units. The setting up of a centre for fundamental scientific research is one of such measures. This industry deserves full support and assistance from the Government.

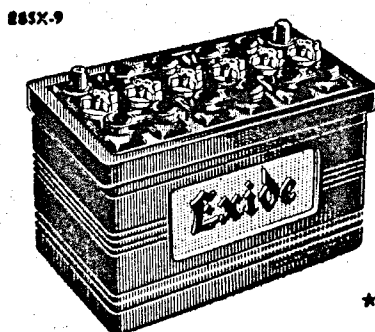
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Madras

MR. T. T. KRISHNAMACHARI'S
ELECTIONEERING VISIT
CO-OPERATIVES TO HELP
STATE TRADING

(FROM OUR MADRAS CORRESPONDENT)

THE visit of Mr. T. T. Krishnamachari to Madras was apparently in connection with the election plans of the Congress. He declared that States re-organisation could not be put off, so Congressmen should not engage in further controversy. He pointed out how employment would increase; the three new steel plants alone would employ 3,500 engineers. The production of pig iron in the south is contemplated on a fairly wide scale, and larger imports of steel in return for mineral ores would give relief to consumers, especially when prices had been made uniform. Madras is to carry out a search for minerals, and the location of the new gypsum deposits is expected to help fertiliser production. But it is asked whether the proposed break-up of holdings and the prospective reduction in the landlords' incomes would make for a bigger market for fertilisers, in spite of the offer of credit facilities.

When on Saturday the Industries Minister went to the Standard Motor plant to watch the 10,000th Ferguson tractor come out, he expressed his doubts about the possibility of large-scale mechanical cultivation especially when land reform aimed at the fragmentation of holdings. Congressmen see the dilemma, but the Fair Rent Bill is taken to be the minimum measure necessary. In spite of the minutes of dissent, the Select Committee has only varied the proportions of the produce given as the landlord's share. It has not exempted holdings of six acres or below from the scope of the Bill, though it has offered the landlord a share in the catch crop. It treats cash advances for manure as the first charge on the crop raised. It has been suggested that rents in cash can be fixed, as against grain rents. The idea that compensation could be paid to owners in the way of bonds bearings 5 per cent interest has been accepted by some spokesmen for landlords. That the Bill is a political measure is widely accepted, though it is urged that ceilings on land should be put off as protection of tenants, if extended to the whole State, would promote rural contentment. Co-operation is considered an ideal way for the rural economy, and the outstanding success of the co-operative store in Chandrasekarapuram, near Kumbakonam, has been held up as an example. The store is a co-operative marketing society, and Mr. Krishnamachari indicated that such societies would be appointed agents to the State Trading Corporation.

Textile Mill Prospects

The Ranga Vilas Spinning and Weaving Mills, in its 38th annual report, calls attention to the need for renovating the plant, since most of the spindles are old. The company has machinery replacement reserve of Rs. 7.5 lakhs, to which Rs. 2 lakhs has been added from the 1955 profits. There is a general reserve of Rs. 6.7 lakhs. The dividend for 1955 has been raised to 16 per cent, and the market price of its shares is Rs. 115 c.d. The report has excited little enthusiasm as compared with that of the Lakshmi Mills, which quote Rs. 268 c.d. Ranga Vilas also issued bonus shares by capitalising reserves in November, 1947. Coimbatore Spinning and Weaving, taken over from Stanes and Company with old equipment after a long depression, has more looms and its shares (face value Rs. 50) rose last week to Rs. 122, mainly on the hope that the dividend for 1955 might be 20 per cent against 12 per cent paid last year. It is noteworthy that while Madras has been stagnant, other mill shares are fancied by investors who appear to bank on the new textile policy.

Investment in Coffee Estates

Coffee expansion plans in India depend not only on the availability of land and an expanding home market, but on a stable export market as well; the outlook for the industry is encouraging at present. Long before the Government announced its schemes to promote coffee cultivation and raise the output by 9,000 tons a year, a leading managing agency firm had sent circulars to shareholders of coffee companies, stressing the need to raise output in spite of the growing tax burden and the restrictive measures adopted by the Coffee Board. The preponderance of small-growers in Mysore may not help expansion, but some tea estates are now going in for coffee. Last week, Neelamalai Estates announced that the company (which had a big cash balance for investment) had acquired about 400 acres, which served to lift its market quotation from Rs. 7-14 to Rs. 8-4 within a week. The high rating of Stanes Amalgamated and Kil Kotagiri shares is due to the size of the coffee crop grown on their estates. The latter, though a relative newcomer, became prominent with its amalgamation with Nilgiri Neerugundi, primarily a coffee producer, and that is why despite its last dividend of only 20 per cent the shares have shot up to Rs. 8-12.

Piecegoods Trade in Madras

At the recent annual meeting of the Piecegoods Merchants Association here, the trade's views on the new textile policy and the cloth supply position were given. The expansion of mill production, although mainly for export, requires no defence, but Mr. J. Rangiah Chetty, president, doubted whether handloom output could be raised

by 1,000 million yards. Objections to the change-over to powerlooms persist, and it remains to be seen whether *Ambar Charkha* yarn will help handloom output, as is expected. Subsidies to weavers in experimental centres as in Narayanavaram, have been given, but the weavers have found that the *Ambar Charkha* yarn is not up to the standard of the mill yarn and that cloth from the former may not be easy to sell. Encouragement of powerlooms appears necessary to the trade, which insists that more food and cloth must be available to hold prices down. The higher excise duty and the new sales tax on cloth since March 1956 account for the price rise in cloth. The States, in the name of aiding the weaver, have penalised the consumer and the trade is also demoralised. In the city, some retail shops have closed and the wholesale trade is also smaller in spite of the rising local output. The revival of textile business after decontrol has been arrested, and business has been lost not only by those handling imported piecegoods, but also by those acting as agents for mills.

Victoria Technical Institute

The Victoria Technical Institute has been encouraging handicrafts during its 70 years of existence. Its new premises on Mount Road, opened recently, have a distinctive architecture, and the window display for wares has been attempted with real success. Since it was set up in 1889 with a Government grant to encourage technical instruction, it has instituted a system of prizes and scholarships for artistic ability. It is now more than an emporium for cottage industries. In the year ended June 1955, the Institute bought articles for Rs. 5.21 lakhs. Needlework and lace made by village women are encouraged in the Institute, which also offers a permanent showplace for ivory and other objects of art. An export trade with the U.S.A., has been built up over the past few years, and it is claimed by the Secretary that advice to producers has led to better designs and finish for indigenous articles.

Engineering and Transport

SELLING INDIAN FANS, CYCLES
AND BATTERIES IN CEYLON

THE marketing possibilities of electric fans, Indian cycles and their parts and batteries in Ceylon have been discussed in a Press communique issued by the Engineering Export Promotion Council. There is very good market, it says, for electric fans of every variety in Ceylon. Due to the humid climate, the high standard of living and availability of electricity, the use of fans is a necessity rather than a luxury. Fans are not manufactured in Ceylon and all her requirements are met by imports from abroad. The maximum number of fans is imported from the U.K. India comes second. However, Indian fans of all varieties have not been given proper publicity and except for two, no other manufacturer has made efforts to introduce his product into Ceylon. In spite of the price factor in favour of India, imports from the U.K. are the highest. This is due to lack of publicity and propaganda in that country. It is essential that the manufacturers should jointly do propaganda through the medium of the Press, radio, and the film. Current is mostly A.C. The ceiling fans are normally marketable with the light fitting arrangements in the centre, while one oscillating type is preferred in table and pedestal varieties. There are no restrictions on imports from the sterling area including India. The duty on imports of electric fans is 17½ per cent ad valorem preferential, and 27½ per cent ad valorem, general. Indian fans compare well in quality with the British fans and there is no reason why they should not do better in Ceylon.

Ceylon does not manufacture cycles or cycle accessories. She is dependent on imports from abroad to meet her requirements, estimated at 45,000 cycles a year. The U.K. supplies more than 99 per cent of the Island's requirements. The steady decline in cycle imports is due to the release of large army-surplus stocks in the market. Licences are not required for importing bicycles from the sterling area including India. For imports from Germany and Japan, licences are issued only to Ceylonese nationals.

Ceylon imports every year about 3,000 cars and about 200 motor lorries and buses. In the absence of any local production of motor vehicle spare parts and batteries, Ceylon has to meet all her requirements from abroad. India has been a small supplier. Indian manufacturers will have to do a considerable amount of spawwork before a substantial market for Indian batteries can be secured in Ceylon. Little or no publicity has been done for Indian batteries. It is essential that Indian manufacturers should study the local market by personal contacts, appoint local agents for their products and maintain service stations for repairs. With these efforts, Indian batteries can find an expanding market in Ceylon.

CANADIAN FINANCIAL AID FOR INDIAN
PROJECTS

Canada will contribute a maximum of \$20 million towards the construction of a new hydro-electric project on the Kundah river in Madras, according to a copyrighted story in the current issue of the *McGraw-Hill American Letter* (Indian Edition). Assistance is to be provided under the Colombo Plan. The contribution will include turbines, generators and other power-house equipment,

as well as sub-station transmission equipment. Canadian construction engineers will supervise some of the work. The first stage of the project will be completed by 1960, the *McGraw-Hill American Letter* story goes on to say. It will entail construction of three dams on the Emerald, Avalanche and upper Bhavani rivers and two power-stations on the Kundah river. Facilities will add 145,000 kWh to Madras electricity resources.

CHANGES IN CALCUTTA PORT
ADMINISTRATION

To cope with the increased volume of second plan traffic, the Commissioners for the Port of Calcutta have made certain administrative changes at the Calcutta Port. An additional post of a Deputy Dock Manager has been created, and the duties of Deputy Dock Manager have been redistributed on a zonal basis. With immediate effect, one Deputy Dock Manager will hold charge of the Kidderpore Docks Nos. I and II, and another of the King George's Docks and Garden Reach Jetties. The Superintendent of Jetties and Wharves will continue to be in overall charge of control and supervision of the Calcutta Jetties. The zonal dock officers will be relieved of a good deal of their desk work, so that they can devote more attention to the operational side. The Deputy Dock Manager (Shipping) and the Deputy Dock Manager (Labour) will continue to perform their usual functions as hitherto. The present Deputy Dock Manager (Commercial) will be responsible for all commercial work, and work relating to the sidings. This arrangement, it is hoped, will ensure prompt clearance of cargo, quick turn-round of vessels, better supervision and co-ordination of work.

MANUFACTURE OF HEAVY MACHINERY
IN INDIA

The Government of India has agreed to receive a technical mission under the joint auspices of the Colombo Plan and the Federation of British Industries, to advise it on the development of heavy machinery and engineering industries in the country. This was stated recently in the Lok Sabha by the Minister for Heavy Industries, Mr. M. M. Shah. He also stated that the report of the committee on the machine tool industry had been finalised and would be available to the Government soon.

CHEAP TIMBER SUBSTITUTE FROM
BAGASSE

Presses, under the name of Bartrev presses, for a continuous production of cheap lardboard are now being manufactured at the Vere Engineering Company's factory in Marks Tey in Essex, Russia is among the countries which have bought these presses. One press is operated in Marks Tey for demonstrations, development, and for commercial production of board. The raw materials are wood shavings, or bagasse fibre, cemented with synthetic resin. The physical properties of the board can be varied at will by alterations to the density and resin content. The board can be used as a cheap timber substitute for concrete shuttering, walls, ceilings, floors, partitions, doors, and furniture, packing cases, film scenery, and others. It can be drilled, nailed, screwed, and even dovetailed, like timber. The unusual feature of the Bartrev press is that the board is rolled out in a continuous sheet, four feet wide, varying from 1 inch to 2 inch thickness as desired, and with a length only limited by transport facilities.

Dried wood shavings or bagasse fibre are completely coated with liquid thermo-setting synthetic resin and hardener, and fed on to a horizontal moving stainless steel belt over four feet wide. The belt, with its carpet of material, passes through a high frequency heater and then enters the press. Here another steel belt comes down above the carpet, and the two belts with the material between, are subjected to heat, and a pressure of up to 500 lbs. a square inch, while passing slowly through the press. On emerging from the press the resin has set; the edges of the board are automatically trimmed, and two automatic saws cut the board to the exact lengths required while it is still moving.

The press is designed to operate with the fewest possible interruptions for maintenance and adjustments, and is expected to operate for well over 300 days a year manned by shifts of workers, and 96 per cent operational efficiency has been attained. The production depends to some extent on the thickness and density of the product desired, but it is in the range of 13,000 to 19,000 tons a year. The total cost of the board a square foot has recently been calculated to be about half that of timber planks of comparable quality under Indian conditions, and using bagasse as the main raw material.

Indian sugar mills in the 1955-56 season produced about 3,000,000 tons of bagasse, bone dry weight, almost all of which was burned under the mill boilers. As the bagasse has at present few other outlets, little attempt is made to reach a high thermal efficiency in Indian mills, as the bagasse cannot be allowed to accumulate indefinitely. The fuel consumptions, in terms of B.T.U.s per ton of cane sugar, compare very unfavourably with beet sugar mills which burn coal which has to be paid for, even after allowing for the extra power required to mill the cane and certain minor differences in the process. A cane sugar factory should be able to save a quarter of its bagasse if it had a use for it.

Jute

DELIVERIES OF RAW JUTE TO MILLS DELAYED

SELLERS OFFERING DEARER SUPPLIES FROM
COSSIPORE MARKET

SOMETHING of a minor crisis affecting raw jute supplies to mills has been developing over the past month or so. It has arisen not from a shortage of fibre, but from a lack of railway wagons, and has been accentuated by the unscrupulous activities of a large number of merchants who have taken advantage of the wagon position, with the result that mills are not getting delivery of the jute which they purchased a long time ago and which should be reaching them now. Briefly, the position is this. When the transport shortage developed, some merchants—not all—having got allotments of wagons, instead of despatching the jute they had contracted for, consigned it to themselves or to agents in Cossipore. Mills which had been expecting to get delivery of the purchased jute in the period contracted for found that it was not coming forward, so as all mills' stocks are somewhat exiguous at present, they were forced into buying ready jute from the Cossipore market at premium prices or buying ready railway receipts, also at premium prices. Meanwhile, the same jute suppliers were applying for extensions of time for delivery on the plea that wagons were not available. A similar practice was adopted by jute sellers in the case of river transport, although there has not at any time this season been a shortage of flats at steamer stations. In fact, the steamer companies are only too anxious to get cargo.

These tactics on the part of sellers have created a shortage which is not real but is forcing mills to pay high prices for ready jute, while they have on their books contracts for jute at much lower prices which are not being fulfilled. A similar position developed last year and in order to protect themselves against such deplorable practices, mills began to demand guaranteed deliveries. That meant the deletion from the standard contract of a clause which was intended to protect sellers against a genuine lack of transport facilities. One of the sellers' associations thereupon passed a resolution that its members would not accept contracts on that basis. In the meantime, the crisis of last year was tided over and the resolution was forgotten until, in similar circumstances this year, mills again called for guaranteed deliveries. Many sellers were prepared to do business on this basis but, after considerable business had been done, their association decided to enforce the terms of the resolution passed last year. The result is a position analogous to that of last year. Contracts for deliveries in July have not been implemented on the pretext of scarcity of wagons and shipping space, while the same sellers have been offering ready railway receipts and ready bills of lading at prices higher than those of the jute which they had contracted to deliver. Some sellers have even had the effrontery to offer ready documents to the same buyers with whom they already have contracts for deliveries in the ordinary course.

As mentioned above, the clause in question was inserted in the contract to protect sellers against being treated as defaulters when there was a genuine shortage of transport. It is now being used to enable unscrupulous parties to gain an illicit profit. Not all sellers have adopted these tactics but the number who have done so is so considerable that it has created an artificial market to the detriment of the mills.

THE JUTE MARKETS

FOR the first time in many weeks, the Calcutta jute goods market showed signs of life and prices recorded a steady rise. Speculators played a large part in this revival and full use was made of the situation in the Middle East to boost rates, as also of the three-Power talks in London. Operators lost interest in this, however, when another bullish factor appeared in the form of availability of space in a steamer for West Africa. This took the market by surprise, and resulted in local shorts making frantic efforts to cover before bookings closed. Thus heavy goods prices, especially near delivery B Twills, were forced up on strong buying, but the bazaar was able to absorb nearly all the 5,000 tons required, and very little fresh business was reported. Having pushed the market up so far, speculators now sought other methods of keeping it there and were not long in producing a rumour to the effect that the I.J.M.A. had approached the Government of India with a proposal to re-seal more looms. Prices in all sections were raised to their highest level for nearly a month. Thus, over the week-end and immediately afterwards, very steady conditions prevailed in the jute goods market, and the trend was even more firmly established by the rising fibre markets.

The rumours about the re-sealing of looms received some substance when it was revealed on Tuesday that mills' stocks of jute goods in July showed a further increase of 8,800 tons. The market reaction was immediate, and prices eased while business in both goods and fibre came to a standstill. The latest increase brought mills' stocks up to 135,800 tons. This has happened in

spite of the fact that 2½ per cent of the Association's loomage was sealed on 16th July.

Raw Jute Remains Firm

Mills continued their search for quick delivery jute. Local markets were swamped with orders, and in spite of the increase in arrivals at the Cossipore sidings, demand far exceeded supply. Consequently, prices over the week advanced by up to Re. 1 a maund. Towards the close, business was done at the top market rates for seven to 15 days' delivery, which again caused much speculation about mills' stocks of jute. It is estimated that over the past month, stocks in Cossipore have dropped to about 200,000 maunds due to the large offtake by mills. Business concluded for delivery during August of Old and/or New Crop jute from local markets amounts to about 400,000 to 500,000 maunds, and of this total, about half is for 15th August delivery. Even with imports at their present high level, it seems impossible for this figure to be attained, so many buyers may be disappointed. Another cause for concern, this time for sellers, arises from New Crop contracts concluded with mills early in the season. Many of these contracts call for delivery in August or early September, and are low-priced transactions at prices around Rs. 24 to Rs. 25 a maund. Current uncountry prices are Rs. 4 to Rs. 5 higher than this rate, landed in Calcutta, so some sellers are faced with serious losses right at the beginning of the season if they are to deliver. A few mills have already been approached with alternative proposals, but with the present tight jute position these have not received a very sympathetic hearing. Imports uncountry are reported to be very small at present, and with demand at its height, there is little likelihood of prices falling back to a profitable level on these contracts.

Manufactured Goods: There was an all-round improvement in the Calcutta jute goods markets last Thursday, prompted mainly by speculation over the Middle East situation. Heavy goods and

hessian advanced by 4 or 8 annas. Ready B Twills opened at Rs. 103-2 a 100 bags, with January-March shipment at a premium of 14 annas, while 40:n. 10oz. hessian stood at Rs. 38-5 a 100 yards in the near position and Rs. 38-6 for forward shipment. Speculative activity kept prices firm during the day, but the ready sacking position received a boost on Friday morning when a steamer for West African ports was placed. This resulted in a squeeze for ready B Twills, which rose by 10 annas, and other deliveries followed up in sympathy. The bullish trend continued on Saturday under speculative influences and all sections of the market recorded substantial increases, aided by the very steady fibre markets. After the week-end, rumours of a further cut in mills' production brought the near B Twill position up to Rs. 105-2, which was within 2 annas of forward shipment, but hessian remained unchanged at Rs. 38-10, with forward shipment at a similar premium. A 4-anna increase on Tuesday morning saw B Twills rise to their highest rate since 10th July, but this did not last long; markets in general weakened shortly after the opening with the announcement of the 8,800-ton increase in mills' stocks of jute goods during July. Prices fell rapidly and business was brought virtually to a standstill.

The markets were closed on Wednesday, but nominal quotations were as follows:

	August	September	Oct.-Dec.	Jan.-Mar.
	Rs.	Rs.	Rs.	Rs.
40in. 8oz.	31-4	31-2	31	30-12
40in. 10oz.	38-10	38-12	38-14	38-8
B Twills	105-4	105-6	106	105
Heavy Cees				
(Plain)	104	105-6	106	105
A Twills	128	128-8	129-4	128-8
Liverpools	118	118-12	119	118-8
Cornsacks	106	106	106	106

Raw Jute: The Calcutta raw jute markets continued to rule steady at the opening last Thursday under the influence of buying interest in Cossipore. Shipment jute from the agencies was again neglected in favour of quick delivery, and local prices were pushed up. Opening quotations were based on Dhubri-Northern jute at Rs. 27-8 a maund basis bottoms for August-September shipment, but this soon rose 8 annas maund. Sellers, with large quantities of jute still to deliver this month, most of it by 15th August, were very reserved and not inclined to do business. But when rates improved again immediately after the week-end, they had second thoughts and once again a fair quantity of jute was transacted for short delivery periods. Although imports into the Cossipore markets showed a marked improvement over the past few days, supplies were totally inadequate to meet the current demand so prices

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L.J.M.A. STOCK FIGURES FOR JULY

The Indian Jute Mills Association reports the total stocks of jute goods at the end of July, 1956, as follows:

Description	31st July, 1956		30th June, 1956		Increase over (+) or decrease over (-) last month		31st July, 1955	
	Lakh Yds.	000 Tons	Lakh Yds.	000 Tons	Lakh Yds.	000 Tons	Lakh Yds.	000 Tons
Hessian Cloth and Bag (included in above)	14.33	38.5	14.09	37.5	+24	+1.0	13.69	35.8
Sacking Cloth and Bag (included in above)	21.55	91.1	19.79	83.0	+1.76	+8.1	8.49	36.5
Standard Sacking (included in above)	17.55	72.2	15.67	64.3			6.93	29.0
Others		6.2		6.5		-0.3		2.9
Grand Total (000 Tons only)		135.8		127.0		+8.8		81.5

N.B.—These figures are based on replies received and represent all members of the Association and Gagalbhai with estimates for three non-member mills.

were forced up to even more uneconomic levels. Upcountry rates also showed signs of increasing in spite of the lack of interest. This was due to the meagre imports at most receiving centres, which were far from adequate to meet August New Crop contract sales. Sellers were having difficulty in meeting their obligations, and were worried because most of the contracts were low-priced. The improvement in gunny rates over the week prompted many buyers to enter the market, but towards the close, when support for gunnies was reduced, interest in both sections of the market waned, and business came to a standstill.

The bulk of business transacted during the week consisted of quick delivery jute from the local markets. Dhubri-Northern-Assam was done, at prices ranging from Rs. 28-8 a maund at the beginning of the week to Rs. 29-4 a maund towards the close, all for seven to 15 days' delivery and ready bills of lading. Western area jute was also done at Rs. 28 to Rs. 28-8 a maund for the same delivery. Tossa and Daissee came in for some interest towards the close and business passed at Rs. 30 a maund basis Bottoms for 15 days' shipment and at Rs. 32-4 to Rs. 32-8 a maund for Middles only for the same shipment. Small business was done in forward shipment Murshidabad Tossa at Rs. 27-3 a maund for September-October shipment. Pakistan Cuttings were contracted for at Rs. 130 a bale for ready delivery ex-Calcutta, and Rs. 125 to Rs. 128 a bale for August-September shipment.

On Wednesday, all markets were closed because of the death of the West Bengal Governor and nominal quotations were as follows:

Indian Jute (New Crop):	Landed at Mills Rs. a md. basis Bottoms.		Shipment.
	Rs. a md.	Bottoms.	
Lower Assam	28-8		August-Sept.
Northern	28-8		Sept.-Oct.
Murshidabad White	27-8		August-Sept.
Daissee White	28-8		Sept.-Oct.
Daissee	28-8		August
Daissee Mesta (Old)	28		
Bimil (Old)	28		

Tossa is quoted at 8 annas to Re. 1 a maund above the price of white jute.

Fucca Bales (New Crop):	Rs. a bale.		Shipment.
	Rs. a bale.	Bottoms.	
Mill Firsts 2/3	185		August-Sept.
Mill Lightnings 2/3	170		"
Mill Hearts 2/3	155		Sept.-Oct.
S.G. Daissee	175		"
L.G. Daissee	160		"



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Deposits as on (31-12-55)	... Rs. 29.44 Crores

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D. P. PARTHASARATHY, M.A., B.L.,
Ag. Secretary.

Plantation Topics

LONDON TEA SALES

AT last week's London tea sales, the 42,203 packages on offer realised an average price of 4s 0.29d a lb. against 3s 11.78d at the previous sale and 4s 4.18d a year ago. Plain old season's broken pekoe was quoted at 2s 11d a lb. nominal. Prices obtained by some of the companies are given below:

	No. of packages	Average per lb.
Amalgamated	534	4/01
Anglo-Ceylon & General	264	5/81
Assam Frontier	57	7/6
Bagracote	610	3/4
Central Provinces	648	4/11
Ceylon Amalgamated	335	3/81
Chulsa	373	3/11
Dangwa Jhar	108	4/71
Demodera	192	5/61
Deviturai	192	4/11
Dickwella	210	5/71
Dimbula Valley	192	4/11
Eastern Produce	1,434	4/71
Galaha	96	4/
Hanipha	150	5/21
Imperial Ceylon	234	4/7
Kanan Devan	1,734	4/31
Lunuvu	1,302	4/8
Majuli	138	3/81
Malayalam	2,406	3/51
New Dimbula	354	4/7
Ouvah Ceylon	408	5/71
Rajawella	1,242	4/4
Scottish Ceylon	630	4/5
Scottish Tea & Lands	1,311	5/51
Singlo	668	3/71
Southern India	336	3/61
Spring Valley	234	5/4
Standard	522	5/91
Tea Corporation	402	4/21
United Planters	594	4/9
Yataderia	120	4/01

FIVE YEAR PLAN TO INCREASE INDIAN COFFEE PRODUCTION

The Government of India has approved a five year plan for increasing coffee production in the country by over 9,000 tons a year. The programme, estimated to cost about Rs. 2.95 crores, will be implemented by the Indian Coffee Board. The present average annual production of coffee in India is about 26,000 tons. The increase in production is to be achieved by a number of measures which include intensive cultivation, extension of the acreage under coffee, supply of improved seeds and manures and the setting up of pulping units and demonstration plots. It is expected that intensive cultivation measures will be adopted over an area of about 140,000 acres. Loans amounting to Rs. 1.35 crores will be given to coffee growers for this purpose over the five year period. Measures for intensive cultivation will include the use of manure, better cultivating practices and better plant protection. The new acreage to be brought under coffee cultivation is expected to be 23,700. Coffee cultivation will be extended to areas, which were originally under coffee but where coffee growing was abandoned later, as well as to virgin lands. Loans will be given to growers to extend cultivation. Under the programme, 40 pulping units will be established in the coffee growing areas to enable small growers to produce arabica parchment coffee which has a better market. At the same time, 320 demonstration plots, of two acres each, will be set up to educate planters to adopt better methods of cultivation, use of manures and plant protection practices. Considerable amounts of money will also be spent on research and extending its results to the cultivators. Of the total cost of the programme, Rs. 2,61,42,500 to be given as loans to cultivators, will be lent to the Coffee Board by the Government of India. The remainder, which amounts to Rs. 33,25 lakhs is not recoverable. Loans will be given by the Coffee Board to planters having plots between five and 50 acres. The bigger growers will be helped by higher advances against the value of the crop.

COLOMBO RUBBER PRICES

The following prices have been issued by the Rubber Board of India from the weekly market report published by the Colombo Brokers Association:

	Closing prices on 20-7-1956 (Rupees a lb.)	Average for the period (Rupees a lb.)
Sheet:		
No. 1	1.41	1.41
No. 2	1.38	1.38
No. 3	1.35	1.35
No. 4	1.11	1.11
No. 5	1.06	1.06
Sheet Cuttings 1	.95	
Sheet Cuttings 2	.90	
Crape:		
Water white	—	—
R.M.A. No. 1X	1.48/49	1.481
R.M.A. No. 1	1.45/47	1.441
Crape No. 2	1.35	1.35
Crape No. 3	1.15	1.15
Scrap Crape:		
Sc. Crape No. 1	82 Nom.	.81
Sc. Crape No. 2	.76/80	.771
Sc. Crape No. 3	.72/75	.721
Flat Bark	.66/70	.67
Sc. Crape 3X	.75	

To arrive at f.o.b. Colombo prices add 53.45 cents a lb. for rubber other than scrap crape, and 31.45 cents for scrap crape to the above market prices.

Commodity Markets

WHOLESALE PRICE INDEX RISES

THE official wholesale price index (base year ended August, 1939 = 100) advanced further by 0.6 percent to 409.1 during the week ended 21st July, 1956, compared with 406.8 (revised) for the previous week. The index was higher by 1.8 and 14.5 percent respectively when compared with the corresponding week of last month and that of a year ago. The index for Food Articles moved up by 1.0 percent to 381.1 as against 377.3 (revised) for the previous week, because of an increase in the prices of tea for internal consumption (+11%), gram (+5%), dal arhar (+3%), and wheat (+1%); the prices of rice in Calcutta and coffee, however, went down by 1.0 percent each. A rise of 0.5 percent to 490.4 in the index for Industrial Raw Materials was brought about by higher prices of manganese ore (average export prices) (+7%), groundnut and castorseed (+3% each), linseed and gingellyseed (+2% each) and raw wool and lac (+1% each), although the price of raw jute was marked down by 1.0 percent. Prices of gingelly-cake (+8%), coconut oil in Bombay, castor oil in Calcutta and groundnut oil (+3% each), copper in Calcutta and linseed oil (+2% each) and buff hides, mustard oil and zinc (+1% each) advanced while those of castor oil in Madras (-4%), groundnut cake (-3%), copper in Bombay (-2%) and coconut oil in Calcutta and brass (-1%) each declined, and the index for Semi-Manufactures rose by 0.4 percent to 394.5. The index for Manufactures moved up by 0.1 percent to 386.0 as compared with 385.5 (revised) for the previous week due to a rise in the price of rayon and silk manufactures (+4%); the price of jute manufactures, however, fell by 1.0 percent. Higher prices of bricks and tiles (+4%) raised the Miscellaneous group index by 0.6 percent to 560.8, although the price of chillies declined by 2.0 percent.

INDEX NUMBERS BY GROUPS AND SUB-GROUPS (Base: Year ended August 1939=100)

Groups and Sub-Groups	21-7-56	14-7-56	23-6-56	23-7-55
I. Food Articles:	381.1	377.3 (R)	374.6 (R)	314.8
Cereals	484	484 (R)	474	364
Pulses	386	372 (R)	362 (R)	273
Others	247	242	248	251
II. Industrial Raw Materials:	490.4	487.8	480.6	407.4
Fibres	473	475	459	412
Oilseeds	530	521	539	395
Minerals	523	517	470	414
Others	419	419	430	418
III. Semi-Manufactures:	394.5	393.4	395.6 (R)	329.8
Leather	396	395	406	358
Mineral oils	208	208	208	201
Vegetable oils	544	539	550 (R)	399
Cotton yarn	476	475	475	406
Metals	327	327	329	256
Oilcakes	432	423	416	332
Others	362	362	361	329
IV. Manufactures:	386.0	385.5 (R)	377.9	371.0
Textiles	419	418	411	407
Jute	386	389	388	419
Cotton	430*	430*	419*	402*
Rayon and silk	470*	453*	453*	474*
Woolen	264	264	264	282
Metal products	388	388	377	352
Others	291	291	286	286
V. Miscellaneous:	560.8	557.7	520.5 (R)	552.5
All commodities:	409.1	406.8 (R)	401.7 (R)	357.2

R=Revised. * =Estimated.

INDIAN EXPORT AND IMPORT OF COMMODITIES

The office of the Joint Chief Controller of Imports and exports, Government of India, Calcutta has announced that stocks of Pashmina wool, inspected and sealed in Amritsar by the Director of Industries, Punjab, up to 31st July, 1956, will be allowed to be exported up to the end of August, 1956. Jute goods licensed for shipment during July 1956 were: Hessian 37,398 tons; Sacking 33,884 tons and other 7,253 tons. A limited quota has been earmarked for the Calcutta port for the export of imported antibiotics, which have been revalued in India, to all permissible destinations. Exports will be licensed against this quota on shipping bill only and to such parties as are engaged in the bottling of penicillin. The licensing policy for textile machinery items, covered by the Capital Goods Licensing Scheme, for the current half-year has been explained. Applications for the import of licensable stores should be sent to the Joint Chief Controller of Imports and Exports, Bombay, in the prescribed form on or before 1st October, 1956.

DEVELOPMENT PLAN FOR SUGAR INDUSTRY

Details of a comprehensive development programme for sugarcane as well as for the sugar industry for the second plan period were considered by the Development Council for Sugar Industry when it met in New Delhi on 31st July. Mr. T. C. Puri, Joint Secretary, Ministry of Food and Agriculture, and chairman of the Council, presided. The programme, which is based on the broad outlines of the second five year plan relating to sugar, has been drawn up by a joint committee consisting of representatives of the Development Council and the Indian Central Sugarcane Committee. The joint committee has indicated the various concrete steps needed for the development of the industry with a view to achieving the plan targets. The Council also discussed a

report submitted by the joint committee on devising a system for making payment for sugarcane on the basis of its quality. The recommendations made by the sugar delegation which visited Australia and Indonesia last year will also come up before the meeting for consideration. Other subjects on the agenda included the question of grants to certain research schemes and problems concerning the sugar industry.

EXPORT OF IRON AND MANGANESE ORES

The decision to regulate the export of iron ore and manganese ore during July-December, 1956, on the basis of the quota held or exports effected during the period July-December, 1955, was announced in a Press note issued on 27th July. This announcement did not cover parties who had no performance or quota to their credit during July-December, 1955. It has since been decided that quotas may also be issued to such parties to the extent already announced, on the basis of the quotas held by them or their performance during the period January-June, 1956. Quotas for the State Trading Corporation for these ores will be issued by the Chief Controller of Imports and Exports within a ceiling of one-third of the total quantity to be allowed for export during this period.

MEETING TO DISCUSS STATE TRADING AND CANALISATION OF IMPORTS

The Federation of Indian Chambers of Commerce and Industry has convened a meeting in its office in New Delhi on 24th and 25th August to consider questions arising from the Government's announcements on State trading in iron and manganese ore and cement. The meeting will also consider the reported proposal for State trading in oils and other commodities. With the establishment of a State Trading Corporation in May, various problems—administrative or otherwise—have come to the fore. The Federation has decided to take up all outstanding issues with the Government, so that Government policy is so operated that minimum hindrance is caused to the interests of industry and trade. The setting up of fully representative advisory committees for specific commodities will also be urged. Another item on the agenda that will be discussed on 25th August concerns the Government's policy to canalise imports of raw silk, soda ash, caustic soda and other commodities through specified channels. Besides the members of the Federation, the meeting is open to others.

CANADIAN TERMS FOR SELLING WHEAT TO INDIA

Reports from Winnipeg indicate that the Canadian Wheat Board does not propose to sell wheat to India below the current price, according to a copyrighted story in the current issue of the McGraw-Hill American Letter (Indian Edition). India has indicated interest in buying Canadian wheat, but she is not prepared to offer more than about 25 percent below the present market price. Ottawa believes that it cannot operate a two-price system and will maintain its customers in Britain and elsewhere. Canada is disturbed by U.S. efforts to sell India 100,000 tons of wheat for the local currency. The Egyptian decision to acquire American wheat on same basis has also affected Canadian sales. The growing surplus may force the Wheat Board to reconsider its present price policy.



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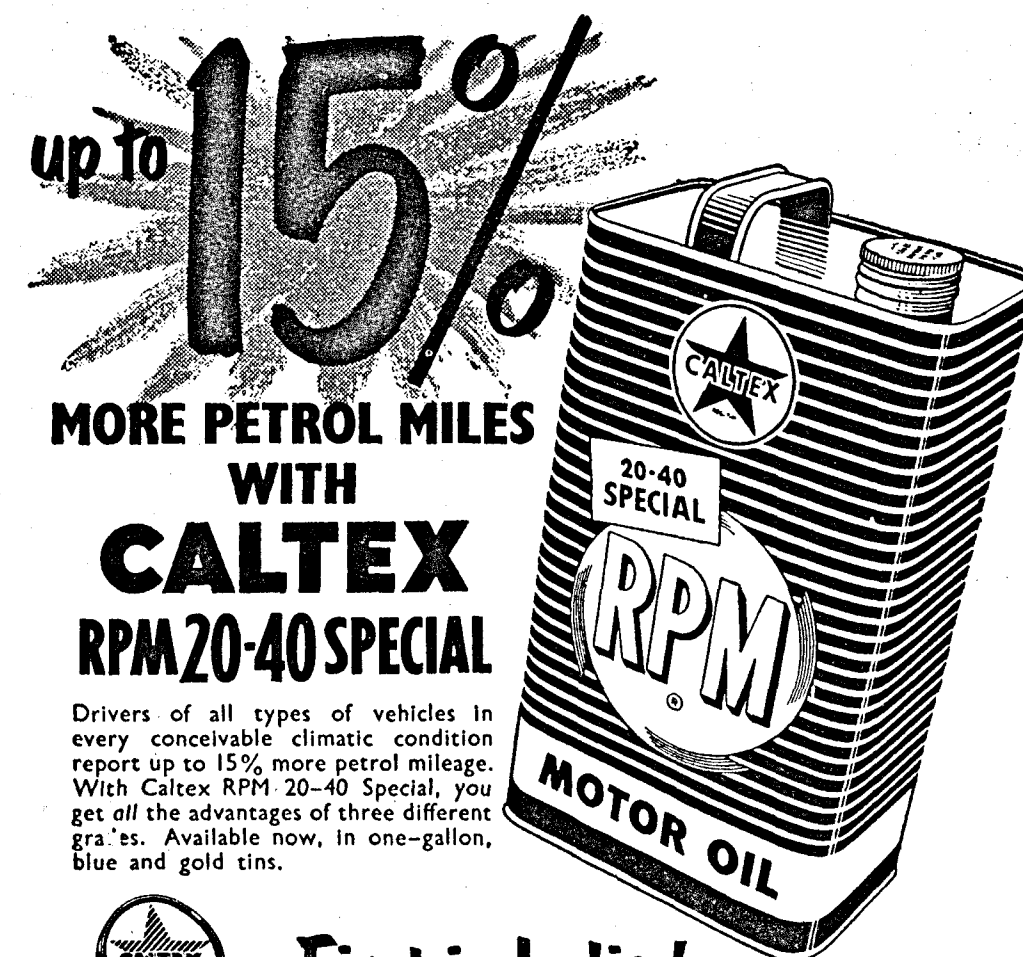
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LONDON INSURANCE LETTER

BIG AND VARIED CLAIMS

SOME peculiarly large actual or potential claims on British insurance have arisen in the past month. July this year was the worst month for weather for any July on record; severe storms earlier in the month were followed later by the worst summer storms ever experienced, and rain was not only exceptionally heavy, but unusually persistent. Insurance of commercial and residential properties and their contents against storm perils has increased in recent years, and heavy claims are, therefore, under negotiation; and many outside events insured against rain have involved claims under "Pluvius" policies. A half of the \$16 million of main insurances on the *Andrea Dore*, which sank off the U.S. coast late in July, was written by Lloyd's and company underwriters in London, plus \$4 million of subsidiary insurances. The biggest and most daring jewel robbery ever committed in London, involving diamonds insured for £100,000 (and believed to be worth nearly double as much) occurred near Hatton Garden (the diamond centre) in the same month, and at the time of writing, the stones have not been recovered, though some men have been apprehended. These diamonds were snatched from a car, but there have been many robberies recently in which modern science has been used to outwit the de-

signers of strongroom equipment. Last month in Glasgow, the first permanent showroom in Britain for displaying equipment protecting against fire, accident and burglary was planned, and the showroom will be opened shortly in a building with 140,000 square feet of floor-space. However, the more elaborate anti-burglary equipment cannot be so publicised, as its effectiveness would be diminished by exposing it to the criminal community for inspection. Much depends, however, on the use of special materials and devices—special steels to make safe-walls resistant to blowlamps, anti-explosive devices that will keep the safe-door closed even if the lock is destroyed. The safemaker's problem is to keep his technique always ahead of the advancing technique of the burglar.

Fire Losses Reduced

The latest figures of fire damage at home, published in August relate to a period before the above-mentioned events and are comparatively satisfactory. The estimate of direct damage in June is £1.6 million, compared with £3.4 million in the same month last year, and the reduction has helped bring the half-year's total well below that of 1955. However, the second-quarter total was almost the same in both years; it was a sharp reduction of the first-quarter total this year that reduced the half-year total from £16.3 million to £14.7 million. It is too early yet to say that the menace of fire is under control. Last year's experience was particularly bad in the first six months, and this year's losses still show a substantial increase compared with the more normal first half of 1954, for which losses of £12.9 million were returned. Experience in North America this year is reported as showing a decidedly less favourable trend. A pamphlet circulated by a stock exchange firm has reminded us how important this side of the business is to the British companies. It lists 21 companies whose aggregate business in the U.S.A. makes up most of the British total there, and shows that the assets of those companies increased last year by about \$100 million to \$1,550 million, while capital and surplus increased by about \$70 million to \$631 million. (These figures take clearer shape when viewed against a gold and dollar reserve for the sterling area ranging between \$2,000 million and \$2,500 million). Expansion does not, however, mean bigger profits. Though net premiums written increased by some \$20 million to \$658 million, the underwriting profit fell by nearly \$8 million to slightly less than \$10 million. However, remittances to home offices increased by \$3 million to rather more than \$12 million, thus demonstrating that, tough as the American market is, it is still valuable to the U.K.'s balance of payments.

Lloyd's Growth Checked

The accounts of Lloyd's Underwriters for 1955 are somewhat puzzling. In spite of the rising trend of freight rates and commodity prices, marine premiums, at £62 million, were only a trifle higher last year than in 1954. Only motor premiums (reflecting activity at home) showed an appreciably proportionate rise, to £71 million. The "all other" category, which includes accident, fire, and general contingencies, was appreciably reduced, to £69 million. The result of these various movements was a decline in premiums on new policies for the first time since the war—from £148 million, to £144 million. One year's accounting is not to be taken too seriously, as Lloyd's works on a three-year basis. Thus every year includes the beginning of one account, the middle of a second, and the end of a third. The completed three-year account, 1953-55, was profitable in all main categories. Marine premiums of £951 million covered claims of £813 million; motor premiums of £691 million covered claims of £51 million; "other" premiums of £1153 million covered claims of £1001 million. The balance for the three-year account increased by more than £3 million nearly to £25 million. Yet the trend of first-year premiums in the 1955-57 account is disquieting. As premiums are normally heaviest in the first year (while claims are heaviest in the last year), the reduction suggests a change of trend; in a downward direction, when most insurance business is still tending upward. The numbers of Lloyd's members and syndicates have increased: the 1953-55 account was transacted by 3,232 members comprising 163 syndicates, the first year's business of the 1955-57 account by 3,697 members comprising 175 syndicates. Yet Lloyd's appears to be losing ground in competition with the composite companies at home and with companies and underwriters abroad.

The Man from the Pru

"The man from the Pru" has become a household phrase because the Prudential organises much of the door-to-door collecting of "industrial" life premiums. He has been in the headlines this month—in the august person of Mr. Leslie Brown, secretary and chief investment manager—as the man who swayed the vote against Sir Bernard Docker, the too-obviously wealthy industrialist, in a dispute with the Birmingham Small Arms company, which dismissed him. The occasion was not pleasant for the Prudential, which adheres strictly to the rule that it shall not control any company in which it invests. But an organisation that has about £1 million a week to invest must acquire substantial holdings, and the Prudential, though with only 4 per cent of the shares, had become B.S.A.'s biggest shareholder. There are occasions when, in the interests of policyholders, the power that comes from such a position must be used.

Calcutta Markets

GOOD GENERAL DEMAND AT TEA EXPORT SALE

ALL-ROUND INCREASE IN DUSTS

AT Sale No. 9, held on 6th and 7th August, offerings at the Export auction consisted of 44,000 packages for which there was a good general demand. C.T.C. Assams showed an easier tendency, particularly where quality showed a decline, while orthodox Assams with quality and any bright liquoring Dooars sold at dearer rates. Non-wither Dooars teas received more support than in earlier sales, and were often several annas dearer, while clean black Fannings with good liquors were often 2 to 4 annas dearer. Low Mediums and Plain Broken were about 1 to 1 anna lower, while stylish leaf grades were again well supported, and there was a rather better demand for the ordinary kinds. Flavoury Darjeelings once again realised very high prices.

	1956	1955
Rs.	Rs.	Rs.
Clean Black Pekoe	1 15 0 to 2 0 0	2 15 0
Plain B. P.	1 8 6 to 1 9 0	2 0 6
Medium Assam B. P.	2 6 0 to 2 8 6	2 4 0
Best C.T.C. Assam B.P.	4 0 0 to 5 0 0	3 0 0

At the Internal Sale, offerings consisted of 12,477 packages which included 281 chests of Old Season's teas. There was a good general demand, and grainy C.T.C. Assams with good liquors were the strongest feature of the Sale and were 4 to 8 annas dearer, while medium C.T.C. Assams opened at irregularly easier rates, but were firm to dearer at the close of the Sale. There was an improved demand for black leaf types suitable for the Middle East, while Commons, Dooars and good Mediums shared in the general advance and were 1 to 1 annas dearer with the powdery Assam types sometimes more. Poor liquoring types were very irregular, but were generally firm at about last rates.

	1956	1955
Rs.	Rs.	Rs.
Medium Dooars Dust	1 8 0 to 1 9 0	2 2 6 to 2 3 0
Medium Assam Grainy	1 11 0	2 4 6 to 2 5 6
Dust	2 10 0 to 2 14 0	2 11 0 to 2 13 0
Best Assam C.T.C. Dust	3 10 0 to 3 14 0	

Leaf offerings consisted of 1,479 chests which included 234 chests of green teas. There was a good demand for the green teas on offer with the top grades selling at dearer rates, while the remainder were irregularly easier. The few black teas on offer were very irregular.

RISE IN FREIGHT RATES TO INDIA FEARED

THE quiet spell in the freight markets during the past two weeks has been broken by the news of Egypt's nationalisation of the Suez Canal Company. Consequent upon measures adopted by the U.K. Government, some 35 vessels in the 10,000-ton class have been requisitioned. This, together with the threat of increasing freight rates, and with a large volume of imports arriving from European countries under the second five year plan, India will be seriously affected. Mean-time, grain fixtures were the centre of activity in most markets. U.S. Gulf to Antwerp-Hamburg range paid 100s for August shipment and River Plate to the same destination, 147s 6d for September loading, while West Australia-India repeated 133s for November and 130s 6d for December, all heavy grain. Whampoa-Chittagong rice was done at 80s f.i.o.s., August loading and Shanghai-Chittagong or Chalna 80s for early September. Burma-Colombo showed an increase at 76s 3d for September. In the local coal market, two fixtures to Karachi were declared at about 78s and tonnage is still required for this destination and for Chittagong.

LINSEED

Very firm conditions have prevailed during the past week and activity has been on a very small scale. Prices have displayed a notable rise. Sellers have been very reserved because of the lack of selling advices from upcountry for all positions, and despite good enquiries from crushers, the turnover has been very small. The oil market is firm; a good local demand, combined with the prevailing high price of mustard oil, has appreciably raised price levels. Indications from overseas were considerably lower in parity. Latest quotations were as follows: Ready-August Rs. 23-12 a maund.

HIDES AND SKINS QUIET

The market ruled quiet. Stocks were higher than in the previous week.

Bazaar Sales

(Between 31st July and 6th August, 1956)

Cowhides: Wet salted (Ord.) 35,000 pcs. on the basis of Rs. 5-8 to Rs. 7-4; Wet salted (Slaughtered) 18,500 pcs. on the basis of Rs. 10-8 to Rs. 20.

Goatskins: Wet salted (Daissee, Killed) 59,100 pcs. on the basis of Rs. 135 to Rs. 180, Rs. 220 to

Rs. 240 and Rs. 320 to Rs. 330; Assam-Dinajpur 4,500 pcs. on the basis of Rs. 220; Patna-Pakur 4,600 pcs. on the basis of Rs. 120 to Rs. 165; Muzafferpore 12,000 pcs. on the basis of Rs. 205 to Rs. 215.

Bazaar Stocks

(6th August, 1956)

Cowhides: Wet salted (Ord.) 1,98,000 pcs.

Goatskins: Wet salted (Daissee, Killed) 60,000 pcs.; Assam-Dinajpur-Jalpaiguri 80,100 pcs.; Muzafferpore-Patna-Pakur-Purneah-Kissanganj 1,65,000 pcs.

BRITISH INTERNATIONAL PLASTICS EXHIBITION

Since the announcement that the next British Plastics Exhibition—to be held from 10th to 20th July, 1957—is to become an international event, and will therefore include exhibits from other countries, so many requests for stand space have been received that the National Hall has been booked in addition to the Grand Hall in Olympia. This now gives a total floor area of 250,000 square feet, compared with 90,000 square feet in 1955. The exhibition is held every other year. Only a very limited amount of vacant stand space remains, for which application should be made without delay to the organiser, Mr. J. L. Wood, British Plastics Exhibition, Dorset House, Stamford Street, London, S.E.1.

Overseas manufacturers who have already applied for space include firms in the U.S.A., Ger-

many, France, Italy, Switzerland and Czechoslovakia. The Exhibition, which will represent all sections of the industry, will show raw materials, moulding powders, synthetic resins, laminated, reinforced and fabricated plastics, compression and injection moulding machines, extruders, and other equipment, as well as an all-embracing range of finished products from cable coverings to caravans, and from swizzlesticks to sun-glasses. A Convention will be run concurrently, for which full details will be announced later. The Exhibition and Convention is being organised by British Plastics, a leading trade journal, with the full co-operation of the British Plastics Federation.

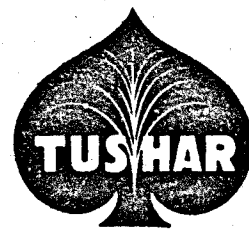
CONTROLLER OF IMPORTS AND EXPORTS IN VISAKHAPATNAM

The Government of India has decided to open a trade control office in Visakhapatnam under the charge of a Controller of Imports and Exports. This office will be under the administrative control of the Joint Chief Controller of Imports and Exports, Madras, and will start functioning from 9th August. The jurisdiction of the trade office in Visakhapatnam will extend to the State of Andhra excluding the districts of Nellore, Chittoor, Cuddapah, Anantpur, Bellary and Kurnool. Applicants for import licences from this area, and also applicants for licences for export from the ports within this area, are advised to submit their applications to the Controller of Imports and Exports in Visakhapatnam, and not to the Madras office.

Cool filtered water for office or factory

'Tushar' WATER COOLERS

—by the makers of the famous 'Crystal' air conditioner



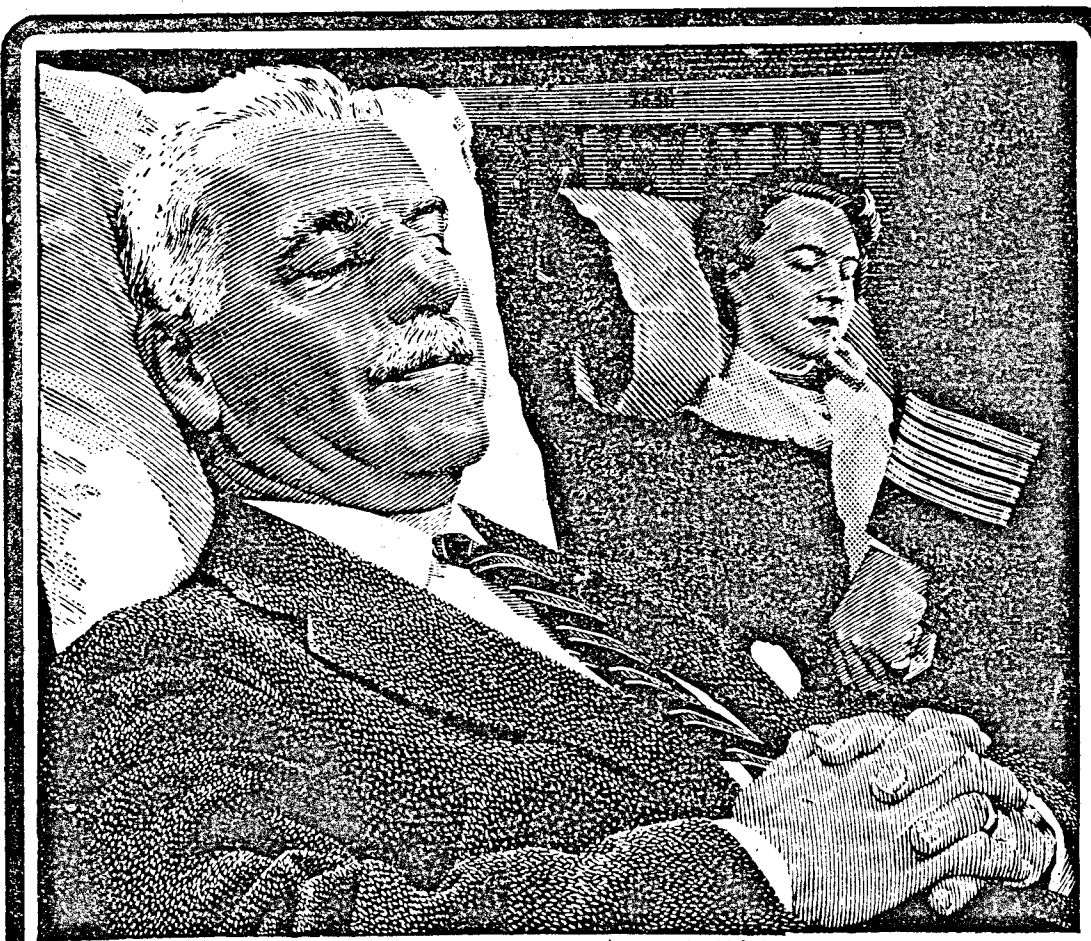
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- **Silent working—Anti-splash construction—Handsome design**

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COMPANY AND PUBLIC NOTICES

BENARES ELECTRIC LIGHT & POWER COMPANY LIMITED.

NOTICE is hereby given that an Annual General Meeting within the meaning of the Companies Act, 1956 (being the Fifty-sixth Ordinary General Meeting of the Company) of the above-named Company will be held at its Registered Office No. 12, Mission Row, Calcutta, on Monday, the 10th September, 1956, at 11-0 a.m. for the following purposes:

- To consider and pass the audited Accounts for the half-year ended 31st December, 1955, and the Balance Sheet as at that date and to adopt and receive the Reports of the Board of Directors and the Auditors thereon.
- To declare a Dividend.

To appoint Directors in place of those retiring. And, in this connection, Special Notice as required by Sections 261 and 281 of the Companies Act, 1956, is hereby given that at the meeting the following resolution will be proposed as a Special Resolution, namely:—

"That Mr. P. N. Banerjee, who is an associate of the Managing Agents of the Company and who has attained the age of 65 years, be and is hereby appointed a Director of the Company, and that the age limit prescribed by Section 280 of the Companies Act, shall not apply to him."

- To consider, and if thought fit, to pass with or without modification the following resolution, namely:—

"Resolved that with effect from the commencement of the Companies Act, 1956, the consent of the Company be and is hereby accorded to the Board of Directors borrowing and continuing to borrow monies for and on behalf of the Company in excess of the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set aside for any specific purpose, and that such borrowing shall be exclusive of temporary loans obtained or from time to time to be obtained from the Company's Bankers in the ordinary course of business."

- To appoint Auditors and fix their remuneration.

The Register of ordinary shareholders of the Company and the Transfer Books will be closed from the 4th September, 1956 to the 10th September, 1956, both days inclusive.

A member entitled to attend and vote at the meeting is entitled to appoint a Proxy who need not be a member, to attend and vote instead of himself.

By Order of the Board,
MARTIN BURN LTD.,
S. N. MUKERJEE,
Managing Director,
Managing Agents.

12, Mission Row,
Calcutta 1.

The 7th August, 1956.

Explanatory Statement

1. In connection with item No. 3 of the above Notice Mr. P. N. Banerjee, whose first appointment as a Director of the Company dates as far back as 1931, falls within the definition of the Companies Act, of an associate of the Managing Agents. Consequently it will be necessary in accordance with Section 261 of the Companies Act, 1956, for a Special Resolution to be passed to cover his appointment as a Director of the Company. In addition since he is now of the age of 72 years it will be necessary under Section 281 of the Act for the resolution re-appointing him as a Director to declare that the age limit provided under Section 280 shall not apply to him. Special Notice of the intention to move this resolution, as required by both Section 261 and Section 280 of the Act, has been received by the Company.

2. The Resolution under item No. 4 of the above Notice is self explanatory and, when passed, will provide the authority required under Section 293 (1) (d) of the Companies Act, 1956.

ASSOCIATED HOTELS OF INDIA LIMITED.
Managing Agents—Oberoi Hotels (India) Private Ltd.
THE Board of Directors reviewed the accounts for the year ended 31st March, 1956. The accounts showing the Capital Expenditure revealed that the Company has spent nearly 20 lacs of rupees for improvements in the hotels during the last six years.

In pursuance of the policy laid down in the Chairman's speech during the last Annual General Meeting, the Directors decided that an ad-interim dividend of 6% (subject to tax) to be declared on the Ordinary Shares. The Share Transfer Registers of the Company will remain closed from 10th August to 17th August, 1956. The Dividend Warrants will be posted on or before the 18th of August, 1956.

S. S. REEN,
Secretary.

JAGATJIT COTTON TEXTILE MILLS LIMITED.

NOTICE is hereby given that an Extra-ordinary General Meeting of the Members of the Company will be held on Friday, 24th August, 1956 at 11-15 A.M., at the Registered Office of the Company at 5, Royal Exchange Place, Calcutta, with or without modification:—

I. As Special Resolution:—

"RESOLVED that the Articles contained in the printed documents submitted to the Meeting and for the purpose of identification signed by the Chairman be and are hereby adopted as Articles of the Company in substitution for and to the exclusion of all the existing Articles of Association of the Company."

II. As Special Resolution:—

"RESOLVED that with effect from the date of Commencement of the Companies Act, 1956 and in compliance with section 294 of the Companies Act, 1956, the Company doth hereby approve and consent to the appointment of M/s. Beni Prasad Krishna Gopal who are at present working as Sole Selling Agents of the Company and doth hereby authorise the Directors to renew the Agreement for a further period of four years on such terms and conditions as they may think proper."

III. As Special Resolution (Under section 360 of the Companies Act, 1956).

(b) "RESOLVED that an Agreement be entered into between the Company and Messrs. Karam Chand Thapar & Bros. (Coal Sales) Ltd., for a period of five years from 1st of April, 1956 whereby the Company will purchase from the said Messrs. Karam Chand Thapar & Bros. (Coal Sales) Ltd., coals in quantity and description as set out hereunder and at the prices hereunder detailed, with option to the Company to purchase more than the maximum quantity as specified below, on terms and conditions as per the above referred to agreement:—

Note: The terms and conditions are open for inspection at the Registered Office of the Company during business hours.

By Order of the Board,

KARAM CHAND THAPAR & BROS. PRIVATE LTD.
Managing Agents.
Calcutta,

Dated, 13th July, 1956.

NOTICE:—A member entitled to attend and vote at the Meeting is entitled to appoint a proxy, who need not be a member, to attend and vote instead of himself.

SONE VALLEY PORTLAND CEMENT COMPANY, LIMITED

NOTICE

IS hereby given that the Annual General Meeting of the Shareholders of Sone Valley Portland Cement Company, Ltd., will be held on Friday the 31st August, 1956, at 11 A.M. at 36, Chowringhee, Calcutta, to transact the following business:—

- To receive and adopt the Directors' Report and Audited Balance Sheet and Profit and Loss Account for the year ended 31st December, 1955.
- To declare a Dividend.
- To elect Directors.
- To appoint Auditors for the current year and to fix their remuneration.

The Transfer Books and Register of Members of the Company will be closed from the 21st August to 31st August, 1956, both days inclusive.

A member of the Company entitled to attend and vote at the meeting is entitled to appoint a Proxy, who need not be a member, to attend and vote on a poll, instead of himself. Proxies should be lodged with the Company at the above address not less than 48 hours prior to the meeting.

By Order of the Board,

L. K. SEN CHOWDHRY,
Acting Secretary.

Calcutta,

The 27th July, 1956.

NOTE: The Dividend, if sanctioned, will be paid on or after 17th September, 1956, to those members whose names appear on the Register of the Company on the 21st August, 1956, or to their Mandatees. No application for Warrants will be necessary.

NATIONAL CARBON COMPANY (INDIA) LIMITED

THE Share Transfer Books of the Company will be closed from 1st to 21st September, 1956, both days inclusive.

By Order of the Board,
G. G. SWAN,
Secretary.

SEN-RALEIGH INDUSTRIES OF INDIA LIMITED

CALCUTTA.

NOTICE is hereby given that the Sixth Annual General Meeting of the members of SEN-RALEIGH INDUSTRIES OF INDIA LTD. will be held at the Registered Office of the Company, Mercantile Buildings, Lallbazar Street, Calcutta, on Tuesday, the 28th day of August 1956 at 12 noon for the following purposes:—

- To receive and consider the Directors' Report for the year ended 30th September, 1955.
- To receive and consider Audited Accounts for the year ended 30th September, 1955.
- To declare Dividends on Cumulative Preference Shares and Ordinary Shares for the year ended 30th September, 1955.
- To appoint Auditors for the current year and fix their remuneration.
- To elect Directors in place of those retiring.
- To transact such other business as may be admissible.

Share Transfer Books and the Register of Members of the Company will be closed from the 7th August, 1956 to 28th August, 1956, both days inclusive.

Dividends, if declared, will be paid only to Members whose names appear in the Register of Members on the 7th August, 1956 and Dividend Warrants will be sent to them in due course for which no application will be necessary.

By Order of the Board,
K. D. GANGULI,
Secretary.

Mercantile Buildings,
Lallbazar Street,
Calcutta-1.
The 21st July, 1956.

N.B. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company. In order to be effective a completed proxy form must be lodged at the Registered Office at least forty-eight hours before the time fixed for the meeting at which it is to be used.

To all members of SEN-RALEIGH INDUSTRIES OF INDIA LTD. and in particular to:—

Messrs. Binraj Giri, Eric Ensor Baker, L. C. Clarkson, Kamleswari Pd. Chakravarty, Prafulla Kumar Chakravarty, Gopal Krishna Dutta, Jati Madhav Dhar, G. H. B. Wilson, Dharendra Lal Nag, Kshitish Chandra Pal, P. K. Kuruvilla, A. J. Coelho & Anr., Md. Abrar Hassan, M/s. Raleigh Cycle Co. Ltd., Dr. H. van de Loo, M/s. Union Sils, van de Loo & Co.

THE NEW SAMANBAGH TEA COMPANY, LIMITED.

NOTICE is hereby given that the Fifty-third Annual General Meeting of the Members will be held at the Registered Office of the Company, No. 4, Bankshall Street, Calcutta, on Thursday, the 6th September, 1956 at 4-15 P.M. for the following purposes:—

- To receive and adopt the Directors' Report and the Audited Accounts for the year ended 31st December, 1955.
- To declare Dividends.
- To elect a Director.
- To appoint Auditors and to fix their remuneration.

The Transfer Register will be closed from the 30th August, 1956 to 6th September, 1956, both days inclusive.

N.B. A Member entitled to attend and vote at the Meeting is entitled to appoint a Proxy who need not be a Shareholder of the Company. If it is desired to use a Proxy, the same should be completed in the manner described by Section 176 (5) of the Companies' Act, 1956 and delivered at the Registered Office of the Company at least 48 hours before the time fixed for the Meeting.

By Order of the Board,

SHAW WALLACE & COMPANY LTD.,
Managing Agents.
Calcutta, 6th August, 1956.

JAGATJIT COTTON TEXTILE MILLS LTD.

NOTICE.

NOTICE is hereby given that the next Ordinary General Meeting of the Shareholders of the Company will be held at its registered office at 5, Royal Exchange Place, Calcutta, on Friday, the 31st August, 1956, at 11 A.M. for the purpose of adopting and passing the audited accounts of the Company for the year ended 31st January, 1956, declaring dividend, electing Directors and appointing Auditors.

The Share Transfer Books of the Company will be closed from 18th August to 31st August, 1956 (both days inclusive).

By Order of the Board,
KARAM CHAND THAPAR & BROS. PRIVATE LTD.
Managing Agents.

5, Royal Exchange Place,
Calcutta.
13th July, 1956.

THE MYSORE SPG. & MFG. CO. LTD.

NOTICE.

NOTICE is hereby given that the Sixty-third Annual General Meeting of the Shareholders of the above Company will be held at the Registered Office of the Company, Temple Bar Building, 70, Forbes Street, Port. Bombay, on Thursday the 13th September, 1956 at 4-30 P.M. for the purpose of transacting the following business:—

- To receive and adopt the Directors' Report and Audited Statements of Accounts for the year ended 29th February, 1956.
- To declare a dividend and bonus.
- To appoint Directors in place of those who retire but are eligible for re-appointment.
- To appoint Auditors for the current year and to fix their remuneration.

The Transfer Books of the Company will be closed from the 16th day of August, 1956 to the 10th day of September, 1956, both days inclusive.

A member entitled to attend and vote at the meeting is entitled to appoint a Proxy to attend and vote instead of himself and a Proxy need not be a member.

(The holders of the 4½ Cumulative Preference Shares of the Company have no right to be present or to vote either in person or by proxy in respect of their holdings of such Preference Shares at the above Annual General Meeting.)

Detailed Notice of the above Meeting is being published in the Press and is also being posted to the Shareholders individually.

By Order of the Board,

N. SIRUR & COMPANY PRIVATE LTD.,
Managing Agents,
V. N. CHANDAVARKAR,
Managing Director.

Bombay, 31st July, 1956.

N.B.—The Dividend and Bonus when declared will be made payable at the State Bank of India, Bombay, on and after, Wednesday, the 26th September, 1956, to those shareholders whose names stand on the Register of Members on the 18th August, 1956. The Dividend Warrants will be made negotiable at par at the State Bank of India, Bangalore. Shareholders are requested to intimate change of address, if any.

THE BRITANNIA BISCUIT COMPANY, LIMITED.

NOTICE is hereby given that the Sixty-fifth Annual General Meeting of the Shareholders of The Britannia Biscuit Company, Limited, will be held at the Registered Office of the Company, 15, Taratola Road, Calcutta-27, on Friday, the 7th September, 1956, at 11-15 a.m., for the following purposes:—

- To consider and receive the Report of the Directors with Statement of Accounts and Balance Sheet and to read the Report of the Auditors thereon.
- To declare a Final Dividend.
- To elect a Director.
- To appoint Auditors and fix their remuneration.
- To transact any other business of the Company.

The Share Transfer Books of the Company will be closed from the 6th September to 13th September, 1956, both days inclusive, and Warrants for such Dividends as may be declared will be issued directly to the Registered Shareholders or their Mandatees.

By Order of the Board,

A. P. CHANDA,
Secretary.

15, Taratola Road,
Calcutta, 3rd August, 1956.

A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself, and a proxy need not be a member of the Company. Proxies in order to be effective must be received by the Company not less than 24 hours before the meeting.

NEW DOOARS TEA COMPANY LTD.

THE Board of Directors has decided to recommend to the forthcoming Annual General Meeting of Shareholders a dividend of Rs. 6/8/- per share on the Preference Shares and a dividend of Rs. 25/- per share on the Ordinary Shares, in respect of the year ended 31st December, 1955, without any deduction in respect of taxation payable by the Company.

By Order of the Board,

ANDREW YULE & CO. LTD.,
Managing Agents.

Dated,
Calcutta, 26th July, 1956.

TEZPORE TEA COMPANY, LIMITED

NOTICE is hereby given that the period for submission to the Company of Fractional Certificates for allotment of fully paid Ordinary Shares in lieu thereof in regard to the issue of Bonus Shares on 12th December, 1955 has been further extended to 11th October, 1956.

By Order of the Board,

SHAW WALLACE & COMPANY LTD.,
Managing Agents.
Calcutta, 3rd August, 1956.

KYANG TEA SEED COMPANY, LIMITED.

NOTICE is hereby given that the Twenty-eighth Annual General Meeting of the Members will be held at the Registered Office of the Company, No. 4, Bankshall Street, Calcutta, on Thursday, the 6th September, 1956, at 4 P.M., for the following purposes:—

- To receive and adopt the Directors' Report and the Audited Accounts for the year ended 31st December, 1955.
- To declare a Dividend.
- To elect a Director.
- To appoint Auditors and to fix their remuneration.

The Transfer Register will be closed from the 30th August, 1956 to 6th September, 1956, both days inclusive.

N.B. A Member entitled to attend and vote at the Meeting is entitled to appoint a Proxy who need not be a Shareholder of the Company. If it is desired to use a Proxy, the same should be completed in the manner described by Section 176(5) of the Companies' Act, 1956 and delivered at the Registered Office of the Company at least 48 hours before the time fixed for the Meeting.

By Order of the Board,

SHAW WALLACE & COMPANY LTD.,
Managing Agents.

Calcutta, 6th August, 1956.

THE FORT WILLIAM JUTE COMPANY LIMITED

NOTICE

THE Annual General Meeting of the Company will be held at the Registered Office of the Company, 14, Netaji Subhas Road, Calcutta, on Thursday the 30th August, 1956 at 3-30 P.M. for the purpose of receiving the Directors' and Auditors' Reports, passing the Accounts for the half-year ended 31st March, 1956, declaring dividends, electing Directors, appointing Auditors and transacting such other ordinary business as may be brought forward.

The Share Transfer Registers of the Company will be closed from 17th August to 30th August, 1956, both days inclusive.

By Order of the Board,

Per Pro BANGUR BROTHERS LTD.,
B. D. BANGUR,
Managing Agents.

Calcutta, 30th July, 1956.

N.B. A member of the Company who is entitled to attend and vote may appoint a proxy to attend and vote instead of himself. A proxy need not be a member of the Company.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	Hour (S.T.)
Shree Sitaram Sugar Co., Ltd.(E)	13-8-56	4 p.m.
Bareilly Electricity Supply Co. Ltd.	16-8-56	11 a.m.
Saugor Electricity Supply Co., Ltd.	16-8-56	11-10 a.m.
Upper Ganges Valley Electricity Supply Co., Ltd.	20-8-56	11 a.m.
Balmer Lawrie & Co., Ltd.	20-8-56	Noon.
Birla Jute Mfg. Co., Ltd.	22-8-56	3-30 p.m.
Jagatjit Cotton Textile Mills, Ltd.(E)	24-8-56	11-15 a.m.
Bhulanbarree Coal Co., Ltd.	28-8-56	10-30 a.m.
Sen-Raleigh Industries of India, Ltd.	28-8-56	Noon.
Alliance Jute Mills Co., Ltd.	28-8-56	3 p.m.
Fort William Jute Co., Ltd.	30-8-56	3-30 p.m.
Hoghtly Flour Mills Co., Ltd.	30-8-56	4 p.m.
Jagatjit Cotton Textile Mills, Ltd.	31-8-56	11 a.m.
Sone Valley Portland Cement Co., Ltd.	31-8-56	11 a.m.
Kumardhubi Engineering Works, Ltd.	31-8-56	2-30 p.m.
Kyang Tea Seed Co., Ltd.	6-9-56	4 p.m.
New Samanbagh Tea Co., Ltd.	6-9-56	4-15 p.m.
Britannia Biscuits Co., Ltd.	7-9-56	11-15 a.m.
Benares Electric Light & Power Co., Ltd.	10-9-56	11 a.m.
Mysore Spg. & Mfg. Co., Ltd.	13-9-56	4-30 p.m.

(E) Extraordinary General Meeting.

DIVIDENDS DECLARED OR PROPOSED—Hoghtly

Flour Mills Co. Ltd.—7½ p.c. Kyang Tea Seed Co. Ltd.—5 p.c. (o) Rewa Coalfields, Ltd.—12½ p.c. New Samanbagh Tea Co. Ltd.—25 p.c. (o). Tata Oil Mills Co. Ltd.—Rs. 3 per share (o). Bhulanbarree Coal Co. Ltd.—Nil. North-West Coal Co. Ltd.—7½ p.c. Metturr Chemical & Industrial Corporation Ltd.—4½ p.c. (f) (o). Alliance Jute Mills Co. Ltd.—Nil. (o). Mukand Iron & Steel Works Ltd.—Nil. (o). Tata Iron and Steel Co. Ltd.—Rs. 10-8 per share (o). Birla Jute Manufacturing Co. Ltd.—Rs. 1 per share (o). New Dooars Tea Co. Ltd.—Rs. 25 per share (o). Associated Hotels of India Ltd.—6 p.c. (o) (Int.).†

O.—Ordinary Dividend. In.—Interim Dividend.
P.—Preference Dividend. f.—Less Income Tax.
P.O.—Preferred Ordinary Dividend. f.—Final Dividend.
D.—Deferred Dividend. Cm.—Cumulative.

† Less Tax at 8s 6d in the £

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JOINT STOCK COMPANIES PREFERENCE SHARES

Dividends are cumulative and shares carry a preferential claim on the property for the payment of capital and on the profits for dividend except in case of companies marked otherwise. Months against names of companies indicate approximately times of payment of dividends.

Year of Issue	NAMES	Amount Issued in 000	Rate per cent	Paid-up per Share	Market Quotations		Year of Issue	NAMES	Amount Issued in 000	Rate per cent	Paid-up per Share	Market Quotations	
					7-8-56	A year ago						7-8-56	A year ago
		Rs.		Rs.	Rs.	Rs.			Rs.		Rs.	Rs.	Rs.
BANK.													
1901	Allahabad Bank (May Nov.)	15.00	6	100	120	131 1/2	1920	Bird's Investments (Dec.)	24.00	5 1/2	100	78 1/2	80 1/2
COAL.													
1905	Bengal Nagpur (Feb Aug.)	11.25	7	100	105	118	1935-39	Bombay Steam Navigation (July)	15.00	6 1/2	250	15 1/2	15 1/2
1896-97	Borra (June Dec.)	4.00	6 1/2	100	110	119	1918	Britannia Biscuit (Feb Aug.)	15.00	8	10	153 1/2	118
1901-20	Burrakur (June Dec.)	22.98	7	100	111	125	1909-11	British Ceylon Corporation (14) (Apr. Mar.)	7.50	6	5	92 1/2	115
1946	Burrakur (June Dec.)	4.50	6 1/2	100	71	83	1935-39	British India Corporation (Feb.)	91.00	8	100	125 1/2	138
1895	Equitable (May Nov.)	4.00	6	100	108	118	1935-39	Burn Eng (1st & 2nd) (Feb Aug.)	13.00	7	100	138 1/2	142 1/2
1931	Khas Kajora (Mar. Sept.)	1.93	5	100	12	13	1935-39	Burn Engineering (Feb Aug.)	15.00	6	100	121 1/2	122 1/2
1920	New Beerboom (Jan. July)	2.00	7	100	110	113	1935-39	Calcutta Electric Supply (Mar. Sept.)	21.900	5	21	111 1/2	111 1/2
1898-99	Ondal (June Dec.)	2.00	6 1/2	100	110	113	1935-39	Calcutta Silk Manufacturing (July Jan.)	2.00	6	100	55	60
COTTON MILLS.													
1906	Ahmedabad Advance (Apr. Oct.)	10.00	6	100	110	110	1935-39	Calcutta Tramways (Jan. July)	22.50	5 1/2	21	91	91 1/2
1884	Bangalore (Jan. July)	6.00	6	100	125	128 1/2	1935-39	Carew & Co (January)	8.00	6 1/2	100	101	104
1938	Basanti (Oct.)	5.00	6 1/2	100	99	116	1935-39	Cawnpore Sugar Works (Feb. Aug.)	10.00	8	100	137	143
1896	Bengal Nagpur (Apr. Oct.)	3.00	7	100	100	126	1935-39	Chetani Mica Industries Ltd.	30.00	5 1/2	100	59	63
1900	Bowreah "A" (Apr. Oct.)	6.00	8	100	100	126	1935-39	Dacca Electric Supply (July)	6.00	6	100	99	99 1/2
1900	Bowreah "B" (6) (1) (Apr. Oct.)	6.00	7	100	66 1/2	76	1935-39	Dalmia Cement (Bharat)	3.500	6	100	102	102
1919	Bradbury "B" (Jan. Dec.)	14.75	7	250	324 1/2	344	1935-39	Dalmia Cement (Bharat)	2.372	6	100	102	102
1920	Buckingham & Carnatic (Jan. July)	21.30	7 1/2	100	144	153 1/2	1935-39	Delhi Flour Mills (Oct.)	90	7 1/2	100	132	133
1928	Cambodia (July)	1.00	7	100	122 1/2	123	1935-39	Deshgarh Power Supply "A" (Jan.)	16.00	5	100	102	104
1912	Central India (Apr. Oct.)	50.00	5	500	531 1/2	531 1/2	1935-39	Deshgarh Power Supply "B" (Jan.)	12.00	4 1/2	100	93	92 1/2
	Delhi Cloth & General (Oct.)	20.00	4 1/2	25	20	20	1935-39	Duncan Brothers & Co. Ltd.	45.00	4	100	64	71 1/2
1912	Elgin (May Nov.)	11.00	8	100	135 1/2	143	1935-39	Dunlop Rubber "First" (Jan. July)	30.00	6	100	125	126
1943	Elgin "B"	4.20	5	10	91	94	1935-39	Dunlop Rubber "Second" (Apr.)	40.00	6 1/2	100	96	101 1/2
1919	Elphinstone (May Nov.)	25.00	7 1/2	100	87 1/2	87 1/2	1935-39	East India Distilleries (Jan. July)	22.00	7	21	17 1/2	17 1/2
1919	Kesoram (June Dec.)	20.00	7	100	130	133	1935-39	Eastern Investments Ltd (Apr.)	2.500	5 1/2	100	75	77 1/2
1925	Khatana Makani (Nov.)	10.00	6	100	88	88	1935-39	General Investment & Trust (Feb. Aug.)	1.00	5	100	75	75 1/2
1937	Kothari (Nov.)	12.00	6	100	101	101	1935-39	General Investment & Trust (Feb. Aug.)	1.00	5	100	75	75 1/2
1900	Muir (Feb. Aug.)	3.00	6	100	87	89	1935-39	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	68	73
1913	New Great Eastern (Mar.)	30.00	5 1/2	200	185	185	1935-39	Gladstone Lyall & Co. Ltd.	15.00	6 1/2	100	66	66
1920	New Victoria (Apr. Oct.)	26.05	6	5	5 1/2	33	1935-39	Godfrey Phillips India Ltd.	30.00	5 1/2	100	68	66
1933	Palani Andover (Mar.)	2.00	7	50	58 1/2	58 1/2	1935-39	Gwalior Sugar (Redeemable) (Dec.)	6.75	7	100	68	66
1935	Swadeshi (Bombay) (May)	15.00	5	100	115	115	1935-39	Gwalior Sugar (Dec.)	5.00	7	100	68	66
1927	Swadeshi (Cawnpore) (Mar.)	35.00	6	100	92	96 1/2	1935-39	Humayun Properties Ltd (Nov.)	12.00	6	10	91	100
1931	Vasanta (Apr. Oct.)	3.00	6 1/2	100	113	120	1935-39	Indian Aluminium (Mar. Sept.)	40.00	5 1/2	100	86	71
1908	Vishnu (Apr.)	16.00	7	500	550	550	1935-39	Indo Burma Petroleum (Jan. July)	50.00	7 1/2	100	107 1/2	106
JUTE MILLS.													
1927	Agarpara (Jan. July)	10.00	7	100	112	112	1935-39	India General Navy & Railways	22.44	6	210	85	82
1905	Alexandra (Feb. Aug.)	9.00	7	100	100	106	1935-39	Indian Cable Co (Nov.)	12.88	6	100	33 1/2	37
1896	Alliance (Mar. Sept.)	15.00	6	100	96	103 1/2	1935-39	Indian Standard Wagon (Aug. or Sept.)	1.968	6	100	140	141 1/2
1917	Anglo-India (May Nov.)	40.00	7	100	109	120 1/2	1935-39	Investment and Finance (Feb. Aug.)	2.00	5	100	75	77 1/2
1908	Auckland (July Jan.)	10.00	5 1/2	100	90	96 1/2	1935-39	Investment and Finance (Feb. Aug.)	2.00	5	100	75	70
1945	Auckland (July Jan.)	10.00	4 1/2	100	72	76	1935-39	Jessop & Co.	10.00	5	100	102	105 1/2
1918	Bally (Jan. July)	20.00	7	100	108	117 1/2	1935-39	Jupiter General Insurance (Sept.)	4.99	6 1/2	100	102	105 1/2
1896	Barnagore (Oct. Dec.)	22.00	5 1/2	100	40 1/2	46	1935-39	Kumardhubi Engineering (June)	12.00	5	100	103 1/2	109
1906	Belvedere (Jan. July)	7.00	7	25	111	121	1935-39	Do. Fireclay & Silica (June)	2.00	1	100	116	116
1940	Bengal (June Dec.)	10.00	5 1/2	100	80	92	1935-39	Martin Burn Ltd.	30.00	5	100	105	105 1/2
1919	Birla (June Dec.)	10.00	10 1/2	100	101	106	1935-39	McLeod & Co.	10.00	5 1/2	100	69	73
1896	Budge-Budge (May Nov.)	23.44	7 1/2	100	109 1/2	106	1935-39	McLeod & Co.	10.00	5 1/2	100	69	73
1934	Calcutta (Jan. July)	6.00	6 1/2	100	85	84	1935-39	Mettur Chemical & Industrial (Sept.)	40.00	6	100	99	88 1/2
1919	Caledonian (June Dec.)	10.00	7	100	112	118	1935-39	Metal Box Co of India Ltd.	30.00	6 1/2	100	96	97
1919	Cheviot (June Dec.)	10.00	7	100	111	118	1935-39	Midnapore Zemindary (Feb.)	8.75	5	100	92	92
1928	Chitavalash (Mar. Dec.)	5.00	7	100	110	113	1935-39	Mysore Chemical Mfg (Sept.)	2.00	5	100	92 1/2	92 1/2
1900	Clive (First) (May Dec.)	8.00	6	100	91	92	1935-39	National Insulated Cable	10.00	5 1/2	100	79	80 1/2
1905	Clive "A" (Second) (May Dec.)	8.00	7	100	101	105	1935-39	National Tobacco (June Dec.)	25.00	5 1/2	100	71	71
1903-12	Dalhousie (July Jan.)	15.00	7	100	103	114 1/2	1935-39	National Tobacco (Jan. Dec.)	20.00	4 1/2	100	70	70
1897	Delta (June Dec.)	5.00	6	100	93	94	1935-39	Northern India Oil (Jan. July)	2.00	6	100	48	56
1912	Empire (Jan. July)	10.00	7	100	110	115	1935-39	Poona Electric Supply Co. Ltd. (June Dec.)	4.00	7	100	103 1/2	103 1/2
1890-98	Fort Gloster (Jan. July)	14.00	7	100	83	87	1935-39	Premier Construction "First" (Apr.)	10.00	6 1/2	100	104	104
1911	Fort Gloster (2nd)	7.00	5	100	118	118	1935-39	Premier Construction "Second" (Apr.)	15.00	10	100	99 1/2	99 1/2
1911	Fort William (May Nov.)	10.00	6	100	115	123 1/2	1935-39	Purtapore (Sugar) (Oct.)	6.00	10	100	15 1/2	15 1/2
1916	Ganges (June Dec.)	8.00	6	100	101	105	1935-39	Rammugger Sugar & Sugar (Aug.)	4.00	6	100	99 1/2	105 1/2
1895-04	Gouropore (June Dec.)	25.00	6	100	98	100	1935-39	Rammugger Sugar & Sugar (Aug.)	4.00	6	100	121 1/2	138 1/2
1935	Hastings (Aug. Feb.)	25.00	6	100	100	104	1935-39	Rohas Industries "B" (Apr.)	86.00	7	100	64 1/2	69 1/2
1913	Hooghly (July)	11.00	10	10	13 1/2	15 1/2	1935-39	Shaw Wallace & Co. Ltd.	75.00	6 1/2	100	84 1/2	85
1890	Howrah (Jan. July)	8.75	7	100	112	123	1935-39	Shree Gopal Paper	7.50	6	100	120	125
1906-07	Howrah "A" (Jan. July)	17.50	7	100	110 1/2	118	1935-39	Shree Krishna Gyanodaya Sugar "A" (Oct.)	6.00	6	100	89	100
1919	Hukumchand (June Dec.)	40.00	7	100	108 1/2	114	1935-39	Shree Krishna Gyanodaya Sugar "B" (Nov.)	12.00	5	100	75	75
1898-04	Kamarhaty (Apr. Oct.)	16.00	6	100	99	105	1935-39	Smith Stanistreet (Chemists) (Nov.)	5.00	10	50	70	66 1/2
1900	Kankarnarrab (Apr. Oct.)	10.00	6	100	102	105	1935-39	South Behar Sugar (Oct.)	5.00	7	100	161 1/2	161 1/2
1935	Kedarnath (Jan. July)	2.00	7	100	95	95	1935-39	Spencer & Co. "A" (Provisions) (Jan. July)	23.20	6 1/2	100	91	91
1907	Kelvin (Mar. Sept.)	10.00	7	100	110	120	1935-39	Spencer & Co. "B" (Provisions) (Jan. July)	36.80	5 1/2	100	82	82
1895-09	Khardah (May Nov.)	9.00	6	100	100	106	1935-39	Star Paper (Apr. Oct.)	10.00	5	100	82	82
1900	Kinnison (July Jan.)	15.00	7	100	111	119	1935-39	Surat Electricity (Apr.)	5.00	6 1/2	100	131	131
1912	Lawrence "A" (July Jan.)	15.00	7	100	107	113	1925	Tata Chemicals (Nov.)	60.00	5	100	117 1/2	117 1/2
1906-07	Lawrence "B" (July Jan.)	5.00	7	100	111	122	1930	Tata Hydro Electric Power (Sept. Mar.)	99.28	7	100	121 1/2	121 1/2
1905	Naihati (July Jan.)	7.50	7 1/2	100	90	91 1/2	1910	Tata Iron & Steel (First) (Nov.)	75.00	6 1/2	150	167 1/2	170
1945	Naihati (July Jan.)	10.00	6 1/2	100	78	76	1935-39	Tata Iron & Steel (Second) (May)	193.82	7 1/2	100	127	132 1/2
1917	National (May Nov.)	5.00	7	100	119	126	1906	Tata Power (May Nov.)	86.97	7 1/2	100	127 1/2	127 1/2
1938	Nellimar												

COAL COMPANIES

O. Po. F. and Dd. indicate Ordinary Preferred Ordinary. Founders' and Deferred shares respectively. P. next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent	Paid-up per share	Latest Market Quotations as available until
Ra.	Ra.	Ra.	Ra.				Ra.	Ra.	1953 1954 1955	Ra.	7-8-56 1-8-56 A year ago
25,50,000	26,43,473	24,50,000	6,60,570	Amalgamated	3-9	236	6,83,393	26,953	5-5 31-5 61-71	10	221 221 241
1,00,00,000	1,96,15,288	1,40,49,223	18,85,659	Bengal P	4-10	2	26,18,968	7,31,563	81-71 71-71 81-81	200	539 538 538
4,49,350	3,08,193	70,000	2,24,303	Bengal Bhatdee	6-12	2	15,149	4,951	11-11 11-11 11-11	10	16 16 11
2,25,000	2,52,838	5,34,591	13,52,078	Bengal Nagpur P	6-12	2	16,266	57,417	11-11 11-11 11-11	10	16 16 11
15,97,000	14,16,665	6,91,475	13,52,078	Bhalgorah	9	152	8,13,899	39,978	11-11 11-11 11-11	10	16 16 11
40,00,000	68,01,474	20,23,235	32,65,320	Bharat Collieries P	6	335	2,52,221	27,433	61 61 61	10	121 121 121
7,15,000	18,71,904	14,27,545	66,818	Bhulanbarree	6-12	106	16,894	1,65,136	11-11 11-11 11-11	10	121 121 121
16,00,000	38,87,275	16,18,636	7,185	Bokaro & Ramgur	6-12	315	1,21,936	79,196	11-11 11-11 11-11	10	121 121 121
7,50,000	18,56,889	24,29,026	11,60,066	Boree P	6-12	106	21,34,632	84,207	15-12 10-10 10-10	10	231 231 231
90,92,480	3,28,29,368	1,75,17,502	25,32,133	Burrakur P	6-12	21	11,90,330	1,15,376	11-11 11-11 11-11	10	131 131 131
49,97,000	25,80,075	750	1,75,962	Central India	3	166	1,33,037	14,019	21 21 21	10	71 71 71
8,00,000	16,67,573	13,30,519	15,752	Central Kurkend P	6-12	323	34,743	82,768	31-31 31-31 31-31	10	121 121 121
6,00,000	1,43,676	7,32,536	1,43,676	Churulia	6-12	106	6,374	2,129	11-11 11-11 11-11	4	21 21 21
16,00,000	23,76,131	1,20,000	35,989	Dheme Main	6-12	19	70,801	2,43,279	11-11 11-11 11-11	10	8 8 8
2,94,000	2,234,668	2,980,653	2,972,456	East Indian	4	128	2,137,640	2,59,767	181 181 181	21	31 31 31
29,63,760	1,02,63,132	76,84,250	21,79,507	Gautubie P	6-12	19	5,71,573	93,266	10-81 71-71 71-71	10	15 15 15
10,00,000	6,74,708	2,07,456	3,27,972	Ghustek & Musli	3	3074	12,979	24,844	11-11 11-11 11-11	10	111 111 111
6,00,000	5,06,856	33,155	4,95,544	Guzdar Kajora	6-12	20	24,150	2,401	11-11 11-11 11-11	10	111 111 111
8,00,000	2,81,843	6,75,000	5,09,694	Huriladhi	6-12	19	2,58,582	65,467	71-71 71-71 121-11	10	221 221 211
3,50,000	6,31,200	5,66,816	1,407	Kalapahari	2-8	2	1,38,130	2,21,237	171-10 11-10 11-10	10	201 201 291
15,00,000	31,71,936	24,32,396	25,61,314	Karanpura Development	6-12	21	49,116	17,839	11-11 11-11 11-10	100	211 221 181
20,00,000	25,67,864	2,27,825	75,106	Karanpura Collieries P	2	21	2,23,402	2,661	11-11 11-11 11-10	100	116 116 125
5,00,000	10,29,548	16,60,000	11,25,332	Katras Jheriah	1-7	2	5,92,347	1,33,475	20-20 20-20 25-30-35	100	601 601 521
1,38,400	6,75,000	95,000	11,80,294	Khas Kajora P	6-12	326	49,776	1,918	11-11 11-11 11-11	10	91 91 91
5,65,750	10,24,977	85,000	9,569	Mundulpur	6-12	326	79,868	79,868	11-11 11-11 11-11	10	21 21 21
7,48,240	1,50,000	2,50,000	5,04,420	Nadira	12	347	82,501	25,598	11-11 11-11 11-11	10	7 7 7
7,00,000	5,13,418	26,617	21,79,507	New Bansodepur	3-9	5	6,071	6,071	31-31 31-31 31-31	10	10 10 10
17,76,230	31,15,787	20,01,763	3,78,538	New Beerbhoom P	4-10	2	2,64,716	94,383	5-5 31-31 31-31	10	20 20 20
6,00,000	11,71,397	75,000	40,447	New Manbhoom	3-9	202	2,53,330	2,233	11-11 11-11 11-11	10	111 111 101
2,50,000	7,69,623	1,75,500	10,12,916	North Damuda	1-7	306	7,954	32,184	11-11 11-11 11-11	10	21 21 21
1,15,000	4,51,490	2,55,193	90,055	North West	3-9	2	29,656	14,968	21-11 11-11 11-11	10	19 19 181
7,50,000	1,20,000	12,19,987	23,26,757	Ondal P	6-12	106	22,197	56,646	10-10 5-5 5-5	10	151 151 181
6,34,000	9,21,342	10,862	4,36,015	Parasea P	6-12	207	1,08,075	8,018	11-11 11-11 11-11	10	141 141 101
15,75,000	12,40,000	16,00,000	12,21,654	Pench Valley	3-9	236	1,49,450	33,343	71-81 81-71 71-71	10	221 221 241
2,50,000	2,62,405	7,500	11,330	Pure Sitalpur	6-12	5	2,008	18,581	11-11 11-11 11-11	10	61 61 61
23,95,500	37,59,038	19,17,105	39,190	Ranegunge	3-9	79	1,83,814	16,846	11-11 11-11 11-11	10	121 121 121
13,50,000	7,63,001	8,53,385	12,13,452	Rewa	6-12	236	2,76,942	28,521	10-10 71-81 81-71	10	22 22 191
20,00,000	23,74,261	7,52,027	1,01,427	Samla	12	48	1,80,660	31,543	21-21 21-21 21-21	10	14 14 121
1,25,000	1,57,243	2,52,664	2,20,212	Seorsole	1	353	1,05,156	21,970	25 25 30	21	7 7 7
2,80,000	10,92,193	8,36,598	7,87,736	Seebpore P.	6-12	2	2,42,112	49,279	142-14 17 17 17 67	7	29 29 271
8,00,000	23,624	5,29,306	6,32,757	Sendra	6-12	106	4,098	7,503	11-11 11-11 11-11	10	81 81 101
17,50,000	22,81,985	10,75,016	3,63,654	South Karanpura	2-8	21	59,079	51,533	11-11 11-11 11-11	10	91 91 121
8,00,000	1,43,000	13,69,395	21,89,890	Standard	6-12	106	47,444	17,347	10-10 71-81 81-71	10	251 251 201
10,00,000	15,58,085	15,075	3,913	Talcher	9	277	22,689	3,85,056	11-11 11-11 11-11	21	3 3 31
3,50,000	4,66,000	3,53,000	8,176	Union	6-12	279	4,033	44,167	10-71 5-21 21-11	10	141 141 181
49,98,000	30,14,812	21,550	4,20,397	Western Bengal	3	166	3,99,468	37,694	31 31 31	10	61 61 71
7,00,000	22,55,152	1,38,190	40,069	West Jamuria	6-12	19	1,31,849	122	11-11 11-11 11-11	10	111 111 141

* 1956.

N = Nominal

COTTON MILLS

Paid-up Capital Ordinary	Number of		Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent			Paid-up Shares	Latest Market Quotations as available until		
	Spindles	Looms									1953	1954	1955		7-8-56	1-8-56	A year ago
Ra.			Ra.	Ra.	Ra.				Ra.	Ra.			Ra.	Ra.	Ra.	Ra.	
15,00,000	14,108	356	14,62,919	1,73,478	11,90,008	Basanti P	12	49	1,97,268	41,227	21	21	10	71	611	51	
32,72,340	22,197	505	27,69,676	23,18,909	24,551	Benares P	3-9	120	1,27,187	4,79,347	..	..	10	13	13	13	
7,11,280	36,000	932	17,17,120	2,20,369	30,842	Bengal Luxmi	3	27	3,66,176	47,818	..	10	40	38	38	40	
27,00,000	31,476	624	23,53,000	15,50,000	3,84,224	Bengal Nagpur P	6-12	236	5,23,389	18,199	21-Nil	Nil	10	91	91	91	
15,00,000	38,764	992	31,35,500	1,09,84,251	21,32,642	Birla Cotton	3	22	5,28,332	4,25,221	30	30	10	301	301	80	
6,00,000	42,872	641	37,54,142	22,72,583	1,44,948	Bowreah P	6-12	138	84,028	23,47,373	Nil-Nil	Nil-Nil	100	174	169	390	
30,00,000	22,000	510	8,43,453	29,51,420	1,00,393	Cawnpore Textiles	3	25	6,73,253	36,767	111	10	Nil-5	5	9	87	
3,27,02,900	1,01,808	2,762	9,94,638	2,74,48,393	2,94,83,803	Delhi Cloth & Genl. P.	6	238	1,81,41,278	82,759	9	9	25	371	371	311	
1,00,563													21				
19,00,000	42,944	518	34,12,181	25,71,925	1,53,894	Dunbar	6-12	138	9,92,376	1,37,951	Nil-Nil	Nil-Nil	100	295	300	248	
63,00,000	54,000	1,200	22,44,751	66,33,360	43,06,583	Elgin P	9	25	32,80,464	93,386	15	10	10	281	281	201	
1,20,00,000	59,250	1,872	47,49,575	1,60,53,952	47,29,263	Kesoram P	3	22	37,41,719	2,45,435	111	81	81	191	181	171	
6,00,000													20				
33,96,288	38,864	864	1,48,143	9,75,679	14,08,656	Mohini P	12	45	5,93,316	5,158	..	..	25	..	..	..	
30,00,000	88,000	1,825	47,44,546	52,19,601	32,65,055	Muir P	12	208	18,77,941	7,77,290	..	..	10	88	88	118	
22,89,882	78,848	1,367	43,25,577	26,00,968	1,45,701	New Victoria P	12	237	18,83,371	13,76,473	Nil	..	210	21	21	111	
8,07,095													11D	111	111	111	
19,47,750													40	111	111	12	
5,00,000													1	..	..	..	
1,57,50,000													100	111	111	9	
Po	1,14,836	2,077	2,83,77,688	2,65,04,931	32,30,412	Swadeshi (Cawnpore) P	12	333	43,71,838	7,09,029	9	111	100	111	111	91	
													10po	111	111		
40,50,000	48,754	1,310	91,31,708	1,89,73,217	43,89,979	Bangalore W C Silk P	12	26	56,34,938	2,38,649	25	30	30	585	581	468	
1,78,47,800	1,20,012	2,770	3,20,71,600	1,37,39,278	23,90,514	Buckingham Carnatic P	12	26	1,01,66,075	2,38,649	10	10	10	203	204	175	
20,00,000	28,000	..	18,03,003	20,32,074	11,26,299	Cambodia P	12	210	1,96,274	27,593	71	Nil	5	141	141	13	
12,00,000	23,864	..	6,41,058	9,00,000	38,53,502	Coimbatore Cotton	12	188	8,53,750	61,409	..	..	100	362	390	291	
20,79,000	72,832	407	47,91,212	7,98,681	22,227	Coimbatore Spg & Wvg	6	46	7,52,342	10,22,340	Nil	..	50	123	117	701	
6,50,000	50,640	295	12,25,505	17,90,000	58,77,434	Kaleeswarar	12	139	2,05,780	7,677	..	..	100	332	332	305	
24,00,000	30,512	200	32,38,868	16,25,000	7,43,757	Kothari Textile P	6	141	3,25,924	29,382	5	5	10	171	171	131	
23,64,000	48,756	..	15,01,051	21,70,200	78,050	Lakshmi	12	186	31,41,248	2,209	..	..	50	254	250	1491	
1,75,02,480	4,65,324	..	2,15,02,107	4,13,81,878	31,04,681	Madura	12	108	77,86,509	18,86,813	20	20	15	511	511	481	
12,00,000	21,856	..	8,43,189	5,85,363	10,32,898	Malabar Spg & Wvg.	12	240	85,193	24,349	221	35	200	112	112	112	
60,00,000	24,252	603	20,49,893	69,00,000	11,91,751	Mettur Industries	3	29	48,44,863	45,835	..	..	100	493	493	349	
13,61,700	6,000	..	14,15,992	8,90,279	1,34,663	Mysore Spun Silk	3	142	1,753	3,986	Nil	Nil	10	71	71	31	
4,00,000	20,137	Nil	8,36,608	5,00,000	24,24,908	Palani Andavar P	12	30	7,39,437	2,687	..	..	50	168	168	120	
7,79,700	15,540	416	5,42,118	2,43,421	2,65,911	Sitaram Spg & Wvg	3	164	87,724	3,083	..	..	60	..	..	..	
7,00,000	28,104	270	12,95,563	18,23,501	11,71,924	Vasanta P	12	47	16,37,459	..	..	..	100	341	342	235	

MISCELLANEOUS COMPANIES

O., Po., C. and Dd indicate Ordinary, Preferred Ordinary Contributory and Deferred Shares respectively. P. next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up Capital	Latest Market Quotations as available until			
									1953	1954	1955		Rs.	Rs.	A year ago	
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.			Rs.	Rs.	Rs.	Rs.		
MININGS.																
£2,369.796		£1,73,459	£2,534,298	Burma Mines Ltd.	12	153	£600	£304	Nil	..	31s	31s	31s	27s		
30,00,000		20,50,000	64,55,833	Chrestien Mica Industries Ltd. P	12	312	25,59,886	2,75,201	..	..	100	152	161	55		
15,00,000Dd	44,57,538			Consolidated Tin Mines	3	67	£10,533	£22,218	7s	7s	35d	8s	8s	6s		
£318,088	2,338,420	£57,484	£112,683	Indian Coppy Corporation	12	88	£798,382	£111,715	10	25	2s	2s	2s	2s		
£914,200	2,951,558	£1,400,222	£798,135	Metal Corpn P	3	343	-2,39,779	-4,51,341	Nil	Nil	100	102	102	5s		
29,19,430D	61,58,847	2,01,886	13,723	Orissa Minerals Development	6-12	21	1,04,429	1,05,053	20-2s	10-1s	10d	31s	31s	27s		
20,00,000	22,65,439	26,79,899	31,30,009	Tavoy Tin Dredging	12	14	£9,059	£19,119	Nil	Nil	2s	20s	26s	27s		
£375,000	£445,323	£317,487	£234,026													
CEMENT LIME SLATE ETC.																
43,14,600D	41,51,412	21,43,429	29,64,072	Assam Bengal Cement	3	80	1,70,813	6,44,675	..	..	100	7s	7s	8s		
70,976Dd				Bengal Potteries	12	155	1,85,228	17,540	6s	6s	2s	1s	1s	2s		
31,70,655	35,51,055	11,49,392	14,292	Bisra Stone Lime	3-9	21	3,09,949	9,142	8s-5	5-8s	8s-10	40	40	43s		
10,00,000	24,67,605	25,12,725		Dalmia Cement (Bharat) P.	12	123	56,57,138	2,87,995	10	10	12s	100	15s	16s		
60,00,000	62,91,811	98,26,915	2,11,38,275	Kumardhubi Fireclay & Silica P	12	21	6,71,583	41,767	15	15	10d	5s	5s	4s		
26,50,000	71,74,062	69,63,829	32,958	Reliance Firebrick & Pottery	2-8	..	-53,746	1,622	Nil-2	Nil	..	10	20s	20s		
5,00,000Dd	10,00,000	8,62,360	62,353	Sone Valley Portland Cement	12	32	7,15,256	84,545	7s	5	..	8s	8s	15s		
6,00,000	45,31,555	20,95,000	5,83,308	Sutna Stone & Lime	6-12	3	69,598	652	5s-5s	5s-5s	5s-6s	10	16s	17s		
75,00,000	1,63,551	61,287	2,27,012													
3,22,560																
CHEMICAL INDUSTRIES																
62,00,000	1,50,41,342	42,71,273	68,648	Alkali & Chemical Corp of India	9	121	19,39,845	1,19,168	6	6	8	10	21s	21s	17s	
40,00,000	21,91,251	15,000	61,675	Bathgate & Co Ltd P.	12	324	-3,54,305	-22,19,370	Nil	..	..	10	2s	2s	2s	
11,45,800D				Bengal Chemical & Pharm P.	4	245	15,31,998	10,17,406	..	..	..	100	105	104	99	
11,08,900A	40,85,439	28,62,843	1,30,48,917	Frank Ross P.	2	128	46,893	859	Nil	Nil	Nil	6	2s	2s	2s	
22,54,700B	82,695	69,070	15,903	Smith Stanistreet P.	6	191	4,25,809	83,368	10	10	20	6	11	11	9	
4,95,000	4,29,261	10,45,949	2,27,103													
5,00,000																
ELECTRIC LIGHTING POWERS.																
19,99,600	47,69,341	26,19,793	22,94,558	Agra Electric Supply	3-9	32	3,05,594	46,084	6-5	5-5	5-5	100	158	158	166	
8,00,000	26,70,592	6,55,886	4,84,369	Bareilly Electric Supply	6-12	32	53,783	20,990	1s-2	5-5	5-5	10	14s	14s	15	
17,00,000	49,94,839	19,56,291	21,67,500	Benares Electric Light Power	5-12	32	2,98,230	40,517	8s-6s	6s-6s	6s-10	10	17s	17s	19s	
5,91,360	10,96,663	5,90,855	85,318	Bhagalpur Electric Supply	12	202	1,44,138	11,818	5	6s	..	10	8s	8s	9	
£4,292,646	£18,897,213	£7,242,330	£595,368	Calcutta Electric Supply P.	12	202	£1,522,226	£136,163	6	6	6	10	13s	14s	15s	
6,60,040	17,68,438	5,34,904	93,184	Cuttack Electric Supply	12	202	1,24,836	26,455	Nil	3	..	10	8	8s	9	
17,51,050	38,10,419	10,41,599	3,39,348	Dacca Electric Supply P.	12	202	3,89,244	12,706	..	..	..	10	4s	4s	9s	
5,21,640	8,42,506	1,65,000	3,037	Jhansi Electric Supply	12	168	71,309		..	..	..	10	9s	9s	9s	
22,49,550	42,84,132	14,91,996	6,31,532	Jubbulpore Electric Supply	3-9	32	2,14,454	27,527	5s-4	5s-4	5s-10	10	14s	14s	13s	
4,85,000	5,44,854	2,51,058	1,13,723	Mirzapur Electric Supply	12	202	58,676	27,739	5s/9	5s-4	5s-10	9	9	9	107	
5,32,390	17,12,129	1,78,313	83,867	Muzafferpore Electric Supply	12	202	73,159	-7,070	Nil	Nil	..	10	7s	7s	6	
6,99,700	5,43,057	77,521	3,48,185	Muttia Electric Supply	6-9	329	30,021	2,295	3-3	3-3	..	10	9s	9s	4	
35,07,380	85,46,049	37,10,223	11,51,661	Patna Electric Supply	12	202	7,40,283	68,005	7s	7s	..	10	11s	11s	13s	
3,00,000	2,93,578	74,100	1,99,210	Saugor Electric Supply	6-12	32	16,731	2,643	2s-2s	2s-2s	2s-10	10	..	..	7	
9,10,000	7,57,951	2,72,300	1,20,997	Shajahanpur Electric P.	9	202	65,624	14,394	5	5	..	10	8s	8s	..	
16,80,000	27,99,505	5,36,586	3,38,038	Situa (Jherria) Electric	12	21	3,29,874	44,269	7s	7s	..	10	12	12	12s	
58,00,000	1,62,42,470	35,82,369	13,28,410	United Provinces Electric	32	32	5,39,998	80,498	5-5	5-5	5-5	100	152	146	161s	
5,98,500	6,12,490	1,71,050	8,31,209	Upper Ganges Valley Elec.	6-12	32	46,391	3,329	1s-4s	1s-4s	1s-10	10	13s	13s	14s	
4,97,500	9,83,503	4,45,371	6,17,317	Upper Jumna Valley Elec.	3-9	32	65,313	28,289	6s-6s	6s-6s	6s-6s	10	20s	20	19s	
ENGINEERING & METAL																
6,00,000	1,74,689	6,49,870	2,10,157	Arthur Butler (Muzafferpore) P.	10	300	1,52,744	1,01,965	..	..	12s	10	8	8	9	
50,00,000	31,82,373	16,39,587	1,37,153	Bharatia Electric Steel	12	31	11,67,212	3,95,940	7s	10	10	10	17s	17s	16s	
39,61,853	48,94,558	60,13,020	42,18,134	Braithwaite India	12	289	27,02,716	5,59,761	14 2/7	16 1/4	25	7	29s	26s	18s	
12,00,000	11,00,577	20,99,831	2,31,294	Bridge & Roof	6-12	24	6,16,247	1,51,297	7s-7s	7s-7s	7s-10	10	3s	3s	13s	
19,88,670	43,02,291	6,50,000	2,34,380	Britannia Building & Iron P	3	109	2,40,547	17,197	5	5	10	10	8s	8s	33s	
10,00,000	7,90,445	30,75,000	17,672	Britannia Engineering	12	165	7,37,822	1,36,318	15	15	..	10	18s	18s	37s	
5,00,000	5,44,177	1,00,000	6,594	British India Electric Cons.	6-12	24	91,780	-5,26,929	Nil-Nil	Nil-Nil	Nil-Nil	10	9s	9s	7	
84,00,000	1,37,50,426	94,65,000	8,62,721	Burn P. (Engineering)	4	32	40,53,237	96,435	15	10	15	100	358	359	283	
12,50,000	18,91,142	21,75,000	31,705	Hoochly Docking	12	32	1,81,646	46,167	15	12s	..	50	135s	118	150	
36,94,590	23,07,100	6,65,000	55,916	Indian Galvanizing	12	24	5,46,700	41,267	3	4	10	10	21s	21s	23s	
5,18,37,080	15,50,30,810	9,24,19,315	2,60,33,538	Indian Iron & Steel P.	3	32	7,12,98,049	4,64,401	10	10	10	10	36s	36s	39	
3,85,000D	3,90,976	40,000	3,47,063	Indian Malleable Casting	3	222	-26,954	-82,872	..	..	..	10	50	7s	7s	4
19,49,250	15,53,438	31,62,575	16,63,276	Indian Standard Wagon P.	3	32	33,58,193	37,045	19	19-10	25	25	177	177	141	
26,58,000	35,69,979	2,73,15,122	1,64,34,729	Indian Steel & Wire Products	3	122	13,11,485	2,58,850	30	30	30	100	77	77	81s	
32,00,000	46,63,474	57,91,388	15,35,612	Jessop & Co P	10	290	47,27,193	14,130	1s	15	30	10	19s	19s	16s	
51,00,000	40,47,783	41,90,659	2,00,729	Kumardhubi Engineering P.	11	21	9,74,152	32,501	16s	16s	..	3	35s	35s	47	
15,30,000																
10,00,000	4,44,410	29,21,846	7,20,534	Marshall Sons (India)	6	170	99,627	93,713	12s	12s	..	2	6s	6s	7	
49,96,943	34,04,943	11,68,291	2,93,571	National Iron and Steel	3	192	1,08,383	3,99,513	15s	12s	6s	4	7s	7s	6s	
6,00,000	9,22,727	6,10,321	1,36,103	Saran Engineering	3	25	1,68,352	9,264	10	10	..	10	8s	8s	10	
60,00,000	1,55,63,547	3,51,516	12,57,737	Textile Machinery	12	22	9,44,777	1,47,573	7s	10	..	10	23s	22s	25s	
SUGAR BREWERIES, ETC.																
14,00,000	10,57,296	15,41,237	1,34,061	Balrampur Sugar	6	25	1,73,882	20,880	Nil	15	1s	5	7	7s	10	
19,49,025	9,79,539	5,00,000	1,42,483	Belsand Sugar	9	127	1,38,925	49,906	10	10	..	10	17s	17s	20	
15,00,000	4,67,680	13,50,000	20,40,455	Bharat Sugar P.	6	316	4,04,260	13,206	15	15	..	10	11s	11s	10	
33,57,580	22,31,255	36,89,916	26,47,199	Buland	10	92	14,37,927	8,477	Nil	..	..	10	9	9s	12s	
32,83,474	44,63,474	27,37,030	3,59,362	Carew (Sugar) P.	6	158	2,63,567	12,445	20	7s	2s	10	19s	19s	21s	
30,00,000	14,38,021	57,83,651	16,43,647	Cawnpore Sugar P.	10	25	12,40,968	32,023	10	10	15	10	26s	26s	31s	
18,00,000	19,38,895	38,04,891	2,39,743	Champanan Sugar	6	25	6,73,991	24,019	15	15	..	10	22s	22s	20s	
26,00,000	20,28,769	33,35,766	9,55,237	Darbhanga	9	171	9,67,957	1,12,387	15	15	..	10	5s	5s	8s	
16,12,630	12,69,136	12,62,322	4,90,486	Dyer Mookin (Breweries)	3	110	5,00,533	13,614	..	..	..	5	77	77	48	
15,53,000	23,89,532	2,24,658	3,84,913	Gwalior Sugar P	9	237	-57,978	8,849	..	..	..	10	77	77	48	

MISCELLANEOUS COMPANIES—Contd.

O, Po, C and Dd indicate Ordinary, Preferred Ordinary, Contributory and Deferred Shares respectively. P. next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until.		
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1953	1954	1955	Rs.	7-8-56	1-8-56	A year ago
SUGAR BREWERIES, ETC.															
11,00,000	6,45,722	3,75,000	10,90,564	New Savan Sugar and Gur	5	140	95,437	52,205	..	..	..	10	6 1/2	6 1/2	7 1/2
9,00,000	7,28,559	17,64,369	58,734	Purtalapur Sugar P.	10	25	5,08,340	6,871	10	7 1/2	7 1/2	10	15 1/2	15 1/2	18 1/2
16,59,820	26,52,127	35,00,000	4,84,050	Rannugger Cane & Sugar P.	8	1	18,11,504	20,350	20	15	20	10	27 1/2	27 1/2	26 1/2
19,99,600	25,62,553	39,88,218	13,92,915	Raza Sugar P.	10	92	10,78,193	3,144	10	5	5	10	20 1/2	20 1/2	20 1/2
8,00,000	4,42,169	6,54,762	1,85,115	Ryam Sugar	6	25	1,43,798	24,340	5	5	Nil	10	13 1/2	13 1/2	15 1/2
11,99,000	15,94,631	18,71,529	98,312	Samastipur Central Sugar	6	25	79,022	8,477	5	5	Nil	10	13 1/2	13 1/2	15 1/2
20,00,000	72,62,286	36,66,708	1,63,444	Shree Krishna Gyanoday Sugar P.	7	335	12,99,571	34,046	15	15	17 1/2	10	12 1/2	13	19 1/2
7,94,500	13,54,858	11,65,175	11,16,368	Shree Sitaram Sugar	6	140	1,90,057	7,991	10	15	15	10	15 1/2	15 1/2	15 1/2
9,99,950	14,54,274	1,54,304	1,42,696	Sitalpore Sugar	6	94	1,39,515	1,39,515	Nil	Nil	Nil	10	4 1/2	4 1/2	6 1/2
16,00,000	6,07,804	7,99,778	4,22,572	United Provinces	9	341	4,23,880	39,061	5	12 1/2	..	10	19 1/2	19 1/2	25 1/2
8,00,000	38,92,308	21,57,556	3,60,236	Upper Ganges Sugar P.	6	227	10,24,525	82,931	25	25	25	10	94 1/2	94 1/2	62 1/2
14,00,000A	14,24,740	23,74,426	10,72,924	Upper India Sugar	4	302	16,80,986	86,393	..	15	20	100AC 12 1/2 BC	280	280	127 1/2
MISCELLANEOUS															
8,00,000	2,20,232	1,56,200	9,53,526 1/2	A Firpo (Restaurateurs)	10	85	84,518	4,475	..	..	..	10	4 1/2	4 1/2	4 1/2
1,50,00,000	1,40,80,394	6,21,715	51,061	Air India Ltd.	12	269	6,02,785	14,30,401	Nil	..	..	100	..	..	..
2,00,00,000	2,58,39,656	68,01,534	50,022	Air India International Ltd.	12	322	10,51,340	30,205	Nil	..	..	100	..	..	..
47,50,000D	1,31,03,534	15,00,000	5,97,941	Aluminium Corp. P.	3	132	12,82,024	32,582	Nil	Nil	Nil	100 21 Dd	10 1/2	10 1/2	8 1/2
2,50,000D	42,43,917	14,50,000	55,36,059	Anderson Wright, Ltd. P.	12	1	4,94,322	24,401	6	7 1/2	..	10	11 1/2	11 1/2	11 1/2
20,00,000	10,11,675	37,63,719	14,41,315	Angelo Bros.	8	268	11,84,131	3,43,961	12 1/2	12 1/2	20	10	23 1/2	23 1/2	23 1/2
30,00,000	17,54,434	27,66,265	54,634	Assam Match	12	274	8,35,902	1,18,395	12 1/2	12 1/2	12 1/2	10	18 1/2	18 1/2	19 1/2
13,99,998	21,25,615	28,30,285	64,182	Assam Saw Mills & Timber	9	21	97,045	5,14,537	Nil	Nil	Nil	3	3 1/2	3 1/2	4 1/2
20,00,000	61,61,507	23,00,000	61,84,607	Associated Hotels of India P.	8	204	8,82,993	32,683	2	2	4	10	9 1/2	9 1/2	5
80,01,400	33,50,000	1,09,53,000	1,12,08,422	Balmer Lawrie & Co.	12	304	32,12,152	5,03,129	20	13	12 1/2	100	172 1/2	181	163
12,00,000	2,65,000	8,24,890	1,90,023	Bararee Coal	3-9	128	2,16,123	22,708	7-7	7 1/2	7 1/2	100	19 1/2	19 1/2	22 1/2
6,00,000	76,414	Nil	30,72,417	Bengal Timber Trading P.	6	128	6,43,164	1,19,103	..	..	..	100	44	44	43
50,00,000	19,53,822	Nil	19,59,059	Bharat Airways Ltd.	6	22	3,19,589	3,19,229	..	..	..	10	5 1/2	5 1/2	3 1/2
20,00,000	7,95,430	Nil	62,81,006	Birds Investments P.	9	160	5,89,372	1,15,707	12 1/2	12 1/2	12 1/2	10	17 1/2	17 1/2	18 1/2
45,97,020	71,47,579	27,44,814	2,71,408	Britannia Biscuit P.	3	50	8,44,363	1,98,548	5	10	10	10	15 1/2	15 1/2	16 1/2
22,50,000	13,98,796	18,18,775	3,38,973	British Ceylon Corporation P.	12	6	27,75,295	1,85,955	..	..	7 1/2	10	10 1/2	10 1/2	10 1/2
3,25,00,000	59,89,738	1,18,60,524	2,50,83,650	British India Corporation P.	12	33	30,23,938	27,36,584	10	14	Nil	5	10 1/2	11	9 1/2
32,50,000A	2,10,569	5,83,876	1,16,62,849	Calcutta Gas Co. (Propr.) Ltd. P.	9	235	6,87,704	22,189	5	5	6	10A 10B	7 1/2	7 1/2	7 1/2
32,50,000B	5,92,780	2,40,684	1,02,576	Calcutta Silk Manufacturing P.	3-9	213	45,711	22,586	..	..	..	10	4 1/2	4 1/2	5
5,00,000	17,68,710	67,71,168	2,49,58,018	Duncan Brothers & Co. Ltd.	12	169	48,24,539	4,28,060	10	12	..	100	120 1/2	120 1/2	141 1/2
1,60,00,000	2,94,69,046	3,14,86,174	4,04,79,333	Dunlop Rubber Co. (India) P.	12	96	96,72,154	11,71,685	15	15	15	10	29 1/2	29 1/2	37 1/2
51,26,000	54,12,212	1,48,29,523	1,48,29,523	Eastern Investments Ltd. P.	12	21	12,83,440	3,06,138	9	9	9	100	144	144	168 1/2
75,00,000	13,79,357	4,33,826	10,21,271 1/2	F & C Osler (India) Ltd. P.	3	84	4,26,249	5,26,954	5	5	5	10	11 1/2	11 1/2	16 1/2
7,50,000	12,02,139	16,59,676	2,63,120	French Motor Car	3	51	19,33,231	1,02,899	..	..	..	5	20 1/2	20	19 1/2
14,00,000	14,92,000	10,02,000	11,384	Ganges Rope	3-9	19	89,571	27,194	10-10	7 1/2	7 1/2	100	187	186 1/2	192
2,25,000	37,892	5,12,210	5,12,210	General Investments Trust P.	2-8	21	45,701	8,851	2 1/2	2 1/2	2 1/2	75	43	43	43
65,00,000	34,18,813	42,00,000	1,09,15,528	Gillanders Arbuthnot & Co. Ltd. P.	3	105	29,71,809	1,51,360	7 1/2	7 1/2	14	10	13 1/2	13 1/2	14 1/2
20,00,000	27,68,043	5,00,324	12,84,357	Gladstone Lyall & Co. Ltd. P.	12	209	7,02,792	34,255	10	10	10	10	25	25	17 1/2
40,00,000	31,71,333	7,81,000	98,384	Godfrey Phillips (India) Ltd. P.	12	310	19,01,201	11,96,811	17 1/2	10	20	10	25	25	25
30,00,000	32,90,010	17,22,203	6,22,424	Great Eastern Hotel	3	225	5,30,579	16,733	..	..	..	250	239	239	235
10,00,000	17,38,761	1,61,173	9,221	Hindusthan Ice & Cold Storage	9	224	43,377	24,274	..	..	..	5	11	11	7 1/2
35,20,000	31,95,729	19,00,000	19,72,453	Hoare Miller & Co. Ltd.	12	294	91,339	67,868	..	..	..	10	6 1/2	6 1/2	7 1/2
15,16,00,000	7,28,49,59	7,23,36,779	5,90,97,499	Imperial Tobacco	3	325	3,18,18,053	25,00,733	4 1/2	6	6	10	16 1/2	15 1/2	14 1/2
1,60,00,000	2,41,97,583	53,33,999	10,13,114	Indian Aluminium Co., Ltd. P.	12	293	26,79,662	14,18,074	Nil	Nil	9	10	22 1/2	22 1/2	22 1/2
1,52,89,220	98,54,740	1,62,50,000	3,90,322	Indian Cable P.	3	34	77,23,781	28,98,462	10	10	12 1/2	10	34 1/2	35 1/2	28 1/2
5,00,000D	22,07,269	2,21,280	11,69,467	Indian National Airways	12	93	36,302	12,62,971	..	..	..	100	5 1/2	5 1/2	4 1/2
83,75,000D	6,57,319	8,08,000	8,08,202	Indian Rubber Manufacturers P.	3	173	4,07,298	1,36,845	..	..	..	10	16 1/2	16	13 1/2
1,25,00,000	4,64,735	18,15,457	10,03,705	Indian Wood Products	9	88	17,28,038	2,76,619	25	27 1/2	30	10	39 1/2	39	40
20,70,000	5,00,000	235,590	12,40,386	Investments and Finance P.	2-8	21	1,07,254	7,890	2 1/2	2 1/2	2 1/2	100	65	65	65
2,40,000	15,362	4,46,244	3,20,757	Ivan Jones Ltd.	9	194	1,39,321	36,496	10	..	..	2	2 1/2	2 1/2	3 1/2
5,87,500D	2,23,827	2,97,161	6,66,685	James Wright P.	12	281	62,875	5,299	6	5	..	50	4 1/2	4 1/2	2 1/2
1,17,500Dd	51,23,990	55,00,000	3,73,43,977	Jardine Henderson Ltd. P.	3	39	41,68,361	4,70,107	7 1/2	7 1/2	7 1/2	100	99 1/2	100 1/2	126 1/2
2,00,00,000	3,17,363	6,02,958	3,21,617	Macfarlane & Co.	3	133	14,078	4,849	..	..	..	50	2 1/2	2 1/2	3 1/2
6,34,000D	82,21,000	44,53,211	3,30,53,361	Macneill & Barry Ltd. P.	3	334	37,93,029	6,21,756	..	..	..	100	..	..	..
1,50,00,000	36,41,510	54,56,063	1,85,74,341	Martin Burn Ltd. P.	9	309	71,18,708	2,03,456	13 1/2	13 1/2	18 1/2	10	24	24	24 1/2
40,00,000D	37,19,459	72,01,900	2,34,00,554	McLeod & Co. P.	12	282	25,04,502	1,87,834	10	12	..	100D	240	240	240
5,00,000D	1,10,37,201	69,74,249	7,33,589	Metal Box Co. of India Ltd. P.	9	167	62,82,608	16,24,249	10	10	2 1/2-16 1/2	10	30 1/2	30 1/2	24 1/2
1,15,00,000	19,89,407	74,12,035	11,31,121	National Insulated Cable P.	3	7	30,66,600	2,22,282	10	10	..	10	26 1/2	26 1/2	19 1/2
20,00,000	31,74,413	40													

BOMBAY MISCELLANEOUS COMPANIES

O. Po. F. Dd. G. and R indicate Ordinary, Preferred Ordinary, Founders', Deferred, Guarantee and Rebate Shares respectively. P. next to the names of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Earnings	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	7-8-56	31-7-56	A year ago
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1953	1954	1955	Rs.	Rs.	Rs.
CEMENT														
12,67,59,333	16,16,27,689	6,15,51,096	3,90,26,918	Associated Cement	7	53	4,71,77,960	5,62,770	9½	8½	10	100	196	191½
ELECTRIC LTG. POWER														
5,99,95,600	11,08,94,307	69,91,218	20,82,140	Ahmedabad Electricity	9	146	35,75,580	188	6½	6½	5	100	100	99½
2,92,83,500	4,18,62,358	52,34,507	65,30,599	Andhra Valley Power Supply P.	6	267	46,19,171	25,735	7½	7½	7½	1,000	1,242½	1,235
1,74,99,700	2,14,85,122	39,32,485	5,79,834	Bombay Suburban Elec. Sup.	3	146	19,21,739	45	7	7	7-7*	100	111½	116½
38,08,200	17,49,053	4,75,323	14,87,557	Poona Electric Supply P.	12	229	3,86,015	21,171	7½	7½	7½	100	146	146
2,34,45,225	58,39,675	63,82,045	58,39,675	Tata Hydro-Elec. Power sup. P.	6	267	77,32,961	27,952	7½	7½	7½	1,000	1,310	1,315
5,02,78,750	8,98,37,405	1,41,56,578	1,29,22,549	Tata Power P.	6	267	77,32,961	27,952	7½	7½	7½	1,000	1,310	1,315
ENGINEERING & METAL														
33,42,200	17,06,292	44,16,374	1,54,08,311	Alcock Ashdown	12	268	8,79,666	1,35,820	10	12½	10	100	361½	380
6,00,000	36,058	11,04,687	91,038	Jost's Engineering	3	115	1,17,555	5,394	15	15	8	50	96	96
40,00,000	11,26,513	10,00,000	9,74,604	Larsen & Toubro P.	3	351	14,69,736	28,740	10	10	10-10*	10	16½	16½
40,95,100	81,25,753	2,02,500	49,333	Machinery Mfrs. Corp. Ltd. P.	3	330	2,02,006	64,676	Nil	Nil	Nil	100A	96½	96½
1,10,00,000	15,00,978	16,66,194	7,06,260	McKenzie	7	283	14,99,085	64,938	Nil	Nil	Nil	100	96½	96½
2,50,000	5,834	1,00,53,052	1,79,52,042	Premier Construction P.	12	284	3,35,178	59,102	20	25 5/6	28 1/3	300	205	202
1,31,250F	7,83,56,425	26,78,952	44,49,499	Tata Locomotive & Eng. P.	3	69	3,303	50,350	Nil	Nil	Nil	100	164½	166
4,18,72,400	23,97,91,733	12,34,91,333	9,61,90,447	Tata Iron & Steel P.	3	269	4,62,47,072	5,52,548	28	14	14	750	208	244
9,63,75,000	15,99,270	29,41,860	59,86,789	Vulcan	12	255	6,05,803	2,81,242	10	10	10	100	186½	186½
INSURANCE COMPANIES														
20,00,000	23,84,913	95,96,033	British India General	12	297	4,24,629	1,18,606	10	13½	13½	13½	100	13½	13½
5,15,000	11,04,687	8,95,481	Empire of India Life	12	253	66	675	675	100	100	100	100	675	675
8,46,120	36,39,999	46,38,803	Indian Mercantile	12	75	1,13,109	20	20	20	20	20	100	45½	45½
18,74,940	25,01,134	2,61,49,442	Jupiter General P.	12	55	39,351	4,65,316	15	9½	9½	9½	100	9½	9½
1,06,81,590	1,68,81,793	27,25,18,952	New India	12	179	43,58,653	71,250	13½	16 2/3	16 2/3	16 2/3	15	49½	50½
6,00,000	67,83,74,430	63,46,53,420	Oriental Life	12	298	6	3,820	3,820	200	200	200	100	3,820	3,820
15,99,270	29,41,860	59,86,789	Vulcan	12	255	6,05,803	2,81,242	10	10	10	10	100	186½	186½
MISCELLANEOUS														
90,79,065	31,95,468	3,97,409	12,61,996	Air Service of India	6	336	-15,61,405	-37,22,790	..	..	..	15	..	..
47,97,250	21,34,989	35,75,182	78,89,034	Belapur Sugar	9	42	53,89,000	61,389	..	..	..	50	254	256
50,00,000	2,20,64,303	4,12,86,155	2,67,27,639	Bombay Burmah Trading	5	285	47,93,172	61,990	..	16	21	125	733½	733½
42,00,000	1,21,04,053	31,74,431	31,14,908	Bombay Steam Navigation P.	6	256	4,54,215	30,135	..	..	..	50	276½	278½
99,99,250	3,005	19,47,989	1,28,40,992	Industrial Investment Trust	12	209	5,81,909	2,83,136	4½	4½	4½	100	72	72
8,00,000	1,36,558	99,662	4,76,114	Kemp (Chemists)	3	87	4,99,559	4,78,677	..	..	..	100	72	72
1,57,71,400	5,74,05,779	1,81,13,445	2,99,042	National Rayon Corp.	12	352	63,19,604	3,72,076	9	10	10	200	213½	213½
9,39,98,069	18,36,63,413	12,46,31,677	7,10,16,957	Scindia Steam Navigation	6	198	32,72,555	22,72,555	5	2½	2½	20	18½	19½
7,00,000	27,45,055	57,30,000	11,27,080	Shivrajpur Synd. (Manganese)	11	146	35,49,059	21,601	70	80	80	10	90	91
1,39,95,990	1,96,71,944	13,51,214	4,14,939	Tata Chemicals P.	6	269	13,55,026	57,597	Nil	Nil	Nil	10	20½	20½
70,07,475	76,27,267	28,13,586	22,50,261	Tata Oil P.	3	269	9,47,111	13,236	7	9	8	25	58½	58
2,75,00,000	1,46,45,903	2,43,20,936	1,50,49,201	Western India Match	12	274	74,05,281	5,61,984	11	11	11	100	186½	186½

*1956 †Liquid Assets

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Block Account	Reserve & other Funds	NAMES	Accounts closed	Managing Agents	Net Earnings	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	7-8-56	1-8-56	A year ago
Rs.	Rs.	Rs.				Rs.	Rs.	1953	1954	1955	Rs.	Rs.	Rs.
CALCUTTA													
17,24,000	20,62,356	2,00,894	Ahmedpur Kutwa S.S.G.	3	165	-29,367	..	2½	2½	2½	100	59	58½
21,69,300	33,40,889	6,00,702	Arrah Sasaram D B G	3-9	32	2,57,676	33,735	3-3	3-3	3-3	100	72	72
34,00,000	41,00,202	3,11,049	Bankura Damodar River S.S.G.	3	165	46,607	..	2½	2½	2½	100	58½	57½
19,00,000	29,09,643	4,91,171	Baraset Basirhat D.B.G.	3-9	331	18,844	1,18,863	..	2½	2½	100	10	10
17,80,000	21,78,786	2,20,877	Burdwan Kutwa S.S.G.	3	165	78,839	..	4	2½	2½	100	58½	57½
31,00,000	35,46,011	..	Chaparmukh Silghat S.S.G.	3-9	32	62,834	10,849	1-29	1-11	1-1	100	53½	53½
47,50,000	3,20,040	4,75,000	Cherra Chhatka Ropeway	3	88	9,917	9,917	12½	5-..	Nil	5	7½	7½
2,47,650	2,75,015	65,026	Darjeeling Ropeway	3	101	18,097	4,549	1½	2½	2½	10	6½	6½
22,50,000	60,65,477	12,50,000	Dehri-Rohas	3	335	5,10,908	26,752	6½	7½	10	10	14½	14½
11,49,700	20,10,843	1,68,140	Futwah Islampur S.S.G.	3-9	32	-33,016	5,917	98-98	99-1	1-1	100	56½	56½
18,00,000	50,82,188	17,87,954	Howrah Amta D.R.G. (P)	3-9	32	1,18,351	90,009	3-3	3-3	3-3	100	59½	59½
8,00,000	13,87,138	4,43,410	Howrah Sheekhala D.B.G.	3-9	32	28,627	20,122	3-3	3-3	3-3	100	37	37
19,50,000	27,95,689	2,47,135	Kalighat Falta S.S.G.	3	165	-1,99,473	..	2½	2½	2½	100	58½	58½
8,91,100	15,16,175	10,551	Katakhal-Lala Bazar S.S.G.	3	165	31,257	..	4½	5	..	100	75	73½
15,00,000	62,56,929	28,77,041	Shahdara Delhi Saharanpur	3-9	32	6,26,073	17,25,546	6-6	6-6	6-6	100	125	125
1,75,000	5,41,779	2,04,841	Tezpur Balipara Tramway P.	3-9	165	-43,574	5,944	..	..	..	100	..	..

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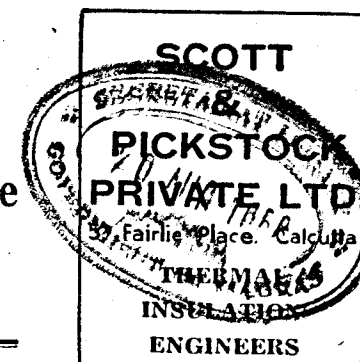
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FINDING FACTS FOR PLANNERS

PLACE OF MARKET RESEARCH IN AN EXPANDING ECONOMY

"MARKET research" is an economic vogue that has spread from the United States to many other countries. It has even, through the dynamic personality of Mr. Mikoyan, spread to Soviet Russia. It resembles two earlier American business vogues—"human relations" and "productivity" research—in that it can be readily exploited by charlatans who like to dress up in learned mumbo-jumbo what every business man knows from experience. Like them too, it forms the subject of a passing fad among a type of employer who comforts himself for his bad balance sheet by saying that at least he is "progressive". But these exaggerations and mystifications should not blind us to the fact that under the fashionable flourishes there is a core of sound commonsense, which becomes science, not by wrapping itself in jargon, but by being systematic. The science of market research seeks principally to systematise practices which have been applied spasmodically by many efficient businesses. It is not an uncommon experience to delve into the science of dietetics only to make the discovery that under the talk of calories and vitamins there is nothing that we did not learn from our mothers—to drink our milk and eat our greens. But that does not dispose of the science of nutrition, any more than M. Jourdain's discovery that he had been talking prose all his life without knowing it, disposed of the science of grammar. So the business man who wants to learn something of market research must be prepared to encounter many obvious truisms hidden under the imposing gobbledegook beloved of all American economists. But he can hope too to find consistent, rational guidance in handling problems where empirical commonsense sometimes fails.

The best defence of market research is simply that it is practised by firms in the United States and Europe which are, on every other test, among the most efficient and modern. Similarly in Russia, as soon as Stalin's oppressive stupidity was out of the way, market research was one of the first American techniques to be taken up enthusiastically by the most "capitalist-minded" of all the Russian leaders, Mr. Mikoyan (who is an Armenian as well as a Communist). Finally, in India, a beginning has been made in this field precisely by our biggest and most experienced industrial concerns, led by the jute mills. A technique should need no better credentials than these to commend itself to business men.

The basic principle of market research is that if you want to sell more of your goods or if you want to sell something new then you have to know who buys such things and why, and how much more they can be expected to buy in the foreseeable future. Surely, it might be asked, no producer has ever overlooked such an obvious truth? Well, as a matter of fact, producers often have—and we have examples right here in Calcutta in the jute and tea industries. One must be careful not to exaggerate, but it is probably not too strong to say that many jute mill managers had only the vaguest notion of what happened to their cloth and bags after they left the mill. That mysterious entity, the "Bazaar", looked after that side of the business—until the day came when the Bazaar did not look after it, and stocks began to accumulate. As for tea, it went to Mincing Lane. Who drank it, and why they did not drink more, and why some people did not drink it at all—these were mysteries too deep to be fathomed by men who were busy enough growing the stuff. Those days are gone, and both these industries are now spending money and energy on what is in fact market research even when it goes by other names. These cases are mentioned in order to point the moral that if the biggest and best can make mistakes, everybody else can too.

Some producers might draw from these instances the comforting conclusion that market research is important only when business is bad, so

meantime they need not worry about it. Did not the jute mills begin market studies only when consumption fell disastrously, and the tea industry only both about markets when prices slumped? As for the Americans, well everyone knows it is difficult to sell goods in the United States. But here in India, the land of limitless opportunity, where needs are infinite and production totally inadequate, the producer can count on selling anything he makes if only the Tariff Commission will give him a high enough protective barrier—so do not waste time worrying about the quirks of consumers, send a director to Delhi. The experiences of the post-Korean slump showed how mistaken this attitude was. Industries which had received the most generous tariff protection had gone ahead producing without any reference to their markets, and found themselves in an awkward plight. The fact that an economy is expanding merely guarantees that goods in general will find an outlet, but it does not ensure that the particular goods you are producing will be sold—at least of all in the quantities and at the prices you have expected. And even when offtake is up to expectations, this is no guarantee that it will remain so or will increase. Investment programmes are based not on past records so much as on estimates of the future, and here market research is a valuable guide in an uncertain world. One of the most progressive firms in India lately undertook market research in the north-east to discover why its goods were selling so well there—a commendable instance of curiosity that paid dividends in other regions. So market studies are not an expression of anxiety suitable only for depressed or highly competitive economies. Any business man who wants to know where he is going has some use for them.

In fact it is precisely in the industrialisation of an Asian economy that market research

private producers and advertisers, but such parties will always require to undertake special studies of their own. In so far as they cannot do this alone, even with the aid of a specially trained officer, they can draw on the investigation services of private consumer research firms and public opinion polls; some such already exist in India now although by their nature they cannot provide the general scientific information the whole country requires nor the special and continuous knowledge of its markets that any big firm needs.

TEA AND THE SUEZ PROSPECTS FOR INDIA'S EXPORTS

SOME measure of uncertainty still prevails in the tea markets; although the undertone was much better at this week's auctions, optimism about the future is not yet widespread. Buyers have until recently been restrained in making purchases, the main factor in mind apparently being that supplies are likely to be fully adequate to meet their requirements. This may not be so in the case of the better-quality teas, but for commons and mediums the expectations are of a surplus (perhaps only a small one) at the end of the season. The latest statistics show that production is running slightly ahead of last year in the main exporting countries. Until the end of June, output in north India, south India, Pakistan and Ceylon, plus the Indonesian output until end-May, totalled 445.8 million lbs this year, against 444.8 million lbs in the corresponding periods of 1955. Last month's crop in north India, at 80.6 million lbs, has now turned out to be one million lbs more than in July 1955, so it is calculated that crops in major producing countries, taken together, are running 2 million lbs ahead of last year. North India is mainly responsible for this increase; her output until end-July, at 205.6 million lbs, is 10.7 million lbs ahead. Pakistan, a small producer has also reported a bigger crop, but south India, Ceylon and Indonesia have all reported smaller ones so far.

Production in the east, and the stocking policies of credit-squeezed traders in the west, have been the dominant factors in market trends so far. But the developing situation in the Suez, it is thought, could have far-reaching consequences. There have been some distinct reactions so far, although the general inclination is to wait and see, and a number of possibilities are being discussed on the hypothesis that traffic through the Suez Canal might be interrupted. A foretaste of what might happen was the sharp fall in the price of the black grainy dusts, which Egypt normally buys, at the Calcutta auctions a fortnight ago; this fall was based on the belief that Cairo might run short of foreign exchange, and would then have to cut her tea purchases; but the prices of these dusts have now largely recovered and Egypt is in fact reported to have turned a strong buyer. More important, for Indian tea, are the possible repercussions on its major customer, Britain. The Suez situation is being watched even more anxiously in that country than it is in India, for U.K. tea stocks are at a very low level and have to be replenished quickly if interruption of traffic through the Canal becomes likely. This might give (as it seemed to this week) a temporary boost to the eastern tea markets, but, however welcome it may be in a phase of uncertainty, it would be a lot less so on the longer view. As the experience of the Korean war showed, emergency stock-piling induced by the prospect of transport dislocations brings producers benefits that are mainly temporary. The hangover which follows a heady buying spree is sometimes enough later to remove a few of them from the running altogether. For tea, the Suez dispute is of more than ordinary importance. Competing beverages, such as cocoa and coffee, hardly use the Canal, and could comfortably encroach into its markets should the Suez alone be responsible for a tea boom. The threat from cocoa at the moment is perhaps less severe than from coffee. Consumption of the former, it is believed, has increased more than production, so prices have risen. But the world's coffee markets are showing a fairly steady trend; in this case, it seems that consumption, although higher, has not kept pace with the harvesting of the big Brazilian crop. In two of the most important markets for Indian tea, Britain and the United States, this is a matter of considerable significance. North America is well placed geographically to get all the coffee she needs; and in Britain, the continuing epidemic of espresso bars has not failed to disturb those who normally have sound commercial reasons for gloating over the Englishman's remarkable addiction to tea.

Tea, and gunnies, are the biggest two of India's exports concerned in Suez traffic. They are also the mainstays of the export trade generally, the future of which is of vital importance as the country's disturbing shortage of foreign exchange gradually reveals itself. Our New Delhi correspondent reports on a later page today the speed at which the sterling balances and other reserves abroad seem likely to be run down. Expenditure threatens to be especially heavy over the next two or three years, which makes it the more neces-

sary that vigorous political efforts be made to maintain the even flow of international sea traffic. It is not only exports which would suffer should the Suez situation deteriorate. The consequences would probably be even more damaging for imports, especially for the capital goods, including three steel plants, which are coming from Communist and non-Communist Europe. If costs of production, and of transport, increase, India would find herself in the embarrassing position of getting less, and paying more, for the equipment she badly needs for her development plans.

A GUARANTEE FOR ROAD TRANSPORT

THERE is promise of better road transport for the second five year plan in the statement which Mr. O. V. Alagesan, Deputy Minister of Railways and Transport, made in the Lok Sabha last Saturday. The first step towards any expansion of private goods haulage by road is a guarantee that anybody who commits his capital to it can rely on a reasonable period of uninterrupted working. This is what now appears to have been given. Five years' freedom from nationalisation is not as good as ten, but it is better than none at all. Medium-sized concerns of the kind that do well in this industry, should now become a practical possibility. Contractors ought to be able to establish their business on what is, for road goods transport, a reasonably long-term basis. This step has not been taken too early if the roads are to make up for the deficiencies which the railways are bound to show in the next five years.

The guarantee which Mr. Alagesan has offered the carriers has a number of interesting features. It is, for example, the first to be given openly to any industry since the Fourth Amendment to the Constitution was passed, and is, therefore, the first unmistakable acknowledgement from the Government that its present attitude towards nationalisation generally is harming the expansion of industry. If the same had been done for the private coal mines, for example, the morale in that industry would be better than it is today and the country's development plans would be the gainers. It also raises the question whether in fact a Central Government Ministry is in a position to give such an undertaking. Road transport is the concern of the States. These will usually follow closely the recommendations of the Central Government, but there is nothing forcing them to do so. If some strong political reason prompts a State Government to defy the wishes of the Centre on nationalisation, there seems to be nothing to stand in its way. The example of the Kolar Gold Fields has shown what can happen when a State Government is determined to follow its own dictates. After the next election, there may be others which will have no hesitation in defying Central advice even as with the Kolar Gold Fields, at heavy cost to the national interest. There remains the question of compensation at the end of the five years. This is not perhaps of great importance for the road transport industry because its assets can usually be amortised well within five years. But it may mean that fleets will fall progressively into worse disrepair as the end of the period of grace approaches unless operators have some reasonable assurance that their vehicles will be bought from them at prices which bear some relation to their market value.

Even with the nationalisation threat out of the way for the time being, private operators will be able to do the job expected of them only if they have the co-operation of the State Governments. Progress will be facilitated if the present tangle of licence restrictions is cleared away speedily and the numerous handicaps under which carriers must work, especially those concerned with operations across State boundaries, are removed without delay. The size and nature of the units in this industry are such that they lend themselves easily to victimisation by unscrupulous and corrupt Government and police officials. A drive to remove the many petty regulations which provide scope for this kind of exploitation would improve the industry's health. The Motor Vehicles (Amendment) Bill, which the Deputy Minister was moving for reference to a Select Committee when he made his statement provides, among other things, for uniformity in the law governing the nationalisation of road transport services. It should be a further important contribution towards a more settled state of mind among operators.

This is, of course, merely one example of the attempt which appears to have been made in the Bill to clear up the tangled state in which the industry at present finds itself. Another concern, the hours of work of drivers. This is one which is essential to any well run road transport system. A lorry driver is in a special position among transport workers. His skill is not in short supply and he is, therefore, an easy target for the kind of exploitation which the essentially small or medium-scale character of the industry often

involves. This is something which it is worth taking trouble to guard against. An over-worked driver is a liability not only to himself, but to every road user. An under-paid one is no less a menace. The protection of drivers is protection of the community generally, not to mention a safeguard of the goods they carry. Much the same can be said for the vehicles. There is no doubt that many of those on the road today have no right to be there. If the road transport industry is to enjoy the expansion which Mr. Alagesan hopes for, these are matters which should command attention during the next five years.

CURRENT COIN

Vazir Sultan Preferences.—Subscription lists will open next Thursday for an attractive public offer of 22,745 7 percent (taxable) cumulative redeemable preference shares in the Vazir Sultan Tobacco Co. Ltd. at the par value of Rs. 100 each. (Fuller details of the offer are published on a later page.) The preference shares are redeemable at Rs. 101 each on or after 1st April, 1968, in whole or in part. The dividend on them is payable half-yearly on 1st April and 1st October: the first on the present issue will be paid on 1st October, 1956. These shares qualify as "approved investments" under section 27A(1)(i) of the Insurance Act, 1938. The company's present authorised capital is Rs. 155 crores, consisting of 1,250,000 ordinary shares of Rs. 10 each and 30,000 7 percent cumulative redeemable preference shares of Rs. 100 each. One million of the ordinary shares, and 7,255 preference shares, have been issued and fully paid. All the other preference shares are now being offered. These shares were part of a rights offer which was originally made to ordinary stockholders. The Raleigh Investment Co. Ltd., which is the biggest ordinary shareholder in Vazir Sultan, has decided to forgo its preferential right of subscription so that the Indian public may acquire a larger interest in the company. The money from the issue is to be used for a three-year modernisation programme estimated to cost Rs. 31.35 lakhs. The company was incorporated as a public company in Hyderabad in 1930 to manufacture cigarettes, and it acquired the cigarette factory owned by Vazir Sultan and Sons. By 1933, a new factory was built, which has since been expanded. Vazir Sultan has for many years been associated with Imperial Tobacco in the marketing of their respective brands. The former's sales have shown an impressive increase—from Rs. 2.80 crores during the year ended September 1951 to Rs. 3.64 crores during the year ended September 1955. Over the same period, its profit before taxation has increased from Rs. 27.93 lakhs to Rs. 42.56 lakhs. The ordinary dividend has been maintained at 10 percent during the years ended September 1954 and September 1955.

States to Borrow.—Fifteen State Governments will line up in public on 3rd September for loans totalling Rs. 64 crores. They will stay there until 10th September, or earlier if their requirements are met before then. The Governments and the amounts they seek are Madras (Rs. 12.5 crores), Uttar Pradesh (Rs. 8 crores), Bombay (Rs. 7.5 crores), West Bengal (Rs. 7 crores), Andhra (Rs. 6 crores), Mysore (Rs. 4 crores), Orissa (Rs. 3 crores), Rajasthan (Rs. 3 crores), Saurashtra (Rs. 2.5 crores), Bihar (Rs. 2 crores), Hyderabad (Rs. 2 crores), Punjab (Rs. 2 crores), Travancore-Cochin (Rs. 2 crores) Madhya Pradesh (Rs. 1.5 crores) and Madhya Bharat (Rs. 1 crore). All the States reserve the right to retain subscriptions up to 10 percent in excess of the notified amount, assuming that they get so much. Four of them have offered to accept their own maturing loans at par for conversion—the 3 percent Bombay 1956, the 3 percent Madhya Pradesh 1956, the 3 percent Madras 1956, and the 3 percent Travancore 1956. The new State Government loans all carry an interest of 4 percent; they will all be repaid at par on 3rd September, 1968, except Bombay's which will be repaid exactly two years after that date. Issue prices are Rs. 100 percent for Bombay and West Bengal; Rs. 99-12 percent for Madras; Rs. 99-8 percent for Andhra, Hyderabad, Mysore, Rajasthan, Saurashtra, and Uttar Pradesh; and Rs. 99-4 for Bihar, Madhya Bharat, Madhya Pradesh, Orissa, Punjab and Travancore-Cochin. Investors' interest now centres on the prospects of success for these loans. Here an important point to note is that the total amount States seek to borrow is much more than the market had expected. Vigorous canvassing will be necessary if all of it is to be raised. The state of the gilt-edged market does not offer much reason for cheerfulness; comparable securities are available in plenty, and even the recent Central Government issues are at a discount. Money conditions also are tight, as the slack season has turned out to be a lot less slack this year. Last year, ten State Governments asked the market for Rs. 48.5 crores and met with a favourable response; but now it can hardly be expected that the bigger sum will be readily available. Two big classes of investors

which have a keen interest in State Government loans are insurance companies and provident funds. What resources they have to spare is not easy to assess. The Bombay, West Bengal and Madras Governments are well placed in this respect, and may have less to worry about than their counterparts which are not as fortunate in the size of their resources. The official announcement about the loans is published on page 212.

Oil in the Bengal Basin.—Oil exploration as a commercial undertaking is not only highly expensive, but also extremely risky. In it the chances of failure usually outnumber those of success by nine to one, and in the regions where knowledge of geological conditions is totally inadequate, which is now the case with the Bengal basin, the ratio of failure to success is placed by experts at 20 to one. Yet it is gratifying to learn that the Standard-Vacuum Oil Company of the U.S.A. has been continuing its explorations here—which it started in the early part of 1954, in accordance with its agreement with the Government of India. Mr. T. T. Conger, General Manager of the Producing Division of the company, who gave an account to the Press last week of Standard-Vacuum's efforts in the field, said preliminary reconnaissance gravity metre surveys started in May 1954, and seismic surveys the following December. The seismic survey, for mileage covered, compared favourably with any in the world. This was accomplished without the benefit of good roads—a fact of which Mr. Conger was justifiably proud. In spite of these efforts, however, the preliminary surveys, he stated, had not revealed the "probable existence of outstanding geological features where oil might be found." More extensive and detailed investigations have therefore become necessary, and the company, at present, is doing just this. A drilling rig of the latest design has been ordered and is now being assembled in the United States. As Mr. Conger described it, "the rig will be tailor-made to meet the specific needs of the area." A site will be selected in the near future in West Bengal to start actual drilling. The Company has already incurred an expenditure of Rs. 1.25 crores on preliminary surveys, and a heavier investment will be needed when drilling operations start. An important aspect of Standard-Vacuum's policy in carrying out this project is to employ as many Indian engineers and other personnel as possible, and obtain a part of the equipment and supplies from Indian sources. A redeeming feature of oil prospecting in the Bengal basin is that the Gravity Party cost here is below the average of what is normally incurred in a venture of this sort,—that is, Rs. 80,000 a month, though this figure varies from country to country and even within a country.

Indian Banking Trends.—Some time ago, the Reserve Bank of India published its usual annual review of the country's banking trends during 1955. It has now published detailed statistical tables on the same subject and covering the same year. Together, these two publications provide a comprehensive picture of Indian banking enterprise and the progress it has achieved during 1955. According to the tables, both deposits and advances of the banks rose by Rs. 92 crores each during the year under review, which has been interpreted as a reflection of the rising level of economic activity in the country. The rise of Rs. 92 crores in total deposits came largely from the scheduled banks (Rs. 87 crores), non-scheduled banks providing the rest. Total deposits of Indian scheduled banks, both within and outside the Indian Union, rose by Rs. 70 crores to Rs. 887 crores. The expansion in deposits in 1955 was not larger than that in 1954, but in certain directions there was a marked difference. In 1954, current deposits had shown a larger rise (Rs. 38 crores) than fixed deposits (Rs. 34 crores), whereas, in the year under review, the expansion of fixed deposits by Rs. 53 crores was substantially higher than that of current deposits (Rs. 22 crores). Deposits of co-operative banks, having paid-up capital and reserves of Rs. 1 lakh and over, maintained the up-trend and rose by Rs. 16 crores, the rise being significantly greater than that in the deposits of non-scheduled banks. The rise in bank credit at Rs. 92 crores equalled that in deposits. The investment portfolio of the joint stock banks was strengthened by Rs. 42 crores, of which more than Rs. 39 crores represented investments in Government securities. The additional gilt-edged investment was entirely accounted for by the Indian scheduled banks. The number of offices of Indian joint stock banks recorded a significant increase of 63, compared with 21 in 1954, in spite of a fall of 24 in the total number of banks. The offices of co-operative banks, and their number, rose during the year, continuing the trend of expansion in co-operative banking. There was one office for every 11,121 of the population served by banks, and on an average, there was one banking office for about 70,000 of the total population. About 54 percent of the scheduled bank offices were concentrated in the larger towns having a population of over 50,000, whereas the corresponding proportion in the case of non-scheduled banks was hardly 33 percent. Offices of Indian joint stock

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WE are very glad to see that the *Indian Mirror*, one of our leading Indian contemporaries, has spoken in plain and unmistakable terms regarding the abuse of interpellation in the Bengal Council, as it truly says, the right of interpellation was not obtained till after a severe and prolonged struggle. Having won the concession, it should clearly have been used with the greatest discretion and moderation, but there has been a singular want of tact on the part of the members of Council in this matter. Questions upon question on all conceivable subjects were asked, until the public were perfectly disgusted and the officials ceased to treat the matter seriously. We trust that after this unmistakable expression of opinion from one of their best friends and advocates, the members concerned in the Bengal Council will in future keep their zeal for knowledge well within the bounds of discretion.

FROM

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18th August, 1896.

Consent of the Central Government has been obtained to this issue by an order of which a complete copy is open to public inspection at the Head Office of the Company. It must be distinctly understood that this consent of the Government of India does not take any responsibility for the financial soundness of any schemes or for the correctness of any of the statements made or opinions expressed with regard to them.

A copy of the Prospectus has been delivered to the Registrar of Companies Hyderabad, for registration.

Application has been made for the market price of the 7% (Taxable) Cumulative Redeemable Preference Shares to be quoted in the list issued by the Hyderabad Stock Exchange.

The subscription list will open at 10-30 a.m. on the 23rd day of August, 1956 and will close on the 27th day of August, 1956 or earlier, or later, as the Directors may decide.

THE VAZIR SULTAN TOBACCO COMPANY LIMITED

(Incorporated on 10th November 1936 under the Hyderabad Companies Act No. IV of 1932 Fasil; now subject to the Companies Act, 1956).

SHARE CAPITAL

AUTHORISED

Rs.

1,25,00,000

30,00,000

1,55,00,000

Ordinary Shares of Rs 10 each fully paid

7% (Taxable) Cumulative Redeemable Preference Shares of

Rs. 100 each

ISSUED & FULLY PAID

Rs.

1,00,00,000

7,25,500

1,07,25,500

LOAN CAPITAL

The Company has no debentures or other loan capital outstanding.

OFFER

OF

22,745 7% (Taxable) Cumulative Redeemable Preference Shares of Rs 100 each at par payable in full on Application.

Applications must be for a minimum of 5 Shares or for multiples of 5 Shares

The 7% (Taxable) Cumulative Redeemable Preference Shares now being offered confer upon the holder the following rights—

Dividend: A fixed cumulative preferential dividend at the rate of 7% per annum (subject to income tax) on the capital for the time being paid thereon. It is intended that the dividend will be payable half yearly on the 1st day of April and the 1st day of October the first dividend being paid on the 1st October 1956 and will be calculated on the full par value of the shares from the date of allotment up to 30th September 1956.

Capital: In a winding up whether voluntary or otherwise repayment of the capital paid up thereon together with a premium of rupees one per cent and a sum equal to any arrears of the fixed dividend whether declared or not calculated to the date of the commencement of the winding up (subject to income tax) in priority to the ordinary shares but shall not entitle the holders thereof to any further participation in the profits or assets of the Company.

Redemption: Subject to the provisions of the Companies Act 1956 redemption on or after the 1st April 1968 in whole or in part to be selected by drawings at the option of the Company acting through its Directors on not less than three months notice given by advertisement in some newspaper circulating in Hyderabad (Deccan) at the price of Rs. 101 for each share together with the dividend due to the date of redemption.

The Company will not pay interest on unclaimed redemption money.

Votes: The right to receive notice of and to attend at General Meetings of the Company but to vote thereat only in accordance with the provisions of Section 87 of the Companies Act 1956 namely—

(a) on resolutions placed before the Company which directly affect the rights attached to such preference shares as stated in Section 87 (2) (a) and the explanation thereto;

(b) on every resolution placed before the Company at any meeting if the dividend or any part thereof due on such preference shares has remained unpaid in respect of an aggregate period of not less than two years preceding the date of commencement of the Meeting.

On all resolutions upon which holders of the preference shares now being offered are entitled to vote such shares will on a show of hands give such holder present in person one vote and will carry the right on a poll to ten votes for each share.

The rights attaching to the preference shares now being offered may be varied from time to time in accordance with the provisions of the Company's Articles of Association and of the Companies Act, 1956 or any amendment or modification thereto and in particular under the following Articles.

Increase of Capital: Any of the shares for the time being unissued and any new shares from time to time to be created may from time to time be issued with any such right of preference in respect of dividend and of repayment of capital as may be conferred by the holders of the shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class and all the provisions of these Articles relating to general meetings shall *mutatis mutandis* apply but so that the necessary quorum shall be two persons at least holding or representing by proxy one third of the issued shares of the class in question. This Article is without prejudice to the power of the Company under Article 46 hereof and the Company's right to increase its Capital and the rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

Modification of class rights: If at any time the share capital is divided into different classes of shares the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may from time to time be varied or amended by the holders of the shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class and all the provisions of these Articles relating to general meetings shall *mutatis mutandis* apply but so that the necessary quorum shall be two persons at least holding or representing by proxy one third of the issued shares of the class in question. This Article is without prejudice to the power of the Company under Article 46 hereof and the Company's right to increase its Capital and the rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

The ordinary shares carry the right (i) to such dividend as may from time to time be declared on those shares subject to the prior payment of all accrued dividends and dividends in arrears on the cumulative preference shares (ii) to any balance of assets available for distribution in a winding up after payment of all amounts due to the preference shareholders as defined above and (iii) at General Meetings on a show of hands one vote for each holder present in person and on a poll one vote for each share on all resolutions.

Name.	Directors	Address.	Description.
MOHAMED SULTAN.		Narayanguda Hyderabad Deccan.	Merchant.
NADIRSHA SAPUJEE CHENYOY.		"Souvenir" Macintyre Road Secunderabad.	Advocate.
GEOFFREY HAYMAN JOHN CLARKE.		8 Ballygunge Park Road, Calcutta.	Merchant.
ALLEN HADDON DAVIES.		Bengal Club Calcutta.	Merchant.
CHARLES ALAN SYDNEY FOULKES.		"Laleh-zar" Jubilee Hills Hyderabad, Deccan.	Merchant.
SECRETARY TO THE GOVERNMENT OF HYDERABAD, COMMERCE & INDUSTRIES DEPARTMENT.		Saltabad Hyderabad Deccan.	
FRANK LESLIE SEYMOUR.		322 Jubilee Hills Road Hyderabad, Deccan.	Tobacco Manufacturer.
ABDUL HAMEED SULTAN.		Hyderabad, Hyderabad, Deccan.	Merchant.

THE STATE BANK OF INDIA, Sultan Bazaar, Hyderabad, Deccan.

THE HYDERABAD STATE BANK, Gunfoundry Abid Road, Hyderabad, Deccan.

Legal Adviser to the Company

NADIRSHA SAPUJEE CHENYOY, Advocate.

"Souvenir" Macintyre Road Secunderabad.

Auditors

LOVELOCK & LEWES Chartered Accountants, Madras.

Secretary and Registered Office

PATRICK DENYS McCULLOUGH Azamabad, Hyderabad, Deccan.

Brokers

P. B. AFZALPURKAR Stock & Share Broker Sultan Bazaar, Hyderabad, Deccan.

PLACE SIDDONS & GOUGH 6 Lyons Range Calcutta.

BATLIVALA AND KARANI Union Bank Building, Dalal Street Fort Bombay.

PATERSON AND COMPANY 22 Errabalu Chetty Street Georgetown, Madras 1.

The Company is advised that these Preference Shares are "approved investments" within Section 27A (1) (i) of the Insurance Act, 1938 as dividends have been paid on the Company's Ordinary Shares for the last five years.

The market price of the Ordinary Shares of the Company is quoted in the list issued by the Hyderabad Stock Exchange.

The shares subject to this offer form part of an issue of 30,00,000 shares which were first offered to the Ordinary Shareholders at par in proportion to their holdings in accordance with the requirements of the Companies Act. The Raleigh Investment Company Limited, the holder of the majority of the Ordinary Shares decided to forego its preferential right of subscription as it wished the public in India to have the opportunity to apply for such shares and obtain thereby an increased interest in the Company.

PARTICULARS

History and Business: The Company was incorporated as a Public Company in Hyderabad, Deccan, in 1936 under the Hyderabad Companies Act No. IV of 1932 Fasil for the purpose of manufacturing cigarettes in Hyderabad State and acquired the cigarette factory owned by the firm of Vazir Sultan & Sons. The Company was incorporated with an authorised capital of O.S. Rs. 10,00,000 and commenced manufacturing in that factory. In 1933 manufacture was transferred to the present factory which the Company had built in the then newly developed industrial area of Azamabad on the outskirts of Hyderabad City. Various additions have been made to this factory during the years.

and in 1948 further land was acquired on which additional buildings were constructed.

The Company has actively encouraged the growth of suitable types of tobacco for cigarette manufacture in Hyderabad State by advice to farmers on better methods of cultivation fertilisation and harvesting and by the use of considerable quantities of such tobacco in the Company's products.

The Company has for many years been associated with The Imperial Tobacco Company of India Limited in the marketing of their respective T-ands. These arrangements have been subject to amendment from time to time and the two Companies have now entered into agreements dated 12th June 1956 in which The Imperial Tobacco Company of India Limited is with effect from 1st November 1956 appointed sole distributor of this Company's brands of cigarettes certain areas of the Union of India and is authorised to manufacture those brands on the terms and conditions therein contained.

Purpose of Issue: Additional capital is required to modernize the Company's factory and to install modern machinery and equipment in order to meet the growing demand for and to maintain the quality of the Company's products.

FINANCIAL INFORMATION

Auditors' Report: The following is a copy of the report of the Company's Auditors, Messrs. Lovelock & Lewes—

LOVELOCK & LEWES,
Chartered Accountants.

Mercantile Bank Buildings,
Post Box No. 1720,
First Line Beach,
Madras 1.
11th June 1956.

The Directors.
The Vazir Sultan Tobacco Company Limited,
Post Box No. 123,
Hyderabad, Deccan.

Gentlemen.

We have audited the accounts of The Vazir Sultan Tobacco Company Limited for the five years ended 30th September, 1955 and in accordance with the provisions of Clause 24 of Part II of Schedule II of the Companies Act 1956 report as follows—

The profits of the Company for these years as set out hereunder and have been arrived at after charging all expenses of working and management and after making such adjustments as are in our opinion necessary.

THE VAZIR SULTAN TOBACCO COMPANY LIMITED—Cont'd.

THE VAZIR SULTAN TOBACCO COMPANY LIMITED

	1951	1952	1953	1954	1955
Income—	Rs.	Rs.	Rs.	Rs.	Rs.
Sales	2,79,85,080	3,32,94,745	3,28,49,885	3,52,30,463	3,63,76,081
Interest	39	—	—	21	—
Miscellaneous Income	3,55,660	3,67,338	5,06,192	90,448	1,97,038
Income from Investments	1,178	232	482	8,163	2,693
	2,83,456	3,36,251	3,33,562	3,53,294	3,66,754
Expenditure—					
Cost of Sales	2,21,09,224	2,67,09,848	2,56,06,820	2,80,72,164	2,71,25,440
Salaries and Wages	23,72,354	30,73,201	33,12,448	36,05,408	36,16,470
Expenses	6,30,406	6,17,519	6,71,546	4,78,670	3,44,611
Interest	9,130	76,915	2,80,085	1,54,521	89,675
Depreciation as charged by the Company	3,46,475	2,89,448	4,64,357	5,29,354	5,83,839
Loss on Sale and Revaluation of Investments	—	540	—	—	125
	2,55,48,789	3,09,20,472	3,03,37,866	3,98,40,717	3,23,20,62
Profit before providing for Taxation	27,93,174	27,42,043	30,18,097	44,88,376	42,50,641
Taxation	11,82,725	12,43,337	10,08,813	19,49,828	18,87,997
	16,10,449	14,98,706	20,09,794	25,38,548	23,68,533
Balance of Profit and Loss Account from previous year as per audited accounts	59,34,635	52,84,177	8,74,181	13,74,720	15,74,464
	66,45,064	67,82,863	28,83,975	39,13,268	39,43,017
Transfer to General Reserve	12,85,715	30,00,000	13,10,714	14,75,000	13,00,000
Transfer to Fixed Asset Replacement Reserve	—	20,705	7,637	2,010	17,653
Transfer to Fixed Asset Realisation Surplus	—	—	—	—	54
	12,85,715	30,20,705	13,18,351	14,77,010	13,17,713
Balance	53,59,368	37,62,178	15,65,624	24,36,258	26,25,304

The profits, etc., set out above have been arrived at after making the following adjustments to the figures disclosed in the published accounts:—

	1951	1952	1953	1954	1955
Taxation	Increase	Decrease	Increase	Decrease	Increase
Salaries and Wages	4,33,119	5,93,976	9,124	4,824	192
General Reserve	2,03,062	2,77,410	12,85,714	1,09,526	1,040
					14,75,000

These adjustments were in our opinion necessary—

(a) in order to substitute the Company's actual tax liability for the provisions made in the published accounts in respect of those years where the assessments have been completed;

(b) in order to provide for the increased charges for salaries and wages which became payable in terms of a Labour Tribunal Award published in 1953 and which were charged in the accounts for that year;

(c) so that transfers to General Reserve are related to the years out of the profits of which they were appropriated.

We further report that the Dividends paid by The Vazir Sultan Tobacco Company Limited in respect of the five years ended 30th September, 1955, on its issued Share Capital were as follows:—

Year Ended	Issued Share Capital	Rate	Amount Rs.
30th September 1951	5,00,000 Ordinary Shares of Rs. 8-9-2 each	10%	8,571 143
30th September 1952	10,00,000 Ordinary Shares of Rs. 8-9-2 each	10%	8,571 143
30th September 1953	10,00,000 Ordinary Shares of Rs. 8-9-2 each	10%	8,571 143
30th September 1954	10,00,000 Ordinary Shares of Rs. 10/- each	10%	10,00,000
30th September 1955	10,00,000 Ordinary Shares of Rs. 10/- each	10%	10,00,000

The above dividends were paid without any deduction of tax paid by the Company and were paid out of current profits.

The Net Assets of the Company as at 30th September, 1955, based on the audited Balance Sheet at that date were as follows:—

	Original Cost	Depreciation provided to 30th September, 1955	Net
Goodwill	5,79,429	—	5,79,429
Fixed Capital Expenditure—			
Land & Buildings	23,21,219	7,38,519	15,82,700
Plant, Machinery and Fixtures	36,32,194	3,85,094	32,47,100
Other Fixed Assets	8,42,668	3,77,811	4,64,857
	44,26,533	39,13,424	5,13,109
Investments at Cost	—	—	17,676
Current Assets—			
Stocks and Stores at Cost	—	1,61,39,495	—
Sundry Debtors	—	5,10,970	—
Cash on Hand and balances with Bankers	—	3,74,475	—
	—	1,70,24,940	—
Less Current Liabilities and Provisions—			
Bank Overdraft (secured on leaf stocks)	7,68,331	—	7,68,331
Sundry Creditors	21,81,873	—	21,81,873
Provision for Taxation	20,46,000	—	20,46,000
Provision for Proposed Final Dividend	5,00,000	—	5,00,000
	54,97,521	—	54,97,521
Net Current Assets	—	—	1,15,27,419
Net Assets as at 30th September, 1955	—	—	1,50,58,195
The Net Assets of Rs. 1,50,58,195 shown above are represented by:—			
Issued Share Capital 10,00,000 Ordinary Shares of Rs. 10/- each	—	—	1,00,00,000
Capital Reserve	—	—	48,023
Fixed Asset Replacement Reserve	—	—	54
Fixed Asset Realisation Surplus	—	—	48,00,000
General Reserve	—	—	60,579
Other Revenue Reserves	—	—	1,49,525
Profit and Loss Appropriation Account—balance carried forward	—	—	1,50,58,195

The Company is one to which the provisions of Section 23A of the Indian Income Tax Act 1922 apply. Application has been made to the Commissioner of Income Tax in terms of Section 23A(1) of the Act, for relief from the liability to super tax on undistributed income for the year ended 30th September, 1954 and a further application is expected to be made in due course in respect of the year ended 30th September, 1955. No order has yet been made by the Commissioner. At 30th September, 1955, therefore, there is a contingent liability in respect of super tax on undistributed income amounting to Rs. 7,42,000 approximately.

No accounts of the Company have been made up for any period subsequent to 30th September 1955.

The accounts of the Company for the years ended 30th September, 1951 and 30th September, 1952 were maintained in Osmania Sica rupees and these accounts have been converted into I.G. rupees for the purposes of this report at the rate of Exchange of O.S. Rs. 116-15-2 per I.G. Rs. 100/-.

We are, Gentlemen,
Yours faithfully,
LOVELOCK & LEWES.

Messrs. Lovelock & Lewes have given their written consent to the inclusion of the above Report and have not withdrawn such consent.

Capitalisation of Reserves and Undivided Profits: Since the inception of the Company the following undivided profits standing to the credit of the Company's Reserve Funds have been capitalised and applied in payment up in full of ordinary shares of equivalent amount.

Year	O.S. Rs.	I.G. Rs.
1935	3,94,390	4,96,220
1944	—	5,18,700
1945	—	12,50,000
1947	—	12,50,000
1951	—	12,50,000
1952	—	50,00,000
1954	—	I.G. Rs. 14,28,571

Capital Cover: The value of the net assets of the Company as at 30th September, 1955 as shown by the Auditors' Report included in this Prospectus is sufficient to cover the principal amount of this issue more than five times.

Prospects: The popularity of the Company's brands, particularly CHARMANAR SPECIALS, has steadily increased over the 25 years since the Company's formation and present turnover is in excess of Rs. 31 crores per annum. Although the cigarette market is very competitive one, the Directors consider that with the proposed modernization and re-equipment of the factory the Company should be able to meet the increased demand for its products and to maintain its reputation for the quality of its products.

As the result of this modernization programme, some further increase in turnover can be expected, which should enable the Company to continue to earn a satisfactory return on the capital invested in spite of increasing costs of production.

A contingent liability for additional super tax of approximately Rs. 3,84,000 and Rs. 3,58,000 exists under Section 23A of the Income Tax Act, 1922 (as amended by the Finance Act, 1955) in respect of undistributed profits for the years ended 30th September, 1954 and 30th September, 1955 respectively. In respect of the former year an application has been made to the Commissioner for relief from this liability on the grounds that the funds need to be retained for the business. Further applications are expected to be made as necessary in respect of the year to 30th September, 1955 and subsequent years in so far as

funds are required to be retained in the business in order to finance the Company's development.

STATUTORY AND GENERAL INFORMATION

Miscellaneous: The Company has not issued nor agreed to issue within the two years preceding the date hereof any shares or debentures either for cash or as fully or partly paid up otherwise than in cash.

The Company has not entered into nor does it propose at present to enter into any contract or arrangement whereby any option or preferential right has been given or is to be given to any person to subscribe for any share or debenture of the Company other than the prior offer to the ordinary shareholders of the shares now being issued in proportion to their holdings of ordinary shares as mentioned above.

The Company has not within the two years preceding the date hereof issued nor does it intend at present to issue any shares at a premium.

The Company has paid no sums within the two years preceding the date hereof nor are any payable as commission for subscribing or agreeing to subscribe or procuring or agreeing to procure subscriptions for any shares in or debentures of the Company or as discount in respect thereof nor is it intended that any should be paid in respect of the present issue. This issue has not been underwritten but brokerage will be paid by the Company as indicated below.

The amount of benefit has been paid to any promoter or officer within the two years preceding the date hereof nor is it intended that such should be paid.

Directors: The Articles provide that the qualification of each Director shall be the holding of ten ordinary shares of the Company.

The Articles provide that unless otherwise determined by the Company in general meeting, each Director other than a whole-time Director, of which there are at present two, shall be paid remuneration of Rs. 150 for each board meeting attended and that the whole-time Directors shall be subject to the sanction of the Central

IE VAZIR SULTAN TOBACCO COMPANY LIMITED—Cont'd.

preceding the date hereof or in the machinery and plant and equipment that will be purchased out of the proceeds of this issue.

Subscription: The amount being raised by this issue and by the preference shares already issued is required as additional working capital to finance the proposed modernisation programme which could otherwise only be financed by such reserves as could be set up over a period out of future profits within the restrictive limits imposed by Section 23A of the Income Tax Act. Although the full modernisation programme is estimated to cost Rs. 31,35,000 over a period of 3 years, the Directors consider that the minimum subscription upon which they can proceed to allotment is Rs. 15,00,000 of which Rs. 7,25,500 has already been subscribed by the present shareholders. The balance of the expenditure will, if necessary, be provided by the Company from its future resources. No other property is being purchased out of the proceeds of the issue, nor is there any uncompleted purchase or acquisition of property at the date hereof.

Borrowing Powers: The Articles provide that the Directors may from time to time raise or borrow for the purpose of the Company or secure the payment of any sums of money, such powers being restricted under the Companies Act, 1956 to an amount not exceeding the aggregate of the paid-up capital and free reserves of the Company.

Restrictions on Right to Transfer and Vote: The Articles of Association contain no restriction on the transfer of fully paid up shares.

The Directors may decline to register a transfer of any partly-paid up shares to a person of whom they do not approve and may also decline to register a transfer of partly-paid up shares on which the Company has a lien.

No member shall, unless the Directors otherwise determine, be entitled to vote at any general meeting, either personally or by proxy, or to exercise any privileges as a member unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.

Contracts: The following contracts, not being contracts in the ordinary course of business, which are or

may be material have been entered into by the Company during the two years preceding the date hereof—

1. Agreement dated 12th June, 1956 between this Company, The Raleigh Investment Company Limited and The Imperial Tobacco Company of India Limited in which The Raleigh Investment Company Limited is granted the right to nominate any Company as the sole customer of this Company's brands of cigarettes outside the Union of India and this Company agrees not to carry on business outside the Union of India except under the terms of this Agreement.

2. Agreement dated 12th June, 1956 between this Company and The Imperial Tobacco Company of India Limited in which The Imperial Tobacco Company of India Limited is with effect from 1st November, 1956 appointed sole distributor of this Company's brands of cigarettes in certain areas of the Union of India and is authorised to manufacture those brands on the terms and conditions therein contained.

Documents: Copies of the Memorandum and Articles of Association of the Company, the original Consent Order of the Controller of Capital Issues, copy of the Contracts referred to above, the original of the Auditors' Report set out in this Prospectus and the Balance Sheet and Profit & Loss Accounts on which it was based can be inspected at any time from the date hereof until the subscription list is closed during the usual business hours at the Registered Office of the Company.

Application and Acceptance: Applications, which must be for 5 shares or multiples of 5 shares, must be made on the accompanying official form and will be refused if not so made. The application form, together with a remittance of the full amount payable on application, should be sent to the branch of the Hyderabad State Bank at Gunfoundry, Abid Road, Hyderabad, Deccan or to the branches of that Bank either at Secunderabad, Bombay or Madras, or to the branch of the State Bank of India at Sultan Bazaar, Hyderabad, Deccan or to the branches of that Bank either at Secunderabad, Bombay, Calcutta, Madras, Guntur, Kurnool, Vizakhapat-

nam or Vijayawada, the addresses of the branches of such Banks being shown on the reverse of the application form. The remittance if not made in cash should be made by cheque or draft drawn either upon the branch of the Bank to which the application form is being sent or upon a Bank situated in the same town provided that an application form being sent to the branch of the Hyderabad State Bank at Hyderabad, Deccan, may be accompanied by a cheque or draft drawn upon any branch of that Bank situated within the State of Hyderabad. Application forms sent with cheques or drafts drawn on Banks other than those stated above may be refused.

Cheques or drafts should be made payable either to the Hyderabad State Bank or the State Bank of India as the case may be for the credit of "The Vazir Sultan Tobacco Company Limited Account Preference Issue" and should for the applicant's protection be crossed "A/c Payee Only". A separate cheque or draft must accompany each application form.

Acceptance will be notified by the despatch of an Allotment Letter but the Directors reserve the full and uncontrolled right of accepting or rejecting any application in whole or in part. Where an application is rejected or not accepted in full, the whole or any balance of the application money received will be refunded to the applicant, in which event bank's commission, if any, will be payable by the applicant. Share Certificates will be available for issue in exchange for Letters of Allotment on or after 15th October, 1956, and each successful applicant for more than 25 shares will receive Share Certificates in lots of 25 shares, and such smaller denominations as may be required to complete the total number of shares allotted except when the applicants request Share Certificates in larger denominations. Such Allotment Letters and Share Certificates will be despatched by registered post at the applicants' risk.

Brokerage: Brokerage at the rate of Re. 1 per Share will be paid by the Company on acceptances made in respect of applications bearing the stamp of a recognised stockbroker.

Copies of this Prospectus and forms of application may be obtained from the Registered Office of the Company at Azamabad, Hyderabad, Deccan or from—

THE HYDERABAD STATE BANK

HYDERABAD
SECUNDERABAD
BOMBAY
MADRAS

P. B. AFZALPUKAR, Stock & Share Broker, Sultan Bazaar, Hyderabad, Deccan.
FLANCE, SIDDONS & GOUGH, 6, Lyons Range, Calcutta.
BATLIVALA AND KARANI, Union Bank Building, Dalal Street Fort, Bombay.
PATERSON AND COMPANY, 22, Errabalu Chetty Street, Georgetown, Madras-1.

Gunfoundry, Abid Road, Hyderabad, Deccan.
Rastrapati Road, Secunderabad, Deccan.
Mahatma Gandhi Road, Fort, Bombay.
Linghi Chetty Street, Madras-1.
and at their Branches throughout Hyderabad State.

THE STATE BANK OF INDIA

HYDERABAD ... Sultan Bazaar, Hyderabad, Deccan.
SECUNDERABAD ... 78, Rastrapati Road, Secunderabad, Deccan.
BOMBAY ... Fort, Bombay.
CALCUTTA ... 1, 2 and 3, Strand Road, Calcutta.
MADRAS ... Mount Road, Madras.
GUNTUR ... Guntur, Andhra State.
VIZAKHAPATNAM ... Vizakhapatnam, Andhra State.
KURNOOL ... Kurnool, Andhra State.
VIJAYAWADA ... Vijayawada, Andhra State.

Dated 16th August, 1956.

I AGREE that today's London Conference will be the first great trial Indian statesmanship has yet had to face. I also share the view of responsible circles, both here and abroad, that India's part in this critical international drama is being handled splendidly. It is, perhaps, easier for a country which is not a party to a dispute, to take an objective view of it. But being in a similar position has not prevented other nations from losing sight of the real issues. It is a tribute to Mr. Nehru's sound commonsense that India now has her eyes fixed firmly on what are, for her, the two essentials—world peace and the maintenance of her own long-term interests. These days, of course, it is not only a country's statesmen who decide its policy; democracy means that the general public, through the Press, must have its say too. It was not to be expected that all India's newspapers, especially the so-called "popular" ones, would show the same objectivity; history is against it and the man in the street likes his politics presented in simple black and white. Only a mere handful of papers has really faced the choice between responsibility and asininity, and it is to their credit that so many have chosen the former. Many of the leading articles published by the better newspapers have been a credit to their objectivity and fairmindedness and a joy to read whichever side one's sympathies happen to be on. The same praise is, due to the work of India's correspondents and political commentators both here and abroad. But there have been exceptions and sometimes in places where they are least excusable. It is bad enough that, in certain places, personal prejudices and an inadequate grasp of the subject should be distorting what are being presented as responsible reports, but it is infinitely worse when the writer is using his opportunities to curry favour in high places. A balanced view of the London Conference is essential, but it will not be easy to obtain if the reports appearing in some of our best newspapers are to be used for the expression of the correspondent's own personality, and in one notable case for furthering his extra-journalistic ambitions as well. Such behaviour is not only unprofessional, at a time like this it is positively damaging to international relations.

As Mr. Nehru reminded India's cartoonists the other day, all capitalists are not pot-bellied, any more than all artists are long-haired. But a certain naïveté persists in the popular notion of "types" so I was, therefore, interested to see, in that very well-made film *The Man in the Gray Flannel Suit* that Mr. Fredric March, the big boss, does not bark his orders at his subordinates. There is something phoney, however, in the message of the film, which Mr. Robert Bingham sums up in that excellent American magazine *The Reporter* as: Be glad you are a drone. Contrary though it may be to everyone's notion of the American tycoon, of what is called the American philosophy of life, I would set it down as my belief that nowhere else in the world is failure so worshipped. And, let me hasten to add, this is slightly more revolting than the Americans' more famous *pujah* at the altar of success. What does Tom Rath, the hero in the gray flannel suit, do in the film? Admittedly, he quits a job on seven thousand dollars a year to take up another on nine thousand. Is he then set on the highway to success? No, sir; although success could be his for the asking, for he had won the heart of the boss by telling him (you'd be surprised) just how childish wrong he could be. Is Mr. Rath, said to be a typical American, dedicated to his job? Wrong again; he is, in the words of Mr. Bingham, "a family man at heart...will render grudgingly unto the bitch goddess no more than the hours nine to

A DITCHER'S DIARY

five." This is the other myth about existence in America and, even if this be a useful corrective to the high-pressed life there, the miseries of which are easily exaggerated, I can see this glorification of failure doing distinct harm here in India. Failure, let us admit it, is a beastly thing, and there is no truth whatever in the thesis that success, by its very nature, is a bad one.

I have never been one of those *blase* people who can read in an aeroplane—I prefer to look out of the windows. And one of the many things I do not like about air travel is that I can so seldom do so. That is why the movement which is growing in West Germany to risk another experiment with the Zeppelins, has its appeal for me. One of the big advantages of an airship is the uninterrupted view one can get from an armchair seat in the cabin; high speeds are not practical anyway so the small windows which go with high altitudes and pressurisation are simply not necessary. Another point in favour is extra room. For those who are impressed by statistics, an airship such as the one which is being tentatively planned at Friedrichshafen could provide thirty cubic metres of space for each passenger compared with the mere two available in the modern airliner. Better still, each traveller can have a separate cubicle. The main drawback is, of course, the time taken compared with present-day jet-propelled standards. An airship would take up to five times as long to make any given journey as one of the new jet airliners which will soon be in service. But it will do it at prices perhaps one-third the usual tourist fare. This is because the original cost of a dirigible is so much less than that of its heavier-than-air competitors, and it does not need expensive installations—a simple mooring mast in an ordinary field is all the landing equipment required. Airships have a bad record for safety, but their present-day enthusiasts claim that there is no need for the mistakes which caused the disasters of the thirties. A dirigible powered by diesel engines and filled with helium gas is, so they say, completely safe. They also point out, and I find this quite startling after the series of disasters we remember from twenty-odd years ago, that apart from the thirty-three lives lost on the LZ Hindenburg at Lakehurst in 1937, no passenger on a Zeppelin has ever met with a serious accident. It seems to me airships might have a place in modern transport, especially of the growing tourist kind where speed comes second to cheapness and a good view of what is going on. It may not be long before there is a real "see-the-world-by-Zeppelin" service. Large portions of the Zeppelin Foundation managed to survive the war so that some money is available, although not enough to rebuild a full-scale transatlantic airship service. The promoters of the plan hope that more funds will be raised if they are able to convince the world there is a future in this kind of travel. In the interest of larger windows and a better view of the earth below, all I can say is, in the words of a famous film cartoon character when asked to contribute towards a moon-rocket; "Here's my two bits".

I have a feeling the average man takes little interest in United Nations affairs. It is always "so far away", and the organisation has not yet evolved any adequate means of putting its activities over with the masses. For example, although in this city the U.N.I.C.E.F. frequently distributes milk powder and other infant foods, the beneficiaries scarcely ever know where they come from,

and all the credit is appropriated by the local agencies through which distribution is made. I believe this happens in most other cities and countries. If every distributing agency took care to tell the public that the supplies originate from a U.N. body, then the organisation would not be so remote; it might, eventually, be credited with concerning itself over matters not always politically utopian. These thoughts are prompted by the news that under the auspices of the U.N.E.S.C.O., the International Convention for the protection of cultural property in the event of the outbreak of an armed conflict, came into effect last week-end. I was rather surprised to note that most newspapers missed this important matter altogether, while the rest, with one or two exceptions, published it in inconspicuous corners. This seems to show that the Press itself often displays a regrettable apathy towards the U.N. The Convention is described as a kind of "cultural red-cross" among whose forty-four signatories are India, the U.K., the U.S.A., the Soviet Union, France, the German Federal Republic and Japan. It provides that in time of war works of art, monuments and historic buildings will get the same amount of consideration and protection as are accorded hospitals, ambulances and medical personnel—which is often disgracefully little. An international emblem, a flag with a blue and white shield, has been devised to mark property claiming immunity from attack, and an international register listing such property will be prepared under the auspices of the U.N.E.S.C.O. so that the signatory countries can take various measures for its protection. The idea is a good one, but it seems to me that hydrogen bombs are unlikely to be persuaded to respect works of art any more than they will the human beings who are trying to protect them.

My admiration for Mr. Mihir Sen is unbounded. It is not merely that he comes from Calcutta, but— and this is a much more important reason—he seems to know exceedingly well the art of taking the sting out of failure. There must be few under the sun who have got from success as much as he has from his lack of it. Since he failed to swim the English Channel last time he has had nothing but bouquets from the Press, or at least a large section of it. Mr. Sen, we are told, is now under training for his next attempt and he has already started giving his talks to Press representatives. I hope he will have better luck this time, but I wonder if he will gain more from success than he is used to doing from failure. If he succeeds, the story will be published in the newspapers only once and no more; whereas, if he fails he will no doubt go on getting himself written-up. Besides, possessing a mercurial temperament such as he appears to, he may console himself in the manner of the lover in Browning who, having scoured the mansion in search of his beloved and failed to find her, exclaims, "What chambers have I travelled through!" Connected with Mr. Sen's training is a fact which, I think, calls for comment. Mr. Billy Butlin, the organiser of the international cross-Channel swimming race, has banned the Egyptian contingent from participating in this year's event. The ground? The Suez Canal trouble. This seems quite fantastic and I am glad to note that the leading sports journals in Britain have pilloried Mr. Butlin for his stupidity. The ban has had the incidental effect of depriving Mr. Sen of the services of his Egyptian trainer. Such are the follies of rabid nationalism. Perhaps Mr. Butlin can be persuaded to do his country the honour of refraining from making her look ridiculous in the eyes of the world. It is to be hoped so—and quickly too.

THE DITCHER.

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(3) Government of Bombay	Rs. 750 lakhs Issue price Rs. 100-0 per cent
(4) Government of Hyderabad	Rs. 200 lakhs Issue price Rs. 99-8 per cent
(5) Government of Madhya Bharat	Rs. 100 lakhs Issue price Rs. 99-4 per cent
(6) Government of Madhya Pradesh	Rs. 150 lakhs Issue price Rs. 99-4 per cent
(7) Government of Madras	Rs. 1250 lakhs Issue price Rs. 99-12 per cent
(8) Government of Mysore	Rs. 400 lakhs Issue price Rs. 99-8 per cent
(9) Government of Orissa	Rs. 300 lakhs Issue price Rs. 99-4 per cent
(10) Government of Punjab	Rs. 200 lakhs Issue price Rs. 99-4 per cent
(11) Government of Rajasthan	Rs. 300 lakhs Issue price Rs. 99-8 per cent
(12) Government of Saurashtra	Rs. 250 lakhs Issue price Rs. 99-8 per cent
(13) Government of Travancore-Cochin	Rs. 200 lakhs Issue price Rs. 99-4 per cent
(14) Government of Uttar Pradesh	Rs. 800 lakhs Issue price Rs. 99-8 per cent
(15) Government of West Bengal	Rs. 700 lakhs Issue price Rs. 100-0 per cent

All the State Governments reserve the right to retain subscriptions upto ten per cent in excess of the notified amount.

All the above loans will be repaid at par on 3rd September, 1968 except that of the Government of Bombay which will be repaid at par on 3rd September, 1970.

THE LOANS WILL OPEN FOR SUBSCRIPTION ON 3RD SEPTEMBER, 1956 AND CLOSE ON 10TH SEPTEMBER, 1956 OR EARLIER WITHOUT NOTICE AS SOON AS SUBSCRIPTIONS APPROXIMATE TO THE AMOUNT OF EACH ISSUE.

All the loans will bear interest from 3rd September, 1956.

Subscriptions may be in the form of CASH/CHEQUE in respect of all the loans. 3% BOMBAY GOVERNMENT LOAN 1956, 3% MADHYA PRADESH LOAN, 1956 and 3% MADRAS GOVERNMENT LOAN 1956 will be accepted AT PAR for conversion into the new loan of the Government concerned; interest on the securities of the respective loans tendered for conversion will be paid upto and including 2nd September, 1956.

3½% TRAVANCORE GOVERNMENT LOAN, 1956 will be accepted AT PAR for conversion into the new loan of that Government. In addition to the interest due on securities of that loan tendered for conversion, tenderers will be paid interest at the rate of 4 per cent per annum on the amount of the principal of such securities from 16th August, 1956 to 2nd September, 1956 inclusive.

APPLICATIONS FOR ALL THE LOANS WILL BE RECEIVED AT THE OFFICES OF THE RESERVE BANK OF INDIA AT BOMBAY, CALCUTTA, DELHI, MADRAS AND BANGALORE.

APPLICATIONS will also be received at PLACES WITHIN THE RESPECTIVE STATES as follows:—

(i) At the branches of the State Bank of India and at Treasuries and Sub-treasuries in the case of Andhra, Bihar, Bombay, Madhya Pradesh, Madras, Orissa, Punjab, Rajasthan, Saurashtra and Uttar Pradesh loans.

(ii) At the branches of the State Bank of India in the case of West Bengal loan.

(iii) At the branches of the State Bank of India and at District Treasuries only in the case of Madhya Bharat loan.

(iv) At the branches and treasury pay offices of the Hyderabad State Bank and at Treasuries and Sub-treasuries in the Hyderabad State in the case of Hyderabad loan.

(v) At the branches of the Bank of Mysore Ltd., in the Mysore State except at Bangalore and at Taluk Treasuries in the Mysore State at places where there is no branch of the Bank of Mysore Ltd., in the case of Mysore loan.

(vi) At Treasuries and Sub-treasuries only in the case of Travancore-Cochin loan.

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Our City Cable

UNCERTAIN MOOD IN STOCK MARKETS

ANXIETY OVER SUEZ ISSUE

London, 14th August. BUSINESS in the London Stock Exchange has been at a very low level during the past week. The markets continue to be overshadowed by the Suez Canal developments. Virtually all sections have lost ground with oils the chief sufferers. Share losses have been recorded in oils, but falls elsewhere have not been heavy. Oils suffered from heavy selling prior to the week-end, although this subsided subsequently and the prices then held fairly steady. Canadian issues also were a very active market, following investment and speculative buying. But buying tapered off later, particularly following the sales of U.S. Treasury bonds by the British Government, and the increase in the Canadian bank rate. Gilt-edged securities attracted modest demand prior to the week-end, but small gains were lost later when the support dried up and prices recorded little change on balance. Suggestions that there may be an autumn Budget did not help matters. Foreign bonds were subdued, and generally little changed on balance. Industrial equities attracted little attention although there was selective interest in American favourites such as Borax and a number of other issues. Prices in the industrial market were mostly lower, but falls usually were small. Gold shares drifted lower with the rest of the market, but coppers advanced before reacting and losing some of their gains in sympathy with the reaction in Wall Street. Other base metals moved uncertainly. Rubbers moved within narrow limits and similar conditions prevailed in tea shares, although the tendency in teas was slightly easier.

The Money Market

The market experienced a rather harrowing week. A heavy drain on the bank's cash resources due to revenue payments, created an acute shortage of funds against which the discount houses had to pay for a large volume of new bills in a shorter working week. Under the stress of demand for money, up to 5½ percent was paid for loans during the most difficult phase. The real crisis developed on Wednesday when credit supplies were so short, with no official assistance available, that most of the discount houses were forced to borrow a fairly large amount from the Bank of England for the week. This was due to a planned non-intervention by the authorities to assist the market during the following week when the banking system following the repayment of the non-assented portion of the National War Bonds, 1954-56, due for redemption on 15th August. Further penal borrowing had also to be undertaken on Thursday by a number of market houses, but on Friday, the situation took a comfortable turn with the volume of credit expanding sufficiently to balance with demand. In spite of the difficult week and high cost of money, the discount market made no change in its tender bid for the week's offer of Treasury bills and the average rate showed little change at 100s 5.84d percent. Applications for £280 million worth of 91-day bills totalled £409,905,000 and were allotted at an average rate of 100s 5.84d against 100s 3.79d in the previous week. Offerings this week comprise £280 million worth of 91-day bills. The Bank of England return for the week ended 8th August showed that bankers' deposits were about £11 million lower at £189 million, while notes in circulation were £2 million lower at around £1,977 million.

Rubber Market Irregular

In a nervous and unsettled market rubber prices moved erratically during the week ended 9th August and closed the period about 1d a lb lower on balance, having lost an interim gain of 2d. The market was virtually dominated by the Suez situation with prices moving unduly under the weight of selling or buying orders. Normal market influences were largely disregarded. Traders reported only occasional demand from the factories. Sole crepe remained scarce, and although demand was small, the offerings available commanded a small premium over recent values with 44d paid for 1½ inch smooth No. 1 on the spot.

Platinum Steady

The platinum market was steady with both primary sellers and outside dealers quoting \$103 to \$105 an ounce. Supplies were adequate for current needs, but not enough for inventory building. Petroleum industry and other industrial users continued to be substantial consumers, while demand from jewellery trade was seasonably light. Offers from Europe to the United States remained limited.

U.S. Federal Reserve Return

The U.S. Federal Reserve Return for the week ended 8th August shows that gold stock rose by \$26 million to \$21,655 million and foreign deposits fell by \$19 million to \$277 million, while foreign investments rose by \$24 million to \$3,703 million. The Federal Reserve neither bought nor sold bills during the week. Total discounts and advances rose by \$25 million to \$717 million, while the aggregate excess reserves of member banks rose by \$4 million to \$242 million. The daily average excess reserves of member banks rose by \$85 million to \$570 million, while their daily average borrowings rose by \$227 million to \$917 million. Business loans of the New York city banks fell by \$30 million to \$10,062 million, compared with the rise of \$80 million to \$8,163 million in the corresponding week a year ago.

Finance in India and Abroad

THE CALCUTTA MONEY MARKET

LITTLE CHANGE IN DEMAND

Tuesday, 14th August.

CONDITIONS in the money market continue easier, but the rate at which funds are returning from the various sources of demand is still slow for the time of year. The sugar industry is gradually decreasing its commitments, and there has been some further contraction in advances on account of grains and seeds. The interbank market is easier, and it is reported there are lenders over at the unchanged call rate of 3½ percent.

Activity in the bill market continues to be well maintained. A fair number of gunny documents has been seen and a rather better showing of tea and shellac bills is reported. Remittance has been normal. Sterling has remained steady after its sharp fall a fortnight ago, although the last few days have seen a limited renewal of selling pressure. The American dollar remains steady at Rs. 480½.

The Reserve Bank of India has announced that dealings in U.S. and Canadian dollars may, from 3rd September, take place at rates to be decided by prevailing market conditions. Dealings will continue to be regulated by the terms and conditions laid down by the Exchange Banks Association and all transactions will have to take place at or between the Bank of England's official buying and selling rates. It is hoped that this move will provide greater flexibility of operations to the exchange banks and dealers in U.S. and Canadian dollars. A certain amount of competition can be expected to take place among banks and authorised dealers. The decision does not involve any change in the Foreign Exchange Control regulation governing these two currencies.

Silver was firm on renewed support and advanced from the previous week's level of Rs. 171 to Rs. 171½, quoted today. The ready metal was quoted at Rs. 172½. The London price increased from 78½d to 79d. The price of foreign silver in New York rose from 90½ to 90½ cents.

Gold was steady in sympathy with silver and the price rose from Rs. 103-12 to Rs. 104-2. The sovereign at Rs. 67-2 was 6 annas higher.

The return of the State Bank of India for the week ended 3rd August, 1956, shows a rise of Rs. 1.74 crores in total deposits to Rs. 223.05 crores. Investments in Government securities are up by Rs. 5.61 crores to Rs. 94.83 crores, while other authorised investments are down by Rs. 4 lakhs to Rs. 11.25 crores. Advances, including loans, cash credits and overdrafts, and bill discounted and purchased, have declined by Rs. 10 lakhs to Rs. 126.34 crores. Cash and balances are, in consequence, shown at Rs. 14.43 crores, or Rs. 3.90 crores less.

The statement of the position of scheduled banks for the week ended 3rd August, 1956, discloses Demand and Time liabilities at Rs. 636.08 crores (Rs. 12.82 crores on account of borrowings from banks) and Rs. 458.08 crores (Rs. 3.86 crores), compared with Rs. 639.68 crores (Rs. 11.66 crores) and Rs. 456.97 crores (Rs. 3.56 crores), respectively in the previous week. Cash and balances with the Reserve Bank have fallen by Rs. 1.80 crores and Rs. 82 lakhs to Rs. 36.01 crores and Rs. 49.56 crores respectively. There is a rise of Rs. 7.96 crores in investments to Rs. 361.35 crores. Advances and bills discounted at Rs. 739.09 crores show a drop of Rs. 1.23 crores. The ratios to total liabilities of cash and balances, and of advances and discounts, are, in consequence, shown at 7.8 percent and 67.5 percent against 8.1 percent and 67.5 percent.

Up to the end of June, 1956, the Rehabilitation Finance Administration disbursed about Rs. 1,023.32 lakhs by way of loans to displaced persons. The amounts given to D.P.s from West Pakistan and East Pakistan were Rs. 709.96 lakhs and Rs. 313.36 lakhs respectively. The total amount of loans sanctioned by the Administration was Rs. 1,254.32 lakhs. Of this, Rs. 816.60 lakhs was sanctioned to West Pakistan D.P.s and Rs. 364.84 lakhs to those from East Pakistan. An amount of Rs. 72.68 lakhs was granted on 6,870 fresh applications from East Pakistan refugees. The total number of applications for loans received by the Administration by the end of June, 1956 was 87,375 of which 72,617 were disposed of.

RECORD U.K. STEEL OUTPUT

Steel production in the U.K. in July was at the rate of 326,000 tons a week, compared with 307,000 tons a week in the corresponding period of 1955—a record for the month. Announcing this, the British Iron and Steel Board says that total production of steel for the first 30 weeks of this year was 11,900,000 tons, compared with 11,300,000 tons for the same period of 1955—an increase of 5.3 percent. Production in July was at an annual rate of 16,900,000 tons, but in May it was running at the rate of 20,600,000 tons a year. It seems likely that a considerable increase over the 1955 output will be recorded in the current quarter—and also that the annual target of 21,000,000 tons of crude steel will be brought well within reach.

RESERVE BANK ISSUE DEPARTMENT (In 000's of Rupees)			
	3-8-56	27-7-56	12-8-55
Liabilities—			
Notes in Banking Dept.	30,28.67	32,99.10	21,34.13
Notes in Circulation	14,47.14.64	14,44.28.08	13,07.13.41
Total Notes issued	14,77.43.31	14,77.27.18	13,28.47.54
Assets—			
A Gold Coin and Bullion	40,01.71	40,01.71	40,01.71
Foreign Securities	6,16.67.54	6,16.67.54	6,37.04.02
Total of A	6,56.69.25	6,56.69.25	6,77.05.73
B Rupee Coin	1,12.11.93	1,11.95.80	1,07.73.07
Rupee Securities	7,08.62.13	7,08.62.13	5,43.68.74
Total	14,77.43.31	14,77.27.18	13,28.47.54
BANKING DEPARTMENT			
Liabilities—			
Capital Paid-up	5,00.00	5,00.00	5,00.00
Reserve Fund	5,00.00	5,00.00	5,00.00
National Agricultural Credit (Long-term) Fund	15,00.00	15,00.00	...
National Agricultural Credit (Stabilisation) Fund	1,00.00	1,00.00	...
Deposits—			
(a) Central Govt.	61,04.60	76,16.09	75,02.01
(b) Other Govts.	3,86.44	6,83.50	9,44.06
(c) Banks	47,89.79	53,34.84	53,73.79
(d) Others	12,21.60	12,21.80	15,65.56
Bills Payable	4,99.53	6,03.08	11,02.48
Other Liabilities	27,66.21	25,98.94	26,26.51
Total	1,85,68.17	2,06,58.25	2,01,14.41
Assets—			
Notes	30,28.67	32,99.10	21,34.13
Rupee Coin	3.80	9.76	7.07
Subsidiary Coin	5.82	5.63	7.22
Bills Discounted Int.	2.00	2.00	62.30
Govt. of India Treasury	2,38.93	3,26.17	7,48.61
Balances held abroad	36,79.22	42,75.30	81,94.20
Loans to Govt.	5,04.35	5,15.75	3,57.00
Other Loans etc.	53,37.13	65,53.32	18,74.52
Investments	49,41.15	49,39.43	62,02.22
Other Assets	6,27.04	7,31.29	5,26.34
Total	1,85,68.17	2,06,58.25	2,01,14.41

SCHEDULED BANKS

(In 000's of Rupees)			
	3-8-56	27-7-56	5-8-55
Demand Liabilities—			
(a) Borrowings from Banks	12,32.08	11,66.30	12,09.36
(b) Others	6,23.25.75	6,28.01.97	5,90.78.75
Time Liabilities—			
(a) Borrowings from Banks	3,86.30	3,56.30	3,66.90
(b) Others	4,54.21.74	4,53.40.64	4,06.55.16
Borrowings from State Bank Demand Liabilities	6,94.86	5,74.95	3,15.87
Time Liabilities	36,00.80	37,91.13	34,36.99
Cash	49,56.41	50,38.06	48,04.95
Balances with the Reserve Bank	10,19.14	10,25.70	10,29.09
Balances with other banks in current account	17,29.52	15,52.00	22,42.86
Money at calls and short notice	3,61.34.78	3,33.39.28	3,69.90.82
Investments in Central and State Govt. Securities	5,96.47.37	5,97.63.65	4,89.90.42
Advances	96,35.27	95,51.29	72,21.71
Interest bills purchased and discounted	46,26.02	47,17.24	41,04.18
Foreign bills purchased and discounted	...	...	...

CLEARING HOUSE RETURNS

	Week ended	Rs (thousands)
	Calcutta	Bombay
10-8-56	44,32.05	57,00.14
3-8-56	63,06.19	37,65.13
27-7-56	49,16.68	55,47.44
20-7-56	54,08.78	37,36.39

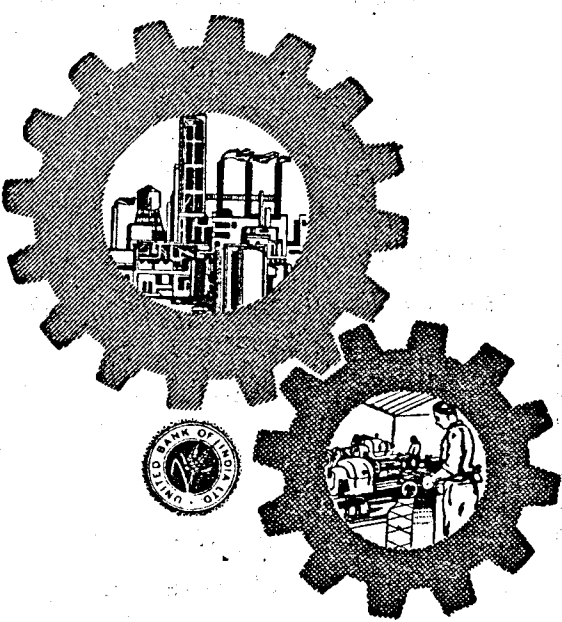
STATE BANK OF PAKISTAN

ISSUE DEPARTMENT (In 000's of Rupees)			
	ended	ended	ended
	27-7-56	20-7-56	20-7-56
Liabilities—			
Notes in Banking Department	14,79.09	11,32.52	11,32.52
Notes in Circulation	2,81,09.44	2,84,46.40	2,84,46.40
Total Notes issued	2,95,88.53	2,95,79.01	2,95,79.01
Assets—			
A Gold Coin and Bullion	11,33.41	11,33.41	11,33.41
Sterling Securities	96,64.02	96,64.02	96,64.02
Government of India Securities	16,69.91	16,69.91	16,69.91
India Notes representing assets receivable from the Reserve Bank of India	43,02.58	43,02.58	43,02.58
B Rupee Coin	6,56.27	6,55.75	6,55.75
Govt. of Pakistan Securities	1,15,63.23	1,15,63.23	1,15,63.23
Held with Reserve Bank of India pending transfer to Pakistan	...	...	...
Gold Coin and Bullion	19.02	18.02	18.02
Sterling Securities	4,40.63	4,40.63	4,40.63
Govt. of India Securities	1,00.90	1,00.90	1,00.90
Rupee Coin	29.51	29.51	29.51
Total	2,95,88.53	2,95,79.01	2,95,79.01
BANKING DEPARTMENT			
Liabilities—			
Capital Paid-up	3,00.00	3,00.00	3,00.00
Reserve Fund	3,00.00	3,00.00	3,00.00
Deposits—			
(a) Central Government	29,66.10	33,60.40	33,60.40
(b) Provincial Government	10,12.08	7,77.37	7,77.37
(c) Banks	19,28.50	20,06.73	20,06.73
(d) Others	3,85.79	3,90.38	3,90.38
(e) Others	1,56.05	1,86.68	1,86.68
Bills Payable	10,28.31	9,75.53	9,75.53
Other Liabilities	80,76.83	82,97.09	82,97.09
Assets—			
Notes	14,79.09	11,32.52	11,32.52
Rupee Coin	...	...	...
(a) Pakistan	11	11	11
Subsidiary Coin	...	...	...
(a) Pakistan	14	11	11
(b) India	...	...	...
Bills Purchased and Discounted—			
(a) Internal	64.60	53.52	53.52
(c) Govt. Treasury Bills	...	...	...
Loans and Advances to Govt.	...	...	...
Provincial Govt. Debtor Balances	...	...	...
Other Loans and Advances	4,30.50	3,70.50	3,70.50
Investments	51,04.99	56,27.94	56,27.94
Other Assets	9,97.40	11,12.39	11,12.39
Total	80,76.83	82,97.09	82,97.09



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Engineering and Transport

**BRITISH AIRCRAFT ON SHOW
MOST REPRESENTATIVE EXHIBITION
LIKELY THIS YEAR**

THE Society of British Aircraft Constructors' exhibition this year at the Royal Aircraft Establishment, Farnborough, will be the largest yet. Some 338 manufacturers—20 more than last year—will show aircraft, components and equipment ranging from complete aircraft and engines to wine glasses, tools, wireless, television and radar equipment, lamps, propellers, flight instruments and components manufactured from unfamiliar metals. Complete engines will be shown by several manufacturers and all the bits and pieces that comprise these engineering wonders will also be on view. Joseph Sankey who manufactures components for Armstrong-Siddeley, de Havilland and Blackburn engines will be showing many of their products—combustion chamber casings, flame tubes and other parts with highly technical names.

Joseph Lucas will be exhibiting a wide range of pumps, one of which is capable of delivering fuel to an engine at 1,600 gallons an hour. Henry Wiggin will be showing samples of Nimonic alloys—a metal evolved in recent years to stand

up to the fantastic temperatures common in gas-turbine engines. An intriguing ram air turbine will be on view on the Plessey stand. Engine failure in an aeroplane may also result in hydraulic power failure, so Plessey have devised a ram air turbine, effective at up to 750 m.p.h. at sea level, that can be swung out into the airstream, thus providing necessary emergency power. Units of this type weigh about 18 lbs. and are due to be installed in several new aircraft.

Engine Testing Equipment

Other aspects of engine operation will be provided by Cementation Ltd., who will show examples of Muffelite test house silencing—a vital factor when testing engines of many thousands of horse-power—and British Thomson-Houston who are exhibiting a new design of engine starter. This starter, which uses liquid fuel, can be easily re-charged through pipes—unlike the more usual cartridge starter—its position being of relatively minor importance. A Murex ground power unit will be used to start many of the aircraft taking part in the flying display. Metals with weird names will be on view on the Accles and Pollock stand—tubes manufactured in niobium, titanium and zirconium, metals of particular interest to designers of aeroplanes of the future. Tufnol will be showing a variety of ways in which the substance that bears its manufacturer's name is being used in the aircraft industry. Tufnol is half the weight of aluminium, yet is extremely hard-wearing. In sheet form, it can withstand loads of up to 22,000 lbs. a square inch. It is used for gear-wheels, bearings and similar components that have to withstand great stresses.

Airframe equipment and components form the greater part of the exhibition. S. G. Brown will be showing their new "master reference gyro" which, the manufacturer says, is in advance of all similar equipment. Propellers will be prominent on the Rotol stand as well as the undercarriage of the Britannia airliner. Fireproof tanks will be showing a crash-proof synthetic rubber fuel tank which looks like a bulbous cushion, while Battewell will have on view Perspex champagne glasses, plates, cups and jugs weighing a mere ounce or two.

London Airport Activity

More than 100,000 Aldis signal lamps have been manufactured and a new model, five times as brilliant as its predecessor, will be on view. Lockheed-Avery will be showing a high pressure coupling designed for working pressures of up to 5,000 lbs. a square inch. Normal air will have an ejector seat on their stand containing a dummy fitted with the latest pressure suit and helmet, including ventilation and breathing equipment. One of the more spectacular exhibits will be Marconi's televised picture of aircraft activity in London Airport. Another stand that should attract attention will be Fairey's which will feature, among other things, the movable nose section of the F.D.2, holder of the world's speed record for aircraft. This, it will be recalled, is lowered 10 degrees when landing in order to give the pilot a good view of the ground. Outside, in the "Equipment Park," the Martin Baker ejection seat mobile training tower will be pointing skywards, mounted on a "Caution 60 ft. long" chassis. This may well be many a visitor's last impression of the most representative exhibition yet staged by the British Aircraft Industry.

CONTACTLESS SELF-WINDING ELECTRIC CABLE REEL

The presence of fine particles of dust in the atmosphere, due to sieving, grading and similar processes in the tea industry, constitutes a threat to the health of the personnel. In many industries special precautions have to be taken to protect them from this danger. An aspect which is sometimes overlooked is the risk of fire or explosion wherever concentrations of dust occur. Such concentrations are liable to collect on window ledges, roof trusses and shelves, and remain unnoticed until a serious accident is caused. The use of dust-tight equipment suggests itself as a means of overcoming this problem, with the employment of dust-extracting plant as a secondary precaution.

After all possible care has been taken in preventing dust formations, the second step is to ensure that the temperature never rises to ignition point by open lights, fires or smoking. Even a spark from iron boot-nail on concrete has been known to start a fire and any electric plant, where there is this dust risk, must be of a type incapable of igniting the dust. In this connection, mention may be made of the use of the "Wayne" contactless self-winding electric cable reel which has been specially developed for use in such circumstances. The design is similar in appearance to the normal slip-ring equipped pattern, but the rubber cable is not broken between the points of contact with the machine which is being supplied with current and where it is connected to the electric supply point. The advantages are obvious where operating conditions are bad and where dust might easily penetrate to the contact surfaces of the slip-ring gear. There is also another interesting version in which the cable is paid off in opposite directions, i.e., double acting, but in this case, the "Wayne" trailer reel must move along the R.S.J. which carries the hoist. Otherwise the cable attached to the supply point would sag as it is paid off the drum. The cable reels are manufactured by Power House Components Ltd., of Wayne House, Nottingham, England, and carry the registered trade mark "P.H.C."

Stocks and Shares

**SPECULATORS THRIVE ON SUEZ CANAL
CRISIS**
**EQUITIES BUOYANT: GOVERNMENT SECURITIES
CONTINUE DULL**

THE stock market has enjoyed distinctly brighter conditions during the past week. Operators have been influenced by improved advices from Bombay and, even more important, by the developments in the international situation. It is considered, rather illogically, that India's industries and exports stand to benefit if the position deteriorates to the point where stockpiling will begin. Such speculative counters as Indian Copper have firmed on these expectations and this scrip was quoted at Rs. 7-1 after hours this evening. Indian Irons have strengthened to Rs. 37-8 and other speculative shares are better in sympathy.

One of the more promising features of this week's trading has been the improved volume of investor support. This is not yet large and it still has a great deal of leeway to make up after the stagnant conditions of the past month or two. Engineering and miscellaneous counters have attracted the most interest, although there has been a marked stickiness about the prices of shares in the Mundhra group, which usually enjoy considerable activity. Both coal and jute shares have attracted more attention, but tea scrip have remained dull and neglected. The undertone of the market is distinctly steady.

Details of the week's trading follow.

Extremely dull conditions obtained in the Government security market and the undertone was quiet with a further fall in prices. Three percent Conversion Loan continued its downward slide to close 7 annas lower at Rs. 75-1 while 3% Non-terminable Paper was marked back in sympathy to Rs. 75-3. There was a small enquiry for short-dated loans, but prices were unchanged with 3% 1957 at Rs. 99-13 and 3% 1958 at Rs. 99-10. In the medium-dated group, 3% 1959-61 continued in demand at Rs. 98-2 but 3% 1963-65 had sellers over at Rs. 94-15 and 3% 1964 was marked lower to Rs. 95; 2½% 1961 was taken at around Rs. 93-7 and 2½% 1960 was marked at Rs. 96-6. In National Plan loans, 3½% 1961 was easier at Rs. 99-7 while 3½% 1964 turned sellers at Rs. 98-11; 3½% 1965 was quoted lower at Rs. 98-9 and 3½% 1967 was on offer at Rs. 98-7. In long-dated loans 3% 1966-68 was unchanged at Rs. 93-4 but 3% 1970-75 shed two annas at Rs. 90-3 and 3½% 1974 was marked down fractionally to Rs. 98-7. Following the announcement of the new State loans, sellers predominated in this section of the market and practically no business was reported. Four percent Madras Loan 1967 turned sellers at Rs. 99-10 and 4% U.P. 1967 was on offer at Rs. 99-12. In contrast, 4% West Bengal 1967 was asked for at around Rs. 100-2 while 4% Bihar 1963 had small buyers at Rs. 100-3.

Very little business was reported in preference shares during the week. Among the miscellaneous group, Aluminium Corporation 5% were marked at Rs. 100, Bharat Collieries at Rs. 55 and Calcutta Electric at Rs. 11-8. Equitable Coal changed hands at around Rs. 103 and F. & C. Osler were placed at Rs. 53-8. A small lot of Indian Aluminium was done at Rs. 85-3 and Indian Iron & Steel were crossed at Rs. 108. Jardine Henderson were slightly better at Rs. 67 and there was a good enquiry for New Victoria which improved to Rs. 6-3. Pussimbin Tea came to hand at Rs. 94 and Sodepore Glass at Rs. 39. In jute, Bally were done at Rs. 105, Budge Budge at Rs. 111, Lansdowne at Rs. 101 and Lawrence at Rs. 105.

In the banking section, there was a good enquiry for Hind Bank which were taken at the higher rate of Rs. 38. United Commercial were better at Rs. 59-8 while Punjab National met with some profit-taking at around Rs. 59. United Bank of India "D" shares changed hands at Rs. 4-8.

A solitary transaction was reported in railway shares, namely, Dehri Rohtas at Rs. 14-6.

In the cotton textile section, Kesoram were firm at Rs. 20 as were New Victoria at Rs. 2-13. Elgin Mills were unchanged at Rs. 28-3 and Cawnpore Textiles at Rs. 9-9.

In the coal section, Amalgamated were marked at Rs. 23 and Bengal at Rs. 538. East Indian were unchanged at Rs. 31-4 as were Equitable at Rs. 30-4. Raneeunge were steady at Rs. 13-1 and Standard at Rs. 26-4. Central India and Western Bengal were active and closed slightly better at Rs. 7-5 and Rs. 6-15. Karanpura Collieries were placed at Rs. 115 and Pench Valley at Rs. 22-12. Seebpore came to hand at Rs. 29-2.

Jute shares continued to meet with mild enquiry and prices on the whole were fairly steady. Here is a chart showing important price movements.

	Opening	Closing
	9-8-56	14-9-56
Anglo-India	171	175
Bally	133	140
Belvedere	150	158
Howrah	22 8	22 12
India	142	137
Kinnison	178	175

Tuesday Evening.

National	25 4	25 14
New Central	17	17 6
Union	156	155

In electrics, Calcutta were steady at Rs. 14 while Jubbulpore were shaded at Rs. 14-4. Agra were unchanged at Rs. 158 as were United Provinces at Rs. 151.

The only feature in the sugar section was Purtabpore which improved from Rs. 16-8 to Rs. 17. Carew were subdued at Rs. 9 as were Bel-sund at Rs. 12 and Balrampur at Rs. 7-4. Ram-nugger were easier at Rs. 26-10.

Engineering shares were active under the leadership of Indian Iron & Steel which improved steadily to Rs. 37-8 under the influence of bull support motivated by the Suez Canal crisis. Braithwaites were steady at Rs. 29 as were Indian Standard Wagon at Rs. 187 and Textile Machinery at Rs. 24. Jessop recovered from Rs. 34-6 to Rs. 34-14 and Richardson & Cruddas from Rs. 24-4 to Rs. 25-6. Hooghly Docking met with keen enquiry at around Rs. 135-8.

In paper, India Paper Pulp were steady at Rs. 25-6 and Titagur were better at Rs. 42. Orient were enquired for at the higher rate of Rs. 40-15. Shree Gopal were crossed at Rs. 18-12. In cement, Dalmia were unchanged at Rs. 15-6 as were Sone Valley at Rs. 9 and Orissa at Rs. 15-6.

In insurance, General Assurance Society were dealt in after a considerable period at Rs. 25, New Asiatic were marked at Rs. 4-3 and Ruby General at Rs. 6. In shipping shares, India General Navigation were unchanged at Rs. 113 while India Steamship were quiet at Rs. 9-3. Port Shipping were shaded at Rs. 17-2.

Among miscellaneous industrials, Alkali & Chemical were marked at Rs. 21-10 while Aluminium Corporation met with good enquiry and

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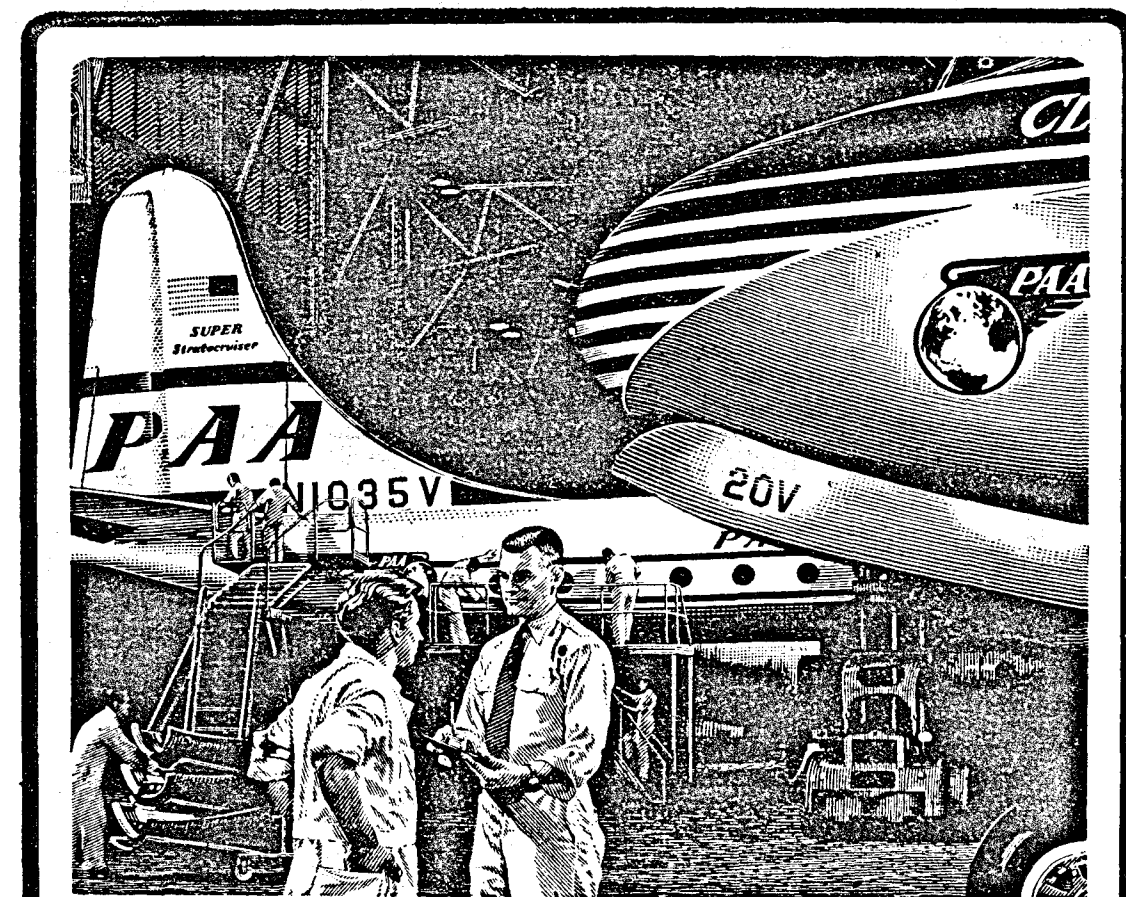
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improved from Rs. 11-1 to Rs. 11-12. Indian Aluminium moved up from Rs. 23 to Rs. 24-4. Anglo Brothers were well maintained at Rs. 24-10 and Airways (India) were done at Rs. 5-1. British Burmah Petroleum were unchanged at Rs. 4-5 as were Bengal Flour at Rs. 26-12 and Clive Row at Rs. 11-4. Assam Saws recovered from Rs. 3-14 to Rs. 4-8 on interested buying and business was reported in Dunlop Rubber at Rs. 29-12. Calcutta Tramways met with interested buying and were taken at the higher rate of Rs. 18. Hindustan Motors were fully steady at Rs. 10-8 while disappointment over the final dividend declared by the Imperial Tobacco Co. of India Ltd., brought the price of the shares back from Rs. 16-10 to Rs. 16-5. Indian Rubber Manufacturers were steady at Rs. 16-2 as were Indo-Burma Petroleum at Rs. 41-4 and Metal Box at Rs. 29-14. National Carbon were higher at Rs. 29-6 and Rallis were unchanged at Rs. 42. British India Corporation were quiet at Rs. 10-11. Electric Construction were done at Rs. 13-14. French Motor Car at Rs. 20 and Shaw Wallace at Rs. 13-8. Indian Cables were offered at Rs. 34-8 and National Insulated Cables at Rs. 25-12. Martin Burn and Jardine Henderson were unchanged at Rs. 24 and Rs. 99-8. National Tobacco met with good enquiry and were steady at Rs. 13-8.

In the mining group, Burma Mines were quoted at Rs. 3-5 and Western Stockholders changed hands at Re. 1. Indian Copper met with keen enquiry and improved to Rs. 6-15. Orissa Minerals were quoted unchanged at Rs. 27. Karanpura Development recovered from Rs. 21 to Rs. 21-6.

Tea shares presented an extremely dull market but there were small increases in prices of selected shares on account of bear covering. Mim were crossed at Rs. 296 and Tukvar eased to Rs. 13-8. Bishnauth Old changed hands at Rs. 24-4 and Brahmputra, after being sold down to Rs. 8-1, recovered to Rs. 8-5. Brooke Bond were fractionally better at Rs. 22-10 as were Dhelakhat at Rs. 22-12 and Grob "B" at Rs. 20. A small lot of Dessai and Parbutia were placed at Rs. 411. East India shed over a point to Rs. 23 while Jullibari were marked at Rs. 25-4, Methoni at Rs. 22-8 and Sapoi at Rs. 32. A small lot of Hoolungoree changed hands at Rs. 290 and Rajgarh were crossed at Rs. 42-12. Telojian were done at Rs. 27 and

Tezpor improved slightly to Rs. 24-6. Hantapara were marked up on bear covering to Rs. 197, as were Hasimara to Rs. 33. New Doars changed hands at Rs. 319.

Providing Rs. 2 lakhs (Rs. 2.85 lakhs) for taxation, Rs. 25,000 (nil) for general reserve, Rs. 67,500 (Rs. 72,500) for tax contingency reserve and Rs. 24,500 (Rs. 56,700) for development rebates reserve, there is a profit of Rs. 3,03,924 (Rs. 3,16,053) for the KUMARDHUBI ENGINEERING WORKS LTD. for the year ended last November. The ordinary dividend is the same at 8 annas a share, leaving a carry-forward of Rs. 21,425 (Rs. 32,501). The directors comment that following the publication of the second five year plan, it became obvious that the company's expansion plans would require revision and it was considered desirable to employ a consultant to devise means how best to expand. They are therefore considering proposals to expand the structural shop and the foundry.

Providing Rs. 51,573 for depreciation and Rs. 66,701 for the 1953 and 1954 labour bonus, there is a profit of Rs. 1,29,393 for the RAJGARH TEA COMPANY for the year ended last December. Bringing in Rs. 89,438, allowing Rs. 62,000 for taxation and transferring Rs. 75,000 to general reserve, there is Rs. 81,831. The dividend has been cut from Rs. 7-8 to Rs. 2-8 a share, leaving Rs. 31,831 to be carried forward. The crop increased from 4,767 maunds to 5,532 maunds but the average sale price fell from Rs. 34-11 a lb. to Rs. 2-2-8 a lb. Estimates for the current year have been made for a crop of 6,000 maunds at a cost of Rs. 7.57 lakhs.

The profit of the MURPHULANI (ASSAM) TEA COMPANY amounted to Rs. 2.58 lakhs for the year ended last December, after providing Rs. 16,277 for depreciation and Rs. 53,857 for the 1953 and 1954 labour bonus. Bringing in Rs. 50,536, providing Rs. 1.19 lakhs for taxation and transferring Rs. 1 lakh to general reserve, there is a balance of Rs. 90,276. The preferred ordinary dividend has been cut from Rs. 5 to Rs. 1-12 a share, and the ordinary dividend from Rs. 4-8 to Rs. 1-4 a share. The carry-forward is Rs. 33,401. Output increased from

4,497 maunds to 5,162 maunds. The average price fell from Rs. 2-11-1 a lb. to Rs. 2-7-7 a lb. Estimates for 1956 have been framed for a crop of 5,510 maunds at a cost of Rs. 6.86 lakhs.

Including Rs. 28,521 brought in, the profit of the REWA COALFIELDS, LTD. amounted to Rs. 5.25 lakhs for the half-year ended last December, against Rs. 3.32 lakhs (Rs. 22,975). Taxation absorbs Rs. 2.55 lakhs (Rs. 1.35 lakhs). Development reserve is allocated Rs. 75,000 (Rs. 50,000). The dividend has been raised from 8 pence to 12 pence, leaving a carry-forward of Rs. 26,029. Raisings increased from 164,865 tons to 183,555 tons, and despatches from 162,787 tons to 186,060 tons.

The SONE VALLEY PORTLAND CEMENT COMPANY LTD. raised its profit by Rs. 13,000 to 7.88 lakhs for the year ended last December. The taxation provision absorbs Rs. 2.35 lakhs (Rs. 3.18 lakhs). General reserve is allocated Rs. 1 lakh (Rs. 50,000). Rehabilitation of plant and machinery reserve costs Rs. 25,000 (Rs. 50,000). The dividend has been increased from 5 pence to 6 pence, to absorb Rs. 43 lakhs. The carry-forward is Rs. 41,941, against Rs. 88,454 brought in. Output declined from 196,910 tons to 195,000 tons, and despatches from 200,227 tons to 195,374 tons. Messrs. Martin Burn Ltd. resigned from the managing agency of the company at the end of July, and changes have taken place in the board of directors since then.

BOMBAY MARKET STEADY: GOOD CORPORATE PROSPECTS

STATE RIOTS CAUSE SOME HESITATION

Tuesday Evening.

TRADING on the Bombay Stock Exchange last week was interrupted by disturbances in Ahmedabad following the decision to establish a bigger bilingual Bombay State. As a result, working days were cut short, but the undertone nevertheless remained buoyant. Operators took an optimistic view of the bilingual State which, it is

believed, will ensure the smooth flow of commercial life. The stream of good company reports, higher dividend announcements and prospects of bonus issues helped to improve sentiment.

The textile group presented a steady appearance. A decline in exports of cloth during the first half of the year failed to discourage investors who took the view that the trade agreement between Burma and this country would result in greater offtake of Indian cloth. The internal market is expected to brighten up as soon as Pujā orders start coming in.

Tata Steels ended at Rs. 210-12 and profit-taking sales due to end-account considerations were absorbed without difficulty. Indian Iron shot up to Rs. 37-8 on firm buying support from Calcutta interests in the expectation that the company's results would show a substantial improvement for the year ended last March. Alcock Ashdown changed hands at Rs. 361-4, as did Premier Construction at Rs. 204-8. Tata Locomotive were maintained at Rs. 172 on investment support and Larsen and Toubro were steadily absorbed around Rs. 19.

Textile scrip closed with net gains on balance. Bombay Dyeing were taken at Rs. 696-14 and Century closed at Rs. 604 on strong professional support. Simplex changed hands at Rs. 216-8 and Swadeshi were transacted at Rs. 271. India United Ordinary were done at Rs. 14-5 and Tata Mills ended at Rs. 62.

Fluctuations in the miscellaneous group were irregular. Cement shares were steady, with Associated Cements coming to hand at Rs. 197 and Digvijay Cement at Rs. 201-8. Profit-taking took Tata Chemicals down to Rs. 20-8, but sugar shares were prominent on hopes of better working results.

Belapur were in demand at Rs. 254 and Walchandnagar Industries were absorbed at Rs. 273-12. Automobile shares were favoured, and Hindustan Motors improved to Rs. 10-8. There was little interest in shipping shares, and Scindia Steam Navigation were indicated at Rs. 19-4. There was a revival of interest in mining shares, and Indian Copper shot up to Rs. 7-5-6 on reports of increased metal prices. Sivrajpur Syndicate continued to be on offer at Rs. 90 following uncertainty about the mineral ores export policy. National Rayon were firm at Rs. 276 on strong professional interest. Sen-Raleigh, a newcomer on the list, improved to Rs. 14 on paying a maiden distribution.

Banking shares were steady, with Bank of Baroda making Rs. 105. Bank of India were transacted at Rs. 171-8. Insurance scrip lacked interest and routine business was done in New India around Rs. 49-8.

Electricity supply shares tended to be easier, and Ahmedabad lost at Rs. 98-12, while Tata Hydro were taken at Rs. 128-12.

THE WEEK'S TRANSACTIONS

(In the following list of stocks and shares in which transactions have taken place during the past week the figures indicate Opening Quotations. Highest for the week, Lowest for the week, Closing Quotations—Quotation for the Corresponding Closing Date a Year Ago, the last name being shown in parenthesis and will not be given where such a quotation is not available).

GOVERNMENT SECURITIES	
2½% Loan (1960)—Rs. 96-6-3—96-6-3—96-6-3—96-6-3	
2½% " (1962)—Rs. 93-13—94—93-13—94	
3% " (1986)—Rs. 75-4—75-12—75-2—75-2	
3% " (1963-65)—Rs. 95-2—95-2—94-14—94-14	
3% Govt. Paper—Rs. 75-6—75-6—75-6—75-6	
3% Loan (1959-61)—Rs. 98-98—98-98	
3% " (1970-75)—Rs. 89-8—89-8—89-4—89-8	
3% " (1958)—Rs. 99-9 s.t.—99-9 s.t.—99-9 s.t.—99-9 s.t.	
3½% " (1964)—Rs. 98-7—98-7—98-7—98-7	
3½% " (1965)—Rs. 98-9-6—98-10—98-9-6—98-10	
3½% " (1961)—Rs. 99-6—99-6—99-6—99-6	
3½% " (1974)—Rs. 98-6-6—98-6-6—98-6-6—98-6-6	
4% " (1960-70)—Rs. 100-14—101—100-14—101	
4% U.P. (1963)—Rs. 100-2—100-2—100-2—100-2	

BANKS	
Hind.—Rs. 37-2—38-4—38-4—38-4—(28-4).	
Hindustan Commercial.—Rs. 10-1—11-14—9-15—11-14—(10-2).	
Punjab National.—Rs. 59-4—59-4—59-4—59-4—(49).	
United Bank of India ('D' Share)—Rs. 4-8—4-10—4-7—4-7—(5-2).	
United Bank of India ('B' Share)—Rs. 11—11—11—11—11—(11-2).	
United Commercial.—Rs. 59—60—59—60—(49).	

RAILWAY	
Dehri Rohtas.—Rs. 14-4—14-6—14-4—14-6—(15-4).	

COTTONS	
Basanti.—Rs. 7-1—7-3—7-1—7-3—(5-9).	
Bowreah.—Rs. 171—171—171—171—(390).	
Cawnpore Textiles.—Rs. 9-1—9-1—8-15—9—(8-12).	
Dunbar.—Rs. 294—294—294—294—(240).	
Elgin.—Rs. 28-8—28-10—28-6—28-6—(20-1).	
Jayshree.—Rs. 7-2—7-2—7-1—7-1—(7-1).	
Kesoram.—Rs. 19-3—20—19-3—20—(17-4).	
New Victoria.—Rs. 2-12—2-14—2-12—2-14—(1-11).	
Do. (Pref.)—Rs. 3-18—6-5—5-12—6-4—(3-7).	
Rampooria.—Rs. 15-4—15-6—15-4—15-6—(12).	
Swadeshi (P.O.)—Rs. 12—12—12—12—(9-4).	

COALS	
Amalgamated.—Rs. 22-15—22-15—22-15—(25-1).	
Bengal.—Rs. 536—536—536—536—(545).	
Burrakur.—Rs. 13-8—14-4—13-8—14—(14-12).	
Do. (Pref.)—Rs. 108—108—108—108—(125-8).	
Bharat.—Rs. 7-5—7-5—7-5—7-5—(8-14).	
Do. (Pref.)—Rs. 55—55-4—55—55-4.	
Central India.—Rs. 7-2—7-2—7-2—7-2—(8-6).	
Dhemo Main.—Rs. 7-14—7-14—7-13—7-13—(9-13).	
East Indian.—Rs. 31-2—31-4—31-2—31-4—(32-11).	
Equitable (Pref.)—Rs. 102—104—102—104—(118).	
Karanpura Collieries.—Rs. 117—117—113-8—113-8—(125).	
Pench Valley.—Rs. 22-12—22-12—22-10—(24-4).	
Rewa.—Rs. 22-4—22-4—22-4—22-4—(15-1).	
Seshpore.—Rs. 29-4—29-4—29-2—29-2—(29-5).	
South Karanpura.—Rs. 9-4—9-4—9-4—9-4—(12-4).	
Western Bengal.—Rs. 6-11—7-1—6-11—7-1—(7-7).	
West Ghusick.—Rs. 11-8—11-8—11-8—11-8—(15-10).	

JUTES	
Agarpara.—Rs. 11-13—11-14—11-9—11-12—(15-10).	

Anglo-India.—Rs. 171-8—171-8—171-8—(239-8).	
Do. (Pref.)—Rs. 107—107—105-8—105-8—(120-12).	
Belvedere.—Rs. 150-9—150-9—150-9—150-9—(228).	
Bally (Pref.)—Rs. 108—109—105—105—(117-8).	
Bengal.—Rs. 17-17—17—17—(20-1).	
Do. (Pref.)—Rs. 79-8—79-8—79-8—79-8—(92).	
Birla.—Rs. 19-4—19-13—13-15—13-15—(22-2).	
Burnage.—Rs. 37-8—142—137-8—141—(213).	
Badger.—Rs. 120—131—120—131—(120).	
Do. (Pref.)—Rs. 110-8—111—110-8—111—(120).	
Clive.—Rs. 14-12—14-12—14-12—14-12—(16-1).	
Chitavalas.—Rs. 13-11—13-12—13-11—13-12—(16-11).	
Calcutta (Pref.)—Rs. 79—79—78—78—(84).	
Caledonian.—Rs. 108—108—108—108—(108).	
Chandany.—Rs. 161—161—161—161—(187).	
Gouripore.—Rs. 230—232—230—232—(344).	
Do. (Pref.)—Rs. 97—97—97—97—(106).	
Ganges.—Rs. 71—71—67—69—(106).	
Howrah.—Rs. 22-14—22-14—22-12—22-14—(32-12).	
Hukumchand.—Rs. 24-2—24-2—24-2—25-8—(37-8).	
India.—Rs. 145—147—137—137—(186).	
Kamarhaty.—Rs. 135—135—135—135—(220).	
Do. (Pref.)—Rs. 96-8—96-8—96-8—(105).	
Do. ("B" Ord.)—Rs. 126—126—126—126—(126).	
Kelvin.—Rs. 226—226—223—223—(351).	
Kumehand.—Rs. 101—101—101—101—(113).	
Lawrence (Pref.)—Rs. 105—105—105—105—(122).	
National.—Rs. 25—26—24-11—15-14—(37-7).	
Nellimarla.—Rs. 12-8—12-10—12-7—12-9—(14-4).	
Nudea.—Rs. 41—41—41—41—(57).	
New Central.—Rs. 17-6—17-9—17-6—17-9—(14-4).	
Naskarpara.—Rs. 18-4—18-4—18-4—18-4—(20-10).	
Orient.—Rs. 142—143—140—142—(216).	
Presidency.—Rs. 5-10—5-10—5-9—5-9—(7-11).	
Rameshwara.—Rs. 7-1—7-1—6-14—7-1—(10).	
Standard.—Rs. 96-8—96-8—96-8—96-8—(173).	
Union.—Rs. 161—156—151—156—(202).	
Waverley.—Rs. 4-15—5-1—4-15—5-1—(7-9).	

MININGS	
Associated.—Rs. 8-14—9-8-14-9	
Burma Mines.—Rs. 5-5-6-3-4-3-6—(2-2).	
Consolidated Tin.—Rs. 2-8—2-9—2-8—2-9—(2-11).	
Christian Mica.—Rs. 15-14 s.t.—16-5-15-14 s.t.—16-5—(9-10).	
Indian Copper.—Rs. 6-11—6-15—6-11—6-15—(8-3).	
Karanpura Development.—Rs. 21-4—21-8—21-4—21-8—(18-2).	
Metal Corporation.—Rs. 10-13—10-13—10-8—10-8—(5-6).	
Do. (Defd.)—Rs. 3-14—4-1—3-14—4-1—(2-8).	
Orissa Minerals.—Rs. 26-14—26-14—26-13—26-14—(27-12).	
Tavoy Tin.—Rs. 14-15—14-14—(As. 12).	

CEMENTS	
Ashoka.—Rs. 12-3—12-3—12-2—12-3.	
Assam Bengal (Defd.)—Rs. 1-7—1-8—1-7—1-8—(2-4).	
Dalmia (Bharat) Defd.—Rs. 5-5-4—5-5-4—(2-13).	
Do. (Conty.)—Rs. 5-7—5-8—4-12—4-12—(3-14).	
Do. (Ord.)—Rs. 15-4—15-5—15-4—15-5—(16-2).	
Orissa.—Rs. 15-6—15-10—15-6—15-10.	
Reliance Firebricks.—Rs. 20-4—20-6—20-4—20-6—(15-8).	
Sone Valley.—Rs. 8-15—9-2—8-15—9—(8-2).	

CHEMICALS	
Alkali & Chemical.—Rs. 21-10—21-11—21-10—21-11—(17-8).	
Alkali & Chemical (Pref.)—Rs. 105-8—105-8—105-8—105-8—(107).	
Bengal.—Rs. 105-8—105-8—101-8—(99).	
Bathgate.—Rs. 2-1-2-1—2-1—2-1—(2-8).	
Dharangadhara.—Rs. 130—130—130—130—(130).	

ELECTRICS	
Bareilly.—Rs. 14-7—14-7—14-5 x.d.—14-5 x.d.—(15).	
Calcutta.—Rs. 13-14—13-14—13-14—13-14—(15-1).	
Do. (Pref.)—Rs. 11-8—11-8—11-8—11-8—(12-12).	
Jubbulpore.—Rs. 14-8—14-8—14-4—14-4—(13-14).	
Patna.—Rs. 11-5—11-5—11-5—11-5—(13-8).	
United Provinces.—Rs. 151—152—151—151—(160).	

ENGINEERINGS	
Arthur Butler (Pref.)—Rs. 7-15—8—7-15—8.	
Bhartia Elec. Steel.—Rs. 18-2—18-14—18-2—18-10—(16).	
Britannia Engineering (New)—Rs. 16—16—16—16—(37-2).	
Do. (Old)—Rs. 18-10—18-12—18-10—18-12.	
Burn & Co.—Rs. 357—358—257—257—(287).	
Do. (7% Pref.)—Rs. 135—135—135-8—135-8—(142-8).	
Braithwaite & Co.—Rs. 29-6—29-6—29-4—25-10—(25-10).	
Britannia Building.—Rs. 8-4—8-4—8-4—8-4.	
Hooghly Docking.—Rs. 135-8—143—135-8—143—(145).	
India Galvanizing.—Rs. 21-6—21-6—21-6—21-6—(23-12).	
Indian Iron.—Rs. 30-10—37-8—36-5—37-4—(39-2).	
Do. (Pref.)—Rs. 108—109—107-8—108—(110).	
Indian Malleable Casting (Defd.)—Rs. 4-4—4-4—(1-5).	
Jessop & Co.—Rs. 34-12—35—34-12—35—(50-10).	
Kumardhubi.—Rs. 9-12—9-14 x.d.—9-12—9-12 x.d.—(13-1).	
Marshalls.—Rs. 6-1—6-1—6-6—(7-4).	
National Iron & Steel.—Rs. 7-6—7-6—7-3—7-6—(6-13).	
Richardson & Cruddas.—Rs. 24-12—25-7—24-8—25-7.	
Do. (Pref.)—Rs. 91-4—91-4—91-4—91-4.	
Textile Machinery.—Rs. 23-6—24—23-4—24—(26).	

FLOUR MILL	
Hooghly.—Rs. 26-8—26-8—26-8—26-8—(26-2).	

INSURANCES	
Concord of India.—Rs. 11-11—12-2—11-11—12-2—(13-12).	
General Assurance.—Rs. 25—25—25—25—(25).	
New Asiatic.—Rs. 4-2—4-3—4-3—4-3—(6-5).	
Ruby General.—Rs. 6—6—6—6—(9).	

MISCELLANEOUS

Aluminium Corp. (5% Pref.)—Rs. 100—100—100—100—(100).
Aluminium Corp.—Rs. 10-9—11-13—10-9—11-13—(8).
Do. (Defd.)—Rs. 6—6-4—5-6—6-4—(2-3).
Anglo Bros.—Rs. 23-10—24-10—23-10—24-10—(23-12).
Associated Hotels—Rs. 9-6—9-8—9-6—9-8—(5).
Do. (Pref.)—Rs. 80—85—80—85—(63-10).
Airways India.—Rs. 5-2—5-2—4-14—4-14.
Bharat Commerce & Industry.—Rs. 5-2—5-4—5-1—5-2.
Britannia Biscuits—Rs. 15-6—15-10—15-4—15-8—(15-14).
B. I. Corp.—Rs. 10-14—11—10-13—10-15—(9-4).
Do. (Pref.)—Rs. 124-8—125-4—124-8—125-4—(138).
Balmer Lawrie.—Rs. 172—172—172—172—(162).
Birds' Investment.—Rs. 17-10—17-10—17-8—17-8—(18-10).
Calcutta Safe Deposit.—Rs. 8-7—8-7—8-7—8-7—(8-8).
Calcutta Tramways.—Rs. 17-9—17-12—17-12—17-12—(17-9).
Do. (Pref.)—Rs. 9-8—9-9—9-8—9-9.
Clive Row Investment.—Rs. 11-8—11-8—11-5—11-6.
Duncan Brothers (Pref.)—Rs. 62—62—60-12—62—(72-8).
Dunlop Rubber.—Rs. 29-12—19-14—29-11—29-12—(38-1).
Darjeeling Ropeway.—Rs. 7-12—7-13—7-12—7-13—(3-11).
Elec. Construction Equipment.—Rs. 13-9—13-14—13-9—13-14.
French Motor Car.—Rs. 20—20-2—20—20-2—(19-8).
F. & C. Osler (Pref.)—Rs. 53-8—53-8—53-8—53-8—(53-8).
Gillanders Arbuthnot.—Rs. 13-6—13-6—13-6—13-6—(13-11).

Commodity Markets

U. K. MAN-MADE FIBRES
INDUSTRY
PLACE IN THE ECONOMY

RECENT figures showing the increase in the production of man-made fibres in the U.K. are highlighted in a newly published booklet, entitled *Man-made Fibres*. It has been brought out by the Man-made Fibres Producers Committee. It is established that some £130 million of capital is employed in the production of man-made yarns and staples in the U.K., the booklet says. This represents about £2,250 for each of the 40,000 workers (including 10,000 women) who are engaged solely on operations directly related to the production of these goods. The gross value of production amounts to about £95 million a year. Last year exports of man-made fibres amounted to £50 million, while domestic consumption of the yarns and staples obviated the necessity for imports of natural fibres to a value of about £60 million. The cost of raw materials imported for the production of viscose and acetate rayons was £20 million, and there were imports of fibre, yarn, piecegoods, and apparel of a total value of £15 million. These imports and exports thus left a net contribution of £75 million to the balance of payments. It is also

noteworthy that the British man-made fibres industry spends an average of £3.5 million annually on research.

Broadened Range

Most of the firms producing man-made fibres also have other interests, including textile activities, such as yarn processing, weaving, knitting, dyeing, and finishing, while in addition, some are engaged in producing textile machinery, chemicals, transparent film and plastics. There are also indications that, especially among the smaller firms, the range of production is being broadened. The booklet says the position seems to be that on the basis of selling prices which have now been in force for five years, the production of standard types of rayon yarns for textile purposes is not considered to provide sufficiently attractive earnings. Efforts are being made, by increasing efficiency and by experimenting with improved processes, to gain more advantage from current prices, but there remains a strong incentive to seek other sources of revenue. Speciality yarns for ordinary textile purposes and yarns for industrial uses are being added to the range of production. Another activity is the processing of rayon and other man-made yarns to adapt them for knitters' or weavers' requirements. The booklet includes tables and charts which aid the reader to form a clear impression of the man-made fibre industry's place both in the national economy and in world trade.

WHOLESALE PRICE INDEX RISES

THE official wholesale price index (base: year ended August, 1939=100) advanced by 0.6 percent to 412.3 during the week ended 28th July, 1956, compared with 409.9 (revised) for the previous week. The index was higher by 2.6 percent and 15.4 percent respectively than those of the corresponding week of last month and a year ago. The average for July, 1956 worked out to 409.0 as against 397.9 (revised) for June, 1956 and 355.6 for July, 1955. Higher prices of tea (+9%) bajra (+8%); gur (+4%), and rice in Vijayawada (+1%) raised the index for Food Articles by 1.1 percent to 386.5 as against 382.3 (revised) for the previous week, although prices of wheat, gram at Hapur, dal arhar and salt (-1% each) showed declines. Prices of manganese ore (average export price) (+11%), groundnuts in Bombay (+4%), rapeseed and copra (+2% each) and raw jute, linseed, castorseed and lac (+1% each) moved up, while those of groundnuts at Cuddalore, gingellyseed and raw silk (-2% each) were marked down, and consequently the index for Industrial Raw Materials increased by 0.7 percent to 496.6 as compared with 493.2 (revised) for the previous week. The index for Semi-Manufactures advanced by 0.7 percent to 397.7. Items which exhibited significant variations were: gingelly cake (+8%), mustard oil (+4%), coconut oil at Cochin (+2%) and in Calcutta (-3%) and buff hides (-2%). The Manufacturers' index remained stationary at 386.0; the price of woollen manufactures, however, recorded a slight rise. The index for the Miscellaneous group moved up by 0.2 percent to 562.0 because of an increase in the price of betelnuts (+1%).

INDEX NUMBERS BY GROUPS AND SUB-GROUPS
(Base: Year ended August, 1939=100)

Groups and Sub-Groups	28-7-56	21-7-56	30-6-56	30-7-55
I. Food Articles :	386.5	382.3(R)	373.4(R)	313.3
Cereals	486	484	475(R)	364
Pulses	383	386	361(R)	278(R)
Others	257	250(R)	245	246
II. Industrial Raw Materials :	496.6	493.2(R)	481.8(R)	414.9
Fibres	475	473	470*	427
Oilseeds	545	540(R)	537	390
Minerals	534	523	435	425
Others	420	419	421(R)	418
III. Semi-Manufactures :	397.7	394.9	395.5	325.7
Leather	391	396	401	316
Mineral oils	208	208	208	201
Vegetable oils	553	544	553	390
Cotton yarn	482	476	473*	406
Metals	327	327	328	250
Oilcakes	446	432	426	339
Others	361	362	361	329
IV. Manufactures :	386.0	386.0	377.0	371.8
Textiles	419	419	409	408
Jute	386	386	381	429
Cotton	430*	430*	419*	402*
Rayon and Silk	470*	470*	453*	474*
Woollen	266	264	264	282
Metal Products	388	388	377	352
Others	291	291	286	286
V. Miscellaneous :	562.0	560.8	545.4	554.6
All Commodities	412.3	409.9(R)	402.0(R)	357.3

*=Estimated R=Revised.

Groups and Sub-Groups	Monthly average	July, 1956	June, 1956	July, 1955
I. Food Articles :	380.3	366.2(R)	309.7	
Cereals	484	470	359	
Pulses	378	359	272	
Others	248	236	246	
II. Industrial Raw Materials :	492.1	479.4(R)	408.2	
Fibres	477	461	415	
Oilseeds	534	540	391	
Minerals	511	446	422	
Others	420	429(R)	417	
III. Semi-Manufactures :	395.3	391.8	329.6	
Leather	395	404	355	
Mineral oils	208	208	201	
Vegetable oils	546	555	398	
Cotton yarn	477	476	406	
Metals	327	308	256	
Oilcakes	433	421	333	
Others	362	361	329	
IV. Manufactures :	385.7	377.6	370.9	
Textiles	419	411	406	
Jute	387	387	417	
Cotton	430*	418*	402*	
Rayon and silk	461*	463*	474*	
Woollen	264	264	282	
Metal products	388	375	352	
Others	291	286	286	
V. Miscellaneous :	560.4	518.6	562.6	
All Commodities	409.0	397.9(R)	355.6	

*=Estimated R=Revised.

New Delhi

PROSPECTS OF RAISING LOANS IN WEST
EUROPEAN MONEY MARKETS

INCREASING RATE OF FOREIGN EXCHANGE EXPENDITURE

(FROM OUR NEW DELHI CORRESPONDENT)

THE Joint Secretary to the Finance Ministry, Mr. B. K. Nehru, has prepared a report on his recent visit to explore prospects of raising loans in the money markets of western Europe. During June and July, Mr. Nehru visited London, Paris, Brussels, Bonn, Zurich and other money centres to appraise the climate for floating loans to finance the second five year plan. According to reports, he found a large fund of sympathy and goodwill for India in the countries he visited. There is every hope that the talks he has initiated, if pursued, will yield definite results. There is reason to expect that part of the foreign exchange requirements for the second plan can be secured from those sources.

Originally, it was estimated that India would have enough foreign exchange to finance her development during the first three years of the plan. This was evident from the financial arrangements which were made in connection with the Durgapur steel plant. These arrangements, which Mr. Nehru finalised with the British Government and British banks in London, provide for loans in the third year of the plan. But expenditure of foreign exchange, it now seems, will be heavier than was originally estimated. From 1st April to 3rd August this year, India's drawings from the sterling balances amounted to Rs. 92 crores—an average of Rs. 23 crores a month, or Rs. 276 crores a year, against the plan estimate of Rs. 200 crores of drawings from the sterling balances over five years. It appears, therefore, that at the existing rate of spending, the non-currency reserve portion of the sterling balances may be exhausted by 1957, if not earlier. According to lobby reports, the Economic Secretaries of the Government of India have drawn up a memorandum on the foreign exchange position for the consideration of the Prime Minister. Negotiations for the purchase of U.S. agricultural surpluses—particularly wheat and cotton—on a long-term basis constitute one ray of hope in an otherwise gloomy situation. Agreement on this, if reached, should partially ease the difficulties.

Shortage of Port Facilities

Some more difficulties in implementing the second plan are now foreseen. A serious shortage of shipping is delaying the transport of machinery, railway material and other capital goods. If it continues, it might affect the pace of industrialisation and the speedy implementation of the railway plan. The inadequacy of port facilities, however, is an even bigger problem. Bombay's experience illustrates the point. The port there has a handling capacity of 30,000 tons a month for iron and steel. But arrivals were 47,000 tons in April, 52,412 tons in May and 53,314 tons in June. Iron and steel consignments awaiting clearance rose at one time to 49,000 tons. The situation eased slightly when about 35,000 tons were removed to another place—at a cost of about Rs. 12 a ton to the consumer. But the quantities awaiting clearance are still big, there being about 10,000 tons in the port and about the same at the dump. This gives an idea of the trouble which will arise when plant and machinery for new and expanding industries starts to arrive on a large scale. Calcutta, for instance, will have to handle the equipment for the Bokakata steel plant, the Durgapur steel plant and the expansion programme of Tatas and Indian Iron. The problem, therefore, is whether the plan provides for an adequate expansion of port facilities and whether there has been any serious effort to phase the import programme? As far as Bombay is concerned, the plan does not provide for an increase in its effective capacity. The Bombay port authorities have made it clear that they cannot handle more than 30,000 tons a month of iron and steel, but they are being called upon to handle 60,000 tons a month. These conditions are expected to continue for the next eight months at least.

The Transport Ministry has held the view that the broad aim of port development during the second plan should be the same as during the first plan—to render the existing capacity more effective by modernisation and replacement of obsolete equipment, without increasing the overall capacity. At the last session of the Federation of Indian Chambers of Commerce and Industry, it was pointed out that Indian ports were not in a position to handle the "millions of tons of machinery planned to be imported for industrialisation during the next few years." While the policy for port development was "improvements without effective expansion," payment for handling iron, steel and foodgrains was still made on the time-rate system, resulting in a very low standard of work. Shippers have submitted memoranda pointing to the organisational and other defects which delay the delivery of consignments after they have been cleared from a ship. The strength of a chain is limited by its weakest link, and it is feared that the whole plan might be wrecked, or might have to be curtailed, unless an expansion of port facilities and improvement in organisational methods are undertaken without delay. An enquiry into the need for port facilities in all its aspects has been suggested.

Securities Contracts Bill

The Securities Contracts (Regulation) Bill was passed by the Rajya Sabha last week and will be

come law soon. Stock exchange reform has a long history. Two committees, one presided over by Sir Wilfred Atlay, a former chairman of the London Stock Exchange, and the other by Mr. W. B. Morrison, who was also connected with the London Stock Exchange, carried out exhaustive enquiries into the affairs of the Bombay Stock Exchange in 1923 and 1937. After the war, the problem was examined by an Economic Adviser to the Ministry of Finance, and subsequently by an official committee consisting of representatives of the Government of India, the Reserve Bank and the Bombay Government in 1948. This committee was asked to examine specifically the desirability of prohibiting forward transactions in stock exchanges, of abolishing blank transfers, subject to certain exceptions, and of setting up clearing houses for the settlement of contracts—some of the major issues of stock exchange trading policy which have been the subject of much controversy. The committee made several recommendations, but took the general view that an essential pre-requisite for the introduction of reforms in stock exchange practice was a major reform of company law and practice. In 1951, another committee was informally set up to process the recommendations of the official committee and to prepare a draft Bill. Like its predecessor, this committee also considered it difficult to deal with the problem of blank transfers and other related issues of stock exchange trading policy, in the absence of certain conditions and institutional changes which it considered basic to any proposals for reform.

Another committee, under the chairmanship of Mr. A. D. Gorwala and including the presidents of the important stock exchanges, representatives of banking and insurance and of shareholders and accountants, was set up later in the year. It was asked to furnish a report on the recommendations of the informal committee of 1951 had prepared. The present Bill is largely based on the recommendations of the Gorwala committee and the draft Bill prepared by it. The report of this committee and the revised draft Bill were circulated to the principal stock exchanges, chambers of commerce and other interested associations and individuals. The comments they made were studied and analysed in the Finance Ministry, and were taken into account in the preparation of the Bill. The latter is thus based largely on the recommendations of the Gorwala committee and the draft Bill prepared by it, subject to modifications on a few important points for which the Government either considered it necessary to deviate from the recommendations of the committee or to defer action in the light of the comments and criticisms received.

General System of Control

A Bill was introduced and referred to a Joint Select Committee of both Houses in November, December 1955. The Rajya Sabha has now adopted this Bill, as amended by the Joint Select Committee. It is claimed that it does not provide for detailed or meticulous regulation of the day-to-day activities of the stock exchanges. Instead, it lays down a general system and apparatus of control, seeking to arm the Central Government with wide powers which will be exercised generally in consultation with the governing bodies of the stock exchanges, when the Government considers the use of such powers necessary either in the interests of legitimate business or in the public interest.

Clause 9 of the original Bill authorised a recognised stock exchange to make bye-laws for the regulation of contracts in securities, subject to the previous approval of the Central Government. The Select Committee has made three important additions to the matters enumerated under clause 9, for which the governing bodies of recognised stock exchanges may make bye-laws, subject to the approval of the Government. First, in sub-clause (2)(c) of clause 9, the Select Committee has provided for the publication, after each periodical settlement, of the following particulars relating to contracts in securities:

- (i) the total number of each category of security carried over from one settlement period to another;
- (ii) the total number of each category of security for which contracts have been squared up during the course of each settlement period;
- (iii) the total number of each category of security actually delivered at each clearing;
- (iv) the total amount paid as difference for each category of security.

Emergencies in Trading

The Select Committee suggested that the bye-laws relating to emergencies in trading should provide for such abnormal situations as might be created by the working of pools or syndicates, or by cornering or similar activities. It also provided for the making of bye-laws to separate the functions of jobbers and brokers. The object of the proposed publication of the trading statistics is to furnish an overall picture of the transactions in a stock exchange during a settlement period, which it was thought might be of help not only to the investing public but also to the Central Government in regulating trading activities in exchanges.

As for emergencies in trade, it was felt that it was desirable to provide specifically in the bye-laws for the manner in which situations created by the operation of pools or corners should be handled. The Committee also thought that, in the interests of the better organisation of stock exchanges, a beginning should be made in the bye-laws for separating the functions of jobbers and brokers, although it realised that, considering the present state of the exchanges and the volume of business in them, it might not be easy to separate these functions.

The most important amendments in the Bill made by the Select Committee were in the provisions relating to the licensing of dealers, in clauses 17 and 18 of the Bill. In the original Bill, spot delivery contracts would have been exempt from licensing provisions in areas where the Central Government had declared by notification in the official gazette that no dealings in securities should take place other than those between the members of the recognised stock exchange or through or with its members. But in areas covered by the notification under clause 13, all contracts, including spot delivery contracts, were to be subject to licensing. The Select Committee felt that this arrangement was discriminatory. Accordingly, it provided that ordinarily spot delivery contracts would be exempt from the provisions of the Bill, irrespective of whether such contracts were entered into in areas notified under clause 13 or not. But the Central Government would have the power to extend the licensing provisions of the Bill to such contracts—both in notified and non-notified areas—should it consider it necessary to do so in the interests of the trade or in the public interest.

Other Types of Dealings

As for other types of dealings in securities, they will be subject to licensing in areas notified under clause 17, namely, in areas where there is no recognised stock exchange; but even in these areas dealings in such contracts carried on by, or on behalf of, any member of the recognised stock exchange will be outside the scope of the licensing provisions of the Bill. The net effect of this provision is that spot delivery contracts, which will be free from any regulation, unless the Central Government considers it expedient to regulate such contracts in the interests of trade or in the public interest. Other types of contracts will, however, be subject to licensing, except in the notified areas, namely, in areas within the limits of the recognised stock exchanges, where the responsibility for regulating such contracts would necessarily be that of the governing body of these exchanges. As a corollary to these amendments, the Select Committee inserted a new clause 19 in the Bill, which prohibited the setting up or maintenance of non-recognised stock exchanges in any State or area except with the permission of the Central Government. Under the original Bill, there was a risk of non-recognised stock exchanges springing up in non-notified areas under the guise of licensed dealers or in places where provisions for recognition and/or licensing had not been made applicable.

Kerb Trading

The Select Committee elaborated the provisions of clause 23, the effect of which is to strengthen considerably the scheme of regulation envisaged in clauses 13 to 19 of the Bill. These amendments penalise "kerb" trading and/or touting by persons who are neither members of a recognised stock exchange nor licensed dealers nor their authorised agents. Similarly, the penalties contained in clause 23 have been extended to the owning or keeping of places used for the purpose of entering into contracts in securities in contravention of the provisions of the Act, as also to the managing, controlling or assisting in the keeping of such places. Another important amendment of the Bill relates to clause 27. The clause, as originally drafted, debarred holders of shares on blank transfers from claiming from the registered shareholders, after a prescribed limit of time, not only the dividends accruing on these shares but also any bonuses and other rights as might attach to them. The Select Committee recognised that the original draft was intended to act as a severe deterrent to the holding of shares on blank transfers for indefinite periods, but it felt that if the prohibition embodied in this clause were to extend beyond dividends to bonuses and other rights attaching to shares, it might in some cases involve the holders of such shares in heavy capital loss. In view of its positive recommendation that the life of blank transfers should be limited to a period of six months, the Committee felt that it was not necessary to impose such a disproportionately heavy penalty on the holders of such shares. Accordingly, it amended clause 27 so as to confine its application only to the receiving and retaining of dividends on such shares.

The Select Committee deliberately refrained from making any statutory provisions for those reforms in stock exchange trading methods and practices which were the subject of much controversy in the past, such as blank transfers, badlas or carry-over facilities, margins, clearing houses, etc. It has, however, made a suggestion to the effect that the currency of blank transfers should be limited by bye-laws to a period not exceeding six months. It will now be for the Government to pursue this suggestion, and to examine the other problems relating to trading methods and practices in consultation with the stock exchanges concerned.

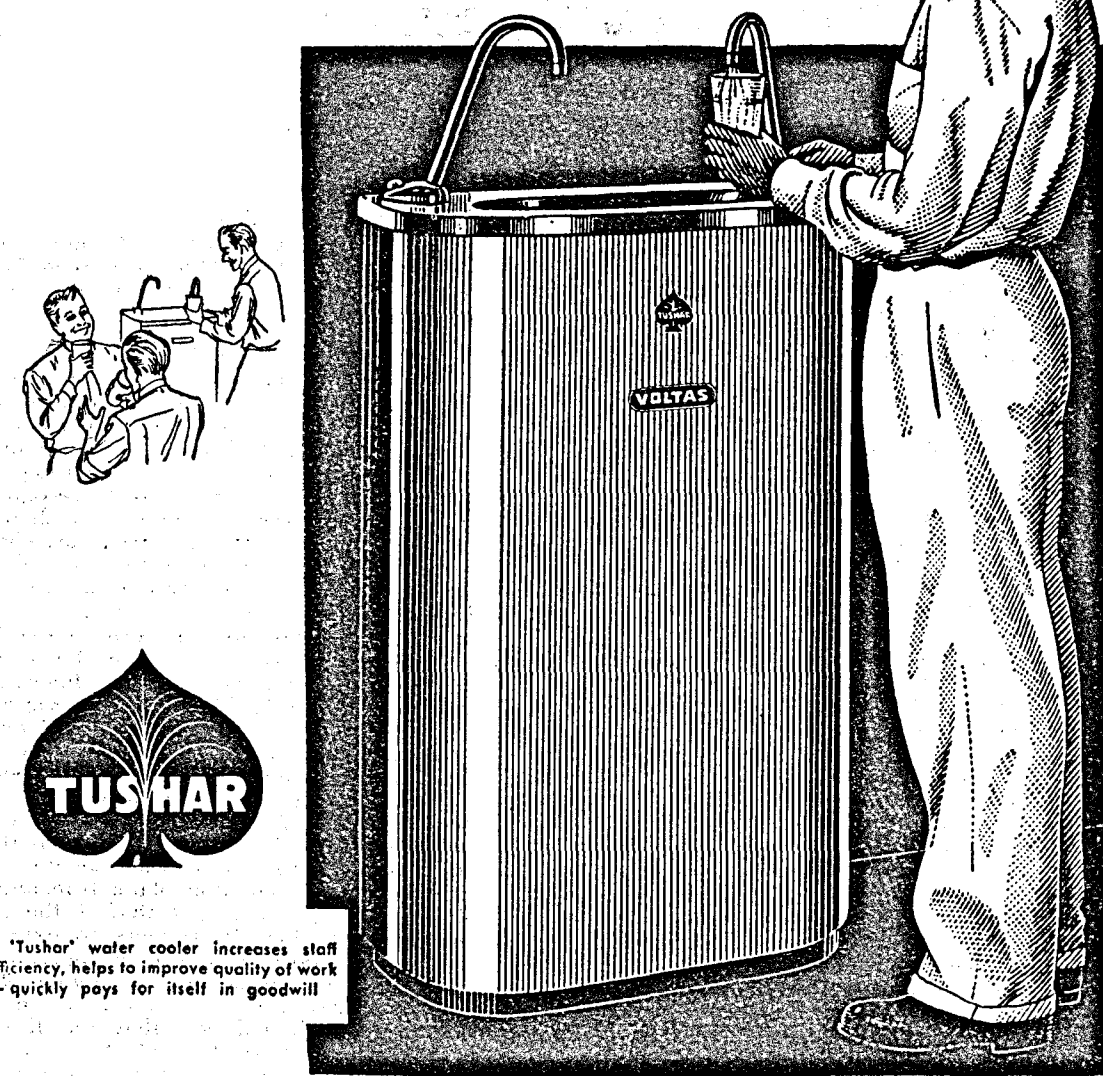
Drug and Pharmaceutical Industries

An expert delegation consisting of 10 officials and non-officials will be leaving soon for Russia, Eastern and Western Germany, Switzerland and

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Italy to study the production techniques of the drug and allied industries, and to hold discussions with leading manufacturers on India's plans for developing these industries. A seven-man Russian team, which recently carried out an extensive survey of the pharmaceutical industry in India, has already submitted its report to the Government here. The team studied the question of manufacturing penicillin, streptomycin and other antibiotics, important vitamins, analgesics, anti-pyretics, anti-malarials, anti-T.B. drugs and glandular products.

The Russian experts consider that there is every scope for producing in India essential drugs of common use in adequate quantities for the population; this applies also to the intermediates required for the production of these drugs with mainly local raw materials. The production targets for essential drugs set in the second plan are not considered adequate. They have, therefore, sug-

gested higher targets, taking into consideration the future requirements arising from health measures. The following suggestions have been made to attain the targets they have recommended:

1. Expansion of the plants in Pimpri at a cost of Rs. 3.5 crores: (i) To step up the production of penicillin at the Hindustan Antibiotics factory from the present level of 15 million m.u. to 40 million m.u. a year; (ii) to build units within this factory for the production annually of 45 tons of streptomycin, 40 tons of tetracycline and 3 kg. of vitamin B12, (based on the quantity of waste products available); and (iii) to set up a unit at the plant in Pimpri for the production of vitamin D2 with a capacity of 1,000 kg. a year.

2. The establishment of a new antibiotics plant at a cost of Rs. 8.5 crores to produce the following: penicillin, 60 million m.u.; streptomycin, about 45 tons; new antibiotics, approximately 20 tons; vitamin B2, approximately 2 tons; and dextran, 500,000 litres.

3. The setting up of a new synthetic drug plant at a cost of Rs. 11 crores to produce the following: synthetic drugs 2,300 tons a year; and intermediates required in small quantities 2,300 tons a year.

4. For the production of endocrines: (i) to set up a plant for the production of endocrines at the new slaughter house being planned in Bombay. (A two-storeyed building with a total floor space of 1,600 metres and volume of 8,000 cubic metres has been suggested); (ii) the provision of the following facilities in slaughter houses of big cities is necessary: (a) cold storage with a capacity of 60 cubic metres (consisting of a freezing room at -25 to -30 deg. C.) and a storage room for glandular raw materials at -10 to -15 deg. C.; (b) refrigerator cars to transport glandular raw materials to centres of processing; (iii) as an immediate measure, to collect pituitary glands from the animals slaughtered in big slaughter houses, store and transport them in acetone in hermetically sealed containers, and to organise their processing to produce A.C.T.H. in the laboratories of the Haffkine Institute, Bombay. The Haffkine Institute has almost all the equipment necessary to carry out the technological processes, including biological standardisation.

Possible Savings

5. It has been suggested that savings from these schemes will result in the following ways: (i) by the construction of plants at a cost of Rs. 23 crores, it will be possible to produce the most essential drugs adequately to meet the demands of the population and to obviate the necessity of importing drugs to the tune of Rs. 27 crores a year, calculated on the basis of prices of 1955 imports; (ii) the plan for producing these drugs provides for bringing into commission the various units of production in suitable stages; (iii) tentative calculations made by the experts on the basis of data for the industry used in Russia show, that ex-factory costs of production will not be higher than the present imported prices, and in some cases they will even be considerably lower. The estimated cost of production of streptomycin is nearly half the imported price. In the case of P.A.S. and aspirin, the estimated prices are 20 percent and 17 percent lower than those of imports.

6. The construction of a special factory at a cost of Rs. 11.5 crores for the production of basic chemicals and intermediates on a large scale is suggested. The total output of this plant will be 94,000 tons a year, including 58,400 tons to be utilised within the factory for conversion into intermediates, 17,700 tons to be supplied to the chemical pharmaceutical factory, and 15,500 tons to be made available to the dyestuff, plastic and other industries. The construction of this factory should be carried out in two stages. In the first stage, 63,000 tons of chemicals and intermediates will be produced, 41,000 tons of which will be utilised in the factory itself, 10,400 tons supplied to the chemical pharmaceutical plant and 11,600 tons made available for other industries. The capital investment for the first stage of construction is estimated at about Rs. 8.5 crores. Tentative calculations made by the Russian experts show that the cost of intermediates in this factory, when it is in full production, will be Rs. 2.4 crores less annually than the value of those calculated at the existing price. Thus, after four or five years of working, the saving in the cost of production, when compared with the imported price, will completely make up for the capital investment. In addition, the availability of cheaper intermediates will ensure a further reduction in the cost of drugs.

Expansion of Other Industries

7. The following are the allied industries which will require expansion:

(i) **Chemical industry:** For the production of essential drugs, 33,400 tons of various other raw materials, besides the intermediates and basic chemicals made available from the intermediates plant, will be required. For the factory manufacturing intermediates, about 59,900 tons of basic chemical raw materials will be required. Thus, the total requirements of other raw materials to be supplied from other units in the country will be 93,300 tons a year. A preliminary study of the possibility of obtaining these raw materials shows that 69,000 tons a year, made up of 32 items, can be supplied from the existing plants. For the supply of 10,800 tons of raw materials, made up of 23 items, it is necessary to expand or install new capacities at the existing plants. The rest of the raw materials consisting of 29 items can be met by imports for the present. The volume of these imports will go down with the development of the domestic chemical industry.

(ii) **Engineering industry:** The expansion of the existing plants and the construction of new

ones will call for a considerable amount of extra equipment. A tentative calculation shows that the following equipment will be required: Hindustan Antibiotics, Pimpri, 1,000 tons; new antibiotics plant, 2,500 tons; and chemical pharmaceutical plant, 1,000 tons. For this equipment will be needed about 3,500 tons of mild steel, 700 tons of stainless steel, 700 tons of glass-lined equipment and about 2,500 tons of equipment provided with drives. It is difficult, at this stage, to estimate the amount of equipment required for the intermediates plants, for the expansion of the existing pharmaceutical units and for the required expansion of other industrial plants. But it will be more than that required for the plants producing drugs. A considerable amount of the equipment required is comparatively simple to construct and can be fabricated in India. The existing engineering works producing chemical plants do not produce standard equipment like vacuum drum filters, compressors, vacuum pumps, dryers, etc. Therefore, it may be necessary to include, in plans for the development of the engineering industry, adequate scope for the construction of a special factory for the production of chemical equipment also.

(iii) **Repair shops:** As the construction of engineering works will require considerable time, mechanical repair shops of adequate size should be planned at the pharmaceutical and intermediates units to carry out repairs and to produce such small-sized chemical equipment as may be required. These shops should be built prior to the construction of the main plants in the factories, so as to arrange to meet, partly at least, the requirements of simple equipment needed during the construction stage. The mechanical repair shop should have a special anti-corrosive department where equipment can be repaired and coated with corrosion-resisting material.

Project Reports on Dyestuffs and Raw Film

The Government of India feels that it is now on a strong wicket as far as the dyestuffs and the raw film industries are concerned. Project reports for the former have been received from Imperial Chemical Industries and from a West German firm, Bayers. Another report from an Italian company is expected soon. Project reports for the raw film industry have been received from an East German company. The Secretary of the Commerce and Industry Ministry, Mr. H. V. R. Iengar, held discussions while in Europe with the representatives of the companies which have submitted project reports. The reports are now being examined in order to reach final decisions.

Bicycle Manufacture

Permission has been accorded to manufacture 60,000 bicycles a year in collaboration with B.S.A. of the U.K. A company is being floated to take over the assets of the Hindustan Cycle Corporation and undertake the manufacturing programme.

New Aluminium Plants

Two aluminium plants with a capacity of 10,000 tons each—one for the south and the other for the north—have been planned in order to attain self-sufficiency in this metal. Mettur in Salem district, Madras, which has very high quality Bauxite, and Churk in Mirzapur district, Uttar Pradesh, have been selected for their location. Both the proposed plants are on the sites of hydro-electric projects—Rihand in the north and Pyar in the south. A 10,000-ton plant has been sanctioned for the Hirakud area in Orissa. The capacity of the Asansol plant is being doubled to 5,000 tons.

Indian Delegation to I.M.F. Meeting

India's delegation to the coming meetings of the International Monetary Fund and the World Bank will include the Governor of the Reserve Bank, Sir Rama Rau, the Joint Secretary of the Ministry of Finance, Mr. B. K. Nehru, and Mr. Venkatapayya of the Reserve Bank. The delegation will leave for Washington on 18th September.

State Trading

State trading is intended to promote consumer interests, it is claimed here. Foreign importers of manganese ore, for example, were so far at the mercy of the Indian exporters some of whom were speculators. Often, the latter, it is stated, could neither ensure timely delivery nor reasonable prices. In fact, the present prices of manganese ore are considered too high, and had State trading not been introduced, the Government would probably have levied an export duty. Now, efforts are being made through State trading to reduce prices to a reasonable level and to ensure regular supplies. State trading, it is explained, is not intended to supplant private trading, but to supplement it and give a fair deal to the consumer. The Federation of Indian Chambers of Commerce and Industry, which will be holding a special meeting on 25th August to discuss the issue, should also declare the steps it has taken to introduce healthy trading practices among its members. It is suggested here. One view is that the Government has had to step in because of the unwillingness of the Federation to take unpopular steps. The cases of soda ash and caustic soda are cited as examples. There were constant complaints of high prices and cornering before the Government intervened and canalised their import. Blackmarketing in cement is widespread. The Government, it is gathered, has decided to fight it out with vested interests in order to reintroduce healthy trading practices and to ensure for the consumer the prompt supply of certain commodities of recognised quality and quantity at reasonable prices.

London

CITY HOPES FOR PEACEFUL SUEZ SOLUTION

LABOUR OUTLOOK REMAINS UNCERTAIN

(FROM OUR LONDON CORRESPONDENT)

THERE is little or nothing to report on the economic front these days, for markets are still hesitant on account of the Suez Canal situation, but, and this may not be without its significance, not at all panicky. Indeed, if the reactions of the City can be taken as any guide, there would appear to be good prospects of the international conference achieving a peaceful settlement of the problem to the advantage of all the parties concerned. Meantime, however, it is appreciated that the military precautions which the British Government has felt it was essential to take in the circumstances may involve some postponement of the Chancellor of the Exchequer's planned economies in Government spending. It is understood, however, that the possible disorganisation of the programme is being kept down to the absolute minimum, and the effects of this might well be offset by the greater unanimity engendered on matters of national policy by the latest crisis, which is even more important from the economic than the political point of view.

The labour outlook, unfortunately, continues to be most uncertain, and is not likely to be greatly influenced by the decision of the Board of Triple Safety Glass Company to reduce its dividend in spite of higher profits in order to demonstrate "financial restraint", in response to the Prime Minister's recent appeal. Efforts to settle the British Motor Corporation dispute over compensation for redundant workers, despite protracted negotiations between the employers and trade union representatives, have not succeeded though they have not yet been abandoned. It is evident from the latest Ministry of Labour figures that so far as the credit squeeze was aimed at diverting labour to essential industries it is beginning to show some results. The number of unfilled work vacancies reported to employment exchanges at the end of June was 54,000 fewer than a year ago, and in the Midlands (where the car industry has been involved) the drop was 17,500, though there are still 38,828 jobs to be filled. Overall unemployment on 16th July was 238,137, or 1.1 percent of the estimated working population, compared with 1 percent on 11th June and 0.9 percent in July, 1955. The numbers temporarily stopped, however, were 45,437, 33,049 and 19,226, respectively. In the first six months of this year, compared with a year earlier, employment increased in shipbuilding, coal-mining, iron and steel melting, constructional engineering, railways, and telegraphic apparatus. On the other hand, employment fell in vehicles, furniture, wireless apparatus, valves and batteries, and china.

Coal and Steel Output

Coal and steel production figures are undoubtedly the most important pointers to our economic well-being, and on the whole these are being well maintained so far this year. To date this year coal production is more than three million tons higher than at the same time last year, with a labour force nearly 3,000 fewer. Output a man shift at the coal face is now 3.35 tons against 3.26 tons last year. Total distributed stocks on 28th July stood at 18,448,000 tons, against 14,278,000 tons at the same time in 1955.

Despite the trouble with the maintenance men, now over, steel production in July was again higher than the same month last year, with the average weekly output standing at 328,400 tons, an annual rate of 16,971,000 tons against 307,700 tons and an annual rate of only 16,002,000 tons. This falls a long way short, however, of this year's output aim of 21 million tons, which means that a real spurt will be needed in the remaining months. In view of this fact it is encouraging to learn that consumers' stocks of steel continued to grow in the second quarter, though not as fast as in the first quarter when there was an exceptional growth equal to 7.6 percent of stocks at the beginning of the year. There are still shortages of the heavier products, such as plates and sections, but imports of these have been almost doubled this year.

Industry's Capital Plans

The way in which the Government's restrictive measures have affected industrial capital expenditure plans can now be seen in more detail. According to the latest Board of Trade enquiry, about one-third of all companies operating in manufacturing industry have revised their estimates of capital outlay in 1956 upwards; one-quarter of these companies revised their estimates downwards. The revisions were made between the end of last year and the end of April, 1956. Among those who have reduced their estimates of 1956 expenditure on new plant, machinery and vehicles, and building work, was the motor industry. Firms in that industry indicated late in April that they expected to spend 22 percent more (instead of 30 percent more) this year than their estimates for 1955, which were supplied about a year ago. For all manufacturing industries, the 1956 capital outlay is expected to be 21 percent (instead of 17 percent) higher than the figure for 1955, established last summer. This shows that in the first four months of this year, when the credit squeeze was beginning to work, a fair number of industrial plans

were reduced. But it shows also that an even larger number of plans were enlarged during the same period. That is just what the action was meant to achieve, though whether the "right" kinds of plans were reduced and enlarged is anybody's guess. Actual expenditure for plant and equipment, etc., during the first quarter of 1956 was not yet affected by any doubts. It was 27 percent higher than in the first quarter of 1955—the same percentage rise as between the calendar years 1955 and 1954. Compared with the first quarter of 1955, manufacturers this year spent 23 percent more on plant and machinery, 9 percent more on vehicles, and 47 percent more on building work. There was a drop of 12 percent compared with the fourth quarter of 1955, but it might be misleading to take this as evidence of a declining trend, because many companies do not enter their expenditure into capital account until the end of their own financial year, and December sees a particular concentration of such entries.

Rubber Footwear Monopoly

Talks between members of the Rubber Footwear Manufacturers Association to fix prices for rubber boots and canvas shoes are condemned in the latest report by the Monopolies Commission. All except two of Britain's rubber footwear manufacturers (British Bata Shoe Co. and Future Rubber Co.) are members. The report also condemns as being against public interest the understanding among the Association members not to negotiate special prices with traders for large orders without notifying each other. It says the practice should stop. Another practice that should be discontinued, says the report, was that, resumed in 1952, of announcing prices for summer and winter seasons, then maintaining them unchanged through the seasons.

In 1954, the report says, nearly 11 million pairs of rubber boots and 27 million of canvas footwear, representing a £15 million turnover, were supplied to the British market. Of these, the Association members supplied about eight million pair of rubber boots and 15 million of canvas footwear. The other principal suppliers were importers, with 2½ million pair of rubber boots and seven million pair of canvas footwear, mainly from Hongkong. Dunlop was "by far the largest British manufacturer" of either type of rubber footwear. The Association argued strongly, says the report, that its price discussions did not restrict competition and that the absence of them would not result in a lower level of prices, nor make any difference to price uniformity in standard lines. The Commission's report states, in answer to this argument:

"We do not doubt that when there is one powerful producer other producers may be anxious to avoid price competition with him. But 'price leadership' in the sense the term is used by the Association means something different from the operation of perfect competition in a free market. What in fact it appears to mean in this context is a tacit agreement by 'competing' manufacturers to observe, irrespective of their own costs, prices set by Dunlop on most lines and North British for over-shoes."

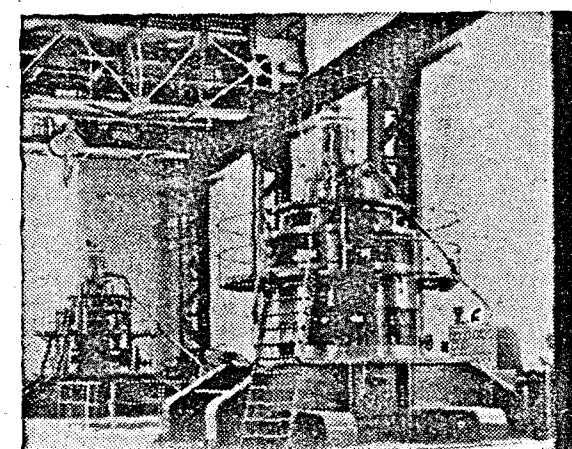
Bank of England's Report

The increased use of sterling in international trade owes much to the re-establishment of London's traditional markets. The Bank of England's report for 1955 shows that in spite of all the difficulties of that year, more and more of the world's business was being done in sterling. There was a "substantial increase" in the turnover on the gold market and London is now "re-established in its former position as the leading world market for gold." Business in the foreign exchange markets continued to expand and the turnover in United States dollars rose by about 40 percent. In the commodity markets, the volume of business went up by about 30 percent from £299 million to £393 million. A large part of the increase was due to the extension of the sugar scheme to the American account area (so that Cuban sugar, for example, could be resold to Australia) and to the introduction of a copra market scheme in December, 1954. For the rest, higher prices and increased turnover in copper and rubber offset declines in cocoa and coffee. Meanwhile, the transferable account area was extended in July to include Turkey. Until the trouble over the Suez Canal and the consequent removal of Egypt from the transferable account status, it covered the whole non-sterling world outside the dollar area.

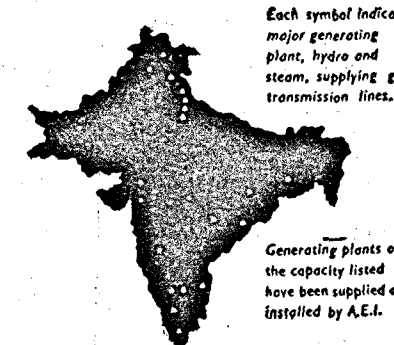
The Bank's report includes the usual estimates of the United Kingdom's overseas investments, but the figures are of limited use as they are in nominal values and up to the end of 1954 only. They show that during 1954 security holdings abroad went up by £111 million to £2,128 million. Most of this was due to capitalisation issues and only £26 million of new money is estimated to have been invested. For 1954 the total of interest and dividends received showed an appreciable increase at £186.4 million, compared with £161.7 million for 1953. Among the new figures contained in the report is last year's total of £176 million for United Kingdom merchanting transactions carried through on a sterling basis between non-sterling area countries. This figure compares with £163 million in 1954 and £142 million in 1953.

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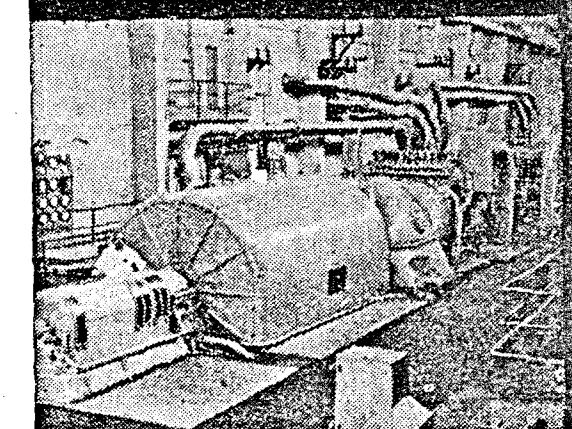


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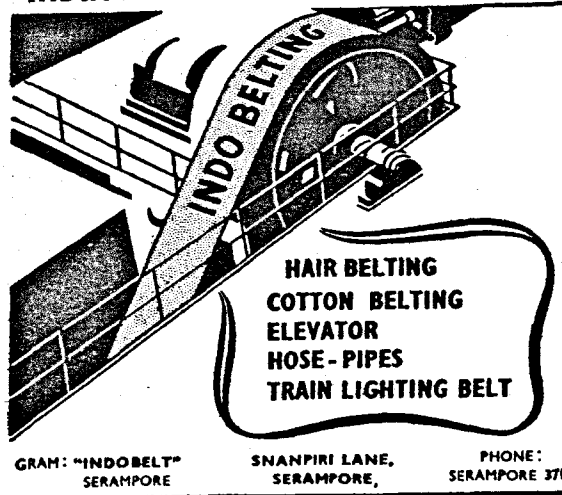
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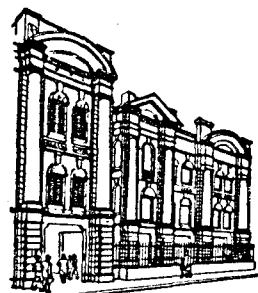
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Bombay

NATIONALISATION AND LIBERTY

MR. M. R. MASANI STRESSES DANGER OF OVER-CENTRALISATION
(FROM OUR BOMBAY CORRESPONDENT)

IN an address to the Rotary Club recently, Mr. M. R. Masani of Tatas supported the concept of a mixed economy for India. Emphasising the dangers of indiscriminate nationalisation, he said: "If the balance of the mixed economy under which India has advanced during the past eight years is further upset and we drift to a situation where peasant proprietorship, free enterprise and the free trade unionism that stands or falls with it are destroyed, then, however noble the intentions of those who pursue those policies and however great their love of justice and freedom, a blow will have been struck at the free way of life that not even the Constitution of the Republic will be strong enough to avert." Mr. Masani challenged the assumption that a completely nationalised or socialised economy is compatible with the kind of political liberty the people of India enjoy today. Mahatma Gandhi had recognised this danger at an early stage and had warned against over-centralisation. Mr. Jaya Prakash Narain the Socialist leader, who could hardly be credited with pro-capitalist sentiments, had also said: "The welfare State, under the name of welfare, threatens as much to enslave man to the State as the totalitarian." Mr. Masani pointed to the dilemma facing the British Labour Party and quoted Mr. R. H. S. Crossman, a left-wing Labour M.P., as saying: "The State bureaucracy itself is one of those concentrations of power which threatens our freedom. If we increase its authority still further, shall we not be endangering the liberties which we are trying to defend?"

Public Opinion

In taking this stand, Mr. Masani fully endorsed the views of the Forum of Free Enterprise, which had undertaken the task of "educating public opinion". It is as well that public attention has

been drawn to the political implications of a completely or a predominantly socialised economy. The fact that those in power today are genuinely devoted to the cause of individual freedom does not exclude the possibility that in certain circumstances a different administration might easily become authoritarian. Such a situation could be a logical result of over-centralisation. Mr. Masani pointed out that restraint could be exercised only by a freely functioning Opposition. The existence of "countervailing power" could be assured if there were in society a number of relatively autonomous social forces, such as industrial management, trade, organised labour, the professions and peasant proprietors. These alone, said Mr. Masani, could provide the checks and balances necessary to curb power. In a free and competitive society, the worker has the right to choose and change his job and, if need be, to strike. Mr. Masani asked that if only one employing authority were left in the country, would the worker be allowed to shift at will from one job to another and would the State permit workers to go on strike and thus upset the national plan? Would the peasant, once he was persuaded to become a member of a collective or co-operative farm, be allowed, if he wished, to withdraw from it and have his original plot of land restored to him?

Consumer Supremacy

Today, the consumer was supreme. He was able to cast his vote as a citizen, and decide how much he would spend, on what he would spend and what he would save. Because of the law of the market—the law of supply and demand—and the discipline of the balance-sheet, it was the consumer who decided for the entrepreneur whether to produce and what to produce. Once, the law of the market ceased to operate, how, asked Mr. Masani, were those at the helm of the omnipotent State to determine what goods to produce and what priorities to establish? What yardstick would help in the exercise of these wide and arbitrary powers? Was it likely that a comprehensive order of values in which every one of the people's needs would be given proper priority could be democratically established through Parliamentary discussions? While Parliament may vote on a Bill clause by clause, would not Parliament voting and amending a comprehensive plan clause by clause make nonsense of it? In such a situation, Mr. Masani said, the so-called experts would be in a position to claim that they knew best, and would thus be able to impose their personal or group preferences on the community as a whole.

Changing Capitalism

Those who urge widespread nationalisation seem to ignore the fact that a profound change, has occurred within the capitalist system itself. The growth of the trade movement, for instance, has placed a formidable weapon in the hands of labour. Collective bargaining is not only possible, but is widely practised. Minimum wages related to the cost of living index, hours of work, bonus payments, leave rules and other amenities are factors which the modern industrial employer is compelled to consider. Exploitation of labour, such as took place in the early years of the Industrial Revolution, is almost impossible. The existence of industrial courts and wage tribunals ensures a square deal for the worker who is protected by a mass of labour legislation. Apart from the compulsory measures, an employer today is sufficiently enlightened to understand that labour relations are a vital factor in modern production. Many of the fundamental assumptions of Marxist theory have become invalid with the development of Parliamentary democracy based on adult franchise. It is within the competence of a fully elected legislature, returned by popular vote, to enact laws which ensure social justice. The most stringent supervision can be exercised over free enterprise by a wide cross-section of society without strangling it completely and handing over absolute economic power to a bureaucracy.

If the object of a socialised economy is the greatest good of the greatest number, then it is possible to bring about a welfare State without the drastic step of nationalisation.

Evils of State Capitalism

Mr. Masani said that there were many people in India, including some in office, who, while sharing a distaste for the system of State capitalism and State landlordism as developed in Russia and China, still wanted the country to press forward towards the socialisation of all large-scale industry and the establishment of co-operative farming. A Government delegation had been sent to communist China to study her so-called "co-operatives," which were nothing but collective farms on the Russian pattern. Recent encroachments by the State in various spheres, such as life insurance, the export of iron and manganese ore and the distribution of cement, raised the question where the process would stop, Mr. Masani said. Could one preserve political freedom while hacking away merrily at its economic foundations? While those in office, or in control of the ruling party, have no intention of imitating the Russians, it is open to question whether, by their support for certain policies actuated undoubtedly by the urge to ensure social justice, they were not in fact creating conditions whereby the liberties guaranteed by the Constitution may be imperilled.

The Burmah-Shell Loughborough College of Technology Scholarships for 1956 have been awarded to Mr. G. V. Mohan of the Banaras Hindu University and Mr. P. B. Jayakumar of the Mysore University. Both the selected candidates hold first class degrees in mechanical engineering.

Jute

I.J.M.A. TO SEAL 5 PERCENT OF LOOMAGE FROM MID-SEPTEMBER

FIBRE ARRIVALS IN COSSIPORE REMAIN AT HIGH LEVEL

THE Indian Jute Mills Association Committee proposed on Tuesday the sealing of 5 percent of the mills' total loomage from 17th September. The costly experiment of expanding production which began just over eight months ago is thus shortly to end. Exactly a month ago, the jute industry sealed 2½ percent of its loomage. That reduced the monthly rate of production by between 2,500 and 3,000 tons. The latest move, when it takes effect, will reduce it further by about 5,500 tons. Many jute mills have been suffering serious losses in recent months because fibre has been firm while gunnies have been weak. It is expected that the disparity between the prices of the two will be corrected by the latest production cut. It has for some time been clear that the industry has been producing jute goods well in excess of demand; stocks, mainly of sacking, have as a result been accumulating rapidly over the past few months. It is to be hoped that with smaller gunny stocks in mills' godowns, and cheaper fibre as the weight of the New Crops arrives in the markets, more profitable working will be restored to the industry. Production during July was maintained at a fairly high level in spite of part of the month being worked with 2½ percent of the loomage closed down; at 94,000 tons, it was about 5,000 tons less than in the previous month. Mills' stocks of jute goods, however, as reported previously, rose by 8,800 tons, which demonstrates the extent to which the industry has been over-producing.

The fibre markets, although dropping 8 annas a maund over the week, showed a steady undertone. Mill interest fell to a certain extent, but small imports in the agencies, and heavy covering in the local markets against recent quick delivery contracts, prevented prices from falling. In Cossipore, wagon arrivals were again maintained at a high level which appeared to belie the sellers' contention that there is a wagon shortage. Arrivals are well above those for the corresponding period of last year, and are only very slightly less than the maximum number that can be handled on any one day. Stocks, however, have not increased as all imports have found ready buyers, and total holdings in Cossipore are lower than normal for the time of the year. Imports into some upcountry Assam agencies have fallen, and prices have tended to increase rather than follow the Calcutta markets, so the disparity between the two has widened. Sellers have still a large number of low-priced contracts to deliver this month, but it seems most unlikely that these will be fulfilled with prices at the present level. In many cases, mills are depending on these supplies to see them through, and if they are let down again they will have no recourse but to turn to the local markets. The prospects have caused local sellers to hold very reserved and bullish ideas, and counter-bids from mills have met with very little success.

THE JUTE MARKETS

Manufactured Goods:—The only change in prices in the gunny market at the opening last Thursday was in near delivery heavy goods, where heavy speculative transactions caused August shipment B Twills to drop by 10 annas to Rs. 105-2 a 100 bales. Forward shipment was unchanged and was quoted at a premium of 6 annas over near deliveries. The only change in hessian was a loss of 1 anna in the near position which brought 40in. 100z. down to Rs. 38-13 a 100 yards for August shipment, this being 1 anna higher than January-March shipment. Overseas interest was negligible. In the absence of any real goods support, operators began to unload their holdings on the fatka market, which again depressed prices. By Friday, heavy goods had suffered a further setback of 6 annas in the ready position and 12 annas in forward shipment. Hessian did not respond to fatka promptings and the only reaction came from August 11 porter constructions which fell by 1 anna to the rate for forward shipment. Towards the evening, the market recovered as rumours about the re-sealing of looms gained ground. This was confined mainly to sacking, as hessian moved up on its own account on reports of big business with the U.K. Both near and forward shipment 100z. jumped by 4 annas, bringing prices to Rs. 39, which is the highest recorded for 3½ months. There was very little activity over the week-end, but a steady undertone developed in both sections due to speculative covering.

Towards the close, the jute goods market was very steady due to the loom sealing move and quotations on Tuesday morning were as follows:

	August	September	Oct.-Dec.	Jan.-Mar.
	Rs.	Rs.	Rs.	Rs.
40in. 80z.	32-4	32	31-12	31-10
40in. 100z.	39-5	39-7	39-8	39-4
B Twills	105-6	105-12	106-2	105-8
Heavy Cees (Plain)	104-8	105-12	106-2	105-8
A Twills	128-8	129-8	130-8	129-8
Liverpools	118	119	120-8	119-8
Cornacks	106-8	106-8	106-12	106-8

Raw Jute: There was very little activity in the fibre markets last week and quotations dropped by 8 annas a maund from the opening price of

Rs. 28-8 basis Bottoms for Assam jute. Sellers were not discounting rates, however, and several attempts to make them do so met with no success, as local markets were being kept up by continuous buying pressure from operators with quick delivery obligations to fulfil. Shipment jute from agencies was very slow in coming due to the high prices ruling upcountry. Mills were being flooded with requests to accept alternative, and very often inferior, types of fibre which sellers had shipped against contracts at prices within their range, rather than forgo their wagon allocations.

The main business was in ready bills of lading. Transactions of this nature passed for Dhubri, Northern and Assam jute at prices between Rs. 28 and Rs. 29-4 a maund basis Bottoms. Forbesganj and Purnea jute of Desal quality was also done at Rs. 28 to Rs. 28-8 a maund for 15 days' shipment. Small lots of Daissee white changed hands at Rs. 28-8 a maund for one month's shipment, and Daissee Mesta (Old Crop) at Rs. 27-8 to Rs. 28 a maund. In the pucca bale section, Pakistan Mill Firsts were bought at Rs. 192-8 to Rs. 195 a bale for one month's shipment after the date of the letter of authority, and ready bills of lading for Pakistan Cuttings were taken up at Rs. 130 a bale.

At the close, the raw jute markets were unchanged and quotations on Tuesday were as follows:

Indian Jute (New Crop):	Landed at Mills Rs. a md basis Bottoms.	Shipment.
Lower Assam	28	August-Sept.
Northern	28	"
Murshidabad White	28	"
Daissee White	28	Sept.-Oct.
Daissee	28	August
Local Northern (Old)	28	Sept.-Oct.
Bimal (New)	26-8	"
Tossa is quoted at 8 annas to Re. 1 a maund above the price of white jute.		
Pucca Bales (New Crop):	Rs. a bale.	Shipment.
Mill Firsts 2/3	185	August-Sept.
Mill Lightnings 2/3	170	"
Mill Hearts 2/3	155	"
S.G. Daissee	175	Sept.-Oct.
L.G. Daissee	160	"
Pakistan Jute (New Crop):	Rs. a md.	Shipment.
Jat	31	August-Sept.
District	30-8	"
Northern	31	"
Pucca Bales	Rs. a bale	Shipment.
Mill Firsts 2/3	195	August-Sept.
Export Firsts 2/3	175	"
Export Lightnings 2/3	160	"
Jat Cuttings	127-8	September.

In Cossipore, the markets are steady and although wagon arrivals have dropped slightly over the week to about 700, they are much higher than normal for the time of the year. All imports have been taken up immediately, as there is still a strong demand for quick delivery jute. As a result, prices have shown very little change, and at the close Kishenganj jute was quoted at Rs. 28-12 a maund for garsat quality.

Mofussil: Upcountry markets are unchanged. Imports into the main Assam agencies are negligible, but continue to improve in the western districts. Very little business has been reported, as current rates are too high for sellers to cover against existing contracts. At the close, quotations in Dhubri were based on Dhubri at Rs. 26 a maund basis Bottoms.

Raw Jute Consumption

The consumption of raw jute by mills reporting to the I.J.M.A. in July 1956, the first month of the new season, amounted to 548,603 bales for a 200-5-hour working month. This was 27,997 bales less than in the previous month, which had 206 working hours. In July 1955, consumption was 490,303 bales for a 200-5-hour working month.

I.J.M.A. PRODUCTION FIGURES FOR JULY

The Indian Jute Mills Association reports the total production of jute goods for the month of July, 1956, as follows:

Description	Quantity
1. Twist and Yarn	1,817 tons
(a) For Sale	
(b) All others—including that used in sewing bags	1,296 tons
2. Canvas	204 tons
	5.2 lakh yds.
3. Gunny Bags (Tonnage exclude sewing twist)	
(a) Hessian	4,626 tons
	1,697 lakh yds.
	80.4 lakh Nos.
(b) Sacking	51,518 tons
	12,204 lakh yds.
	5,363 lakh Nos.
4. Gunny Cloth	29,488 tons
(a) Hessian	11,550 lakh yds.
	1,330 tons
(b) Sacking	22.9 lakh yds.

5. Other manufactures (including ropes)	3,778 tons
6. Total production (above figures combined)	
(a) All kinds	94,057 tons
(b) Hessian (both bags and cloth)	13,20.4 lakh yds.
(c) Sacking (both bags and cloth)	12,53.3 lakh yds.
(d) Canvas (both bags and cloth)	5.2 lakh yds.

Summary

	(00,000 Yds.)			(000 Tons)		
	July, 1956	June, 1956	July, 1955	July, 1956	June, 1956	July, 1955
Hessian	13.26	13.79	12.97	34.3	35.0	34.3
Sacking	12.53	13.69	10.87	52.9	57.3	45.0
Others				6.9	6.6	4.8
Grand Total				94.1	98.9	84.1
Hours worked				200.5	206.0	200.5

N.B.—These statistics are based on replies received and represent all members of the Association and Gagalbhai with estimates for three non-member mills.

GUNNY SHIPMENT STATISTICS

The following figures include coastal shipment relating to manufactured jute goods for shipment from the port of Calcutta. These are gross figures based on shipping bills presented:

	Hessian		
	Bags (Tons)	Cloth (Tons)	Total (Tons)
1st to 5th August, 1956	1,065.3	10,330.8	11,396.1
1st to 5th July, 1956	664.8	8,406.1	9,070.9
1st to 5th June, 1956	814.6	11,053.2	11,867.8
	Sacking		
	(Tons)	(Tons)	(Tons)
1st to 5th August, 1956	7,714.1	932.5	8,646.6
1st to 5th July, 1956	8,156.1	766.0	8,922.1
1st to 5th June, 1956	5,786.4	374.7	6,161.1

THE FOREIGN JUTE MARKETS

BUSINESS BRIGHTENS UP

(FROM OUR DUNDEE CORRESPONDENT)

DUNDEE spinners and manufacturers have resumed business after the holidays under much brighter conditions than those prevailing a fortnight ago. No doubt the conditions surrounding the Suez Canal have influenced buyers of jute yarns and cloth to replenish their stocks, which they had allowed to fall to dangerously low levels. Hitherto there has been little or nothing to fear on the score of any increase in prices for productions, but this week the tendency of raw jute prices to advance has been steady and there is a rise of £2 to £3 a ton on white jute. Dark jute is not in demand and no change can be recorded in Daissee and Tossa grades. Spinners, though they have sold more yarns, are not inclined to follow the rise in prices for the fibre, as they are already hard put to it to make ends meet. There may be a change in the fixed minimum rates for yarns and cloth if the raw material goes up much further. Mill Firsts are quoted at £93 for August-September, Mill Lightnings at £85 and Mill Hearts at £80 a ton, c.i.f. U.K. There is not much offering for this early position and for September-October sellers would accept £1 less in each case. A good deal of jute was sold for shipment July-August, but it is evident that a lot of this material will be late in leaving Pakistan.

Calcutta goods have maintained their prices very well over the past two to three weeks. Little change is noticed in the quotations at 59s for 40in. 100z. Hessians and 45s for 71oz., August, 59s and 44s 9d September, and 59s 3d and 44s 3d October-December, with B Twills at 161s, 161s 9d and 162s for the respective positions of shipment, all f.o.b. Calcutta. Not until the holidays were nearly over did buyers of jute yarns and cloth show any real desire to purchase their requirements on a larger scale. In weaving yarns, there has been quite a brisk business done on the basis of 14.77d for 8lb. spools, and 14.19d for 8lb. cops. Twist has continued very quiet but firm, as are prices for all qualities of jute yarns. A large enquiry prevails in the market for cloth and considerable orders have been placed for common Hessians in various widths and weights at firm prices.

BAG SUPPLIES RISE IN HOLLAND

Prosperity in the potato trade has brought about a steep increase in the number of bags at present in circulation in the Netherlands. In the first quarter of 1956, compared with 4 million in the similar 1955 period. Consumption of bags during February and March totalled 9.4 million of which 5.4 million were new and 4 million used. Imports during the same period were 7.55 million made up of 2.95 million new and 4.6 million used bags. The Netherlands exported 55,000 new bags and 3.4 million used during February and March 1955.

Plantation Topics

CALCUTTA TEA AUCTIONS
IN JULYSTRONG GENERAL DEMAND: C. T. C.
TYPES OUTSTANDING

THERE was a strong and general demand throughout the month for all good liquoring teas, though plain and thin liquoring kinds received only limited support. C.T.C. teas were an outstandingly strong feature and met with keen buying competition at rates up to Rs. 5 a lb. and more for the best, say Messrs.

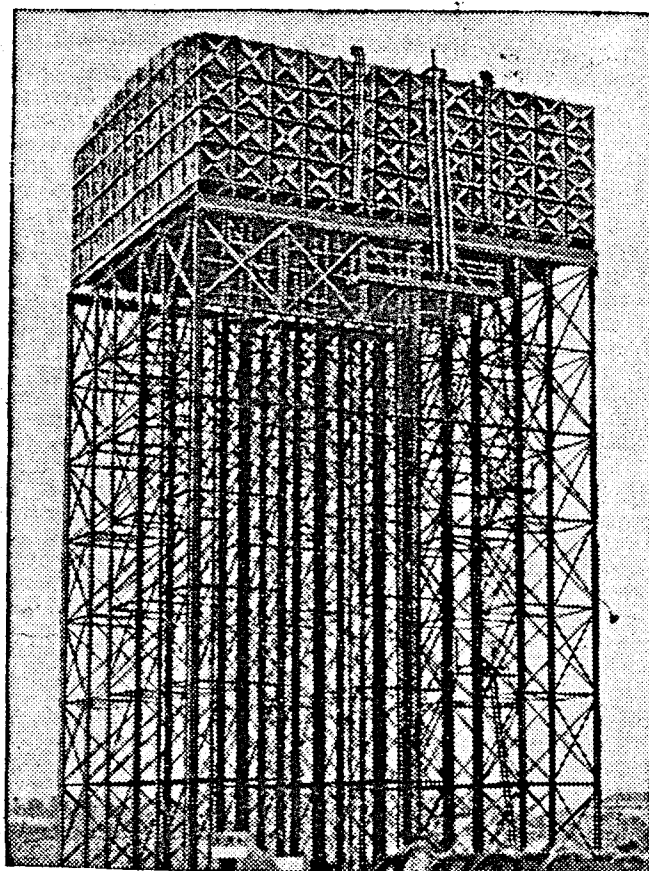
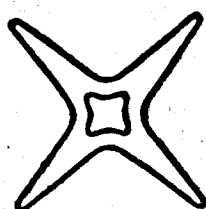


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Carritt Moran & Co. Private Ltd., in their monthly tea market review, Assam teas of standard manufacture with useful quality were also well supported at dearer rates as quality improved. Tippy teas continued to realise very high prices, although there was slightly less demand for these kinds towards the end of the month. Stylish whole leaf grades received strong support though the more ordinary kinds met with only a fair demand. Small black fannings with useful colour liquors were also a very strong feature, though the plain nondescript types were rather neglected until the last Sale of the month when they received a little more attention. Darjeelings enjoyed a good market and the most flavoury kinds realised very high prices.

Darjeeling Leaf appearance continued to be of a high standard and there has been quite a good show of tip in the high grades from a number of estates. Quite a number of invoices possessed very attractive flavour and cup quality generally was of a fair average standard. The increased offerings from Assam districts showed a marked improvement and included a useful selection of good liquoring second flush teas of both C.T.C. and standard manufacture. Tippy teas were also in plentiful supply. A further falling off in leaf appearance of Doors teas was in evidence during the month, particularly in the lower grades which were often dull in colour and open in make. The liquors, with a few exceptions, were rather plain and uninteresting. Leaf appearance continued to be well maintained, but the liquors from most estates were plain in character.

		1956-57		1955-56	
		Rs.	As. P.	Rs.	As. P.
Sale No. 4	Plain B.P.	1	8 0	2	2 0
Sale No. 5	" "	1	9 0	2	5 0
Sale No. 6	" "	1	8 3	2	7 6
Sale No. 7	" "	1	8 9	2	8 3
Sale No. 8	" "	1	9 3	2	7 3

Internal Sales

During the month of July, five Leaf sales were held and offerings amounted to 2,058 packages of new season's and 801 packages of old season's manufacture. The selection was of a poor standard and consisted mainly of stalky and fibrous grades. Demand was very irregular and easier. Dust offerings totalled 56,550 chests of new season's and 12,621 of old season's manufacture. In the first Sale of the month, there was only a fair demand apart from black leaf types suitable for the Middle East and useful C.T.C. Assams which sold at dearer rates.

The remaining offerings were generally 2 annas easier and withdrawals for common teas were considerable. Over the next two sales, demand for Middle East types and C.T.C. Assams rose considerably and they were quotably dearer, but common and low mediums declined further. In Sale No. 7, there was a sudden decline for C.T.C. Assams and they were 4 annas easier, but the remaining offerings were well supported and were firm other than for the poor liquoring types. In the final Sale, there was a poor demand with very little support for Middle East types which were a full 4 annas lower with heavy withdrawals in this category. C.T.C. Assams also declined by 4 annas and mediums were 2 to 4 annas easier. Commons were however fully firm, and the commonest types were selling at dearer rates.

Quotations									
				Rs. As. P.			Rs. As. P.		
				1956			1955		
Sale No. 4	Clean	Common	Dust	1	6	0	2	3	9
Sale No. 5	"	"	"	1	5	6	2	3	9
Sale No. 6	"	"	"	1	5	0	2	6	3
Sale No. 7	"	"	"	1	6	3	2	5	6
Sale No. 8	"	"	"	1	6	9	2	5	3

Export sales up to No. 7 totalled 149,683 chests at an average price of Rs. 2-7-5 compared with 202,716 chests at an average price of Rs. 2-10-4 a year ago. Internal sales at 2,110 chests of Leaf and 34,543 chests of Dust (Rs. 1-9-11 and Rs. 2-1-7) go against 6,050 chests and 42,685 chests (Rs. 1-12-1 and Rs. 2-6-6), in the corresponding period of last year.

Business in Export Quota was transacted at the beginning of the month at 32 pies a lb. Prices rose slightly in the first week, however, to 36 pies a lb., but declined steadily thereafter to 27 pies a lb. at the close.

The estimated north India crop to the end of June, 1956 was 125,068,130 lb., as compared with 115,331,888 lbs. to the same date last year. The average figure at this date for the three years 1953-1955 was 113,233,907 lbs.

The Government of India has issued a notification fixing the price of tea for the purpose of determining the export duty at Rs. 2-4-5 a lb. as against Rs. 2-13-11 a lb. in force from 1st July, 1956. The export duty, therefore, still remains unchanged at 6 annas a lb.

Arrivals (in chests) in Calcutta warehouses during the period 24th June, 1956, to 23rd July, 1956, with the corresponding figures of the previous year in parentheses, were as follows: by steamer 251,218 (279,708), by rail 60,905 (66,736) and by air 11,147 (17,754), making a total of 323,270 (364,198) chests. Since the beginning of the season, 1st April, 1956, to 23rd July, 1956, arrivals have been: by steamer 362,108 (435,032), by rail 141,139 (126,418) and by air 32,207 (44,752), making a total of 535,454 (606,202) chests.

NORTH INDIAN TEA CROP REPORTS

The following is a summary of crop and weather telegrams received for the month of July, 1956:

Upper Assam: Weather generally seasonable but hot at Doom Dooma; unusually heavy rain with floods reported from Doom Dooma and Soma; outturn last month normal to good; immediate prospects fair to good; outturn to date slightly over last year at North Lakhimpur.

Central Assam: Exceptionally heavy rain and dull conditions reported; Moran Circle isolated by floods; severe damage on Sibsagar Road reported; outturn last month about normal; immediate prospects fair.

Lower Assam: Outturn last month about normal; immediate prospects fair to good; weather generally favourable, but rainfall deficient at Mangaldai; red slug light but looper attacks heavy at Borsola.

North Cachar: Weather seasonable at Lakhimpur, but otherwise unfavourable; outturn last month normal to good; crop prospects generally favourable; heavy rain with floods reported from North Cachar and Happy Valley; black rot and helopeltis prevalent in some districts, but blight less severe in Lakhimpur.

South Cachar: Weather generally favourable but wet at Longai; heavy rain with floods reported from Chutia; outturn last month about normal; immediate prospects fair; black rot prevalent throughout the district; red spider blight lifting in most districts.

Eastern Doors: Weather favourable but dry at Jainti; outturn last month normal to good; immediate prospects good; outturn to date slightly over last year.

Central Doors: Weather seasonable; outturn last month normal to good; crop prospects generally unfavourable at Binnaguri but good at Dalgao; outturn to date slightly over last year; helopeltis prevalent at Binnaguri.

Western Doors: Outturn last month normal to good; outturn to date is considerably over last year; black rot prevalent in some portions of the district; slight helopeltis at Chalsa; crop prospects generally favourable.

Darjeeling: Outturn last month good; immediate prospects fair; weather favourable; blight blight prevalent.

Total: Rainfall below normal; outturn to date above normal; crop prospects fair; helopeltis prevalent.

RAW RUBBER IMPORTS

Under the import policy for the current half-year, it had been announced that the import of raw rubber would be canalised on a basis to be specified later. The question has now been reviewed and the Government has decided that imports of the following grades of raw rubber will be licensed to actual users on an ad hoc basis: (a) Crepe rubber other than sole crepe; (b) sheet rubber; (c) scrap rubber; (d) latex; (e) synthetic rubber; and (f) reclaimed rubber. Import licenses will be given subject to the conditions which the licensing authority may impose. Applications from actual users for importing the above grades should be sent to the Chief Controller of Imports and Exports, New Delhi, before 10th November, 1956.

Calcutta Markets

DEMAND FOLLOWS QUALITY
AT TEA EXPORT SALE

STRONG SUPPORT FOR DUSTS

AT Sale No. 10, held on 13th and 14th August, offerings at the Export auction consisted of 50,000 packages for which there was a good demand, but buyers showed keen discrimination for quality. C.T.C. Assams showed a slight decline in quality and prices were up to 4 annas a lb. lower. The orthodox manufacture of Assams with quality liquors were well supported, and were fully firm, while Doors and clean plain broken were up to 2 annas dearer. A particularly strong feature of the Sale were clean black fannings, which were generally 2 to 4 annas dearer and sometimes more. Stylish whole leaf grades were 1 to 2 annas easier, while the more ordinary kinds were slightly easier. Darjeelings once again received good support, but there was less demand for tip.

Quotations	Rs.		
Clean Black Pekoe	1	15	0
Plain B.P.	1	10	0
Medium Assam B.P.	2	6	0 to 2 8 0
Best CTC Assam B.P.	4	0	0 to 4 8 0

At the Internal Sale, Dust offerings consisted of 15,000 packages for which there was a strong and active demand at generally dearer rates. Middle-East types were a very strong feature and advanced by 4 annas to 8 annas. C.T.C. Assams were well supported, especially the leafy types which were dearer, but the remainder in this category were easier. Medium Assams with useful liquors were 2 annas to 3 annas dearer while poor liquoring mediums were fully firm. Clean Cachar and Doors teas were 1 to 2 annas dearer, while there was a keen enquiry for residue types which sold at dearer rates.

	Quotations		Rs.	
Medium Doors Dust	1	10 0	to 1	10 6
Medium Assam Grainy Dust	1	12 0	to 1	13 0
Medium Assam C.T.C. Dust	2	10 0	to 2	14 0
Best Assam C.T.C. Dust	3	8 0	to 3	10 0

Leaf offerings consisted of 889 packages for which there was a fair demand. Clean teas were slightly dearer, but there was little demand for the grainy teas on offer.

SELECTIVE RISES IN FREIGHT
MARKETS

THERE were no important developments in the freight markets last week, although a few charterers had to pay up for ships to replace those recently requisitioned by the U.K. Government. Churchill-U.K. had to concede an increase of 10s at 97s 6d for grain to the U.K. and Cuba-Japan sugar was up 15s at 180s for a spot vessel. Owners' ideas for Calcutta-Karachi coal are now 88s, but charterers are still talking 76s to 77s, and are unlikely to concede more. Whampoa-Columbo repeated 80s f.i.o.s. for August shipment. The American coal trade was steady at 70s for Continental destinations and quieter conditions prevailed in the Indian ore trades due to the uncertainty over export quotas. Little interest was shown in the Time Charter section where a Liberty was fixed at 45s for an Indian round trip, delivery Rotterdam August.

SUGAR MARKET EASY

During the week ended 14th August, sugar sales in the Calcutta market averaged 3,500 bags daily. Arrivals a day were 5,000 bags and stocks totalled 175,000 bags. Rates for ready sugar ex-Kantapur delivery were Rs. 31-4 for ordinary grain and Rs. 33-2 for big grain. The market was quietly easy, the rates of big grain sugar having fallen by 4 annas to 8 annas.

LINSEED EASIER

After a very firm opening, conditions became slightly easier last week although prices were maintained. Supplies were still scarce and local crushers were fairly keen for the nearer positions despite the somewhat poorer offtake of oil. In the oil section, activity was small, with local consumers buying on a hand-to-mouth basis; overseas markets were very much out of line. Latest quotations were as follows: August-September Rs. 23-12 a maund.

HIDES AND SKINS DULL

The market continued dull. Stocks were higher than in the previous week.

Bazaar Sales

(Between 7th August and 13th August, 1956)

Cowhides: Wet salted (Ord.) 32,000 pcs. on the basis of Rs. 5-3 to Rs. 8-4; Wet salted (Slaughtered) 21,600 pcs. on the basis of Rs. 12-8 to Rs. 20.

Goatskins: Wet salted (Daisiee, Killed) 92,000 pcs. on the basis of Rs. 170 to Rs. 175. Rs. 215 to Rs. 250 and Rs. 315 to Rs. 325; Assam-Dinajpur 4,500 pcs. on the basis of Rs. 215 to Rs. 225; Purneah-Kissanganj 7,600 pcs. on the basis of Rs. 210 to Rs. 225; Patna (Ord.) 31,000 pcs. on the basis of Rs. 125 to Rs. 150; Patna 15,500 pcs. on the basis of Rs. 200 to Rs. 210.

Bazaar Stocks

(13th August, 1956)

Cowhides: Wet salted (Ord.) 172,000 pcs.

Goatskins: Wet salted (Daisiee, Killed) 45,000 pcs.; Assam-Dinajpur-Jalpaiguri 98,000 pcs.; Muzafferpore - Patna - Pakur - Purneah - Kissanganj 170,100 pcs.

COMPANY AND PUBLIC NOTICES

LODNA COLLIERY COMPANY (1920), LIMITED.

NOTICE is hereby given that the Thirty-fifth Ordinary General Meeting of the Members of LODNA COLLIERY COMPANY (1920), LIMITED, will be held at the Registered Office of the Company, No. 6, Lyons Range, Calcutta, on Monday, the 10th day of September, 1956, at 3 P.M., for the following purposes:—

- To receive and consider the Profit and Loss Account and Balance Sheet and the Reports of the Directors and of the Auditors,
- To declare a dividend in respect of the year ended 31st December, 1955,
- To elect Directors,
- To appoint Auditors and to fix their remuneration,
- To consider and if thought fit to pass the following resolutions:—

(a) "That by virtue of the discretion vested in the general meeting by section 228(1) of The Companies Act, 1956, it is hereby resolved that the accounts maintained at the collieries of the Company need not be audited by a qualified auditor, but the Board of Directors may in its discretion have these accounts audited by any qualified auditor or auditors as it may deem fit and may pay such remuneration therefore as it may decide."

(b) That the resolution of the Directors passed at the Board Meeting held on 25th May, 1956, and reading as follows be and is hereby confirmed—

"That with effect from 1st April, 1956, the Directors do forego the commission of 2 per cent. of the net profits of the Company and that each Director shall be paid by way of remuneration only the monthly sum of Rs. 100/- as provided in Article 113."

The Share Transfer Register of the Company will be closed from the 3rd September, 1956 to 10th September, 1956, both days inclusive.

Warrants for the Dividend when declared will be forwarded in accordance with the registered instructions, but if no such instructions have been received, to the registered address of the Shareholders whose names appear on the Company's Register at the date of declaration.

By Order of the Board,

For and on behalf of
TURNER, MORRISON & CO. PRIVATE LIMITED,
C. O. FOUNTAIN,
Director,
Managing Agents.
Calcutta, 17th August, 1956.

Note:—A member entitled to attend and vote at the meeting is entitled to appoint a proxy, who need not be a member of the Company, to attend and vote in his stead.

Explanatory Statement relating to items 5(a) and (b) of notice as required by section 173 of The Companies Act, 1956.

5. (a) Section 228 of The Companies Act, 1956, provides that the accounts of all branches of a company shall be audited by a qualified auditor unless the shareholders in General Meeting determine otherwise. Colliery Accounts which must be regarded as Branch Accounts for this purpose have not so far been audited other than internally and the management consider there is no need for an outside audit.

(b) The commission of 2% of net profits payable to Directors according to the terms of the Company's Articles of Association is contrary to the provisions of section 309 of The Companies Act, 1956 and consequently the Directors decided to waive this remuneration but to receive as usual monthly fees as provided for in Article 113.

KUMARDHUBI FIRECLAY & SILICA WORKS
LIMITED

THE Board of Directors has recommended the payment of the following Dividends for the year ended 31st December, 1955:—

- On Preference Shares @ 7% per annum without any deduction for Income Tax paid by the Company.
- On Redeemable Preference Shares @ 5½% per annum after deduction of Income Tax paid by the Company.
- On Ordinary Shares @ Rs. 1/8/- per Share without any deduction for Income Tax paid by the Company.

By Order of the Board,
BIRD & CO. (PRIVATE) LIMITED,
Managing Agents.

Chartered Bank Buildings,
Calcutta, 6th August, 1956.

THE IMPERIAL TOBACCO COMPANY OF INDIA
LIMITED

At a Meeting of the Directors held on the 9th August 1956, it was decided to recommend to the shareholders at the Annual General Meeting, which was fixed to be held on the 14th September 1956, the payment of a final dividend for the year ended 31st March 1956, of 4% (free of Income Tax) on the issued Ordinary shares, payable on the 25th September 1956.

The net profit for the year, after deducting all charges and expenses of management and providing for taxation, is Rs. 1,86,71,550.

Two interim dividends, each of 2% (free of Income Tax) amounting in total to Rs. 60,64,000 in respect of the year to 31st March 1956, were paid on the 17th October 1955 and the 28th March 1956 respectively.

After paying the final dividend amounting to Rs. 60,64,000 and allocating Rs. 50,000 to Capital Reserves, Rs. 35,00,000 to Fixed Asset and Stock Replacement Reserves and Rs. 30,00,000 to General Reserve, the amount carried forward will be Rs. 24,94,274.

The Directors also declared a first interim dividend of 2% (free of Income Tax) in respect of the year to 31st March 1957, payable on the 25th September 1956.

The final dividend, if approved, and the interim dividend will be paid to the shareholders whose names appear on the register on the 14th September 1956 and dividend warrants in respect thereof will be despatched to such shareholders or their mandatories on the 25th September 1956. The share transfer books of the Company will be closed from the 28th August to the 14th September, 1956, both days inclusive, and transfers received in order at the registered office of the Company up to the 27th August 1956 will be in time to be passed for the payment of the dividends to the transferees.

By Order of the Board,

B. GRANGER PEARSON,
Assistant Secretary.

Virginia House,
37, Chowringhee,
Calcutta.
10th August, 1956.

ORISSA CEMENT LIMITED
RAJGANGPUR.

NOTICE is hereby given that the Sixth Annual General Meeting of the Members of the Company will be held at the Registered Office of the Company at Rajgangpur on Saturday, the 29th September, 1956 at 11-45 A.M. to transact the following business:—

- To receive and adopt the audited Statement of Accounts for the year, ended 31st December, 1955,
- To receive and adopt the Directors' Report, approve appropriation, and declare dividend, which if declared will be payable on or after 1st October, 1956, to those shareholders whose names appear in the Register of Members on 29th September, 1956.

3. To elect Directors in place of the retiring Directors Shri Jaidayal Dalmia, Shri Mohanlal Goenka and Shri Nihar Chandra Roy, who are eligible for re-election.

4. To appoint Auditors for the current year and to fix their remuneration. Messrs. V. Sankar Aiyar & Co., the retiring Auditors, are eligible for re-appointment.

5. To consider the cancellation of 10,000 unsubscribed Preference shares out of the 50,000 issued Preference shares.

(Explanatory Note: Considering the present money market conditions, it is difficult to get subscribed 41% cumulative Preference shares. Therefore, the Directors propose that 10,000 unsubscribed Preference shares out of 50,000 issued shares be cancelled.)

6. Any other business that may ordinarily be transacted at an Annual General Meeting.

The Share Transfer Books of the Company will remain closed from 3rd September to 29th September, 1956, both days inclusive.

Every shareholder entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him/her and such proxy need not be a shareholder. The proxies should, however, be deposited at the Registered Office of the Company not later than 42 hours before the commencement of the meeting.

By Order of the Board of Directors,

For ORISSA CEMENT LIMITED,
J. DALMIA,
Director,
Managing Agents.

Rajgangpur,
dated, 30th July, 1956.

Tuesday 14th August, 1956.

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GOVERNMENT LOANS

PORT TRUST LOANS

IMPROVEMENT TRUST
LOANS

Amount Outstanding Rs.	Interest Rate	Year of Issue	Repayable	Market quotations Rs.	Amount Rs.	Interest Rate	Year of Issue	Repayable	Market quotations Rs.	Amount Rs.	Interest Rate	Year of Issue	Repayable	Market quotations Rs.	Amount Rs.	Interest Rate	Year of Issue	Repayable	Market quotations Rs.
GOVERNMENT OF INDIA					CALCUTTA					BOMBAY					MADRAS				
2,48,91,47,000	3	1946	1986 or later	76 1/2	90,24,300	4	1914	1974	99	36,50,000	4	1904	1964	99 1/2	25,00,000	5 1/2	1929	1959	107
8,93,35,000	3	1896-97	At the option of the Government of India after 3 months' notice.	75 1/2	76,90,100	4	1915	1975	99	35,00,000	4	1905	1965	99 1/2	35,00,000	3 1/2	1935	1965	94
57,00,69,000	2 1/2	1946	1961	93 1/2	88,02,300	3	1921 1st	1981	82	15,00,000	4	1906	1967	99 1/2	30,00,000	3	1937	1967	91
45,63,07,000	2 1/2	1946	1960	96 1/2	1,50,00,000	5	1921 2nd	1981	144N	44,00,000	4	1907	1968	99 1/2	20,00,000	3	1938	1968-69	96
50,35,63,000	3	1951	1958	99 1/2	8892,600	5	1923	1953-83	£79 1/2	75,00,000	4	1908	1969	99 1/2	1,02,00,000	4	1956	1968	99
1,16,17,46,000	3	1938	1963-65	94 1/2	£901,000	5	1924	1954-84	£79 1/2	40,00,000	4	1909	1970	100	BOMBAY				
1,10,11,78,000	3	1943	1966-68	92 1/2	98,21,600	5 1/2	1926 1st	1956-86	100	56,00,000	4	1910	1971	100	50,00,000	4	1899	1959	99 1/2
75,86,72,000	2 1/2	1947	1962	93 1/2	99,84,500	5	1927	1957-87	102	75,00,000	4	1911	1972	100	30,00,000	4	1901	1961	99 1/2
30,33,10,000	3	1950	1964	95	1,49,49,500	5	1927	1957-87	102	60,00,000	4	1912	1972	100	60,00,000	4	1903	1963	99 1/2
14,77,48,000	2 1/2	1946	1976	101	1,49,30,000	5	1928	1958-88	103	60,00,000	4	1914	1974	100	60,00,000	4	1904	1964	99 1/2
63,30,26,000	4	1926	1990-70	90 1/2	80,00,000	4	1931	1991	95	STERLING LOANS					30,00,000	4	1905	1965	99 1/2
11,05,83,000	3	1945	1970-75	90 1/2	£835,100	3 1/2	1932	1982	£91 1/2	£892,600	5	1923	1953-83	£87 1/2	20,00,000	4	1906	1966	99 1/2
1,14,06,89,000	3	1944	1957	102 1/2	50,00,000	3	1935	1965	97 1/2	£901,000	5	1924	1954-84	£87 1/2	15,00,000	4	1907	1967	99 1/2
5,85,73,000	4 1/2	1928	1958-68	102 1/2	50,00,000	3	1946	1976	84 1/2	£835,100	5 1/2	1932	1962	£96	£333,000	4	1908	1968	£95 1/2 N
75,29,00,000	3 1/2	1953	1961	98 1/2	50,00,000	3	1945	1-2-2005	75	£256,600	5	1924	1954-84	£96	£566,000	4	1909	1969	£95 1/2 N
1,13,65,64,000	3 1/2	1945	1959-61	98 1/2	60,00,000	3	1945	1-2-1975	84	2,31,07,100	3 1/2	1936-37	1956-66	95 1/2	25,00,000	4	1912	1972	100
1,58,17,07,000	3 1/2	1954	1964	98 1/2	25,00,000	3	1938	1963-68	90	50,00,000	3	1946	2006	74	18,00,000	4	1913	1973	100
1,03,67,92,000	3 1/2	1955	1965	98 1/2	50,00,000	3	1947	1977	83 1/2	50,00,000	3	1948	1978	83 1/2	60,00,000	4	1914	1974	100
BOMBAY					1,00,00,000	3	1949	1959	97	MADRAS					40,00,000	5	1919	1957-79	103
3,50,00,000	3	1943	1956	99 1/2	50,00,000	3	1950	1960	95 1/2	31,47,160	3 1/2	1947	1977	A	66,00,000	6	1920	1955-80	118N
3,44,00,000	3	1944	1958	98 1/2	50,00,000	3	1951	1961	98 1/2	50,00,000	3	1947	1977	A	25,00,000	5	1928	1956-80	101N
6,00,00,000	3	1949	1962	96	50,00,000	3	1952	1962	98 1/2	50,00,000	3	1949	1979	A	25,00,000	3 1/2	1929	1961-80	99 1/2
3,00,00,000	3 1/2	1951	1962	98 1/2	50,00,000	3	1953	1963	98 1/2	MUNICIPAL LOANS					MADRAS				
3,50,00,000	4	1952	1964	101 1/2	50,00,000	3	1954	1964	101 1/2	Amount	Interest Rate	Year of Issue	Repayable	Market quotations Rs.	Amount	Interest Rate	Year of Issue	Repayable	Market quotations Rs.
5,00,00,000	4	1953	1963	101 1/2	50,00,000	3	1955	1965	101 1/2	CALCUTTA					BOMBAY				
1,29,76,600	3	1939	1959	96 1/2	36,00,000	5	1928	1958	103	MADRAS					71,700	6	1925	1955	100N
1,25,10,000	3	1943	1956	99 1/2	25,00,000	5	1929	1957	102	25,00,000	5	1929	1958	102 1/2	2,67,300	6	1925	1955	101N
1,08,00,000	3	1944	1958	98 1/2	25,00,000	5	1929	1958	102 1/2	15,49,000	3 1/2	1951	1960	97	15,00,000	3 1/2	1951	1961	107N
2,82,19,000	3	1945	1960	96	15,49,000	3 1/2	1951	1960	97	16,33,000	3 1/2	1951	1961	97 1/2	15,00,000	3 1/2	1952	1962	107 1/2 N
3,90,33,200	2 1/2	1946	1961	93 1/2	66,88,000	3 1/2	1951	1966	97 1/2	10,00,000	5	1932	1962	108	A=Held by the Govt. of India.				
4,47,00,000	3	1950	1960	96	10,00,000	5	1932	1962	108	33,91,000	3 1/2	1935	1965	94					
5,00,00,000	4	1952	1964	100 1/2	72,50,000	4 1/2	1954	1979	100	47,60,000	3	1936	1966	90					
5,00,00,000	4	1953	1963	100 1/2	60,00,000	3	1936	1966	90	17,64,400	3 1/2	1938	1968	90					
UTTAR PRADESH					30,00,000	3 1/2	1936	1966	90	WEST BENGAL					2,00,00,000	3 1/2	1951	1966	94 1/2
1,69,39,800	3	1936	1961-66	90 1/2	1,00,00,000	3 1/2	1945	1955-58	96 1/2	1,75,00,000	3 1/2	1951	1962	98 1/2					
3,23,96,800	3	1944	1958	98 1/2	1,00,00,000	3 1/2	1945	1955-58	96 1/2	2,00,00,000	4	1952	1964	100 1/2					
2,36,31,900	3	1945	1960	95 1/2	1,00,00,000	3 1/2	1945	1955-58	96 1/2	5,00,00,000	4	1953	1963	100 1/2					
2,41,19,800	2 1/2	1946	1961	93 1/2	1,00,00,000	3 1/2	1945	1955-58	96 1/2	MYSORE					2,95,85,200	5	1933	1953-63	101 1/2
2,00,00,000	3 1/2	1951	1962	98 1/2	1,00,00,000	3 1/2	1945	1955-58	96 1/2	33,91,000	3 1/2	1935	1965	94	5,99,72,800	4	1936	1956-61	99 1/2
2,00,00,000	4	1952	1964	100 1/2	1,00,00,000	3 1/2	1945	1955-58	96 1/2	72,50,000	4 1/2	1954	1979	100	5,08,05,700	3	1946	25-1-1958	98 1/2
5,00,00,000	4	1953	1963	100 1/2	1,00,00,000	3 1/2	1945	1955-58	96 1/2	60,00,000	3	1936	1966	90	3,00,00,000	3	1953	15-7-1963	100 1/2
COCHIN					30,00,000	3 1/2	1936	1966	90	HYDERABAD					3,34,70,000	4	1953	1963	100 1/2
47,60,000	3	1936	1966	90	21,10,000	3 1/2	1942	1959	96 1/2	2,12,21,800	4	1953	1963	100 1/2					
17,64,400	3 1/2	1938	1968	90	2,22,72,000	4	1942	1959	96 1/2										
31,13,600	4	1939	1956	99 1/2															
21,10,000	3 1/2	1942	1972	92															
15,56,800	4	1940	1957	99 1/2															
2,22,72,000	4	1945	1985	97 1/2															

These notes refer to the Debentures on the next page.

Option to repay at par on 6 months' notice—

(a) after 3 years from date of issue.

(b) at any time.

(c) on or after 1-1-61.

(d) after 14-11-53.

Option to repay on 6 months' notice—

(e) at any time after 30-6-61 at 101/- %.

(f) at 101/- % between 1-1-60 & 31-12-64.

(g) at 102 1/2 % after 30-6-59 but before 30-6-64.

(h) on or after 31st July 1950 at Rs. 102 1/2 % or at par on or after 31st July 1955.

Option to repay on 3 months' notice—

(i) at any time at 3% Premium.

(j) at 1% Prem after 1-2-54 but before 1-3-57 and 1% Prem. on or after 1-3-57.

(k) at any time at par.

(l) at any time after 31-3-62 at the rate of 1% Premium.

(m) Redeemable at 103 1/2 % on 31-12-64 with option to redeem on any interest date at same premium after 30-6-59.

(n) at any time on two months' notice.

(o) to be redeemed at a premium of 10% Rs. 70,000 to be redeemed annually by drawing on 3 months' notice with option to redeem all after 5 years from date of issue on 3 months' notice. Option not exercised, repayment to be made after full term.

Option to repay.

(p) at par after September 1956.

(q) at par on or after 1-12-59.

(r) on 30-6-62 or any subsequent interest payment date on one month's notice.

(s) Rs. 1 lac Debentures to be redeemed annually by drawing from 1-6-56 with option to redeem at 100 1/2 % between 1-6-57 to 1-6-60 and at 101 1/2 % afterwards.

(t) With option to redeem at Rs. 101 1/2 % after 10 years or at 100 1/2 % after 15 years.

(u) With option to redeem all or any of the Debts at 101 1/2 % at any time after 31-3-64 and at 100 1/2 % at any time after 31-3-66.

(v) Rs. 80,000 are being redeemed annually repayment of Debentures commencing serially from No. 1 to No. 80 on 31-12-48.

(w) Redeemable at any time at 3 per cent premium (

BANKS

H indicates that Share capital is half paid. O. C. and Dd. indicate Ordinary Contributory and Deferred Shares respectively P next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Reserve & other Funds	Cash and Investments	NAMES	Accounts closed	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
							1953	1954	1955		14-8-56	7-8-56	A year ago
Rs.	Rs.	Rs.			Rs.	Rs.				Rs.	Rs.	Rs.	Rs.
16,00,000	10.82.22.303	15,65,64.384	Allahabad Bank P.	12	16.11.210	13.71.702	18	..	..	100	366	366	359
14,50,000H											50	165	171
1,00,00,000H	1.28.00.000	15,47,78.001	Bank of Baroda	12	28.01.913	2.70.302	12	12	..	100	105	105	105
2,50,00,000H			Bank of India	12	84.90.779	13.26.630	14	14	16	50	171 1/2	172 1/2	149
3,30,375N	27,00,000	2,84.34.127	Bank of India	12	4,30.348	64.702	6-6	6-6	7-7	25	42	52	55
50,00,000	84,00,000	5,26,08.343	Bank of Mysore	6-12	17,21.294	1,79.254	8-8	8-8	8-8	100	255	255	260
2.62.11.875H 52.42.375	4.01.81.217	72.31.72.307	Central Bank of India	6-12	77.75.970	18.40.359	12	6-6	6-6	25	55	55	501
£3,500,000	£5,000,000	£18,387.761	Chartered Bank of I.A.&C	12	£982.465*	£405.375	14	15	15	£1	38	38/3	44/4
£1,000,000H	£1,500,000	£27,951.096	Eastern Bank	12	£132.536*	£112.656	8	8	8	£5	£7 1/2	£7 1/2	£8 1/2
1,50,00,000	1,00,00,000	35,72,99.896	Habib Bank††	12	46,16.24*	105.895	20	14 7/12	..	20	89 1/2	89 1/2	70
50,00,000H	26,00,000	2,16,65.215	Hind Bank	12	10,86.456	1,06.278	8	..	6	50	38 1/2	37 1/2	28 1/2
1,25,00,000H	15,43,000	3,45.51.078	Hindusthan Commercial	12	1,759	16,519	3	..	..	50	11 1/2	9 1/2	10 1/2
50,00,000H	1,75,000	1,21.08.411	Hindusthan Mercantile	12	1,759	1,519	..	..	..	50	15	15	15 1/2
HK\$25,000,000	£8,000,000	£143,692.832	Hong Kong & Shanghai	12	HK\$20,580.320	HK\$10,606.688	£5 1/2	£5 1/2	£5 1/2	H\$12 1/2	£89 1/2	£88 1/2	£95 1/2
£1,562,500 or 24,00,000											100	205	206
17,00,000	76,50,000	16,04.77.414	Indian Bank	6-12	13,93.697	130.785	12	12	..	85	186	182	146
16,80,000	30,00,000	7,62.24.682	Indian Overseas Bank	12	16,55.725	2,28.299	6	6	7 1/2	80	146 1/2	142	104
49,05,075											100A	42 1/2	151
6,35,000A	5,41.083	77.14.495	Indo-Commercial Bank	6-12	1,21.616	491	..	..	..	25B	11	11	15
2,50,000B											50C	25 1/2	20
10,00,000C	15,06.075	2,18.15.069	Industrial Finance Corpn	6	22,18.696	..	2 1/2	2 1/2	..	50.0C	..	..	..
5,00,00,000													
£17,966.195A £1,377.296B	£15,000,300	£876,061.098	Lloyds Bank	12	£2,322.439	£558,006	14	15	12	£11A £1B	£22-11-0 £1-6-3	£22-11-0 £1-6-3	£3-0-0 £1-6-3
£375,000H £375,000H £720,000	£1,750,000	£31,185.482	Mercantile Bank of India	12	£235.423*	£219.372	14	14	14	£2 1/2A £2 1/2B £1C	£4-0-6 £4-0-6 £2	£4-0-6 £4-0-6 £2	£4 1/2 £4 1/2 £2
£2,851.563H 87,50,000	£3,104.687 97,50,090	£73,681.481 54,942.69.580	National Bank of India, Punjab National Bank	12 6-12	£603.626* 64.61.068	£342.158 2,35.108	16 6	15 12	15 15	sh 12 1/2 25	20/3 59 1/2	20/9 60 1/2	23/3 49
40,00,000	33,00,000	3,08.68.308	Union Bank of India	12	6,75.648	1,75.874	6 1/2	6 1/2	..	b	6 1/2	6 1/2	6 1/2
2,66,55.625	70,95,000	18,44.20.839	United Bank of India	12	14,61.418	1,69.706	4	3	3 1/2	10	4 1/2	4 1/2	5 1/2
2,00,00,000	95,00,000	28,38,89.679	United Commercial Bank	12	36,69.037	22,761	8	5	5	50	60	59	49

* Excluding taxation †† In Pakistan Currency. † Per share. ‡ Guaranteed.

JUTE MILLS

Paid-up Capital Ordinary	No. of Looms	Net Block Account	Reserve & other Funds	Cash & Securities	NAMES	Accounts closed	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			
									1953	1954	1955		14-8-56	7-8-56	A year ago	
Rs.		Rs.	Rs.	Rs.			Rs.	Rs.				Rs.	Rs.	Rs.		
60,00,000	879	49,39,057	54,00,000	1,28,672	Agarpara P	3-9	79	5,38,054	2,42,027	5-5	2 1/2-3 1/2	3 1/2-1 1/2	10	11 1/2	12	15 1/2
6,00,000	446	14,71,561	10,25,000	1,71,498	Alexandra P	9-12	165	71,594	1,38,329	Nil-2 1/2	2 1/2-5	5-5	100	200	200	216
30,00,000	1,264	25,74,895	9,75,000	3,79,285	Alliance P	6-12	165	4,92,516	2,55,797	Nil-5	2 1/2-6	6-6	100	122	122	192
49,20,700	2,561	85,08,335	72,00,000	43,22,952	Anglo-India P	3-9	63	10,19,776	1,23,973	Nil-5	2 1/2-6	5-5 1/2	100	175	172	239 1/2
40,00,000	810	84,76,481	42,94,285	1,01,917	Auckland P	3-9	21	1,54,940	9,783	2-2 1/2	2 1/2-5	5-5 1/2	100	115	115	170
959	31,37,922	22,50,000	1,76,644	Bally P	3-9	128	1,22,429	15,350	21-KD	Nil-Nil-Nil	3 1/2-Nil	100	137	137	237	
£275,000	820	45,40,086	£62,20,627	1,69,932	Barnagore P	3	128	£34,258	£64,588	20	15	15	£5	141	140	213
28,00,000	1,889	42,34,111	32,30,123	1,27,730	Belvedere P	6-12	2	4,12,422	1,005	7 1/2-7 1/2	5-5	5-2 1/2	100	156 1/2	165	228
45,00,000	600	25,78,499	33,45,000	85,64,135	Bengal P	3	235	24,28,007	2,65,100	12-12	11 1/2	11 1/2	10	17	16 1/2	20 1/2
91,26,000	1,373	1,95,44,392	2,16,80,894	85,64,135	Birla P	6-12	22	3,27,392	3,12,630	30	10	10	10	18 1/2	18 1/2	22 1/2
36,00,000	901	40,31,627	27,37,926	2,54,259	Budge Budge P	4-10	2	51,976	48,461	..	4-5	5-2 1/2	10	131	125	210
7,47,380	592	12,39,648	30,46,234	1,73,320	Calcutta P	6-12	62	51,976	48,461	..	Nil-..	..	10	91 1/2	91 1/2	14 1/2
18,00,000	616	45,64,476	30,46,234	68,335	Caledonian P	5-11	2	2,84,150	6,248	6-6	4-6	4-6	100	203	203	280
59,16,400	1,400	24,74,480	32,39,282	30,370	Champdany P	3-9	341	3,67,348	1,30,505	3-3	Nil-3	4-6	100	161	156	187
15,95,000	500	17,02,649	31,00,000	28,21,035	Chiviot P	6-12	165	5,58,076	63,800	5-6	6-6	6-6	100	173	173	301
30,15,000	969	13,80,489	25,12,433	1,35,556	Chitavalash P	6-12	165	5,58,076	1,32,949	12-5	5-6 1/2	7 1/2-6 1/2	10	133	133	16 1/2
16,00,000	969	13,80,489	25,12,433	1,35,556	Clive P	3-9	21	1,26,861	1,996	1-1	3-1	3-1	100	143	143	16
51,49,200	766	74,95,515	61,22,362	29,76,658	Dalhousie P	5-11	2	51,192	15,912	10-10	6-6	6-6	100	95	95	165
77,19	28,56,589	44,74,179	34,50,000	26,26,825	Delta P	6-12	135	4,32,330	1,80,415	Nil-Nil	Nil-5	10-5 1/2	100	347	347	482
15,00,000	600	23,10,516	34,50,000	1,92,849	Empire P	3-9	19	2,91,280	1,16,743	Nil-5	10-10	10-10	100	23	23	27 1/2
£21,00,000	1,884	81,28,396	60,90,950	1,59,788	Fort Gloster P	6-12	165	5,58,076	1,32,949	12-5	5-6 1/2	7 1/2-6 1/2	100	208	208	287
14,00,000	1,014	42,18,790	17,75,000	5,24,321	Ganges P	3-9	19	3,14,922	74,093	2-2 1/2	Nil-Nil	10-10	100	69	72	106
10,80,000	1,709	71,03,613	Nil	5,24,321	Gandhi P	3-9	19	3,14,922	74,093	2-2 1/2	Nil-Nil	10-10	100	69	72	106
10,80,000	607	23,09,271	28,28,751	1,30,542	Gondalpara P	12	88	78,836	74,093	2-2 1/2	Nil-Nil	10-10	100	1250	1,250	922
17,00,000	1,394	47,19,965	30,30,000	45,53,756	Gouapore P	3-9	19	3,14,922	74,093	2-2 1/2	Nil-Nil	10-10	100	124	124	126
10,00,000	1,078	24,45,133	49,43,234	52,81,800	Hastings P	3-9	234	17,13,262	2,95,107	10	10	10	100	32	32	43 1/2
10,00,000	720	19,70,290	15,52,678	52,81,800	Hokhly P	3	88	5,30,165	44,548	12 1/2	5	12 1/2	10	222	222	322
55,62,500	1,940	1,06,41,874	51,25,005	95,51,816	Howrah P	3	128	5,21,741	11,463	8 1/2-6 1/2	6 1/2-6 1/2	6 1/2-6 1/2	10	222	222	322
30,00,000	2,272	1,04,00,000	23,00,000	78,55,582	Hukumchand P	3	35	38,52,232	1,19,762	12-12	7 1/2-7 1/2	7 1/2-7 1/2	100	157	157	24 3/4
70,00,000C	1,076	51,11,227	16,10,493	38,00,600	India	3-9	355	2,14,507	7,731	2 1/2-2 1/2	Nil-2 1/2	2 1/2-1 1/2	100	231	231	145
30,00,000D	1,797	39,55,745	16,50,000	4,65,279	Kamarhaty P	6-12	128	2,50,588	86,624	6-3	3-5	2 1/2-Nil	100	135	126	220
33,20,000	1,527	42,83,206	70,00,000	5,08,773	Kankarnarrah P	6-12	128	3,39,116	82,115	3-3	2 1/2-4	1-Nil	100	88	88	166
4,00,000	703	49,64,345	53,00,000	8,11,574	Kelvin P	6-12	165	5,30,495	1,10,851	10-10	10-10	10-10	100	225	238	351
1,00,00,000	1,530	54,61,089	23,33,375	2,71,914	Kharad P	3-9	106	3,82,782	52,710	10-10	7 1/2-5	6-5	100	137	170	203
4,00,000	1,250	1,21,05,916	1,04,27,371	26,40,176	Klarnid P	3-9	106	3,82,782	52,710	10-10	7 1/2-5	6-5	100	137	170	203
14,48,000	931	59,93,342	49,37,097	1,88,509	Landsdowne P	3-9	21	49,486	10,707	2-5	1-1	5-2	100	101	101	161
4,00,000	640	51,93,756	56,89,479	39,88,859	Lawrence P	3-9	21	49,486	10,707	2-5	1-1	5-2	100	104	104	184 1/2
1,65,200	1,008	76,31,378	24,66,441	2,21,703	Megna	3-9	855	1,29,400	10,614	2 1/2-2 1/2	Nil-2 1/2	2 1/2-1 1/2	100	848	848	119 1/2
9,98,800	818	86,05,210	13,94,415	1,29,901	Naihati P	3-9	106	1,54,275	3,19,252	Nil-Nil	Nil-Nil	Nil-Nil	100	88	88	163
1,00,00,000	1,425	10,79,854	15,55,000	28,11,429	Naskarpara P	4-10	107	2,36,343	17,816	Nil-10	3-6 1/2	6 1/2-..	10	18 1/2	18 1/2	203
5,00,000	852	19,01,902	42,22,526	47,18,433	National P	4-10	2	2,35,465	70,554	10-10	10-10	10-10	10	25 1/2	24 1/2	37 1/2
2,00,000	316	7,36,122	26,25,000	30,06,189	Nellimura P	6-12	165	4,80,755	1,08,257	10-3	32-32	5-5	10	12 1/2	12 1/2	14 1/2
35,50,000	1,765	33,29,870	27,14,342	44,85,425	North Central P	3-9	340	43,64,								

* Gross Stock.

T=Dividend Taxable

COAL COMPANIES

O. Po. F. and Dd. indicate Ordinary Preferred Ordinary. Founders' and Deferred shares respectively. P. next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent	Paid-up Shares	Latest Market Quotations as available until
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1953 1954 1955	Rs.	14-8-56 7-8-56 A year ago
25,50,000	26,43,478	24,50,000	6,60,570	Amalgamated	3-9	236	6,83,393	26,953	5-5 3-5 6-7-1	10	22 1/2 22 1/2 25 1/2
1,00,00,000	1,96,15,288	1,40,49,223	18,85,659	Bengal P	4-10	2	26,19,986	7,31,563	8-7-7 7-7-7 8-8-8	200	536 539 545
4,49,350	3,08,193	70,000	2,24,303	Bengal Bhatdee	6-12	2	15,149	4,951	1-1-1 1-1-1 1-1-1	10	6 6 6 1/2
2,25,000	2,22,838	5,24,591	13,509	Bengal Nagpur P	6-12	2	16,266	57,417	Nil-Nil Nil-Nil	10	16 16 11 1/2
15,97,000	14,16,665	6,91,475	13,52,076	Bhaigora	9	152	8,13,899	39,978	Nil-Nil Nil-Nil	10	6 6 7 1/2
40,00,000	68,01,474	20,23,235	32,65,320	Bharat Collieries P	6-12	335	2,52,221	27,433	Nil-61 Nil-61	10	12 1/2 12 1/2 13 1/2
7,15,000	15,71,994	16,18,636	66,818	Bhulanbararee	6-12	106	1,66,884	1,05,136	Nil-Nil Nil-Nil	10	12 1/2 12 1/2 15 1/2
16,09,000	38,87,275	16,18,636	7,185	Bokaro & Ramgur	6-12	315	1,21,936	79,196	16-12 10-10 10-10	10	23 1/2 23 1/2 30
7,50,000	18,56,889	24,29,026	11,60,065	Borora P	6-12	106	2,14,682	84,207	11-2 2-3 3-3	10	14 13 14 1/2
99,92,480	2,39,29,968	1,75,17,502	25,32,133	Burrakur P	6-12	21	11,90,330	1,15,376	11-2 2-3 3-3	10	7 1/2 7 1/2 8 1/2
49,97,000	35,80,075	750	1,75,962	Central India	3	166	1,33,037	14,019	2-2 2-2 2-2	10	12 1/2 12 1/2 11 1/2
8,00,000	16,67,573	13,30,519	15,752	Central Kurkend P	6-12	323	34,743	82,768	3-3-3 3-3-3 3-3-3	10	2 2 3 1/2
6,00,000	1,43,676	7,32,536	7,32,536	Churulia	6-12	106	2,129	2,129	Nil-Nil Nil-Nil	10	7 1/2 8 9 1/2
16,00,000	23,76,131	1,20,000	35,989	Dheme Main	6-12	19	70,801	2,45,279	Nil-Nil Nil-Nil	10	31 1/2 31 1/2 32 1/2
29,37,700	2,24,668	2,30,653	2,32,456	East Indian	6-12	128	4,137,640	59,767	10-8 10-8 10-8	10	15 1/2 15 1/2 17 1/2
2,00,000	1,02,83,132	76,84,250	2,79,507	Equitable P	6-12	19	5,71,573	93,266	7-7-7 7-7-7 7-7-7	10	30 1/2 30 1/2 33 1/2
10,00,000	6,74,708	2,07,486	3,32,973	Ghusick & Mustia	3	307	12,979	24,844	Nil-Nil Nil-Nil	10	11 1/2 11 1/2 11 1/2
6,50,000	5,06,856	33,155	4,95,544	Guzdar Kajora	6-12	20	24,150	2,401	7-7-7 7-7-7 7-7-7	10	22 1/2 22 1/2 21 1/2
8,00,000	2,81,843	6,75,000	5,09,694	Hurridadih	6-12	19	2,58,582	65,461	7-7-7 7-7-7 7-7-7	10	20 1/2 20 1/2 21 1/2
3,50,000	6,31,200	5,66,816	1,407	Kalsapahar	2-8	2	1,38,130	2,21,237	17-10 17-10 17-10	10	20 1/2 20 1/2 21 1/2
15,00,000	31,71,936	24,32,396	25,61,314	Karanpura Development	6-12	21	49,116	17,339	Nil-Nil Nil-Nil	100	21 1/2 21 1/2 18 1/2
20,00,000	25,67,864	2,27,825	75,106	Karanpura Collieries P	2	21	2,23,402	2,691	Nil-Nil Nil-Nil	100	11 1/2 11 1/2 12 1/2
5,00,000	10,29,548	16,60,000	11,25,332	Katras Jheriah	1-7	2	5,32,347	1,33,475	20-20 28-28 25-30-35	10	60 1/2 60 1/2 33 1/2
1,38,400	7,50,000	95,000	11,80,294	Khas Kajora P	6-12	326	49,776	1,918	Nil-Nil Nil-Nil	10	9 1/2 9 1/2 9 1/2
5,65,750	10,84,977	85,000	9,590	Mundulpur	6-12	326	79,868	79,868	Nil-Nil Nil-Nil	10	21 1/2 21 1/2 21 1/2
7,48,240	2,62,442	1,50,000	5,04,429	Nazira	12	347	82,501	25,598	5 5 5	10	7 1/2 7 1/2 7 1/2
7,00,000	5,13,418	26,617	61,641	New Bansdeopur	3-9	5	6,071	6,071	3-1-1 3-1-1 3-1-1	10	10 10 10
17,76,230	31,15,787	20,01,763	3,78,538	New Beerbhoom P	4-10	2	59,216	94,383	5-5 5-5 5-5	10	20 20 20
6,00,000	11,71,307	75,000	40,447	New Manbhoom	3-9	202	2,233	2,233	Nil-Nil Nil-Nil	10	11 1/2 11 1/2 10 1/2
2,50,000	7,69,623	1,75,500	10,12,916	North Damuda	1-7	306	7,954	32,184	Nil-Nil Nil-Nil	2 1/2	2 1/2 2 1/2
1,15,000	4,51,490	2,55,193	90,055	North West	3-9	2	29,656	14,968	2-1-1 Nil-Nil 6-1-7	10	19 1/2 19 1/2 18 1/2
7,50,000	1,20,000	12,19,987	23,26,757	Ondal P	6-12	106	22,197	56,646	10-10 5-5 5-5	10	15 1/2 15 1/2 18 1/2
8,34,000	9,21,342	10,862	4,36,015	Parasea P	6-12	207	1,08,075	8,018	1-1-1 Nil-1-1 3-3-3	10	14 1/2 14 1/2 14 1/2
15,75,000	12,40,000	16,00,000	12,21,654	Pench Valley	3-9	236	4,18,450	33,343	7-8-8 8-8-8 7-7-7	10	22 1/2 22 1/2 24 1/2
2,50,000	2,62,405	7,500	11,530	Pure Sitapur	6-12	5	2,008	18,581	Nil-Nil Nil-Nil	10	6 1/2 6 1/2 6 1/2
23,99,500	37,59,038	19,17,105	39,198	Raneegunge	3-9	79	1,83,814	16,846	Nil-Nil Nil-1-1	10	12 1/2 12 1/2 12 1/2
13,50,000	7,63,031	8,33,385	12,13,452	Rewa	6-12	236	7,26,942	28,521	10-10 7-7-7 8-8-8	10	22 1/2 22 1/2 19 1/2
20,00,000	23,74,261	7,52,027	1,01,427	Samla	12	48	1,80,660	31,543	2-1-1 2-1-1 2-1-1	10	14 1/2 14 1/2 13 1/2
1,25,000	1,57,243	2,52,664	2,20,212	Searsale	1	353	1,05,156	21,070	2-2-2 2-2-2 3-3-3	2 1/2	7 1/2 7 1/2 13 1/2
2,80,000	10,92,193	8,36,598	7,87,726	Seepore P.	6-12	2	2,42,112	49,299	12-1-1 14-7-7 17-5-7-7	7	29 1/2 29 1/2 29 1/2
8,00,000	23,624	5,29,306	6,32,757	Sendra	6-12	106	4,098	7,503	Nil-Nil Nil-1-1	10	8 1/2 8 1/2 10 1/2
17,50,000	22,81,985	10,75,016	63,654	South Karanpura	2-8	21	59,079	51,533	1-1-1 Nil-1-1 1-1-1	10	9 1/2 9 1/2 12 1/2
1,43,000	1,43,000	13,69,395	21,89,890	Standard	6-12	106	47,444	17,347	10-10 7-7-7 5-5-5	10	25 1/2 25 1/2 20 1/2
10,00,000	15,58,085	15,075	3,913	Talcher	9	277	22,689	3,85,056	Nil Nil Nil	2 1/2	3 1/2 3 1/2 3 1/2
3,50,000	4,66,000	3,53,000	8,176	Union	6-12	279	4,033	44,167	10-7-7 5-2-2 2-1-1	10	14 1/2 14 1/2 18 1/2
49,98,000	30,14,812	21,550	4,20,307	Western Bengal	3	166	3,99,468	37,694	3-3 3-3 5	10	7 1/2 6 1/2 7 1/2
7,00,000	32,55,152	1,38,190	40,060	West Jamuria	6-12	19	1,31,849	122	Nil-Nil Nil-Nil	10	11 1/2 11 1/2 14 1/2

* 1956.

N = Nominal

COTTON MILLS

Paid-up Capital Ordinary	Number of		Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up Shares	Latest Market Quotations as available until		
	Spindles	Looms									Rs.	Rs.	Rs.		Rs.	1953	1954	1955	Rs.	Rs.	A year ago
Rs.			Rs.	Rs.	Rs.				Rs.	Rs.			Rs.	Rs.	Rs.	Rs.	
15,00,000	14,108	356	14,62,919	1,73,478	11,90,008	Basanti P	12	49	1,97,268	41,227	2 1/2	..	10	7 1/2	7 1/2	5 1/2	
32,72,340	22,197	505	27,08,676	23,18,909	24,551	Benares P	3-9	120	1,27,187	-4,79,347	..	..	10	1 1/2	1 1/2	1 1/2	
7,11,280	36,000	932	17,17,120	2,20,369	30,842	Bengal Luxmi	3	27	3,66,176	47,818	..	10	40	38	38	40	
27,00,000	31,476	632	23,53,000	15,50,000	3,84,224	Bengal Nagpur P	6-12	236	5,23,389	18,199	2 1/2-Nil	Nil	10	9 1/2	9 1/2	9 1/2	
15,00,000	38,764	992	31,35,500	1,09,84,251	21,32,642	Birla Cotton	3	22	5,28,332	4,25,221	30	30	10	30 1/2	30 1/2	30	
6,00,000	42,872	641	37,54,142	22,72,588	1,44,948	Bowreah P	6-12	138	84,028	-23,47,377	Nil-Nil	Nil-Nil	100	171	174	390	
30,00,000	22,000	510	8,43,453	29,51,420	1,00,336	Cawnpore Textiles	3	25	6,73,253	36,767	11 1/2	10	5	9	9	8 1/2	
3,27,90,900	1,01,808	2,762	9,94,63,168	2,74,48,393	2,94,83,803	Delhi Cloth & Genl. P.	6	238	1,81,41,278	82,759	7	9	9	25	37 1/2	37 1/2	
1,00,563	42,944	518	34,12,181	25,71,925	1,53,884	Dunbar	6-12	138	9,92,376	1,37,951	Nil-Nil	Nil-Nil	100	294	295	240	
19,00,000	1,200	1,200	22,44,751	66,33,360	43,06,583	Elgin P	9	25	32,80,464	93,386	15	10	10	28 1/2	28 1/2	20 1/2	
63,00,000	99,250	1,872	2,38,99,575	1,60,53,952	47,29,268	Kesoram P	3	22	37,41,719	2,45,435	11 1/2	8 1/2	8 1/2	20	19	17 1/2	
6,00,000	33,96,288	55,864	17,48,143	9,75,679	74,08,655	Mohini P	12	45	9,53,316	5,158	..	..	25	20	..	..	
30,00,000	68,000	1,825	47,44,546	52,19,601	92,65,055	Muir P	12	208	18,77,941	-7,77,290	..	..	100	88	88	118	
22,89,882	78,848	1,367	43,55,577	26,00,968	1,45,701	New Victoria P	12	237	18,83,371	-13,76,473	Nil	..	210	21	21	11 1/2	
3,07,09,510	19,47,750	23,196	795	22,57,946	18,38,739	Rampooria Cotton	6	4	6,16,936	1,094	6	6 1/2	10	15 1/2	11 1/2	11 1/2	
5,00,000	1,14,836	2,077	2,83,77,888	2,65,04,931	32,30,412	Swadeshi (Cawnpore) P.	12	333	43,71,838	7,09,029	9	11 1/2	11 1/2	100	11 1/2	9 1/2	
17,50,000	40,500	1,310	91,31,708	1,89,73,217	43,89,979	Bangalore W. C. Silk P	12	26	56,34,398	2,38,649	25	30	30	590	585	500	
1,57,50,000	1,20,012	2,770	3,20,71,690	1,87,39,278	23,80,514	Buckingham Carnatic P	12	28	1,01,60,075	2,38,445	10	10	100	209	203	176 1/2	
20,00,000	28,000	..	18,03,003	20,32,074	11,26,239	Cambodia P	12	210	1,96,274	27,593	7 1/2	Nil	5	10	14 1/2	13	
23,864	23,864	407	4,81,058	9,00,000	36,53,502	Coimbatore Cotton	12	188	6,53,750	61,404	..	..	100	382 1/2	382 1/2	300	
72,832	23,864	407	47,91,212	7,98,681	22,227	Coimbatore Spg & Wvg	6	46	-7,52,342	-10,23,340	Nil	..	50	122	123	70 1/2	
50,640	295	295	12,25,505	17,90,000	58,77,434	Kaleeswarar	12	139	2,05,780	7,677	..	..	100	332 1/2	332 1/2	305	
6,50,000	30,512	200	52,38,868	16,25,000	7,43,757	Kothari Textile P	6	141	3,25,924	29,382	5	5	10	18	17 1/2	13 1/2	
23,64,000	48,756	..	15,01,051	21,70,200	78,50	Lakshmi	12	186	31,41,248	2,209	..	..	50	254 1/2	254 1/2	149	
1,75,02,480	4,65,324	..	2,15,02,107	4,13,81,878	31,04,681	Madura	12	108	77,86,509	18,86,813	20	20	20	52	51	48 1/2	
12,00,000	21,856	..	8,43,189	5,36,363	10,32,898	Malabar Spg & Wvg.	12	240	-89,193	-84,033	..	..	200	112	112	117 1/2	
60,00,000	24,252	603	20,49,893	69,00,000	11,91,755	Mettur Industries	3	29	48,44,863	45,835	22 1/2	35	42 1/2	100	490	493	
13,61,780	6,000	..	14,15,992	8,90,279	1,34,663	Mysore Spun Silk	3	142	7,39,437	3,986	Nil	Nil	..	7 1/2	7 1/2	4	
4,00,000	20,137	Nil	8,36,668	3,00,000	24,24,908	Palani Andavar P	12	30	7,39,437	2,687	..	..	50	168	100	120	
7,79,700	50,640	416	5,42,118	2,43,421	2,65,911	Sitaram Spg & Wvg	3	164	87,824	3,083	..	..	60	..	..	..	
7,00,000	28,104	270	12,98,563	18,23,501	11,71,324	Vasanta P	12	47	16,37,459	..	..	..	100	343	341	235	

MISCELLANEOUS COMPANIES

O., P.O., C. and Dd indicate Ordinary, Preferred Ordinary, Contributory and Deferred Shares respectively. P. next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			
									1952	1953	1955		14-8-56	7-8-56	A year	
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.			Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
MININGS.																
£2,369,796		£1,73,450	£2,534,298	Burma Mines Ltd.	12	153	£608	£304	Nil	..	..	3 1/2	3 1/2	3 1/2	2 1/2	2 1/2
30,00,000		20,50,000	64,55,833	Chrestien Mica Industries Ltd P.	12	312	25,59,886	2,75,201	..	..	..	100	16 1/2	15 1/2	9 1/2	9 1/2
15,00,000Dd.	44,57,538			Consolidated Tin Mines	3	67	£10,533	£22,218	7 1/2	7 1/2	..	5Dd	8 1/2	8 1/2	6 1/2	6 1/2
£318,088	2,238,420	£57,484	£112,683	Indian Copper Corporation	12	98	£798,382	£111,715	10	25	7 1/2	35	2 1/2	2 1/2	2 1/2	2 1/2
£914,208	£951,558	£1,400,222	£798,135	Metal Corpn P	3	343	-2,39,779	4,51,131	Nil	Nil	..	100	10 1/2	10 1/2	8 1/2	8 1/2
29,19,430D	61,58,847	2,01,886	13,723	Orissa Minerals Development	6-12	21	4,04,429	1,05,053	20-24	10-11	10-11	10	26 1/2	26 1/2	27 1/2	27 1/2
2,63,673Dd.	22,65,439	26,79,899	£234,026	Tavoy Tin Dredging	12	14	£9,059	£19,119	Nil	Nil	..	25	4 1/2	4 1/2	3 1/2	3 1/2
20,00,000	£445,323	£317,487														
£375,000																
CEMENT LIME SLATE. ETC.																
43,14,600D	41,51,412	21,43,429	29,64,072	Assam Bengal Cement	3	80	1,70,813	6,44,675	..	..	..	100	7 1/2	7 1/2	7 1/2	7 1/2
70,76,600	35,51,055	11,49,392	14,292	Bengal Potteries	12	156	1,85,228	17,540	6 1/2	10	..	24	3 1/2	3 1/2	3 1/2	3 1/2
31,70,655	24,67,605	25,12,725	3,09,949	Bisra Stone Lime	3-9	21	3,59,222	9,142	8 1/2-5	5-8 1/2	8 1/2-10	40	40	40	34	34
10,00,000				Daimla Cement (Bharat) P.	12	123	56,57,138	2,87,995	10	10	12 1/2	100	15 1/2	15 1/2	15 1/2	15 1/2
60,00,000	62,91,611	98,26,915	2,11,38,275	Kumardhubi Fireclay & Silica P.	12	21	6,71,583	41,767	15	15	..	10	17	17	13 1/2	13 1/2
26,50,000Dd.	10,07,711	62,353	62,353	Reliance Firebrick & Pottery	6-12	32	-53,746	1,622	Nil-2	Nil-2	..	10	20 1/2	20 1/2	20 1/2	20 1/2
5,00,000	45,31,555	20,95,000	5,83,308	Sone Valley Portland Cement	12	32	7,75,006	83,544	14	6	..	5	9	9	8 1/2	8 1/2
75,00,000	1,63,551	61,287	2,27,012	Sutna Stone & Lime	6-12	3	6,99,398	652	5 1/2-5 1/2	5 1/2-5 1/2	5 1/2-6 1/2	10	16 1/2	16 1/2	17	17
3,22,560																
CHEMICAL INDUSTRIES																
62,00,000	1,50,41,342	42,71,273	68,548	Alkali & Chemical Corp of India	9	121	19,39,845	1,19,168	6	6	8	10	21 1/2	21 1/2	17 1/2	17 1/2
40,00,000	21,91,251	15,000	61,675	Bathgate & Co Ltd P.	12	324	-3,54,305	-22,19,370	Nil	..	..	10	2 1/2	2 1/2	2 1/2	2 1/2
11,45,800D																
11,08,900A	40,85,439	28,62,848	1,30,48,919	Bengal Chemical & Pharm P.	4	245	15,31,998	10,17,406	..	..	..	100	10 1/2	10 1/2	9 1/2	9 1/2
22,34,700B																
4,95,000	82,695	69,970	15,903	Frank Ross P	2	129	46,893	858	Nil	Nil	Nil	6	2 1/2	2 1/2	2 1/2	2 1/2
5,00,000	4,29,261	10,45,949	2,27,193	Smith Stanistreet P.	6	191	4,25,403	83,868	10	10	20	6	11	11	9	9
ELECTRIC LIGHTING POWERS.																
19,99,600	47,69,341	26,19,793	22,94,558	Agra Electric Supply	3-9	32	3,05,594	46,384	6-5	5-5	5-5	100	158	158	159	159
8,00,000	26,70,592	6,55,886	4,84,369	Bareilly Electric Supply	6-12	32	83,783	20,990	12-5	5-5	5-5	10	14 1/2	14 1/2	15	15
17,00,000	49,94,839	19,56,291	21,67,500	Benares Electric Light Power	5-12	32	2,98,230	40,517	6 1/2-6 1/2	6 1/2-6 1/2	6 1/2-6 1/2	10	17 1/2	17 1/2	19 1/2	19 1/2
10,96,063	5,99,855	85,318	85,318	Bhagalpur Electric Supply	12	202	1,44,138	41,818	5	6 1/2	..	10	8 1/2	8 1/2	9	9
£4,262,644	£19,897,213	£7,242,880	£395,398	Calcutta Electric Supply P.	12	90	£1,52,226	£136,163	6	6	6	21	14	14	15 1/2	15 1/2
6,60,400	17,68,438	5,34,904	93,184	Cuttack Electric Supply	12	202	1,24,836	26,455	Nil	3	..	10	8	8	9	9
17,51,050	38,10,419	10,41,599	3,39,346	Dacca Electric Supply P.	12	202	3,89,244	12,706	..	..	..	10	4 1/2	4 1/2	4 1/2	4 1/2
5,21,640	8,42,506	1,65,000	3,037	Jhansi Electric Supply	12	168	71,309	71,309	..	..	..	10	9 1/2	9 1/2	9 1/2	9 1/2
22,49,550	42,84,132	14,91,996	6,31,532	Jubbulpore Electric Supply	3-9	32	2,14,454	27,527	14-4	5 1/2-4	5 1/2-4	10	14 1/2	14 1/2	15 1/2	15 1/2
4,95,000	5,44,854	2,51,052	1,13,123	Mirzapur Electric Supply	12	202	38,576	27,739	5-9 1/2	..	..	10	9	9	10 1/2	10 1/2
8,52,390	17,12,129	1,78,813	3,39,939	Muzaffarpore Electric Supply	12	202	73,159	-7,070	Nil	Nil	..	10	7 1/2	7 1/2	7 1/2	7 1/2
6,99,700	5,43,057	77,521	3,48,145	Muzaffarpore Electric Supply	6-6	329	30,021	2,295	3-3	3-3	..	10	9 1/2	9 1/2	9 1/2	9 1/2
35,07,380	65,46,409	37,10,223	11,51,661	Muttia Electric Supply	12	202	1,40,283	68,305	7 1/2	7 1/2	..	10	11 1/2	11 1/2	13 1/2	13 1/2
3,00,000	2,93,576	74,100	1,99,210	Saugor Electric Supply	6-12	32	18,731	2,643	2 1/2-2 1/2	2 1/2-2 1/2	2 1/2-2 1/2	10	..	..	7	7
9,10,000	7,57,951	2,72,300	1,20,999	Shajahanpur Electric P.	12	202	65,624	14,394	5	5	..	10	8 1/2	8 1/2	12 1/2	12 1/2
16,80,000	27,99,505	5,36,596	3,39,939	Silua (Jherria) Electric	3-6	32	5,39,998	80,986	5-5	5-5	5-5	100	151	152	160	160
56,00,000	1,62,42,470	35,82,369	13,28,418	United Provinces Electric	6-12	32	46,991	8,329	4 1/2-4 1/2	4 1/2-4 1/2	4 1/2-4 1/2	10	13 1/2	13 1/2	14 1/2	14 1/2
5,98,500	6,12,490	1,71,050	8,31,290	Upper Ganges Valley Elec.	3-9	32	65,313	28,289	6 1/2-6 1/2	6 1/2-6 1/2	6 1/2-6 1/2	10	20 1/2	20 1/2	19 1/2	19 1/2
4,97,500	9,83,503	4,45,371	6,17,317	Upper Jumna Valley Elec.	3-9	32	65,313	28,289	6 1/2-6 1/2	6 1/2-6 1/2	6 1/2-6 1/2	10	20 1/2	20 1/2	19 1/2	19 1/2
ENGINEERING & METAL																
6,00,000	1,74,689	6,49,870	2,10,157	Arthur Butler (Mozaffarpore) P	10	300	1,52,744	1,01,965	..	..	..	10	8	8	8 1/2	8 1/2
50,00,000	31,82,373	16,39,587	1,37,153	Bharati Electric Steel	12	31	11,67,212	3,95,940	7 1/2	7 1/2	..	10	18 1/2	18 1/2	16	16
29,61,653	49,94,568	69,13,020	42,18,134	Braithwaite India	12	289	27,02,716	5,99,761	14-2 1/2	10 1/2-14	25	7	29 1/2	29 1/2	25 1/2	25 1/2
12,00,000D	11,00,577	20,59,531	2,31,294	Bridge & Roof	6-12	24	6,16,247	1,51,297	7 1/2-7 1/2	7 1/2-7 1/2	7 1/2-7 1/2	10	8 1/2	8 1/2	33 1/2	33 1/2
19,88,670	43,02,291	4,50,000	2,34,320	Britannia Building & Iron P	3	109	2,49,547	11,191	5	5	..	10	8 1/2	8 1/2	12 1/2	12 1/2
10,00,000	17,90,445	30,75,000	17,672	Britannia Engineering	12	168	7,37,822	1,36,319	15	15	..	10	18 1/2	18 1/2	37 1/2	37 1/2
5,00,000	5,44,177	1,00,000	6,594	British India Electric Cons.	6-12	24	91,780	-5,26,929	Nil-Nil	Nil-Nil	Nil-Nil	10	9 1/2	9 1/2	7 1/2	7 1/2
84,00,000	1,37,50,426	94,65,000	8,62,721	Burn P. (Engineering)	4	32	40,53,237	96,435	15	15	..	100	358	358	287	287
12,50,000	18,91,142	21,75,000	31,705	Hooghly Docking	12	82	1,81,646	48,167	15	12 1/2	..	50	143	135 1/2	145	145
36,94,590	23,07,100	6,65,000	55,916	Indian Galvanizing	12	24	5,74,700	41,267	3	4	10	10	21 1/2	21 1/2	23 1/2	23 1/2
£18,37,080	15,50,80,810	9,24,19,315	2,60,33,537	Indian Iron & Steel P	3	222	7,12,98,649	4,64,401	10	10	10	10	37 1/2	36 1/2	39 1/2	39 1/2
3,85,000	3,90,976	40,000	3,47,063	Indian Malleable Casting	3	22	-26,954	-82,872	..	..	..	50	7 1/2	7 1/2	4 1/2	4 1/2
1,54,000Dd																
19,49,250	15,53,438	31,62,575	16,63,276	Indian Standard Wagon P.	3	32	33,58,193	37,345	19	19	25	25	177	177	146	146
26,580D	35,69,979	2,73,15,122	1,64,34,729	Indian Steel & Wire Products	3	122	13,11,485	2,58,550	30	30	30	100	191	191	193	193
32,00,000D																
51,00,000	45,57,847	57,91,388	15,35,612	Jessop & Co P	10	290	47,27,193	14,130	15	15	30	10	35	35 1/2	50 1/2	50 1/2
13,30,000	40,47,783	41,90,659	2,00,729	Kumardhubi Engineering P.	11	21	9,74,152	32,501	16 1/2	16 1/2	..	3	9 1/2	10 1/2	13 1/2	13 1/2
10,50,000	4,44,410	29,21,946	2,20,533	Marshall Sons (India)	6	170	99,627	93,713	12 1/2	12 1/2	..	2	6	6 1/2	7 1/2	7 1/2
49,96,000	3,404,843	11,58,291	7,93,571	National Iron and Steel	3	192	1,08,385	8,99,513	..	..	..	10	7 1/2	7 1/2	6 1/2	6 1/2
60,00,000	2,22,727	6,10,321	1,36,103	Saran Engineering	3	25	1,68,352	9,264	15 1/2	15 1/2	6 1/2	4	8 1/2	8 1/2	10 1/2	10 1/2
60,00,000	1,55,63,547	3,51,516	12,57,737	Textile Machinery	12	22	3,44,777	1,47,573	7 1/2	10	..	10	24	23 1/2	26 1/2	26 1/2
SUGAR BREWERIES. ETC.																
14,00,000	10,57,296	15,41,237	1,34,061	Balrampur Sugar	6	25	1,73,882	20,880	Nil	15	15	5	7	7	10 1/2	10 1/2
19,49,025	9,79,339	5,00,000	1,42,483	Belaund Sugar	9	121	1,38,925	49,906	10	10	..	7 1/2	12 1/2	11 1/2	11 1/2	11 1/2
15,00,000	4,60,680	13,50,000	20,40,455	Bharat Sugar P.	6	316	4,04,260	13,206	15	15	15	10	17	17	20	20
32,57,580	22,31,255	36,89,916	26,47,199	Buland	10	92	14,37,927	8,477	10	..	..	10	..	..	9	9
44,63,474	27,37,030	3,59,362	1,39,562	Carew (Sugar) P.	6	159	2,63,567	12,445	20	7 1/2	7 1/2	10	19 1/2	19 1/2	21 1/2	21 1/2
30,00,000	14,38															

MISCELLANEOUS COMPANIES—Contd.

O, Po, C and Dd indicate Ordinary, Preferred Ordinary, Contributory and Deferred Shares respectively. P. next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary		Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until.		
Rs.	Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1953	1954	1955	Rs.	14-8-56	7-8-56	A year ago
SUGAR BREWERIES, ETC.																
11,00,000	6,45,722	3,75,000	10,90,564	New Savan Sugar and Gur	5	140	95,437	52,205	..	..	..	10	61	6 1/2	7 1/2	18 1/2
9,00,000	7,28,559	17,64,309	58,734	Purtabpur Sugar P.	10	25	5,08,340	6,871	..	..	..	10	15 1/2	15 1/2	15 1/2	7 1/2
16,59,820	26,52,127	35,00,000	4,84,050	Ramnugger Cane & Sugar P.	8	1	18,11,504	20,350	20	15	20	10	26 1/2	27 1/2	26 1/2	20 1/2
19,99,600	26,52,553	39,88,218	13,92,915	Raza Sugar	10	92	10,78,193	3,144	10	..	..	10	..	..	..	..
8,00,000	4,42,169	5,54,162	1,85,115	Ryam Sugar P.	6	25	1,43,798	24,340	5	5	5	10	10 1/2	10 1/2	10 1/2	20 1/2
11,99,000	15,94,631	16,37,529	98,312	Samastipur Central Sugar	6	25	-79,022	8,477	5	5	Nil	10	13 1/2	13 1/2	13 1/2	15 1/2
20,00,000	12,62,286	36,66,708	1,63,444	Shree Krishna Gyanoday Sugar P.	7	335	12,99,571	34,046	15	15	17 1/2	10	20 1/2	20 1/2	20 1/2	20 1/2
7,94,500	13,54,858	11,65,175	11,16,368	Shree Sitaram Sugar	6	140	1,90,057	7,991	10	Nil	Nil	10	15 1/2	15 1/2	15 1/2	15 1/2
9,99,950	14,54,274	1,54,304	1,42,696	Sitalpore Sugar	6	94	-1,39,515	-1,39,515	Nil	Nil	Nil	10	4 1/2	4 1/2	4 1/2	6 1/2
16,00,000	6,07,804	7,99,778	4,22,572	United Provinces	9	341	4,23,880	39,061	5	12 1/2	..	10	19 1/2	19 1/2	19 1/2	25 1/2
8,00,000	38,92,308	21,57,550	3,60,236	Upper Ganges Sugar P.	6	227	10,24,525	82,931	25	25	25	10	94 1/2	94 1/2	94 1/2	62 1/2
14,00,000A	14,24,740	23,74,426	10,72,924	Upper India Sugar	4	302	16,30,886	86,393	..	15	20	100AC 121BC	280	280	280	127 1/2
7,00,000B																
MISCELLANEOUS																
8,00,000	2,20,232	1,56,200	9,53,526 1/2	A Firpo (Restaurateurs)	10	85	84,518	4,475	..	..	..	10	4 1/2	4 1/2	4 1/2	4 1/2
1,50,00,000	1,40,80,594	6,21,715	51,061	Air India Ltd.	12	269	-6,02,785	-14,30,401	Nil	..	..	100	..	..	..	..
2,00,00,000	2,58,39,656	68,01,534	50,022	Air India International Ltd.	12	322	-10,51,340	30,205	Nil	..	..	100	..	..	..	..
47,50,000C	1,31,03,534	15,00,000	5,97,941	Aluminium Corp. P.	3	132	12,82,024	32,582	Nil	Nil	Nil	100	11 1/2	10 1/2	10 1/2	2 1/2
2,50,000D																
20,00,000	42,43,917	14,50,000	53,36,059	Anderson Wright, Ltd. P.	12	1	4,94,322	24,401	6	7 1/2	..	10	11 1/2	11 1/2	11 1/2	2 1/2
30,00,000	10,11,675	37,63,779	14,41,315	Angeles Bros.	8	268	11,84,131	34,361	12 1/2	12 1/2	12 1/2	10	24 1/2	24 1/2	24 1/2	23 1/2
20,00,000	17,54,434	27,66,265	5,49,634	Assam Match	12	274	8,35,902	1,18,395	12 1/2	12 1/2	12 1/2	10	18 1/2	18 1/2	18 1/2	19 1/2
13,99,998	21,25,615	28,30,285	61,882	Assam Saw Mills & Timber	9	21	-97,045	-14,537	2	Nil	Nil	3	4 1/2	4 1/2	4 1/2	5 1/2
20,00,000	61,61,507	23,00,000	61,84,607	Associated Hotels of India P.	8	204	8,82,993	32,683	Nil	Nil	4	10	9 1/2	9 1/2	9 1/2	4 1/2
80,01,400	33,50,000	1,09,53,000	1,12,08,422	Balmer Lawrie & Co.	12	304	32,12,152	5,03,129	20	13	12 1/2	100	172	172 1/2	172 1/2	162 1/2
12,00,000	2,65,000	8,24,890	1,80,023	Baraee Coke	3-9	123	2,16,123	22,708	7-7	7 1/2	7 1/2	10	19 1/2	19 1/2	19 1/2	22 1/2
6,00,000	Nil	Nil	30,72,417	Bengal Timber Trading P.	6	128	-6,43,164	-1,19,103	..	..	..	100	44	44	44	43 1/2
50,00,000	19,53,822	Nil	19,59,059	Bharat Airways Ltd.	6	22	-3,19,589	-3,19,229	..	..	..	100	51	51	51	31 1/2
20,00,000	7,95,430	62,81,006	62,81,006	Birds Investments P.	9	160	5,89,372	1,15,707	12 1/2	12 1/2	12 1/2	10	17 1/2	17 1/2	17 1/2	18 1/2
45,97,020	71,47,579	27,44,814	2,71,408	Britannia Biscuit P.	3	50	8,44,363	1,98,548	5	10	10	10	15 1/2	15 1/2	15 1/2	11 1/2
22,50,000	13,98,796	43,18,775	3,38,973	British Ceylon Corporation P.	12	8	27,75,295	1,85,955	..	..	..	7 1/2	10 1/2	10 1/2	10 1/2	11 1/2
5,25,000	59,89,738	1,18,80,524	2,50,83,659	British India Corporation P.	12	33	-30,23,938	-27,36,584	10	11	Nil	5	10 1/2	10 1/2	10 1/2	9 1/2
32,50,000A	2,10,569	5,83,876	1,16,62,849	Calcutta Gas Co. (Propr.) Ltd. P.	9	235	6,87,704	22,189	5	5	6	10A	7 1/2	7 1/2	7 1/2	7 1/2
32,50,000B	5,92,780	2,40,684	1,02,576	Calcutta Silk Manufacturing P.	3-9	213	45,711	22,586	..	..	..	10B	4 1/2	4 1/2	4 1/2	5 1/2
5,00,000																
90,00,000	17,68,710	67,71,168	2,49,58,018	Duncan Brothers & Co. Ltd.	12	169	48,24,539	42,860	10	12	..	100	120 1/2	120 1/2	120 1/2	145 1/2
1,60,00,000	2,94,69,046	3,14,86,174	1,48,39,323	Dunlop Rubber Co. (India) P.	12	96	46,72,154	11,71,695	15	15	15	10	29 1/2	29 1/2	29 1/2	38 1/2
51,26,000	13,79,357	4,33,826	1,02,21,271	Eastern Investments Ltd. P.	12	21	12,83,240	3,06,138	9	9	9	100	144	144	144	170 1/2
75,00,000	12,02,139	16,59,676	25,63,120	F & C Oster (India) Ltd. P.	3	84	-4,26,249	-5,26,954	5	..	..	10	10 1/2	10 1/2	10 1/2	10 1/2
7,50,000	14,92,000	10,02,000	11,384	French Motor Car	3	51	19,33,327	1,02,899	..	..	..	5	20 1/2	20 1/2	20 1/2	19 1/2
14,00,000	17,38,764	1,61,173	9,221	Ganges Rope	3-9	19	89,571	27,194	10-10	7 1/2	7 1/2	100	187	187	187	192 1/2
2,25,000	34,16,813	42,00,000	1,09,15,328	General Investments Trust P.	2-8	21	45,701	8,851	21-21	21-21	21-31	75	43	43	43	43 1/2
65,00,000	29,68,048	5,00,324	12,84,357	Gladstone Lyall & Co. Ltd. P.	12	209	7,02,792	34,255	7 1/2	7 1/2	14	10	13 1/2	13 1/2	13 1/2	13 1/2
20,00,000	27,68,048	5,00,324	98,334	Godfrey Phillips (India) Ltd. P.	12	310	19,01,201	11,96,811	17 1/2	10	20	10	25	25	25	17 1/2
40,00,000	31,71,333	7,81,000	6,22,424	Great Eastern Hotel	3	225	5,30,579	16,373	..	..	..	250	239	239	235	235 1/2
30,00,000	17,38,764	1,61,173	9,221	Hindusthan Ice & Cold Storage	9	..	43,377	24,274	..	..	..	5	11	11	11	11 1/2
35,20,000	31,95,729	19,00,000	19,72,453	Hoare Miller & Co. Ltd.	12	294	-91,339	67,868	..	..	..	10	61	61	61	7 1/2
15,16,000	7,28,49,459	7,23,36,779	5,00,97,498	Imperial Tobacco	3	325	3,18,18,053	25,00,733	41	6	6	10	16 1/2	16 1/2	16 1/2	14 1/2
1,60,00,000	2,41,97,583	53,39,099	10,13,114	Indian Aluminium Co., Ltd. P.	12	293	26,79,662	14,18,074	Nil	Nil	9	10	23 1/2	23 1/2	23 1/2	23 1/2
1,52,89,220	98,54,740	1,62,50,000	3,90,322	Indian Cable P.	3	34	77,23,781	28,98,462	10	10	12 1/2	10	34 1/2	34 1/2	34 1/2	29 1/2
5,00,000C												10PO	8 1/2	8 1/2	8 1/2	4 1/2
83,75,000D	22,07,260	2,21,280	11,69,467	Indian National Airways	12	93	36,302	-12,62,971	..	..	..	10D	6 1/2	6 1/2	6 1/2	11 1/2
1,25,00,000	6,57,319	8,08,000	8,08,202	Indian Rubber Manufacturers P.	3	173	4,07,298	1,36,845	..	..	..	10	16 1/2	16 1/2	16 1/2	13 1/2
8,27,970	4,64,735	18,15,687	10,03,705	Indian Wood Products	9	88	17,28,038	2,76,619	25	27 1/2	20	10	39 1/2	39 1/2	39 1/2	40 1/2
2,00,00,000	2,25,500	12,40,389	Investments and Finance P.	2-8	21	1	1,07,254	7,890	21-21	21-21	21-31	100	65	65	65	65 1/2
5,00,000	2,40,000	15,362	3,20,757	Ivan Jones Ltd.	9	194	1,39,321	36,496	..	..	..	2	2 1/2	2 1/2	2 1/2	3 1/2
5,87,500C	2,23,827	2,97,161	6,66,685	James Wright P.	12	281	62,875	5,299	6	5	..	50	4 1/2	4 1/2	4 1/2	2 1/2
1,17,50,000D	51,23,900	55,00,000	3,73,43,977	Jardine Henderson Ltd. P.	3	39	41,68,361	4,70,107	Nil	Nil	..	10D	99 1/2	99 1/2	99 1/2	125 1/2
2,00,00,000	3,17,363	6,02,958	3,21,617	Macfarlane & Co.	3	133	-14,078	-4,849	7 1/2	7 1/2	7 1/2	100	2 1/2	2 1/2	2 1/2	2 1/2
6,50,000D	82,21,000	44,53,211	3,30,53,361	Macneil & Barry Ltd. P.	3	334	37,93,029	6,21,756	7 1/2	7 1/2	7 1/2	100	42 1/2	42 1/2	42 1/2	36 1/2
1,50,00,000	36,41,510	54,56,063	1,85,74,341	Martin Burn Ltd. P.	9	309	71,18,708	2,03,456	13	13 1/2	18 1/2	10	24	24	24	24 1/2
1,37,53,00																

BOMBAY MISCELLANEOUS COMPANIES

O. Po. F. Dd. G. and R indicate Ordinary, Preferred Ordinary, Founders', Deferred, Guarantee and Rebate Shares respectively P next to the names of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent.	Paid-up per Share	Latest Market Quotations as available until
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1953 1954 1955	Rs.	10-8-56 7-8-56 A year ago
CEMENT											
12,67,59,333	16,16,27,689	6,15,51,096	3,90,26,918	Associated Cement	7	53	4,71,77,960	5,62,770	9 8 10	100	195 196 1911
ELECTRIC LTG. POWER											
6,99,95,600	11,08,94,307	69,91,218	20,82,140	Ahmedabad Electricity	9	146	35,75,580	188	6 6 5	100	98 100 109 1/2
2,92,83,500	4,10,62,358	52,34,507	65,30,599	Andhra Valley Power Supply P	6	267	46,19,171	25,735	7 7 7	1,000	1240 1,242 1,380
1,74,99,700	2,14,85,122	39,32,485	5,79,834	Bombay Suburban Elec. Sup.	3	146	19,21,739	45	7 7 7-7*	100	110 111 122 1/2
38,08,200	17,49,053	4,75,323	14,87,557	Poona Electric Supply P	12	229	3,86,015	..	.. ..	100	146 146 146
2,34,45,225	3,37,65,356	63,82,045	58,39,875	Tata Hydro Elec. Power sup. P	6	267	37,75,537	21,171	7 7 7	100	128 128 146 1/2
5,02,78,750	8,98,37,405	1,41,56,578	1,29,22,549	Tata Power P.	6	267	77,32,961	27,952	7 7 7	1,000	1310 1,310 1,487 1/2
ENGINEERING & METAL											
83,42,200	17,06,292	44,16,374	1,54,08,311	Alcock Ashdown	12	268	8,79,666	1,35,820	10 12 1	100	361 361 275
6,00,000	36,058	4,53,124	91,038	Jost's Engineering	3	115	1,17,555	5,394	15 15 8	50	98 98 98
40,00,000	11,26,513	10,00,000	9,74,664	Larsen & Toubro P.	3	351	14,80,726	28,740	10 10 10-10*	100	163 163 131 1/2
40,95,100	81,25,753	2,02,500	49,333	Machinery Mfgs. Corp. Ltd. P.	3	330	2,02,006	64,676	Nil Nil Nil	100A	.. ..
1,10,00,000	15,00,978	16,66,194	7,06,260	McKenzie	7	283	1,49,085	64,938	.. ..	100	963 963 963
1,31,25,000	8,834	1,00,53,052	1,79,32,042	Premier Construction P.	12	284	3,35,178	59,102	20 25 5/6 28 1/3	31F	204 205 162
4,18,72,400	7,83,56,426	26,78,952	44,49,439	Tata Locomotive & Eng. P.	3	69	3,303	90,350	Nil Nil Nil	100	168 164 137 1/2
9,63,75,000	23,97,91,753	12,54,91,333	9,61,90,447	Tata Iron & Steel P.	3	269	4,62,47,072	5,52,548	28 14 14	750	207 208 252 1/2
INSURANCE COMPANIES											
20,00,000	..	23,84,913	95,96,033	British India General	12	297	4,24,629	1,18,606	.. ..	10	133 133 133
5,15,000	..	11,04,94,687	8,95,48,481	Empire of India Life	12	253	..	..	.. ..	100	675 675 675
8,46,120	..	36,33,999	45,39,903	Indian Mercantile	12	75	..	1,13,109	.. ..	20	45 45 45
18,74,940	25,01,134	2,84,61,155	2,61,49,442	Jupiter General P.	12	55	38,351	4,65,316	Nil Nil Nil	15	91 91 91
1,06,81,590	..	1,68,81,793	27,25,18,952	New India	12	179	43,58,653	71,250	13 16 2/3	15	49 49 44 1/2
6,00,000	..	67,83,74,430	64,46,53,420	Oriental Life	12	298	..	..	.. ..	200	3,820 3,820 6,800
15,99,270	..	29,41,860	59,86,739	Vulcan	12	255	6,05,803	2,81,242	10 10 ..	10	15 15 15 1/2
MISCELLANEOUS											
90,79,065	31,95,468	3,97,409	12,61,996	Air Service of India	6	336	-15,61,405	-37,22,790	.. ..	15	.. ..
47,97,250	21,34,989	35,75,182	78,89,034	Belapur Sugar	9	42	53,89,000	61,389	.. ..	50	253 254 326
50,00,000	2,20,64,303	4,12,86,155	2,67,27,639	Bombay Burmah Trading	6	285	47,93,172	61,990	.. ..	125	732 732 558 1/2
45,00,000	1,21,04,053	31,14,431	31,14,431	Bombay Steam Navigation P.	6	256	4,54,215	30,135	.. ..	25	.. ..
99,99,250	3,085	19,47,386	1,28,40,932	Industrial Investment Trust	12	299	5,81,909	2,93,136	.. ..	100	72 72 72
8,00,000	1,36,558	39,662	4,76,114	Kemp (Chemists)	3	87	4,99,559	4,78,677	.. ..	200	215 215 215
1,57,71,400	8,74,05,779	1,81,13,445	2,99,042	National Rayon Corp.	12	352	63,19,604	3,72,076	9 10 ..	100	213 213 213 1/2
9,39,98,069	18,36,63,413	12,46,31,677	7,10,16,957	Schindia Steam Navigation	6	198	32,72,555	22,72,555	5 2 2	20	183 183 151
7,00,000	27,45,055	97,30,000	11,27,000	Shivrajpur Synd. (Manganese)	11	146	35,49,059	21,661	70 80 ..	10	90 90 73 1/2
1,39,95,990	1,98,71,944	1,14,39,339	4,14,39,339	Tata Chemicals P.	6	269	13,55,026	57,597	Nil Nil Nil	10	20 20 15 1/2
70,07,475	76,97,287	28,13,586	22,50,261	Tata Oil P.	3	269	9,47,111	13,236	7 9 ..	8	58 58 44 1/2
2,75,00,000	1,46,45,903	2,43,20,936	1,50,49,201	Western India Match	12	274	74,05,281	5,61,964	11 11 11	100	185 186 186 1/2

*1956 †Liquid Assets

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Block Account	Reserve & other Funds	NAMES	Accounts closed	Managing Agents	Net Earning	Carry forward	Dividends per cent.	Paid-up per Share	Latest Market Quotations as available until
Rs.	Rs.	Rs.				Rs.	Rs.	1953 1954 1955	Rs.	14-8-56 7-8-56 A year ago
CALCUTTA										
17,24,000	20,62,356	2,00,804	Ahmedpur Kutwa S.S.G.	3	165	-29,367	..	2 1/2 2 1/2 2 1/2	100	59 59 56
21,69,300	33,40,889	6,00,702	Arrah Sasaram D B G	3-9	32	2,57,676	33,735	3-3 3-3 3-3	100	72 72 74
34,00,000	41,30,202	3,11,045	Bankura Damodar River S.S.G.	3	165	46,607	..	2 1/2 2 1/2 2 1/2	100	58 58 63 1/2
19,00,000	29,09,643	4,91,171	Baraset Basirhat D.B.G.	3-9	331	18,844	1,18,863	.. ..	100	10 10 19
17,80,000	21,78,786	2,20,877	Burdwan Cutwa S.S.G.	3	165	78,839	..	2 1/2 2 1/2 2 1/2	100	58 58 63 1/2
31,00,000	35,46,111	..	Chaparmukh Silghat S.S.G.	3-9	32	62,834	10,849	1 1/2 1 1/2 1 1/2	100	53 53 49 1/2
4,75,000	3,20,040	4,75,000	Cherra Chhatat Ropeway	3	88	7,071	9,917	1 1/2 1 1/2 1 1/2	5	71 71 61 1/2
2,47,650	2,75,015	65,326	Darjeeling Ropeway	3	101	18,097	4,549	1 1/2 1 1/2 1 1/2	10	71 71 63 1/2
22,50,000	60,65,477	12,50,000	Dehri-Rohtas	3	335	5,10,908	26,753	7 1/2 7 1/2 7 1/2	10	14 14 15 1/2
11,49,700	20,10,843	1,68,140	Futwah Islampur S.S.G.	3-9	32	-39,019	5,917	98-99 99-1 1-1	100	56 56 56 1/2
16,00,000	50,82,188	17,87,954	Howrah Amta D.R.G. (P)	3-9	32	1,18,351	90,009	3-3 3-3 3-3	100	59 59 70 1/2
6,00,000	13,97,138	4,43,410	Howrah Sheekhala D.B.G.	3-9	38	28,627	20,122	3-3 3-3 3-3	100	37 37 54 1/2
19,50,000	27,95,689	2,47,135	Kalighat Falta S.S.G.	3	165	-1,99,473	..	2 1/2 2 1/2 2 1/2	100	58 58 60
8,91,100	15,16,175	10,551	Katakhal-Lala Bazar S.S.G.	3	165	31,257	..	4 5 ..	100	75 75 74 1/2
15,00,000	62,56,929	28,77,041	Shahdara Delhi Saharanpur	3-9	32	6,26,073	17,25,546	6-6 6-6 6-6	100	125 125 152
1,75,000	8,41,779	2,04,841	Tezpur Balipara Tramway P.	3-9	165	-43,574	5,944	.. ..	100	.. ..

Managing Agents Managing Directors and Secretaries with their Respective address.—(Contd.)

320 F. W. J. Penn—United Breweries Ltd., Bangalore-1.	329 Sri G. D. Bhagat—15, Shib Bhakur Lane, Calcutta.	339 M. G. Investment Corp., Ltd.—127, Mahatma Gandhi Road, Fort, Bombay.	348 Sahu Jain Ltd.—11, Clive Row Calcutta.
321 F. O. Williams—14, Old Court House St., Calcutta.	330 Mahindra & Mahindra Ltd.—Gateway Building, Apollo Bunder, Bombay.	340 K. O. Cheriyan—Travancore.	349 Chandmull Batia—7, Canning Street, Calcutta.
322 Messrs Tata Sons Ltd.—New India Assurance Buildings, Mahatma Gandhi Rd, Fort, Bombay-1.	331 N. L. Roy & Sons—Canning St., Calcutta.	341 James Finlay & Co., Ltd.—2, Netaji Subhas Road, Calcutta.	350 K. E. Agarwal—Empire House, Hornby Road, Fort, Bombay.
323 Anderson Wright & Co.—1, Wellesley Place, Calcutta.	332 M. Paspatti, 21, Ravelin Street, Fort, Bombay.	342 W. N. Chatterjee—2, Royal Exchange Place, Calcutta.	351 E. & P. (Management) Ltd.—J. K. Building, Douglass Road, Ballard Estate, Bombay.
324 Bathgate & Co.—17/19 Old Court House St., Calcutta.	333 Jacarua Bros. Ltd.—33, Netaji Subhas Road, Calcutta.	343 Eastern Smelting & Refining Co., Ltd.—10, Clive Row, Calcutta.	352 C. G. Mahant—Ewart House, Bruce Street, Fort, Bombay.
325 John Rutherford Blake—Virginia House, 37, Chowringhee, Calcutta.	334 A. Latimer—2, Fairlie Place, Calcutta.	344 V. J. Pillani—Victoria Bunder, Colaba.	353 N. K. Jha—14, Netaji, Subhas Rd., Calcutta.
326 Berwala Bros.—33, Netaji Subhas Rd., Calcutta.	335 Sahu Jain Ltd.—Dalmianagar.	345 The National Tea Corporation—130, Cotton Street, Calcutta.	354 G. C. Kanoi—P-8, Mission Row Extension, Calcutta.
327 Marwar Textiles (Agency) Ltd.—Waudby Road, Fort, Bombay-1.	336 Fudisda Kilchand—Scindia House, Douglass Road, Bombay.	346 Seshasayee Brothers (Travancore), Ltd.—Elloor Factory, Alwaye, Calcutta.	355 G. C. Robertson—16, Strand Road, Calcutta.
328 John Taylor & Sons (India) Ltd.—Mysore, Oorgram, South India.	337 Shirdar Delhi Saharanpur Tezpur Balipara Tramway P.	347 Associated Commerce, Co. Ltd.—16/1, Harrison Road, Calcutta.	

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68th YEAR OF ISSUE

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INDIA'S BEST

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GUARANTEES FOR EXPORTERS

A SCHEME TO HELP FOREIGN EXCHANGE EARNERS

THE need for some kind of export credit guarantees has been clear for a long time. Other large exporting countries have found them necessary for promoting their trade and it is only to be expected that as India's shipments to foreign markets become more diverse, they will stand to benefit by them also. The official Committee which began its examination of the problem early this year has now reported its findings and recommendations. It is not the first time the idea of export guarantee had been considered. The Government-appointed Export Promotion Committee declared against any such project as recently as 1949. It based its view on the fact that India's export trade was, at that time, largely in traditional lines where the contact between buyer and seller had become established through long and successful practice. It added the rider that further consideration of the idea would only divert attention from the more important factors in the problem of increasing exports—"reduction in price, use of good material and suitable workmanship." Although it would be wrong to reject this particular aspect of the 1949 Committee's attitude as being out-of-date, it is obvious that the changes which have already taken place in the pattern of India's exports, and those which can be expected soon, reveal this conclusion as being too limited for unqualified application to the realities of 1956. The country's traditional exports are bound, as time goes on, to decline in importance relative to the new ones, although their earning power, in absolute terms, may not necessarily be diminished. The newer trading items, especially manufactures, are likely to meet entirely unfamiliar conditions and risks. If these risks are left for the exporter to shoulder without assistance, trade will be slow in developing and the earnings of foreign exchange required for the second and subsequent plans will be restricted.

There is serious risk of the scheme foundering on this particular shoal. The Committee has declared against compulsion on the grounds that private business does not welcome it in any form. This conclusion is certainly correct and any attempt to force exporters into the scheme will be both unfair and damaging to their interests. But that must inevitably mean that the proposed insurance will be restricted to the newer or least reliable traders—what could, in fact, be regarded as bad risks. To subsidise these exporters out of the premiums paid by established trading interests would impose a strain on India's traditional exports which some would find difficult to bear in the present competitive state of the world's markets. The chances of the scheme being self-supporting, bearing these facts in mind, are therefore not promising. Although Mr. Roy's suggestion that compulsion be resorted to would create more problems than it would solve, the Government may, on present showing, be forced to shoulder the proposed corporation's losses itself, or, at least until India's export trade has increased to a more economic level, take Mr. Roy's advice and confine

The export credit guarantee scheme which this year's Export Committee has outlined differs little from those already operating in other countries, and especially in Britain. Its aims are to meet the growing credit requirements of exporters, even those dealing in traditional goods; to help the small and medium-sized firms which are coming into the export market for the first time and which have an important need for insurance; to ease the granting of finance facilities; to encourage the development of new markets; and to help exporters meet competition from other countries which already use this method of promoting their foreign trade. An Export Risks Insurance Corporation with a capital of Rs. 5 crores, to be owned completely by the State, is proposed. The necessary liaison between this body and the export trade should, it is suggested, be provided by an Advisory Council of not more than twenty-one members representing exporting interests, banks engaged in financing exports, Export Promotion Councils and Commodity Boards. The Committee agrees that cover should be provided over a field of commercial and political risks which are beyond the scope of existing private insurance facilities, and are not within the control of either the exporter or the buyers.

THE RISING TREND OF PRICES

THERE are good reasons for the growing concern which has been expressed recently over the steady rise in food prices. An increase of 6 points to 392.5 in the food index has pushed up the general index of wholesale prices by nearly two

points to 414.2 during the week ended 4th August. The major foodgrain markets have maintained a firm trend since, which suggests that the measures the Government has taken to stem the increase are not yet producing the results they were expected to. The general anxiety has been frequently expressed in Parliament of late, and the past few days have brought explicit ministerial admissions that the rising tempo of deficit financing and development expenditure generally have much to do with the fact of dearer food. The Food and Agriculture Minister, Mr. A. P. Jain, last week gave the Rajya Sabha five main reasons for the upturn in foodgrain prices: smaller output of kharif coarse grains, speculation, hoarding, "inflationary tendencies caused by deficit financing", "failure of rice crop in East Pakistan"—in other words, large-scale smuggling. This list of reasons may not necessarily reflect the true order of importance, but on the whole it is perhaps a fairly adequate analysis of the situation. A few days later, in the Lok Sabha, the Minister for Revenue and Defence Expenditure, Mr. A. C. Guha,

Contents

Indo-U.K. Economic Co-operation ..	242
Agricultural Targets in Second Plan ..	249
The Rising Trend of Prices ..	237
Capital across the Borders ..	238
Rising Soap Production ..	252
Industrialisation in U.P. ..	253
Price Stability in U.K. ..	251
Forest Wealth of Madras ..	254
Industrial Trends in U.K. ..	258
Without Prejudice ..	240
Ditcher's Diary ..	241
Money ..	243
Stocks and Shares ..	245
City Cable ..	248
Jute ..	255
Engineering ..	257
Plantation Topics ..	259
Commodity Markets ..	261
Calcutta Markets ..	263

seemed at some pains to play down the importance of development expenditure, although he admitted that it was "one of the main reasons" for the increase in food prices. Deficit financing so far, he said, had probably been very small, since in the first four months of the current year there had been a budget surplus of Rs. 32 crores, as against a budget deficit of Rs. 32 crores in the corresponding period last year. But if these figures presumably refer to the revenue budget, they do not necessarily indicate that the impact of capital spending has been less.

In official circles, there is still a strong tendency to put most of the blame for the rise in food prices on speculators and hoarders. It is true that the activities of the latter have accentuated the weakness of the whole food supply system, but it is doubtful whether mere denunciations or the limited measures the Government has so far taken will suffice to curb these activities. The important point which does not seem to be properly appreciated is that bull speculation and hoarding are the inevitable by-products of an inflationary psychology—they are symptoms of a disease, not the disease itself. Those who have been holding back or buying up stocks in order to release them at a profit later have clearly been doing so on the calculation that before long there will be too much money chasing too little food. It is this calculation which the Government has not yet succeeded in upsetting. Its statistics show that agricultural production has declined over a period when consumer prosperity has increased considerably: smaller harvests of *khari* cereals have been mainly responsible for bringing down the index of agricultural output (base year 1949-50 equals 100) to 113.7 during 1955-56 from 118.4 in the previous year, and unfavourable weather has affected the early-1956 rabi crops as well. Various measures have been taken to increase market supplies so as to offset the decline in production, but they have as yet proved neither timely nor adequate. The export of rice and other foodgrains has been totally banned. The Government has stopped buying foodgrains in domestic markets. Rice and wheat are being distributed through fair price shops set up by State Governments. The Centre has been issuing supplies from its own stocks in important markets, and advances by scheduled banks against rice and paddy stocks have been restricted.

There are two spheres in which dearer food could have the most disturbing repercussions—the balance of payments and industrial costs. At a time when heavy orders for capital goods have been placed abroad, the need to import more food would seriously strain India's foreign exchange resources. A small example of what this might mean was available in the Lok Sabha this week, when supplementary demands for Rs. 80.48-crores worth of foodgrain imports had to be voted in order to rebuild buffer stocks which would help stem the rise in prices. Some relief might be forthcoming if the purchase of food on credit could be arranged with foreign countries; negotiations involving \$4-million worth of wheat, rice, flour and cotton from the United States have been going on for some months, and may be concluded shortly. Arrangements are also being made to get rice from Burma, and wheat from Australia and New Zealand. It would, however, be rash to assume that credit for food imports could be easily arranged; the main country which is in a position to extend it is the United States, but for all her generosity the fact remains that India's relations with her are not free of political complications. Nearly 80,000 tons of wheat have already arrived in Indian ports this month from Australia and the United States. Imports of rice from Burma, which began to arrive last month, have amounted so far to about 25,245 tons. By the end of August, further arrivals of foodgrains, including rice, are expected to total 128,000 tons. The schedule for the first three weeks of September is about 125,000 tons.

As far as industrial costs are concerned, the consequences of a rise in food prices would probably be far more damaging in the long run. Over the first half of this year, the working class cost-of-living index in Calcutta (base year: August 1939=100) has risen from 319 to 356; the main reason for this is the increase in the food index from 409 to 462. Similarly, between January and July 1956, the middle class cost-of-living index has moved up by 22 points to 418, its food component having increased by 34 points to 480. The trend is disturbing because of the relative inelasticity of India's industrial cost structure: labour costs move up easily enough, with or without an increase in living costs, but they rarely, if ever, move down as easily. Even if the rise in food prices were to prove merely temporary, the prospect cannot be looked upon with equanimity; for the wage and other concessions which have to be given when living becomes dearer cannot often be withdrawn, without industrial unrest, when it becomes cheaper. That is why price stability is an important and urgent need, not only for today, but also for tomorrow and the day after.

CAPITAL ACROSS THE BORDERS

THE net export of private long-term capital by U.S. and U.K. residents is estimated to have averaged about \$2.3 billion annually during the past several years, according to a report on recent international private capital movements issued by the United Nations. The net export of such capital from other countries would raise the total to "well above this figure", which includes the reinvested profits of foreign business enterprises. The report, entitled *The International Flow of Private Capital, 1953-1955*, points out that recent private capital exports, when adjusted for the postwar rise in prices, remain well below the volume of the 1920s and have lagged far behind the expansion in international trade, world industrial production and domestic investment. The low level of private investment is accounted for by the drop in foreign portfolio investments; there is no doubt, the study points out, that the annual postwar growth of direct investments controlled by foreign business enterprises has been larger than during the 1920's.

The study, prepared by the U.N. Bureau of Economic Affairs, supplies information on the international movement of private capital during the last few years and for comparative purposes, contains certain data on the export of public capital. It presents also a survey of recent trends in the "climate" for international investment, covering governmental measures and policies affecting the flow of private capital in both under-developed and developed countries. With certain exceptions, there has been a general trend in under-developed areas during the past several years towards measures aimed at encouraging private investment from abroad, the study finds. New policy developments in the major capital-exporting countries have been less striking, but in several European countries rising levels of savings and the improved payments position have led to relaxation of restrictions on capital exports. "It is not to be expected, however, that the action taken will exert a strong influence on the total volume of investment in the short run", the report states. "Many of the measures and policies adopted in capital-importing countries leave considerable room for administrative flexibility. Investment decisions usually depend on long-range calculations, and continuity of governmental policies affecting such investments is accordingly important; the full impact of changed policies is not likely to be felt for some time." Furthermore, the measures taken are concerned primarily with investments by foreign business enterprises; "the scope for specific governmental measures to stimulate private foreign portfolio investment, especially in government bonds, is fairly limited".

The United States has accounted for well over half of the world's private capital exports in recent years, with Canada the principal recipient. Considerable sums have also been absorbed by Latin America, western Europe, the Middle East—where investment has been chiefly in petroleum extraction—and by Africa for mineral development. U.K. private capital exports have gone principally to the sterling area. The private capital movements of continental European countries follow a complex and variable pattern. However, a substantial portion of the outflow from this area has gone to the dependent territories of the countries concerned. In addition to the United States and the United Kingdom, the report also contains estimates of capital exports from Switzerland, Belgium, western Germany, France and the Netherlands.

In a number of countries the rapid postwar growth of foreign business investments has reached a level which accounts for an "important share of total output, employment and gross capital formation", according to the report. This applies particularly to Canada, Venezuela, the oil-producing countries of the Middle East and several countries in Latin America and Africa that have attracted sizable investments in mining. The major part of the capital for the postwar expansion of manufacturing that has occurred in a number of less developed countries has been supplied locally, but recently this branch of activity, particularly in Latin America, has drawn increasingly on foreign capital and enterprise. "Foreign enterprises have been particularly active in less developed countries in manufacturing ventures requiring advanced technology in such fields as chemicals and pharmaceuticals, various types of consumer goods and, in a few countries, components of motor vehicles, electrical machinery, and similar products. In a number of cases, the foreign business enterprise has supplied a minor portion of the capital together with essential assistance in the form of patents, information on complex production processes and skilled personnel." The quantitative importance of foreign investments in the economy of the capital-importing country, the study asserts, is naturally not a full indication of their economic significance. "Foreign enterprises have contributed to increases in productivity through the transfer of modern technology, the training of local labour, the development of managerial techniques and the stimulation of local ancillary industries."

CURRENT COIN

Index of Industrial Activity.—Corrected for seasonal fluctuations, Capital's Index of Indian Industrial Activity shows a rise of 4.9 points during March, 1956. Mainly contributing to the increase were rises in jute manufactures, steel ingots, cement, paper, coal and electricity. Cheque clearances and notes in circulation also increased.

Lay-off Compensation.—Industrial employers in India view with concern the changes that have been made in the existing body of labour laws, and those which are in prospect. Only a few months ago, the Industrial Disputes (Amendment and Miscellaneous Provisions) Bill, 1955, was passed by Parliament creating for the employers a host of new problems, legal, financial and administrative—which many small concerns already find much too onerous to bear. One of those problems has been created by the new legal definition of "workman", which brings supervisory personnel drawing up to Rs. 500 a month within this category. It is no secret that even the top management executives of many small concerns draw salaries not exceeding this figure. While Parliament was considering the above Bill, business organisations had drawn the Government's attention to the practical difficulties that would follow, and had suggested that the definition be related to the work performed rather than to the salary drawn. Those representations were turned down. Now, private industry is facing the prospect of a far more serious problem in the shape of new labour laws on lay-off and retrenchment—the laws which are embodied in the Industrial Disputes (Amendment) Bill, 1956, at present under consideration by Parliament. According to the proposed legislation, which seeks to amend and clarify the existing provisions in the Industrial Disputes Act, 1947, lay-off compensation will have to be paid as long as a factory has its workers laid off. Under the existing agreement between employers and labour, the maximum lay-off compensation payable is for a period of 45 days. The proposed law has, therefore, made smaller concerns nervous, as such factories have very often to close through circumstances beyond their control, and as is inevitable in such circumstances, for a long period of time. The Labour Department of the Engineering Association of India has published a pamphlet on this matter analysing the disastrous effect such a piece of legislation is likely to have on small concerns. It takes the hypothetical example of a factory of 20 years' standing with a paid-up capital of Rs. 50 lakhs, employing 2,000 workers, and with a total monthly wage bill of Rs. 1,60,000. If this factory suspends its working for six months, the lay-off compensation will come to as high as Rs. 5 lakhs, that is, the equivalent of the workers' wages for three months. In case of permanent closure, the position will be infinitely worse. The pamphlet suggests that this amendment be dropped leaving the existing arrangement unaffected—a suggestion well worth thinking about. The amendment, if enacted, will most certainly put the clock back in the field of Indian small-scale enterprise which the planners so avidly desire to promote.

Bicycle Output and Imports.—The bicycle manufacturing industry has made rapid progress in recent years, and production has risen from 49,000 in 1949 to 510,000 last year. Mr. L. N. Birla, president, told the Cycle Manufacturers Association in Calcutta on Monday that the scope before the industry was "tremendous", assuming "proper encouragement from the Government and an effective import policy." There are about 18 units engaged in the manufacture and assembly of bicycles, and their rated capacity is estimated at 850,000. Domestic prices have been brought down considerably, and the country is on the way to near self-sufficiency. This is to some extent due to the protection the industry has received. In Mr. Birla's view, the "period of protection should be sufficiently long" and so it should, provided the manufacturers can hold out some promise of being able to compete with the imported products on the basis of price and quality. A number of them have already been able to do so, and it is their example which the less successful ones need to emulate. Mr. Birla referred to the Government's licensing policy for new bicycle units, and said that many "use more than 75 per cent of the imported parts for their cycles. Such a policy adversely affects the manufacture of cycles and encourages assembly of cycles in the country through imported parts. After all, when the industry is making all possible efforts to produce and develop all cycle components within the country, it is necessary that it should get an opportunity to maximise such production by discouraging imports of components from abroad. It is essential, therefore, that wherever licences for new units are granted, the Government ensures that such new concerns set up the manufacture of cycles and parts within a specified date." The manufacturers' attitude to assembly, one suspects, is very much the consumers' attitude to protection.

Just as some manufacturers would wish the mainly assembly units to start manufacture soon, consumers would wish protection to end soon. Mr. Birla referred to the need to co-ordinate the production of components and accessories by small-scale manufacturers with the activities of the bicycle producers. As a general rule, he said, "complicated cycle parts which can be produced economically by the cycle manufacturers in large scale should not be attempted on a small scale. But still there would be much scope for the cycle industry to obtain their requirements of a number of other parts and equipment from ancillary producers which they are doing at present."

Plans of New Central Jute.—Indications about the New Central Jute Mills Co Ltd's plans to modernise, expand and diversify activities are given in a circular issued by a Calcutta stock-broking firm. The company is the amalgamation of three mills—Albion, Lothian and New Central—and operates under the managing agency of Sahu Jain Ltd. A modernisation and electrification programme is being implemented in the jute manufacturing units, for which some of the latest equipment is to be installed. The company plans to undertake the manufacture of soda ash and ammonium chloride by a combined process. The demand for heavy soda ash is good, and is expected to rise further with the growth of the glass industry. Ammonium chloride is a useful nitrogenous fertiliser; it is claimed that when obtained as a by-product of soda ash manufacture, it will be cheaper. New Central's project is for the manufacture of 40,000 tons each of soda ash and ammonium chloride in U.P.; the Government of that State has granted financial assistance amounting to Rs. 1.45 crores for it. Machinery will begin to arrive early next year, and the plant will go into production early in 1958.

U.S. Aid for India.—The United States has just authorised India, Nepal and Egypt to purchase a total of nearly \$1 million worth of equipment and insecticides with U.S. Mutual Security funds. The International Co-operation Administration has also announced the foreign currency authorisation for Pakistan to purchase 10,000 tons of rice from Burma. The authorisations enable the recipient nations to use the allotments for specific purposes, agreed upon previously. According to those agreements, India can purchase on a world-wide basis \$680,000 worth of diesel motor-driven draglines. Nepal with \$296,000, has to use the aid to purchase insecticides, motor vehicles and parts, and other equipment. Egypt can buy \$18,117 worth of gasoline-driven pumping equipment and drilling machinery. Under the agreement concluded between the United States and Burma, 10,000 tons of rice for Pakistan will be purchased with Burmese currency held by the United States. The U.S.A. set aside \$1.1 million in its own currency to be used by Burma in hiring American technicians, and accepted Burmese currency in repayment which Pakistan will use. This enabled Burma, which is not receiving U.S. aid, to hire American technicians without drawing on its own dollar reserves.

Bulletin on Industrial Expansion.—India's Ministry of Commerce and Industry has decided to bring out from time to time bulletins giving a detailed picture of the development expected or desired in particular lines of production. The bulletins will be issued as supplements to the *Journal of Industry and Trade*. They will be published and circulated as and when they are ready, not necessarily once a month. The second five year plan has indicated the directions in which industrial development can most usefully take place over the next few years. It has been suggested to the Ministry of Commerce and Industry that it would be useful to present from time to time a more detailed picture of the scope for expansion in different directions. The industrial bulletin is being issued in response to this demand. The first issue of the bulletin deals with the development of pharmaceuticals and drugs.

Dutch Claim on Indonesia.—With reference to the Press report that Indonesia has unilaterally cancelled a debt of 3,661 million guilders it owed to the Netherlands, the Dutch Government states in a *communiqué* that it has not yet received an official communication from the Indonesian Government to that effect. The Netherlands *Chargé d'Affaires* in Djakarta has asked the Indonesian Government for a clarification. The Dutch Government further adds that it was stated in the Press report that the Indonesian debts to the Netherlands amounted to 3,661 million guilders, and to other countries to 420 million guilders. Of the debt to the Netherlands, 3,000 million guilders, it was said, arose out of military actions against the Indonesian Republic; only 661 million guilders was owed for reconstruction purposes. The former amount is to be wholly written off, and from the latter amount, the debt of 420 million guilders owed to other countries would be deducted. The

total of debts recognised is thus reduced to 240 million guilders which will not be repaid again because of the Dutch military operations against Indonesia. The question of the costs of military actions, the Dutch Government points out, was put before a commission of the Round Table Conference in which besides the Netherlands and Indonesia, the United Nations Commission for Indonesia was represented. After having given due consideration to every aspect of the question, the commission decided that the Netherlands should cancel two billion guilders on account of the military operations and the rest should be repaid by the Indonesian Republic. This decision of the commission Indonesia then accepted, and the total of debts accepted by it at the time of power transfer stood at 871 million guilders. At the end of July, 1956, the total was still standing at 649 million guilders.

British Productivity: A Warning.—British output per head remains the highest in Europe, in spite of the increases of other countries which have had so much more publicity. This statement will come as a surprise, but is made by the British Productivity Council in *Policy and Progress, 1955-56*, a review of its work since it was established in 1953. On the other hand, the review goes on to point out that Britain's productivity is not high enough to meet the vital need to increase exports as well as the increasing demand for consumer goods and new investments, with expenditure on armaments and public services. There remains a clear alternative. Either the country's standard of living can fall to the level warranted by her present productivity, or she can raise that productivity by the use of modern techniques to the point where it can support her demands. The Government's recent restrictive measures on spending and credit, taken to check inflation, have—with other factors—affected output per head. The annual rate of increase (2½ per cent) was about ½ per cent less in 1955 than in 1954 and 1953, but it is still 60 per cent greater than the average of the pre-war years. Although it has less than 45 per cent of the workers in civil employment, the manufacturing industry continues to lead in increasing productivity. The Council believes that the best firms in the United Kingdom are fully equal to, and in some cases in advance of, the best in the United States, but that the use of the latest methods and techniques is less widespread in Britain. Britain can enjoy a standard of living second to none if all her industries and services adopt the dynamic and progressive approach which now exists only in some.

Lancashire and Japan.—Surveying the progress made by Lancashire's competitors in his Chairman's report to the Boardman, Marden group, Mr. K. O. Boardman draws attention to the success achieved by Japan in Commonwealth markets. For the first time in her history, he points out, Japan now sends more textiles into the British Commonwealth than Lancashire. Last year she exported 450 million square yards of cotton piece-goods into these traditional British markets against Lancashire's 409 million yards during the same period. Figures published recently in Japan gave details of the advance into Commonwealth countries. The Japanese trade returns for the first three months of this year suggest that her hold on Commonwealth markets will be even stronger in a year's time than it is now. Her total cloth exports in the first quarter amounted to 363,004,000 square yards. This is 44.2 per cent higher than in the same period last year. In the case of almost every Commonwealth market the amount received so far has increased at least proportionately to the total increase.

PAPER CURRENCY EXPERIMENT

AS a rule the annual report upon the operations of the Paper Currency Department is one of the dullest bits of reading in that "dead-and-alive" periodical, the *Gazette of India*; but there are parts in this year's report which will be found well deserving of study by those who follow the progress of the Indian currency experiment. The officiating Head Commissioner of Paper Currency, Mr. A. F. Cox, has a happy knack of presenting statistics in their most interesting aspects; and in the report much fresh information is given regarding the great movements of coin in the country, and the progress made in relieving the redundancy of the rupee currency. We are still a far way from the end of the redundancy, but Mr. Cox is able to show, by the increase in the balance of foreign indebtedness as represented by Council Drafts, by the large expenditure upon Public Works, and by the movements of coin to the producing districts, that there has been a fair amount of currency absorbed during the year, and this view is confirmed by the statistics of the note circulation.

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CAPITAL

25th August, 1896.

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A CASE CONCERNING DEDUCTION FROM ANNUITY PAYMENT (FROM OUR LEGAL CORRESPONDENT)

SOME 50 odd years ago, that great judge, Lord Macnaghten, found it necessary to observe sarcastically in a famous House of Lords judgment: "Income tax, if I may be pardoned for saying so, is a tax on income. It is not meant to be a tax on anything else."

But what is "income"? *Definitio periculosa* runs the slogan and on income-tax it is not only dangerous but impossible. "There is," says the standard Indian work on the law of income tax, "the authority of the English Court of Appeal for the proposition that in many cases the spin of a coin would decide the question of income and capital almost as satisfactorily as an attempt to find reasons," and equally high authority for the proposition that the Supreme Court is, in some of the cases, "the Court of ultimate conjecture." And the reason for this confusion is plainly stated in the preface to the same standard work. "It is passing strange," say Sir J. B. Kanga and Mr. N. A. Palkhivala, "that an Act which brings more revenue to the Government than any other and which makes a welfare State possible should be the most untidy Act on the Indian statute book. It is an Act exiled from Order and System. The bones of dead sections are scattered all over the Act...."

Hardly "dead," perhaps. "Can these dead bones live?" asks Ecclesiastes. Well, yes, they can and they do. Or rather, they can be jerked into mechanical action like marionettes by what is described by the learned Chief Justice of Bombay in the case we are to consider as "a legal fiction." The wire-puller is Parliament and the process is simple. Parliament is omnipotent. It can, and frequently does, enact that Black is White. It does so in modern legislation by the use of three words: "shall be deemed." "Be it enacted that 2+2 shall be deemed to be 5"; and it is so.

Only by appreciation of these legal fictions can we follow a host of useful judicial pronouncements like these: "What is taxed...is nothing that is real; it is the statutory income measured in a particular way; and many subjects are fully conscious of the fact that when the income-tax has been charged

against them it is upon an income which from a practical point of view is one that has never reached their own hands." (Lord Hanworth, Master of the Rolls). "It may seem hard that a concern should have to pay income-tax upon its profits when these profits are taken away from it and applied to a foreign purpose. But income-tax legislation knows nothing of hardship." (Lord Sands). "There is no equity about a tax." (Rowlatt J.). "If a person sought to be taxed comes within the letter of the law, he must be taxed however great the hardship...." (Lord Cairns). "Logic is out of place in these (income-tax) questions." (Lord Chancellor Buckmaster). "It would appear...that the burden of so-called double taxation falls upon the taxpayer notwithstanding the plain intention of the section to avert it. But this is a consideration which cannot be allowed to influence the clear interpretation of the section...." (Lord Simonds).

The above are only a few out of many similar judicial pronouncements. One can see clearly how uneasy and disquieted the judges are about their unpleasant rôle. But they have no alternative other than to administer and interpret the Act, or rather the innumerable Acts as they find them; nor have the income-tax officials any alternative either. And with "income" meaning "statutory income", hardship immaterial, equity not a consideration, and logic out of the way, both in Britain and India, there can be nothing surprising in a man who has in actual fact received £225, being deemed to have received £500.

That is in fact what happened to Sir Joseph Kay, who vigorously objected and carried the matter to the Bombay High Court (Chagla C.J. and Tendolkar J.), whose decision thereon has just been reported. These were the facts. Sir Joseph Kay, a resident of India, was assessed to tax in the assessment year 1952-53, and in his total income the income arising or accruing to him outside the taxable territories was also included. In this income was included a sum of £500 which the assessee was entitled to receive in the United Kingdom from three insurance companies, and the only dispute which was the subject matter of the reference to the Bombay High Court was whether the sum of £500 had been correctly included in the total income of the assessee or whether the correct amount that should have been included was £225.

In fact, the assessee had actually received from those three insurance companies £225, and the contention of his eminent counsel, Mr. N. A. Palkhivala, was that what was liable to tax was the amount actually received by the assessee, namely, £225, and not £500, which was the amount of

annuity which the insurance companies were liable to pay to the assessee. The charging section is Section 4(1)(b)(ii). The total income includes the income accruing or arising to the assessee without the taxable territories during the relevant year and the very short question that the High Court had to decide was, what was the income of the assessee in the accounting year on these annuity policies? Was the income £500, as contended by the Advocate-General on behalf of the Income-tax Department or was it, as contended by Mr. Palkhivala for the assessee, £225?

The reason why these insurance companies in the United Kingdom had paid only £225 to the assessee and not £500 was that they had no alternative. When an annuity is paid out of profits, the English law requires that the payer shall pay to the annuitant the amount due to him on the annuity less the income-tax payable on the annuity, and the law also provides that the amount of the annuity payable by the payer shall be deemed to be the income of the payer, and the payer will pay tax on that annuity. The idea that where X is under covenant to pay an annuity to Y, the annuity is the income of X and not of the annuitant Y may strike you as an excellent example of the magical process whereby Parliament can turn Black into White. Anyway, the substance of the matter is that, instead of the annuitant paying tax on £500, which tax admittedly amounted to £275, by reason of the method of taxation adopted by the British Parliament the payer of the annuity was required to pay the sum of £275; the English law also provides that, when the payer pays to the annuitant £225 instead of the covenanted £500, the annuitant must give a receipt to the payer in full discharge of the annuity; which again may strike you as a first-class exemplification of the power of the High Court of Parliament which on the same sound principle that it may make 2+2=5 can make £225=£500.

The income-tax authorities in India taxed Sir Joseph Kay *inter alia* on these annuities on the simple ground that, in substance and in fact, his income therefrom was £500; that it accrued to him outside the taxable territories; and that he, being a resident, was liable to pay tax on that amount. The assessee's views were different. The English rule (R.19) clearly provides that there shall be no assessment concerning the annuity upon the person receiving the annuity. It equally clearly provides that the annuity shall be deemed to be the income of the payer of the annuity, that the payer shall pay tax on that annuity, and that he is entitled to deduct from the annuity the amount of the tax which he is liable to pay. Then the second paragraph of R. 19(1) is important: "The person to whom such payment is made shall allow such deduction upon receipt of the residue of the same, and the person making such deduction shall be acquitted and discharged of so much money as is represented by the deduction, as if that sum had been actually paid."

"Therefore," commented Chagla C.J., "the payer receives a complete discharge as far as his debt to the annuitant is concerned when he pays not the full amount of the annuity but the amount of the annuity less the tax payable on that amount." It is a pity that considerations of space prevent us from quoting the judgment of the learned Chief Justice in full. It is most interesting and instructive. But we shall have to confine ourselves to one main point. It was urged by Mr. Palkhivala that under this English rule there was no liability upon Sir Joseph Kay to pay the tax. It was not his liability to pay the tax that was being discharged by the insurance companies. The law imposes a liability upon the payer himself and it was that liability, a substantive liability which was being discharged when the payer paid tax to the revenue authorities in England. The contention, therefore, was put forward that what Sir Joseph Kay was entitled to in view of this provision of the law was not £500 but only £225, that the only part of the annuity which became the income of Sir Joseph was £225 and not £500, that when the insurance companies deducted £275 they were not deducting the sum on his behalf in order that they should pay the tax on his behalf but they were deducting it because the English statute cast an obligation upon the insurance companies to retain that sum and it was by reason of this statutory obligation that that sum was being paid.

This and other contentions on behalf of the assessee were rejected by the High Court. "We must look at the substance of the matter from only one simple point of view," said the Chief Justice. "Whose income was this £275, which was retained by the insurance companies under R. 19? It is clear that the tax was payable on the annuity due to Sir Joseph Kay and it was by a legal fiction that the income of Sir Joseph Kay was deemed to be the income of the insurance companies. . . . But the legal fiction cannot possibly change the patent fact that the annuity is that of Sir Joseph Kay and the whole of the £500 is the income of Sir Joseph Kay and no part of it is the income of the insurance companies. . . . The annuity which he receives stands on the same footing as the dividend received by a shareholder. . . . (and) we are upholding the action of the income-tax authorities in taxing Sir Joseph Kay on the simple finding that, in substance and in fact, the income of Sir Joseph Kay was £500, that it accrued to him outside the taxable territories and that as he is a resident he is liable to pay tax on that amount."

[43. A. I. R. 1956 (August) Bombay, 577.]

*London County v Attorney-General. 4 T.C. 265.
*Kania and Palkhivala on Income Tax. p. XXIX.

A DITCHER'S DIARY

LET me get the personal equation out of the way first. It is possible, and no more, that if I were a D.V.C. employee confronted with the prospect of imminent retrenchment I would be viewing the whole question very differently—and not, I fear, as rationally as I am able to do now. But if it were possible for me to remain slightly detached even in face of a serious personal problem, I would certainly have seen much against the methods some leaders of the Union are now using on the Corporation. I would, I hope, have seen that while many of my countrymen had not had a job at all, I had got one, thanks to the Damodar Valley Corporation, against which the only complaint possible is that it had provided me with employment for sometime. The job done—of which I would have been proud, and the experience gained is mine too—the Corporation has no further use for me. Pity, but there are millions of others who are, if anything, worse off than I; they have neither my savings nor my experience. We are all, in the final analysis, a national problem, and to place the whole burden on the Damodar Valley Corporation is manifestly unfair. And then, with millions of others unemployed, it may be somewhat selfish to demand preferential treatment for oneself. The sort of security insisted on by the D.V.C. employees is denied to all but a few workers in this country.

It is this resort to a hunger-strike, which I find particularly distressing. If the matter were not so serious, and if lives were not involved, I would have said this was like committing suicide because someone had threatened murder. The D.V.C. employees' case, as I understand it, is that they are confronted with unemployment and hence maybe starvation. Is starving oneself in anticipation the best answer? I know there are honourable precedents; Mahatma Gandhi gave hunger-strike a distinction which, I still think, does not belong to it. Mr. Morarji Desai's adoption of the method this very week makes things worse; when men in authority use this weapon of coercion, Authority is robbed of its moral right to condemn its exploitation by others. Unpersuaded by the many available spiritual interpretations of the hunger-strike, I still think political and economic disputes are best kept at their own respective levels. Trade unionism in India is already bedevilled by party politics with the consequence that it has not yet become the healthy and mighty force it should be. With the introduction of spurious spiritual ideas, trade unionism can only be weaker than it is. And, of course, there is also the inexorable law of diminishing returns; those who are today moved to tears (poor grease for the wheels of action) by photographs of hunger-striking workers (or political leaders) will soon take no more notice of them than they now do of pictures of young men "proceeding to the U.K. for higher studies."

If I had a vote to cast in the United States Presidential election it would certainly go to Adlai Stevenson. That is not necessarily because I like the Democrats better than the Republicans—which I do; or because I think he will carry the poll, which I do not. The reason is simply that I like my politics, national and international, represented with elegance, humour and sound intellectual common sense. Of the two prospective Presidents to choose from, Nixon and Stevenson—I do not include Mr. Eisenhower because I cannot share the medical view that he is good for another

five years' full-time work—only Adlai Stevenson has those qualities. The Democratic Party's electioneering organs will do their best for the next few months to play down his brilliance and ascribe to him those politically-irrelevant qualities of piety and domesticity. He has to be made to appear "folksy" or, for some strange reason only a social psychologist could explain, he is unlikely to get any votes at all. His speeches too will be given a popular slant and that is a pity because some of those he made in 1952 were a joy to read. But that does not alter the fact that Adlai Stevenson is, at least in my opinion, the best candidate since Franklin D. Roosevelt. And I suspect, whatever his party touts make him out to be, the "eggheads" of America will agree with me. That does not, of course, guarantee him victory. The eggheads, as America calls its better educated citizens—and it has more of them than any other country in the world—do not decide elections in the United States any more than they do in India or Britain. More people are likely to be influenced by President Eisenhower's personal popularity than will be by Mr. Stevenson's intellect. But before I jump to the pessimistic conclusion that a good President is going to be wasted because Mr. Eisenhower is unbeatable and tradition rules out a twice-defeated candidate for good, I suppose I ought to recall the case of Mr. Truman. After all, he was a certain loser, too.

It seems I may have to revise my opinion that Asia's newly-independent nations are too preoccupied with unnecessary worries about western imperialism to notice the encroachments of their own neighbours. One country at least appears to be realising its danger, and that is Burma. When Mr. U Nu, who resigned his premiership last June to free himself for the truly Herculean task of cleaning up his party's Augean stables, says with such obvious feeling that man is a predatory being, it is significant that, for once, he is not specifying western man. And he is in a favourable, if unenviable, position to know what he is talking about. Burma's struggle to preserve her independence deserves to go down as one of the epics of this century. But it will serve her not at all if her large and ambitious communist neighbour continues its sabotage. It is a pity that Burma defined independence in too strict terms and decided it meant being independent of her friends too. She may live to regret the day she decided to leave the Commonwealth, especially when India had set such a sensible example by staying in. Certainly no country in Asia is, at present, more in need of the support of powerful and sympathetic friends than Burma. Neutrality and Panch Shila are both excellent doctrines on which to base relations with one's neighbours. But whether they are enough to preserve democratic independence when there is no strength to back them up is, it seems, a question which a luckless Burma is going to have the doubtful honour of deciding.

"Penguins" have come of age this year and to mark the anniversary, have produced a five-volume *Pelican Book of English Prose*. I have just finished fingering my set over an execrably wet week-end. My interest in it is two-fold. First, a prose anthology, unless it represents a single author or is a bedside book of trifles or moral texts, is a rarity. The only other comparable col-

lection I know of is *The London Book of Prose* compiled by Bonamy Dobrée and Herbert Read which, since its publication in 1932, has remained unrivalled. Even the present work does not claim to compete with it, for the two are designed on entirely different patterns. Second, the book is inexpensive. To be able to possess at a cost of only 17s 6d (plus sales tax, of course) five none-too-slender volumes containing more than 425,000 words of neatly printed text ranging from the Elizabethan Age to the Victorian, besides excellent individual introductions, comes within my definition of a bargain. Indeed, it is amazing to think what a tremendous contribution to the spread of knowledge and culture is being made by the modern paperbacks and other cheap editions, such as the American "Permagloss" series. These publications have in a very real way resuscitated the dead classics. For example, the old, heavy morocco-bound library editions of Tacitus or Boccaccio, hardly ever handled by or accessible to any but the academician or research scholar, are now available in popular avatars, and are, what is more, eagerly read. To return to the *Pelican Book*, its arrangement is both rational and convenient. Each volume has been divided into four sections, for example, the *Picture of the Age*, the *Movement of Ideas*, the *World of Imagination*, *Feeling and Comic Invention* and, finally, the *Criticism of the Arts*. This makes reference easy. It is interesting to recall that Mr. Krishna Menon, India's well-known diplomat, was the first editor of the *Pelican* series.

I am not surprised that Mr. A. K. Chanda, the Comptroller and Auditor-General, should take exception to the Appleby report. But whether he is justified in calling it "coloured" is another matter. A personal prejudice against the function of audit is an altogether healthy thing in an Administration, and it is one of the more serious comments on India's that there is so little of it. Perhaps that is because, as Dr. Appleby himself seems to think, it provides such a convenient shelter for the incompetent and unenterprising. It is easy to sympathise with Mr. Chanda's taking umbrage—any one of us might have done the same in his position, especially if we had taken as much trouble as he undoubtedly has, to execute such a "highly pedestrian function", as Dr. Appleby calls it, with imagination and foresight. But that should not be made the excuse for rejecting this feature of the report simply because it is unpleasant, and that unfortunately, is what the tendency will be. Audit is one of those things which are so necessary that it is difficult to be objective about them. But the proposed scale of government participation in economic affairs must give the Auditor-General a stranglehold on the country's economy unless his functions are placed in their true perspective. A timid, inefficient and unenterprising Administration is a bad thing in any country; in India it is nothing less than suicide. I think the point came out clearly in the Lok Sabha debates on life-insurance nationalisation when Mr. Deshmukh fought with such energy and conviction to keep Mr. Chanda at arm's length. It is going to be easy to defend Mr. Chanda and a good deal more difficult to do the same for Dr. Appleby. That is why it is important to remember, quite clearly, that in principle Dr. Appleby is right, and more especially so in India where already it has been decided, irrevocably to saddle a democratic government and its Administration with economic functions for which they are entirely unsuited.

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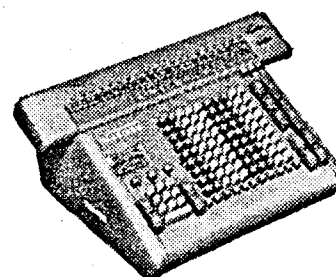
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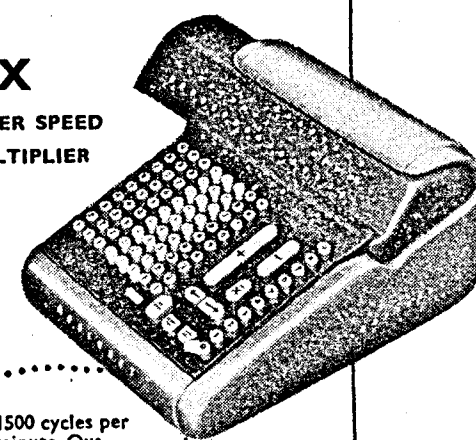
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nearly all the Treasury bills maturing on that date, while the discount houses had arranged to take up as much as possible of the new bills. Consequently, the discount houses paid about \$280 million for new bills and received almost nothing for old ones. Thus, the market's payments were nearly equal to the authorities' payments and the whole huge transaction was approximately balanced. A complicated transaction of this kind is not easily negotiated by the market; particularly, the compulsion to borrow at full bank rate can involve substantial losses. But it must be admitted that a very large outpayment was effectively neutralised.

Finance for State Industries

Another important event in mid-August was the beginning of the new arrangement for financing the nationalised industries, until, provisionally, March 1957. The purpose of this operation is to shift from the banks to the Exchequer the burden of satisfying the current deficit of the electricity and gas boards, and it is expected that about six months hence, the banks' advances to these bodies will be mainly of a short-term character. When the new arrangement was first announced in the Chancellor's budget statement in April, it was thought that this might be a major deflationary plan whereby the capital requirements of these industries might be financed by taxation, instead of by inflated bank credit. Then it appeared that the procedure might be more inflationary than bank credit, since the Treasury would be satisfying the industries' requirements by issuing Treasury bills, which would be largely taken up by the banks and would form the basis for potential new lending. The intention is, apparently, to enable the Treasury to control the money market more strictly. Even the previous system was potentially (and in fact) inflationary, since the advances from the banks were eventually repaid out of the proceeds of issues of long-term stock, and a considerable part of these issues had to be subscribed by Government departments

and financed, ultimately, by new Treasury bills. The question for the future is how promptly the Treasury will be able to convert the additional short-term debt into longer-dated stock—which will not be a liquid asset for the purpose of banking practice. In principle, at least, the Treasury will have a firmer control over the issue of Treasury bills, and, therefore, over the nation's finances. But it is evident that the short-term debt will become even more important than it has been hitherto, and that management of it has assumed a new significance.

New Circumstances

Such technical problems are no longer—if, indeed, they were previously—academic. If, as is surmised, the Government has changed its ideas on military strategy and spending, every method of controlling the nation's finances must be fully used. There is probably (in the absence of up-to-date statistics it is impossible to be certain) no room for manoeuvre in an economy which is struggling painfully towards solvency. The politicians may have responded promptly to the Egyptian crisis, but the managers of the nation's finances were certainly unprepared for it. Until that development (by implication costly), the indications were decidedly favourable. Financial strain at home had been relaxed, and the overseas trade returns showed that more goods were being made available for export while the pressure to import was moderated. The gold and dollar reserve was being gradually restored (not, however, without new additions to the quantity of money for the acquisitions have to be financed with sterling). The currency was approaching the most difficult period of the year in better shape than might have been expected. The Bank of England's report for last year has shown that the rehabilitation of sterling as an international currency has continued, and that the gold market has been re-established as "the leading world market for gold." It will be distressing if these tendencies must suffer a setback.

RESERVE BANK

ISSUE DEPARTMENT (In 000's of Rupees)			
	17-8-56	10-8-56	19-8-55
Liabilities—			
Notes in Banking Dept.	23,64.72	25,95.22	31,39.42
Notes in Circulation	14,45,43.97	14,51,78.21	12,97,97.99
Total Notes Issued	14,69,08.69	14,77,73.49	13,29,37.41
Assets—			
A. Gold Coin and Bullion	40,01.71	40,01.71	40,01.71
Foreign Securities	6,06,67.54	6,16,67.54	6,37,04.02
Total A	6,46,69.25	6,56,69.25	6,77,05.73
B. Rupee Coin	1,13,77.31	1,12,49.11	1,08,62.86
Rupee Securities	7,08,62.13	7,08,62.13	5,43,68.82
Total	14,69,08.69	14,77,73.49	13,29,37.41

BANKING DEPARTMENT			
Liabilities—			
Capital Paid-up	5,00.00	5,00.00	5,00.00
Reserve Fund	5,00.00	5,00.00	5,00.00
National Agricultural Credit (Long-term) Fund	15,00.00	15,00.00	—
National Agricultural Credit (Stabilisation) Fund	1,00.00	1,00.00	—

Deposits—			
(a) Central Govt.	53,72.32	54,03.93	90,95.36
(b) Other Govts.	5,57.69	9,38.38	25,89.49
(c) Banks	53,43.72	51,04.01	51,79.70
(d) Others	11,62.37	11,88.39	33,43.39
Bills Payable	6,01.63	5,72.42	11,09.65
Other Liabilities	29,16.16	27,59.43	12,66.61
Total	1,85,83.89	1,85,66.56	2,35,84.20

Assets—			
Notes	23,64.72	25,95.22	31,39.42
Rupee Coin	9.57	3.43	8.81
Subsidiary Coin	6.46	5.80	7.52
Bills Discounted Int.	—	2.00	62.39
Govt. of India Treasury Bills	2,33.06	95.51	10,88.82
Balances held abroad	34,30.39	32,01.90	85,30.06
Loans to Govt.	7,30.35	7,08.35	2,44.00
Other Loans etc.	60,78.83	63,85.17	33,37.91
Investments	50,12.22	49,41.16	62,38.18
Other Assets	7,09.28	6,28.02	9,27.18
Total	1,85,83.89	1,85,66.56	2,35,84.20

SCHEDULED BANKS

(In 000's of Rupees)			
	10-8-56	3-8-56	12-8-55
Demand Liabilities—			
(a) Borrowings from Banks	14,21.85	12,82.08	12,07.69
(b) Others	6,23,63.58	6,23,25.75	5,95,57.49

Time Liabilities—			
(a) Borrowings from Banks	3,71.30	3,86.30	4,01.00
(b) Others	4,55,95.92	4,54,21.74	4,05,22.64
Borrowings from State Bank Demand Liabilities	7,15.07	6,94.86	3,01.03
Time Liabilities	35,51.58	36,06.80	34,47.70
Cash	49,24.56	49,56.41	50,31.56
Balances with the Reserve Bank	49,24.56	49,56.41	50,31.56
Balances with other banks in current account	10,50.11	10,19.14	10,99.57
Money at calls and short notice	19,36.37	17,29.52	21,33.44
Investments in Central and State Govt. Securities	3,61,47.57	3,61,34.78	3,71,43.78
Advances	5,95,17.17	5,96,47.37	4,87,99.64
Inland Bills purchased and discounted	97,41.69	96,35.27	69,65.27
Foreign Bills purchased and discounted	46,57.07	46,26.02	40,87.39

CLEARING HOUSE RETURNS

	Week ended	Rs. (thousands)
	Calcutta	Bombay
17-8-56	54,74.23	—
10-8-56	44,52.05	57,00.14
3-8-56	63,66.18	57,65.13
27-7-56	49,16.68	55,47.44

STATE BANK OF PAKISTAN

ISSUE DEPARTMENT (In 000's of Rupees)			
	week ended	week ended	
Liabilities—	3-8-56	27-7-56	
Notes in Banking Department	10,20.80	14,79.09	
Notes in Circulation	2,02,54.05	2,81,00.44	
Total Notes Issued	2,92,74.85	2,95,89.53	
Assets—			
A. Gold Coin and Bullion	11,33.41	11,33.41	
Sterling Securities	96,64.02	96,64.02	
Government of India Securities	16,69.91	16,69.91	
India Notes representing assets receivable from the Reserve Bank of India	43,02.58	43,02.58	
B. Rupee Coin	6,51.59	6,55.27	
Govt. of Pakistan Securities	1,12,63.28	1,15,63.28	
Held with Reserve Bank of India pending transfer to Pakistan	—	—	
Gold Coin and Bullion	19.02	19.02	
Sterling Securities	4,40.63	4,40.63	
Govt. of India Securities	1,00.90	1,00.90	
Rupee Coin	29.51	29.51	
Total	2,92,74.85	2,95,89.53	

BANKING DEPARTMENT			
Liabilities—			
Capital Paid-up	3,00.00	3,00.00	
Reserve Fund	3,00.00	3,00.00	
Deposits—			
(a) Central Government	28,10.43	29,06.10	
(b) Provincial Government	20,94.31	19,28.50	
(c) Banks	3,88.13	3,85.79	
(d) Others	85.39	1,56.05	
Bills Payable	10,44.74	10,28.31	
Other Liabilities	79,46.51	80,76.83	
Assets—			
Notes	10,20.80	14,79.09	
Rupee Coin	—	—	
(a) Pakistan	9	11	
Subsidiary Coin	—	—	
(a) Pakistan	14	14	
(b) India	—	—	
Bills Purchased and Discounted—			
(a) Internal	—	—	
(c) Govt. Treasury Bills	81.11	64.00	
Loans and Advances to Govt.	—	—	
Provincial Govt. Debtor Balances	4,92.00	4,30.50	
Other Loans and Advances	52,07.35	51,04.99	
Investments	11,45.02	9,97.40	
Other Assets	79,46.51	80,76.83	

Stocks and Shares

BETTER DEMAND FOR JUTE SHARES

SPECULATIVES ACTIVE: MOST INVESTMENT SCRIP NEGLECTED

Wednesday Evening.

THERE has been continued support for speculative counters in the stock market this week. A small amount of investment buying has taken place, notably in jute shares, but once again the major part of the activity has been in speculatives. There has been a considerable turnover in Indian Irons in the past few days, but the price has moved only narrowly about the Rs. 37-6 level. Tonight's closing quotation was Rs. 37-7. Irons were being dealt in after hours this evening up to Rs. 37-11.

The interest in jute shares this week is due to the expectation of better working when the member mills of the I.J.M.A. seal a further 5 percent of their loomage next month. Coal and tea scrip have generally been neglected, but there has been the usual interest in engineering and miscellaneous counters. Government securities have remained quiet.

The undertone of the market is now distinctly steady, but the present conditions owe a good deal to the continued state of international tension over the Suez Canal question. Better advices from Bombay are also playing their part. There is still a depressing shortage of demand for all the best investment scrip and many good counters in all sections are quite unable to find buyers.

Details of the week's trading follow.

The Government security market continued quiet but a slightly better sentiment was noticeable and more buyers were in evidence. Three percent Conversion Loan was unchanged at around Rs. 75-1 but 3% Non-terminable Paper was slightly easier at Rs. 75-2. In short-dated loans, 3% 1957 were traded at Rs. 99-13 while 3% 1958, after being marked back to Rs. 99-9 ex-voucher, recovered to Rs. 99-10. In the medium-dated group, 3% loan 1959-61 was quoted lower at Rs. 98-1 ex-voucher and 3% 1963-65 was also easier at Rs. 94-14. 2½% loan 1961 had small buyers up to Rs. 93-7-6 and 2½% 1962 was marked at Rs. 93-15. In National Plan loans, 3½% 1961 was on offer at the lower rate of Rs. 99-6 but 3½% 1964 met with good enquiry at Rs. 98-11; 3½% 1965 had sellers at Rs. 98-9 as did 3½% 1967 at around Rs. 98-7. In long-dated loans, 3% 1966-68 was unchanged at Rs. 93-4 but 3% 1970-75 was quoted lower at Rs. 90-2 while 3½% 1974 met with enquiry at Rs. 98-7. Very little business was reported in State loans and most 4% issues continued on offer, but prices were unchanged.

Business in preference shares this week was once again on a small scale. Jute shares particularly were difficult to sell despite the fact that sellers were prepared to accept lower rates. In the miscellaneous group, Associated Hotels were steady at Rs. 78 and Alkali & Chemical were taken at Rs. 105-8. Bharat Collieries were placed at Rs. 55-4 and Dalmia Cement Rs. 100 paid-up at Rs. 101-8. Dunlop Rubber 2nd were done at Rs. 97-8 and a small lot of Indian Aluminium was crossed at the higher rate of Rs. 85. Indian Iron & Steel changed hands at Rs. 108 and Jardine Henderson were offered at Rs. 66-8. New Victoria were steady at Rs. 6 and business was reported in Osler Electric Lamp at around Rs. 76. Purtabpore Sugar were marked at Rs. 16 and Rohas Industries "B" were wanted at Rs. 64-8. Textile Machinery 1st were done at Rs. 101. In jute, Anglo-India were offered at Rs. 105 as were Caledonian at Rs. 106. New Central were placed at Rs. 103-8.

In the banking section, United Commercial were steady at Rs. 59 and there was a keen enquiry for Hindustan Commercial which improved from Rs. 12-8 to Rs. 14. Punjab National were crossed at Rs. 59-8 and changed hands later at Rs. 57 x.d. Hind Bank were steady at Rs. 38-4. United Bank of India "D" shares changed hands freely at around Rs. 4-8.

Among railways, Dehri Rohtas came to hand at Rs. 14-8 and transactions were reported in Futwah-Islampur at Rs. 54 and Kalighat-Falta at Rs. 59.

Cotton shares spent a dull week with Kesoram initially receding from Rs. 19-10 to Rs. 19-4; today however the shares recovered to Rs. 19-10. There were no other price changes of importance in this section.

Coal shares were dull with the exception of Borra which were enquired for at the higher rate of Rs. 23-4, East Indian at Rs. 31-15 and Karanpura Collieries at Rs. 118. Burrakur fluctuated narrowly around Rs. 13-14 but spurted today to Rs. 14-9 and Standard were offered at Rs. 26-4. Bengal were unchanged at Rs. 538 as were Equitable at Rs. 30. Among the smaller fry, Central India and Western Bengal changed hands at Rs. 7-6 and Rs. 7 respectively.

Jute shares ruled steady on reports that the current working of most companies had improved following the recent decision to seal a further 5% of the looms of jute mills in the I.J.M.A. group.

Widespread gains were recorded as will be seen from the following table of prices:

	Opening	Closing
	16-8-56	22-8-56
	Rs.	Rs.
Agarpara	11 12	12
Anglo-India	175	180
Barnagore	141	144
Cheviot	180	185
Gourepore	237	252
Howrah	22 8	23 12
Kelvin	223	231
New Central	17 8	17 12
Megna	83	91

Business in electric supply shares was on a restricted scale and prices showed little variation. Benares were reported at Rs. 17-12 and Calcutta were shaded at Rs. 13-14. Patna were crossed at Rs. 11-8.

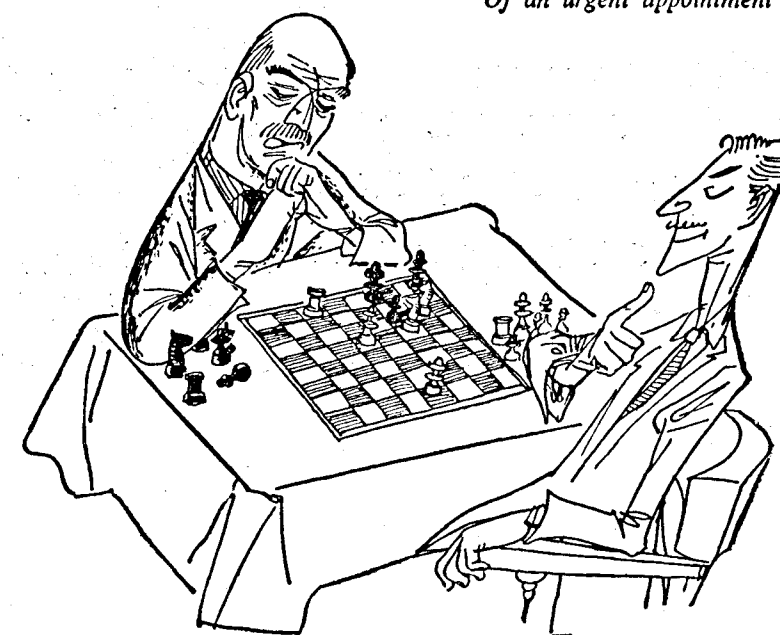
Except for United Provinces and Carew which were steady at Rs. 20 and Rs. 9-2, Sugar shares were neglected. Purtabpore were unchanged at Rs. 17 as were Champaran at Rs. 26-5 and Durbhanga at Rs. 22-10. Ramnugger eased from Rs. 26-10 to Rs. 26-6. There was a small enquiry for Balrampur at around Rs. 7-4.

Indian Iron & Steel shares were well maintained at around Rs. 37-7, but turnover was much reduced. Braithwaites were better at Rs. 29-6 as were Burn at Rs. 357. Indian Standard Wagon were a good feature and spurted from Rs. 190 to Rs. 200. Jessop were easier at Rs. 34-4 as were Richardson & Cruddas at Rs. 24-12. Textile Machinery were subdued at Rs. 23-7. Marshalls, however, were steady at around Rs. 6-2.

In paper, Titagurh reacted again from Rs. 41-14 to Rs. 41-6 while India Paper Pulp were unchanged at Rs. 25-4. Orient, after being done up to Rs. 40-8,

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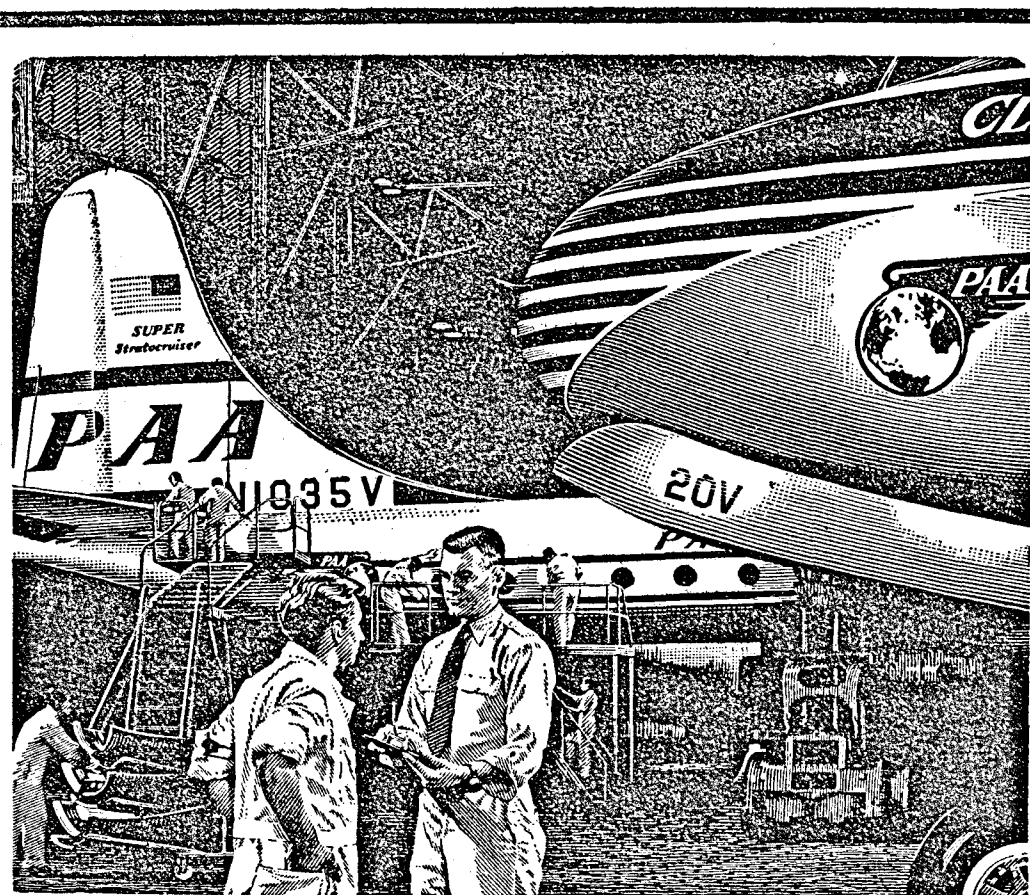
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BROAD RECOVERY IN STOCK MARKETS
GILT-EDGED AND OILS LEAD RISE

London, 22nd August.

THE stock markets took a distinct turn for the better during the past week on rising hopes of a satisfactory settlement of the Suez Canal issue, and an all-round advance was recorded in prices under the lead of gilt-edged securities and oil shares. While widespread and appreciable gains were recorded, prices were not always maintained at their best levels. A slightly easier tendency developed at the end of the account on Tuesday, when it appeared that the latest developments at the London Conference might make a settlement more difficult to achieve. With the Suez situation continuing to dominate the markets, the rest of the news had little effect either way. The July overseas trade figures had a moderately favourable influence on sentiment, but the somewhat erratic performance of Wall Street was without any notable effect. The outstanding feature was the sustained strength of gilt-edged securities which had their best week for a long time. Prices advanced steadily on persistent investment demand, partly due to the reinvestment

of the National War Bond 2½ percent redemption monies, and recorded appreciable gains, compared with the previous levels. Their prices continued to forge ahead on Tuesday when the rest of the market turned uncertain under the influence of the London Suez Conference; outside these securities, the main interest of course was centred in oil shares, which staged a substantial recovery against their heavy fall in recent weeks. Gains in the leaders extended to about 10s, although best prices were not held following a little selling at the end of the account. Foreign bonds were subdued, but Greeks moved up in response to the Cyprus truce proposal, while Germans tended higher. Antofagasta continued to be an active market in rails. Dollar stocks moved erratically in sympathy with Wall Street and Canadians were quieter, but they often scored gains. Industrials recorded extensive rises ranging up to 4s, with virtually all groups participating in the advance. Tobaccos were prominent following the increased interim dividend of B.A.T., while aircrafts were particularly firm. A revival of interest in the gold share market brought an all-round advance in prices. Copper shares were uncertain; other base metals were undecided. Rubbers recorded little change, while the underlying tendency in the tea share market was easier.

Stock Market Prospects

The *Investors' Chronicle* market newsletter writes: "Gilts are tending upwards, helped by favourable trade returns and the repayment of National War Bonds. Industrials showed a rally,

barring the new adverse Middle-East developments not already discounted. The drop in gold shares was not significant as business has sharply contracted. Johannesburg has taken most of the stocks from London and is optimistic for the present rally. Interest in Wall Street has diminished and the near-term outlook is uncertain as rails are lagging in face of the favourable industrial performance. The recent easing in London industrials was technical with little real selling. Gilts have resisted adverse news and seem technically strong. Industrials should also rally. Any international easing will immediately lead the market to recognise that many industrials are attractive. Blue chips yield nearly 6 percent covered 2.7 times. Some investors are seeking defensive stocks such as gilts, but there is likely to be more interest in the gold finance houses' shares which are actively defensive, both as regards their product and as hedge against economic recessions. But one should not be too defensive. There are still opportunities for profits in industrials."

The Money Market

The past week was an exceptional week in the London money market, with money in abundant supply following the pay-out of some £160 million, most of it due to the redemption of War Bonds, 1954-56. Forward and subsequent operations by authorities prevented a dislocation of the credit situation, and the disbursement of such large sums passed off fairly smoothly. Certainly on the day of the pay-out (Wednesday), there was a glut of money and with the intention of keeping the credit situation well within control, the authorities operated in a very big way and mopped up excess funds; by this means and through other channels, the flood of money was quickly withdrawn from circulation and by Friday, conditions were back to a more normal footing. Under the plethoric money conditions, there was a vast turnover in bills with "hots" and Novembers sold at 4 9/32 percent. Day-to-day loans were obtained at a basic minimum level of 3½ percent from the clearing banks and down to 3½ percent and lower was paid for money from other sources. In order to keep their quota of bills at a high level, the market raised its bid at the weekly tender by 1d to £98 15s, which reduced the average rates for bills by just over 3d to 100s 9.43d. Applications for £280 million worth of 91-day bills totalled £393,363,000 and were allotted at the average rate of 100s 0.43d against 100s 5.84d in the previous week. Offerings this week comprise £270 million worth of 91-day bills. The Bank of England returns for week ended 15th August showed that bankers' deposits were about £27 million higher at £216 million, while notes in circulation were £27 million lower at around £1,950 million.

Activity on Wall Street

Higher yields available for money brought U.S. Government obligations down to new low levels for the year with longer-term issues suffering the biggest declines. Trading was light. This high cost for money made some companies seeking funds turn to banks and institutional investors rather than enter the bond market. Ford Motor Company arranged to borrow \$250 million from life insurance firms, banking houses and pension funds. Despite easier stock markets, convertible bonds ruled fairly steady, but trading was light. In a slow-moving foreign bond market, some German issues moved slightly up. The holders of dollar bonds issued by four Hungarian institutes may file claims till 20th September with the Foreign Claims Settlement Commissioner.

Hongkong Gold Easy

The Hongkong gold market was easy during the past week due to an easing of the Suez tension, though the market attempted to rally in the final session. This bearishness was also attributed to increased supplies of the metal, totalling 72,000 ounces, from Macao. Carry-over charges were 670 cents in sellers' favour. The official offtake was 4,790 tael and the unofficial was 19,500 tael. Forward contracts were at \$ (U.S.) 37.85 c.i.f. Macao.

Vegetable Oil Market

Most vegetable oils and seeds were lacking attention, and trading was at reduced rates. Coconut oil was in quiet request with Straits bulk oil latterly offered down to £88½ c.i.f. There was a moderate consumer interest at 10s a ton less. The sellers of Ceylon oil were in the region of £93 c.i.f. with dealers prepared to quote a shade lower. Linseed oil came under pressure from isolated cheap sellers and the general rates for the British standard specification grade were around £1 a ton lower on the day. Edible oils lacked feature, and prices were scarcely changed apart from moderate adjustment in Americans. Malayan palm oil was not offered prior to December shipment at £98 c.i.f. Copra tended to be easier under Continental reselling pressure with the Philippine obtainable down to \$175 c.i.f. Groundnuts were rarely mentioned from the trading standpoint, with the original sellers of British East African seeking more, but sellers were rarely following. Castorseed continued to weaken and palm kernels tended lower without any constructive response from buyers. Sunflower seed was also cheaper, but apparently unwanted.

U.K. Rubber Statistics

Statistics issued by the International Rubber Study Group shows the rubber position in the U.K. for June as follows: consumption of natural rubber 16,146 long tons, imports of natural rubber 4,003 long tons and re-exports of natural rubber 10,967 long tons. Stocks of natural rubber held by manufacturers in warehouses (exclusive of U.K. Government stocks) at the end of the month were 33,548 long tons.

New Delhi

AGRICULTURAL TARGETS UNDER THE SECOND PLAN

RISE IN FOOD AND CLOTH PRICES

(FROM OUR NEW DELHI CORRESPONDENT)

THE second five year plan is having a rough passage although it is only six months since it was inaugurated. As the public memory is proverbially short, it may be worth mentioning that a member of the Planning Commission, Mr. K. C. Neogy, submitted a note some months ago pointing out its unrealistic nature. As a counterblast, the Deputy Chairman of the Planning Commission, Mr. V. T. Krishnamachari, also prepared a note asserting that the plan could be fully implemented, provided agricultural production was stepped up by 40 percent without raising the outlay, and the price level of the agricultural products was reduced by 20 percent. The Planning Commission thereafter addressed a letter to State Governments incorporating its Deputy Chairman's proposals. This was followed by the conference of State and Central Ministers of Agriculture in Mussorie towards the end of June.

The Union Minister for Agriculture, Mr. A. P. Jain, in his inaugural address refused to accept the Planning Commission's formula. He said: "It is not known what mechanism the Planning Commission has in mind for reducing agricultural prices by 20 percent. The remedy may be worse than the disease." The conference adopted a number of resolutions, including one on the scope for raising targets of agricultural production, which left no doubt that additional financial allocations would have to be made if the targets of increase for foodgrains were to be increased from 10 million tons to 16.4 million tons. The additional funds demanded were about Rs. 120 crores. The Union Minister for Planning, Mr. Gulzarilal Nanda, instead of backing his Deputy Chairman and the Planning Commission's letter to State Governments, told the conference that "if for the achievement of higher targets of agricultural production a price has to be paid and assistance has to be given, it should be paid and given."

Agricultural Prices

As for prices, the conference adopted the following resolution: "Recognising that the price policy for agricultural commodities has an important bearing on the incentive for achieving improved agricultural practices and higher production targets, and realising that the minimum prices of foodgrains already fixed are low, the conference recommends: (1) that reasonable minimum prices for important agricultural commodities should be ensured to the growers; (2) the Government of India should take early steps for achievements of the aforesaid objectives."

These issues, however, are still at the stage of speculation, discussion and finding of actual finances. For the immediate future, there is the question of the so-called surplus stock of sugar. It is intentionally described as "the so-called surplus" because two years ago, a surplus was similarly declared and the Ministry of Food and Agriculture worked out a plan to subsidise exports. A leading sugar industrialist advocated a surcharge on internal sales in order to make Indian sugar competitive in foreign markets. But within two months, the Ministry of Food and Agriculture suddenly discovered that internal consumption had mounted up, and that sugar industrialists were taking advantage of the Durga Puja and Dewali festivals to raise prices. Sugar had to be imported. Thus, judging from past experience, it may be too early to say that there is a glut in the sugar market. But if what Mr. T. C. Puri, Joint Secretary to the Ministry of Food and Agriculture, recently said—that India has asked for an export quota of 200,000 tons of sugar—is correct, there is a case for reducing prices in accordance with Mr. V. T. Krishnamachari's formula.

Checking Cloth Price Rises

The Minister for Consumer Industries, Mr. Nityananda Kanungo, has given details of the measures adopted by the Government to check the rise in cloth prices. "Under the second five year plan, the per capita consumption has been tentatively fixed at 18.5 yards. The Government has, therefore, decided that there should be an expansion in the spindleage by 2.1 million spindles to meet the additional requirements of yarn for producing an additional 1,700 million yards of cloth. Out of this, the handloom industry has been allotted, in addition to its present production, 1,000 million yards—700 million yards from mill yarn and 300 million yards from Ambar Charkha yarn. A further 200 million yards have been allotted for production from powerlooms to be introduced in the handloom sector." Considering his official position, Mr. Kanungo could not say that his Ministry had warned the Government about the very small domestic stocks of cloth, and had demanded an increase in the production of mill-made cloth. This demand was opposed by Congress leaders, particularly those from Gujarat. Among them were Mr. Gulzarilal Nanda, Mr. Khandhubhai Desai and Mr. Vaikunth Mehta. In a recent issue of the A.I.C.C. Economic Review, Mr. Shriman Narayan expressed his opposition even to the new textile policy. A rise in cloth prices, however, should

remove the need to subsidise khadi sales. With a cloth scarcity, people will be forced to purchase khadi even with the price handicap.

Reverting to the second five year plan, the Minister for Revenue and Defence Expenditure, Mr. Arun Chandra Guha, replying to questions in Parliament said that "the recent increase in prices had been confined mainly to agricultural commodities and was largely in the nature of a corrective to the earlier decline when prices were considered to be uneconomic for agricultural producers." But it was the earlier prices which Mr. V. T. Krishnamachari wanted to reduce by 40 percent. Replying to another question in Parliament, Mr. Guha said that there had been a rise in the prices of food, cloth and other consumer goods since April 1955, due to "somewhat smaller production of foodgrains, and the increased incomes and purchasing power resulting from the increased tempo of developmental expenditure in the country." The Union Food and Agriculture Minister, Mr. A. P. Jain, was more direct and unequivocal. He said that the rise in prices could be attributed to such factors as: (1) speculative activities of the traders; (2) inflationary tendencies caused by deficit financing; (3) hoarding of stocks by traders and producers; and (4) the failure of the rice crop in East Pakistan. Both Mr. Guha and Mr. Jain thus admit that deficit financing, even though it is moderate, is pushing up prices.

Deficit Financing

The general position may now be summarised. Firstly, it seems that the deficit financing were correct in suggesting that it would create inflation. Secondly, the present rise in prices has already affected the plan estimates, which even before were on the low side. The Planning Commission made a serious effort to prove that it was possible to eat one's cake and have it too. It reduced the financial allocations in order to keep to the plan outlay of Rs. 4,800 crores without reducing the performances envisaged in the plan. The eggs are now being hatched and various Ministries are demanding bigger allocations of money to implement the plan.

In this context, the following three paragraphs on pages 18, 19 and 56 of the report on the second five year plan may be worth quoting: "A five year plan has, therefore, to be broken up into annual plans or programmes, and performance must be judged more and more in terms of the tasks executed on an annual basis. This is not to say that there should be flexibility in the matter of taking on and seeing through programmes or projects, but this flexibility must be part of the annual plans themselves rather than in the nature of *ad hoc* adjustments. The Central and State Governments operate in terms of an annual budget, and this offers a natural opportunity for reviewing and adjusting the broad annual phasing indicated in the five year plan. But this review has to be undertaken by the planning authorities on a consideration of the overall needs of the economy and the experience in respect of the fulfilment of tasks for the year about to end."

Annual Plans

"The second five year plan has been conceived as a broad framework within which such annual plans will be made. A plan covering a five year period has to be regarded as flexible. The second five year plan, as presented in this document, indicates the magnitude and significance of the tasks to be undertaken, the order of benefits resulting from the developments proposed, and the means and techniques by which resources have to be mobilised and harnessed to the task to be taken in hand. The policy implications of the plan have also been brought out in broad terms. But, planning is not a once-for-all exercise for a five year period; it requires a continual watch on current or incipient trends, systematic observations of technical, economic and social data and adjustments of programmes in the light of new requirements. There are, naturally, uncertainties attached to the various estimates that can be made for a five year period. Some of the programmes set forth in the plan may take a little more time for completion. In a plan of the dimensions envisaged, experience may indicate fields where implementation can with advantage proceed ahead of schedule and others where progress may have to be inevitably slower. Moreover, India is not planning within a closed economy. Developments abroad, economic or political, may necessitate adjustments in the plan. It is in view of these considerations that the plan has to be regarded as a framework within which programmes for each year have to be worked out in detail and implemented."

"As has been mentioned earlier, the second plan is to be regarded as a framework within which detailed annual plans are worked out in the light of an examination of the financial and real resources available. The phasing of the plan has necessarily to be flexible. It is, however, necessary to have in readiness a well-worked out annual phasing of outlays from the start, as in many cases orders have

to be placed in advance for machinery and equipment and preliminary work commenced by way of setting up the necessary administrative and field staff."

It is time that information on "a well-worked-out annual phasing of outlays", as promised in the plan, is given to the public. The detailed annual plans of the Ministries of Education, Natural Resources, Communications and Iron and Steel will be keenly awaited.

Oil and Natural Gas Commission

An official announcement about setting up an Oil and Natural Gas Commission under the Ministry of Natural Resources was published last week. It read as follows: "In pursuance of the industrial policy statement of the Government, it has now been decided that the Central Government also should undertake exploration, exploitation and refining of oil in the country, and to create a special organisation for the adequate discharge of this responsibility, namely, the Oil and Natural Gas Commission under the Ministry of Natural Resources and Scientific Research. The functions of the Commission will include the following:

"(i) Advising the Central Government on matters relating to the exploration, exploitation and refining of the country's oil and natural gas resources;

"(ii) Subject to the general or specific instructions of the Government, (a) conducting geological and geophysical surveys for the exploration of oil; (b) conducting drilling and other prospecting operations independently or in conjunction with other Government or private organisations to prove and estimate the workable reserves of oil deposits; (c) establishing production of oil, including preliminary processing and storage; (d) administration and implementation of the agreements with oil companies for joint or participatory working, inspection of oil fields held by private concessionaires for ensuring the systematic development of oil, the elimination of waste, and the promotion of improved methods of recovery;

"(iii) Conduct of geological, chemical and other laboratory investigations in connection with the work of exploration, production or refining of oil;

"(iv) Collection and publication of statistics relating to oil and natural gas produced in the country and maintenance of information regarding world production, trade, mining rules and other related matters;

"(v) Publication of bulletins and monographs on investigations relating to oil and natural gas;

"(vi) Undertaking any other function entrusted to the Commission by the Government of India from time to time.

"The Commission will consist initially of a Chairman and two members, one of whom will be its financial adviser. It will be assisted by such administrative and technical staff as is necessary. The headquarters of the Commission will be in Dehra Dun."

Revoking Decisions

The first three members of the Commission are Mr. K. D. Malaviya, Minister for Natural Resources, Mr. A. M. N. Ghose, Director of the Oil and Natural Gas Directorate, and Mr. C. S. Menon, Joint Secretary to the Ministry of Finance. The Commission will absorb the Directorate of Oil and Natural Gas. The decision to set up the Oil and Natural Gas Commission seems final, at least for the time being. However, if there is any place where democracy is in action, it is in the Ministry of Natural Resources, where decisions are announced, and then replaced soon afterwards by other decisions. After mature consideration, the Directorate for Oil and Natural Gas was set up. Its director, on his appointment, gave an interview which was prominently featured in the national dailies, but while the Directorate was still in the process of being set up, it has been replaced by another organisation. The issue is whether the Directorate has been given a fair trial, and, if so, what are the results? What is the need to replace it by a Commission, unless the intention is to evade financial and other administrative control to which the Directorate might have been subject.

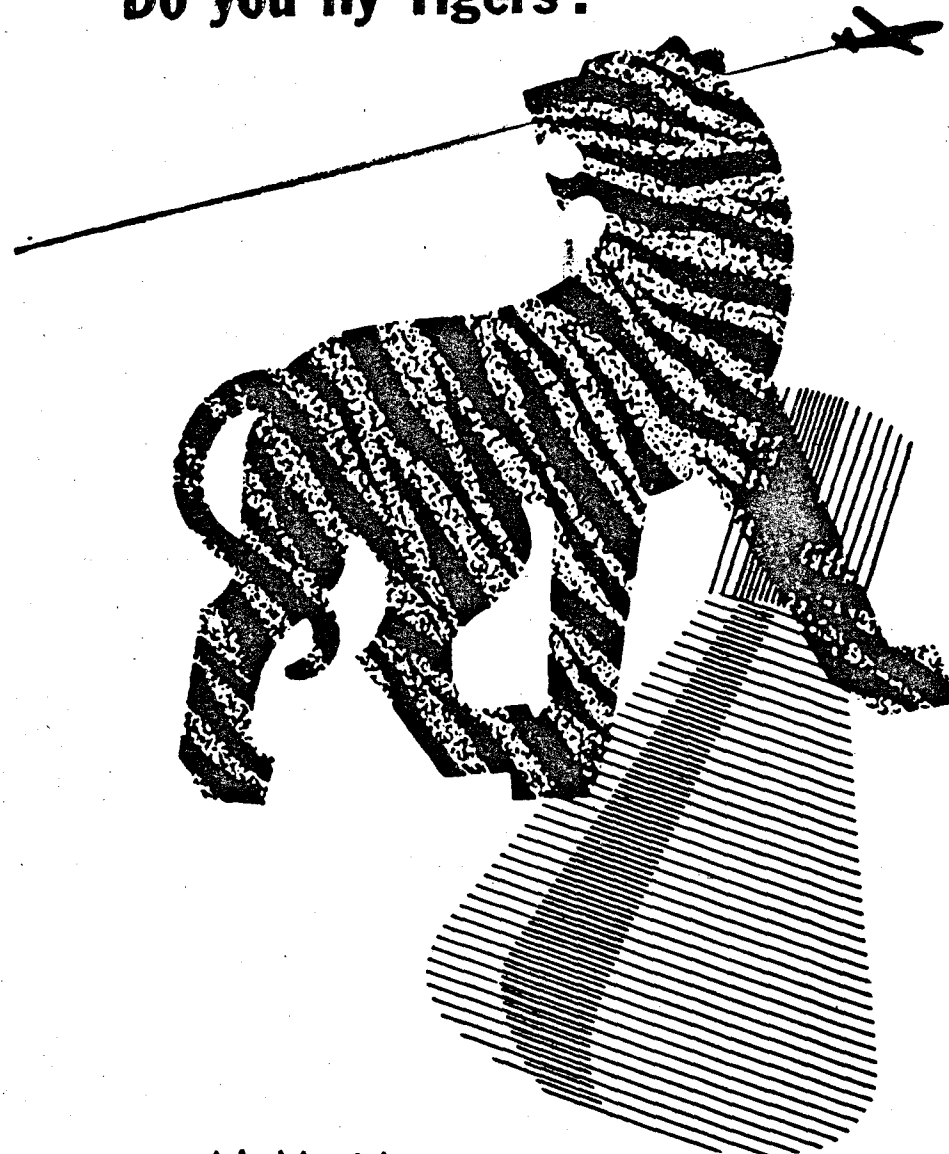
The same story of indecision is seen in the Ministry's efforts at oil exploration. It began with the demand to explore for oil in one locality. This was later extended to four localities, on the ground that failure at one place would have a demoralising effect and would create a hostile atmosphere in Parliament. The explorations are now going to be countrywide. It is said that one should not count the cheques until they are cashed. The Ministry's argument is that oil, if found in more places, would save much foreign exchange. That may be true, if and when the oil is found. Meanwhile, the country is being asked to pay so as to prevent any demoralisation of Parliament by the failure to strike oil.

Incidentally, according to lobby reports, the Assam Oil Company offered two alternatives for a substantial majority holding of the Government in roping companies to be floated in connection with the oil find in Assam. The Government was asked to choose between the oil refinery company and the oil extraction company for its majority holding. The Ministry opted for the refinery, of which there are already four in India and in which Indians have some technical knowledge.

Amending Company Law

With the exit of Mr. Chintaman Deshmukh from the Central Finance Ministry, a suggestion has been made here to convene a conference of leading industrialists and business men to discuss amendments to the company law. The Government, it is learned, would like to amend the company law

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because it has been evaded from the very start. A case is now being examined in which three public companies have combined to form a private liability limited company with a capital structure which on paper would not accord a majority to any of the participants. Legal pundits have described the case as an example of evading the "irk-some" provisions of the Act.

Cement and Mining Machinery

The Government of India's permission has been asked for by the Associated Cement Companies Ltd. of India, and Vickers and Babcock and Wilcox of Britain, to float a private limited liability company to undertake the manufacture in India of cement and mining machinery and water tube boilers, and with the technical assistance of David Brown of Britain to manufacture gear-cutting machinery. The company will have an authorised capital of Rs. 20 crores and a working capital of Rs. 11½ crores, Rs. 7½ crores of which will be subscribed and the balance raised as a loan. Vickers and Babcock and Wilcox combined, and the Associated Cement Companies, will have 49½ percent each of the share capital, while the remaining one percent will be held by four companies Tatas, Killick Industries, F. E. Dinshaw Ltd. and Khataus Ltd. The company will have 11 directors, five representing A.C.C., four representing Vickers, and

Babcock and Wilcox, and two representing the holders of the one percent share capital.

India's requirements of mining machinery in the public sector during the second five year plan have been estimated as follows:

Purpose	Value
Raising of coal	Rs. 30 crores.
Mineral exploration	Rs. 44 lakhs.
Oil and natural gas exploration	Rs. 10.8 crores.

(including precision instruments)

In addition, the Geological Survey of India will need 26 drilling machines for prospecting. Similar information about coal mining in the private sector is not available. A large proportion of the requirements will have to be imported.

Coal Corporation to be Set Up

A coal corporation will be registered shortly as a private limited liability company to undertake coal production in the public sector. Output is to be raised from 3 million tons to 15 million tons by 1961. Mr. R. S. Krishnaswamy will be Managing Director of the Corporation. The Corporation will own all the collieries in the public sector other than lignite deposits, for which a separate private limi-

ted company will be floated. A Bill is being drafted to enable the Government to take over unworked portions of coalfields in the private sector and to define the terms of compensation. As already reported, under the compensation formula private colliery owners will get back whatever they have spent on those portions of their fields which may be taken over by the Government, plus some compensation in the form of interest with a ceiling that such interest charges will not exceed 50 percent of the amount of actual expenses claimed.

N.I.D.C. Projects

The following is a progress report on some of the important projects with which the National Industrial Development Corporation is dealing at present:

1. **Foundry project:** An outline of the project has been settled in consultation with the Technical Adviser appointed for the purpose, and three firms are being asked to prepare detailed project reports so that a final selection may be made.

2. **Steel structurals:** These are being planned along with the steel plants in the public sector in Durgapur and Rourkela.

3. **Intermediates for dyestuffs:** Foreign technicians were brought out to formulate a scheme for the manufacture of these intermediates which are also needed for the drugs, plastics and other organic industries. Three reports have been received and the fourth one is expected within a week. Final decisions will be taken thereafter.

4. **Wood pulp:** A foreign technical team has completed its survey and made a preliminary report. Samples of indigenous raw material are being sent abroad for testing and processing.

5. **Carbon black:** A foreign technical team came to India and its report is awaited.

6. **Sulphur from pyrites:** It has been decided not to proceed immediately with the project until the availability of adequate quantities of pyrites has been proved.

7. **Printing machinery:** A survey of the machinery installed in the country has been completed in order to determine the types of machinery which are most popular and in heaviest demand. On the basis of the data collected, the matter has been discussed with representatives of producers, consumers and importers of printing machinery.

8. **Air compressors and fractional H.P. motors:** Capacity for both these is increasing and the National Industrial Development Corporation will confine its attention to industrial air compressors only.

9. **Refractories:** Negotiations are in progress with some foreign firms.

Developing Small-Scale Industries

The three German experts, Messrs. Helmuth Vollrath, Herbert Riffa and Gustav A. Etter, have made the following important recommendations in their reports on the development of small-scale industries:

Messrs. Vollrath and Riffa.

1. The manufacture of machine tools should be licensed.

2. The licensed unit should submit to strict supervision and quality standards laid down by the Government.

3. The Government should arrange for the supply of suitable machinery and equipment for the manufacture of machine tools, raw materials and inspection equipment to the units licensed.

4. Certain leading and bona fide units should be converted into model enterprises at various machine tools manufacturing centres. Division of labour in the other units must be insisted upon to enable them to specialise in their respective production programmes or operations and master the techniques in their respective trades.

5. Likewise, foundries on modern lines and assembly shops should be set up in various centres.

6. The assembly shops should alone cater for heat treatment, precision grinding, electro-plating and painting groups under one roof or in one compound.

Mr. Etter.

1. Every effort should be made to improve the organisation and marketing of handloom products in order to increase productivity and cut down costs.

2. The handlooms should not compete with fabrics which are being produced much more cheaply in mills, such as plain cloth.

3. The maximum number of handlooms should be switched over for producing better varieties of fabrics which the mills cannot produce.

4. The application of take-up motion and let-off motion will increase the output of the handlooms.

5. "Throw shuttle" looms should be converted into "fly shuttle" looms.

6. The bulk of the handlooms should gradually be replaced by powerlooms.

7. A substantial number of Banaras handlooms and Texmaco looms should be installed in handloom centres for obtaining results on the suitability of these looms.

London

HOPES OF PRICE STABILITY JUSTIFIED

A SECTION OF LABOUR NON-CO-OPERATIVE

(FROM OUR LONDON CORRESPONDENT)

NOT everyone is prepared to admit the fact, but it is true nevertheless that there is a pause in the inflationary spiral. There is increasing evidence of stability in retail prices and the other economic indicators are sufficiently encouraging to justify the hope that Mr. Macmillan's hopes of a "plateau" can not only be achieved but even maintained long enough to avert most of the dangers with which we have been faced. That is not to say that the anti-inflationary fight is over. Far from it; and all those who can play a part in it—the Government, the employers, the workers, and the general public—must get further contributions to make. Indeed, it is the making of these contributions that success depends. If the Confederation of Shipbuilding and Engineering Unions really represents the labour point of view—it has just unanimously voted for a substantial increase in wages and a shorter working week, besides other benefits—then the outlook is gloomy, for it means that that section of the community is not prepared to play its part. Recent developments in the car industry, examples of increasing competition in world markets, the uncertainties of the Suez Canal situation, etc. might have been expected to give the Confederation food for thought, particularly as full employment must be one of the first victims of continued inflation. But, apparently, it remains influenced. The class struggle, with its political implications, seems to be of greater importance to labour than national interest or even long-term self-interest. It is to be hoped that the T.U.C. will display greater realism and give a more sensible lead to its members than the short-sighted selfish grabbing which appears to be the policy of the Confederation.

Problems for the Government

At the same time, the Government's problems, far from growing fewer despite the success which has attended many of its policies appear to grow. At the head of the list, of course, comes that of maintaining freedom of movement through the Suez Canal. The London conference has opened promisingly enough, but Egypt's intransigence over any compromise in favour of international control of the waterway has yet to be overcome. Besides, there are difficult domestic problems to be tackled. The Treasury, for instance, having lately carried out one of the largest financing operations seen in the City for some years—the payment of cash to the holders of the £167 million of National War Bonds who failed to convert—is now faced with repaying bank advances to the electricity and gas industries to the extent of about £150 million, besides itself providing the capital funds required by these nationalised industries. The repayment is to be spread at a rate of about £10 million a month, but the provision of new capital will have to be financed by issuing additional Treasury bills—not a pleasant thought with the floating debt already unduly high and the gilt edge market so dull that it is a long time since the Government was able to sell any stock of some length to genuine investors. In the circumstances, there is encouragement to be derived from the way in which the Bank of England "conditioned" the market for the operation so that it went off without a hitch. Money market technique has not only not been forgotten, but has even advanced, and no doubt an answer to the problem will be found in due course. For the moment, however, although savings are on the increase, particularly with the issue of the new Savings Certificates, the Government is faced with other problems such as the growth of spending power with the fall in production of goods, the threat of new wage demands, and the increase of overseas balances. Maintaining the squeeze in these circumstances will present quite a headache during the rest of the year.

July Trade Figures

Britain's adverse trade gap, measured by the excess of imports over exports, narrowed in July, which must be regarded as indicating that the improvement in the overseas balance continues, and, if it continues at this rate, it may well produce a balance of payments surplus for 1956 of well above £200 million. At £44.3 million the gap was £7.4 million smaller than in June. It was also £6½ million less than the monthly average in the first half of this year and nearly £28 million less than the monthly rate for the whole of last year. The July improvement was the result of a much steeper fall in imports than in exports. Britain's export sales in July at £266.3 million were £9.8 million lower than in June, but they were almost the same as the monthly average for the first half of this year and 10 percent above the average for 1955. The July import bill at £320.3 million was £19.6 million less than in June, 3 percent below the monthly average figure for the first half of this year and 3 percent less than the 1955 average. There is some evidence in the July total that the long-awaited reduction in the cost of imports following the credit squeeze has at last begun to develop.

Sales to the vital dollar markets were reasonably satisfactory last month. At £35.6 million they were £2 million less than in June, but excluding special items (especially, the repayment of lend-lease silver, which amounted to £9 million over the past four months) they were just above the monthly average rate for the first half of this year, which was £34 million, and that compared with

£24 million over the same period of 1955. Compared with the monthly rate for the whole of 1955, they showed an increase of nearly 23 percent. In July, exports to the United States at £20.5 million (excluding the silver shipments) were 18 percent above the average monthly rate for 1955, and exports to Canada, at £15.2 million, were no less than 29 percent above the 1955 average.

Commodity Price Stability

Industry's raw material costs have stopped going up and in these prices the plateau has been reached. Following a rise of 3.1 percent in the last six months of 1955, the Board of Trade's wholesale price index for basic materials fell by 0.1 percent in the first half of this year. In this period prices of copper, rubber, tin, zinc and a few other commodities fell, while cotton, wool, iron ore and steel scrap went up. Some of the fluctuations were violent: copper fell by 21.7 percent and rubber by 36.9 percent, and on the other side steel scrap rose by 30.5 percent. But, on balance the movements averaged out. In contrast to the aggregate stability of raw materials, producers' prices for their manufactured products have continued to rise. The index put on 2.3 percent between the end of 1955 and last June, for while materials were costing no more, wages rose in this period by 6½ percent which was five times as much as in the previous six months. The changes in the prices of manufactured products lag behind those of raw materials. As well as wages, the costs of plant and machinery have to be taken into account and these tend to be stable over fairly long periods. In any case, the sharp fluctuations in raw material prices give an exaggerated picture of what industry is actually paying. Considerable quantities of these materials are bought on long-term contracts (copper for example) or are purchased well ahead of when they are needed. Only small marginal amounts are ever purchased at the peak or bottom levels of the market.

Cotton Industry's Loss of Labour

More than 8,000 cotton operatives left the Lancashire mills for other work in the first six months of this year and the number employed in the industry has now fallen to fewer than a quarter of a million. Figures issued by the Cotton Board show that the labour force on 30th June this year was 247,900, compared with 256,080 on 31st December last year. In the first half of last year the industry lost more than 19,000 workers, and in the second half more than 11,000. Altogether, since the recession, attributed to growing imports of cheap cloth from Hongkong and India, began in 1954, about 39,000 operatives have left cotton, and workers are still leaving the industry at a rate of more than 1,000 a month. Output figures, issued by the Cotton Board, show that the weekly average production of cloth during June this year was 48.07 million yards. For October, 1954—just before the recession began—average weekly production was 58.17 million yards.

Woolen Exports Up

Although production in the wool textile industry in the first half of this year was a little lower than in the corresponding period of 1955, exports totalling £69.4 million were 7 percent up on last year. As exports in the first half of last year, however, showed the effects of the transport strikes, the increase is liable to overstate the underlying change. So far this year, according to Board of Trade figures, deliveries of woven fabrics, excluding blankets, were 4 percent lower than in the

first half of last year. This reduction has been mainly in woollen fabrics. There was a check in June to the downward trend in deliveries of blankets, now seasonally low, but in the first half deliveries were 17 percent lower than a year ago.

China Tea Again

For the first time since the war China tea is to be auctioned in Mincing Lane under a separate catalogue. More than 300 chests are to be offered early this week. The lots are mainly "China Blacks" and resemble Indian varieties rather than the traditional China teas with their smoky flavour. Small quantities of tea from Communist China have, however, been on offer on the London market fairly regularly over the past two years. Most of it has been used for blending with other varieties. Prices have been about on a par with the dearer sorts from other tea-producing countries. China's traditional teas have been out of public favour for some years and the market sees little prospect of their returning to popularity. As to the newer varieties, the present attitude is one of mild interest rather than enthusiasm.

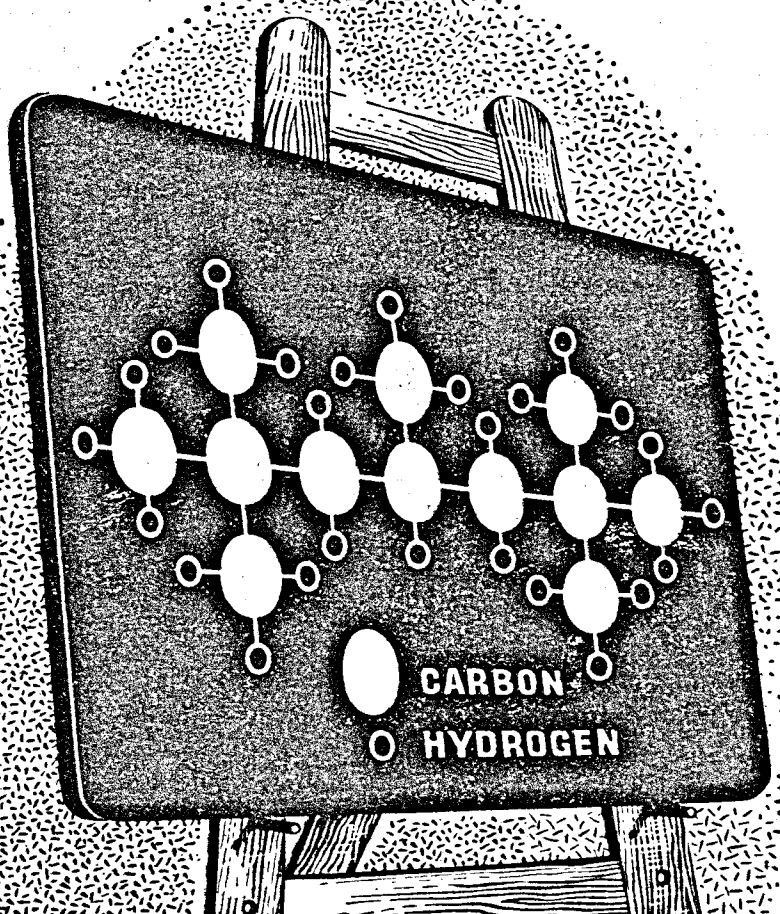
Lascars in British Ports

Satisfaction has been evident in shipping circles here over the plan of the Pakistani Government to deal with desertions of seamen in British ports. This problem has continued to increase the difficulties of British shipowners who employ lascars crews, and applies equally to Indian seamen. The Pakistani Government's plan is to emphasise to the men that in their own interest they should not desert in foreign ports, to issue instructions that in cases of genuine difficulty or grievance the men should be able to get help from sailors' welfare officers, and to increase the number of such welfare officers and post them at all major British ports. Government officials in Karachi recently disclosed that there were 105 desertions by Pakistani seamen in Britain in March alone this year. It is hoped that the Indian Government will adopt similar measures about their seamen. Quite a number of British owners prefer to have lascars seamen on their vessels, but if these desertions continue at the present rate, then it is possible some of these owners will revert to all-European crews.

Brevities

Assam Frontier Tea Co. announce a dividend for 1955 of 15 percent, compared with payments totalling 25 percent in the previous year. After tax of £240,500, against £319,000, net profit is £55,417 lower at £226,018. This is before provision of labour bonus for 1954, amounting to £113,500. Provision for past year's bonus has been made in 1955 expenditure. Agreement has still to be reached as to the period when the 1954 bonus will be allowed for tax purposes.

British exporters to Egypt are, not unjustifiably, complaining of the anomalous position in which they are placed by the Board of Trade's latest announcement that payment is not being made out of blocked Egyptian sterling accounts for goods exported to Egypt other than for goods delivered or shipped on or before 27th July and for goods in respect of which confirmed bankers' credits were established on or before that date. But exports to Egypt are not prohibited except arms and ammunition, though export licences are required for certain kinds of goods. The exporter is in a quandary. If he makes delivery, he will not get paid. If he does not deliver, he may be liable for non-fulfilment of contract.



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Telegrams:—"BELTHOSE"

Bombay**RIISING PRODUCTION OF SOAP IN INDIA****T.O.M.C.O. PROPOSAL TO ISSUE BONUS SHARES**

(FROM OUR BOMBAY CORRESPONDENT)

AFTER four years of stagnation, the production of soap in the organised sectors rose during 1955 from 88,000 tons to nearly 100,000 tons, said Mr. J. R. D. Tata in his address from the chair to the annual general meeting of the Tata Oil Mills Co., Ltd., last week. Mr. Tata added that the aggregate production of the country, after taking into account the production of the cottage sector, approximates 220,000 tons, which exceeds the first five year plan target by 20,000 tons. As a result, the Planning Commission has revised its original target from 120,000 tons to 200,000 tons for the second plan period. Even this is well below the existing installed capacity, which illustrates the magnitude of the problem of idle capacity in the industry. The increase in T.O.M.C.O.'s sales of soap during 1955, as compared with the previous year, exceeded in percentage the increase for the organised industry as a whole. With an increased turnover and the absence of wide fluctuations in the price of all vegetable oils generally, excepting groundnut oil, the company's gross profits were higher than in the previous year by approximately Rs. 25 lakhs. On the basis of these higher profits, Rs. 11.75 lakhs was allocated to depreciation, of which Rs. 3 lakhs meets past arrears. The depreciation fund of the company now stands at over Rs. 117 lakhs against the block of over Rs. 192 lakhs. Appropriations have also been made to the reserves for bad and doubtful debts, sales promotion and development and deferred taxation, the

latter two reserves being of recent origin. The directors have recommended the payment of a bonus equivalent to 2½ months' basic wages or salary to all employees of the company, as compared with one month's basic wages paid for the previous year.

Bonus Shares

The board has also decided to issue 56,086 bonus shares in the ratio of one fully paid-up ordinary share for every five held, by capitalising a portion of the amount standing to the credit of the company's share premium account. Permission for this is being sought from the Government of India. Mr. Tata said that in 1943, the company had issued fully paid ordinary bonus shares which were allotted to shareholders in the proportion of one bonus share for every 20 ordinary shares held. Against holdings which were not multiples of 20, the company had to issue fractional certificates and the date for conversion of these certificates into fully paid shares was extended from year to year until 31st March, 1956. In spite of several extensions, 2,560 fractional certificates, equivalent to 128 ordinary shares, still remain unconverted. The directors have therefore decided to convert these outstanding fractional certificates into fully paid ordinary shares and to allot them to the managing agents who will hold them in trust for holders of the fractional certificates until 31st December, 1956. If no claim is made for these shares by that date, they will be sold in the open market and the proceeds realised will be credited to the company's general reserve fund in accordance with the terms of the allotment.

Bigger Expenditure on Publicity

Some shareholders have been critical in the past of the expenditure on publicity. Dealing with this criticism, Mr. Tata said: "While the increase has been substantial, I must point out that it still represents only a little more than 3 percent of the sales value of the products advertised and about 2.7 percent on total net sales. In terms of turnover, therefore, our publicity charges are, if anything, on a modest scale, which is far exceeded by our principal competitor. The substantial improvement in the sales of our brand products last year shows the importance of vigorous advertising in our line of business. In fact, I hope that our advertising budget will keep growing from year to year for that should mean a corresponding increase in our business and profits." The company has progressed in other directions also. He pointed out that as a result of recent visits paid by senior sales executives to the Middle East and Far East, T.O.M.C.O. products were slowly finding their way to these distant territories. Mr. Tata said that while the volume of foreign business was still quite small, the prospects for marketing Indian toilet soaps and hydrogenated oil abroad were promising, and rapid progress could be made if consumer goods such as soap, perfumery products and vanaspati were included in the trade agreements which the Government of India concluded with other Governments.

Indian Soap Consumption

It seems perhaps a bit premature to think in terms of a permanent export market for Indian soap. It is doubtful if Indian toilet soap could successfully compete for any length of time with foreign products. Apart from anything else, the Indian industry is at a disadvantage because it has to use vegetable oil instead of tallow which is used by foreign manufacturers and which is a far cheaper raw material. In view of the price disparity, Indian manufacturers can hope for no more than occasional overseas markets. On the other hand, an export market would be most desirable to use the idle capacity of the Indian industry until such time as the home market expands. The annual per capita consumption of soap in India works out to 14 ounces as against 3 to 4 lbs. in south-east Asia and 25 lbs. in Europe. A tremendous potential exists within the country, but so long as this remains latent, it seems the industry will continue to have its troubles. Mr. Tata announced the acquisition by the company of a soap factory in Calcutta which has been out of production for some time. Apart from the opportunity to increase production, said Mr. Tata, "the possibility of making despatches to markets in West Bengal, Assam and Bihar from a factory located in Calcutta will result in substantial economies in freight charges." The company also proposes to install a second solvent plant in the south for de-oiling oilseed cake. Plans are also in hand for modernising the crushing and oil expelling equipment in Bombay and Tatapuram.

Collaboration with Foreign Firm

A welcome disclosure was that the company is negotiating with a well-known foreign firm for collaboration in the formation of a new company for the manufacture of certain essential oils and aromatic chemicals in India. These negotiations, it is hoped, will assume concrete shape by the end of this year. This means the setting up of a new industry altogether which forms a very important part of the overall chemical industry. The production of essential oils has been so far on a very primitive basis, while the manufacture of aromatic chemicals is practically non-existent. The soap industry, however, needs special attention. It is curious that over 30 percent of soap production is accounted for by small-scale manufacturers working on a cottage industry basis. There are 3,000 to 4,000 such units scattered all over the country. Although they produce large quantities of washing soap which is often used for toilet purposes by the poorer sections of the community, they are subject to no supervision whatsoever. Their fortunes depend on an erratic market and if the supply of oil is scarce or the price too high, they close and wait for better times to come.

Uttar Pradesh**INDUSTRIALISATION OF UTTAR PRADESH****BIRLA COMMITTEE SUGGESTS NEW WAYS OF RAISING CAPITAL**

(FROM OUR LUCKNOW CORRESPONDENT)

THE Fact-finding Committee for Industries, set up last February by the State Government under the chairmanship of Mr. B. M. Birla, has submitted its report. There have been some unofficial indications of the Committee's broad recommendations. A concerted move by the State Government to secure an investment of Rs. 100 crores for the development of private industries during the second plan period, it is understood, is one of the Committee's suggestions. Governmental assistance to new industries, according to the Committee, should be stepped up to cover 50 percent of the total cost. The long list of industries, which in the Committee's opinion could be conveniently set up in the State, includes electrical goods, chemicals, fertilisers, pharmaceuticals, drugs, paints, distilleries, silk, glassware, leather goods, plywood, mill stores, agricultural implements, typewriters, rubber goods, yeast, etc. Special emphasis has been laid on the development of three major industries, namely, sugar, cotton, textiles and oils. In order to improve the sugar industry, the Committee, it is understood, has recommended a substantial reduction in the cane cess.

Multiplicity of Taxes

One of the factors hampering the growth of industry is the multiplicity of local taxes. The Committee, it is reported, has recommended the abolition of all such taxes and their replacement, by one terminal tax and a single-point sales tax. Rationalisation is also believed to have been strongly recommended by the Committee, which feels that labour laws in U.P. are much more stringent than in other States. The remedy is either to apply the Central Industrial Disputes Act or to bring the State legislation into line with the Central Act. To mitigate social evils and for more balanced development, future industrialisation should preferably be dispersed to places other than Kanpur. Employment for 150,000 people may be provided if the Committee's suggestions are implemented, it is stated.

The Committee, it is understood, is highly critical of the State Government's electricity pricing policy. An autonomous statutory board for electricity to regulate production, distribution and prices throughout the State has been suggested. Industry and trade should be adequately represented on the Board. The opening up of the southern regions of U.P. is considered indispensable for the proper exploitation of the mineral wealth on the Vindhya Pradesh border. Liberal road permits for private motor operators have also been recommended.

Zamindari Abolition Bonds

One of the ways which, it is understood, the Committee has suggested to stimulate capital investment in industry is the immediate redemption of the Zamindari Abolition Bonds, if their holders agree to invest a certain percentage of the money in industries. What happens to these bonds at present has been graphically described in a memorandum submitted by the President of the British Indian Association to the Chief Minister. Several private individuals have started a regular business for buying up these bonds at nominal prices from needy ex-intermediaries. The Government itself refuses to accept the bonds in full or part payment of agricultural income-tax, death duty, land revenue or other dues recoverable from the bondholders. The bonds are attached and sold by the Government to private operators at cheap bids. The Zamindari Abolition Bonds, according to the B.I.A. President, "have been issued by the Government and they are as good and valuable a property as any other property, and it is just and equitable that they should be accepted as good securities." If the Birla Committee's suggestion is accepted, the waste of resources resulting from unregulated transactions in the bonds could be prevented.

As it is, the State Government is hard put to it to find resources for financing the second plan. Addressing the Press Consultative Committee last week, the Chief Minister, Dr. Sampurnanand, said that the nationalisation of life insurance and the new formula for sharing small savings collections between the Centre and the States have created great difficulties. The share of the State in small savings collections, under the new formula, would be 25 percent of the average of the last three years' collections and 50 percent of the excess collected. Formerly, the State was entitled to the full collections in excess of the target.

New State Loan

The U.P. State loan of Rs. 8 crores is the second biggest of all the State loans announced by 15 Governments on 9th August. The loan is intended to finance the State's irrigation works, electricity projects and other development schemes. The issue price is Rs. 99-8. The loan will have a currency of 12 years from 3rd September, 1956, and will bear interest at the rate of 4 percent a year.

Employment Exchanges

The U.P. Government hopes to be able to take over the whole Employment Exchange organisation in the State next month—that is, two months

ahead of the deadline. All the 400 Central Government employees have been served by the Government of India with discharge notices, carrying the offer of re-employment by the State Government on fresh terms. The State Government; it is understood, has no intention of prejudicially revising the pay and emoluments which the staff is now receiving. But the salary scales of all employees will be brought down to the State level, and the excess that some employees are drawing will be set off against future increments.

State Cement Factory

The Minister for Industries, Mr. C. B. Gupta, has announced that the Government proposes to hold an enquiry shortly into the causes of the failure of the Government cement factory in Churk to reach its rated production capacity of 700 tons a day. The enquiry is to be conducted with the assistance of engineers, including engineers of the British firm which collaborated in the setting up of the factory. A suggestion that labour representatives should also be associated with the enquiry has been rejected. According to Mr. Gupta, the production of the factory in the first six months of its working was 69 percent of the rated capacity and between January and June this year it rose to 93 percent. If this is so, the shortfall would only appear to be 7 percent. But what has prompted inconvenient queries is the claim which the Finance Minister, Mr. Hafiz Muhammad Ibrahim, made in his Budget speech last February: "The Government cement factory in Churk went into production five months ago, and has already succeeded in reaching its full rated capacity of 700 tons a day." Replying to questions in the Legislative Assembly, the Industries Minister said that the

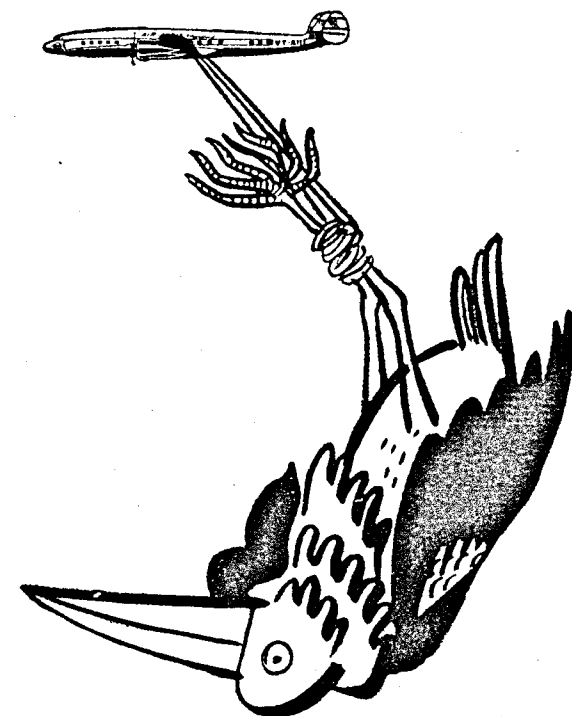
Cement Board had already gone into the question at some length, and it had been alleged that the kiln of the factory was faulty. If the experts thought that the kiln was not set up properly, he added, the company which erected it would be asked to remove the defects.

Labour Welfare Fund

A Bill for the creation of a labour welfare fund has been introduced in the Legislature by the Minister for Social Welfare, Acharya Jugul Kishore. Provision already exists in the Payment of Wages Act that the fines realised from workers should be applied for approved purposes, beneficial to them. But in addition to the fines, there were accumulations of unpaid wages, bonus, gratuity, etc., which now remain with employers without being put to any beneficial use. The Bill seeks to pool together all such amounts to be administered by a board. Voluntary donations, grants-in-aid from the State Government and other sundry receipts will also augment the fund.

Experiment on Fish-breeding

Some amusement has been caused by what may be called a "fishy" story put out by the U.P. Information Directorate that mirror-carp—a rare variety of fish brought from the Nilgiris—has been flourishing in the Bhim Tal lake in the Kumaon Hills. The Press release added that, encouraged by the Bhim Tal lake experiment, mirror-carp fingerlings would be stocked in the Naini Tal lake in September. Later somebody remembered that the Estimates Committee of the State Legislature had, in its report for 1954-55, pointed out that the mirror-carp experiment had proved a failure due to the hostility of the larger fishes, original denizens of the lake, which had eaten up the newcomers.

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Subscribed Capital	Rs. 5,76,66,125
Paid-up Capital	Rs. 3,14,54,250
Reserve Fund and other Reserves	Rs. 4,01,81,217
Deposits as at 31-12-55	Rs. 1,28,96,40,383

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Madras

PLANS TO IMPROVE FOREST WEALTH

HIDES AND SKINS TRADE IN DIFFICULTIES

(FROM OUR MADRAS CORRESPONDENT)

SINCE questions have been asked about the removal of assets from Malabar forests, the latest official report on forest administration for 1954-55 acquires a special interest. With the transfer of south Kanara and Malabar, the forest area will be reduced by about 1,500 square miles. The Ooty circle will have only the Nilgiris division, which unlike the others, does not show a surplus. The State will lose softwood and matchwood when Malabar is transferred. The Kollegal division also will go to Mysore. Talk of teak plantations in Tanjore is regarded as baseless. The department's report suggests that sandalwood resources will be unaffected by States reorganisation. The department's revenue will, however, decline. The restoration of the post of Forest Utilisation Officer in 1954-55 followed the increased demand for products from the railways and other consumers. Developing fuel plantations is still the main object of the department, but latterly it has been keen on producing materials for the proposed paper industry. The offer to private business men has not been yet accepted. The high capital cost has been a real obstacle. Increasing forest wealth is an accepted policy. Experiments on lac cultivation have also started. After zamindari abolition, private forests passed into Government control, but the claims of ryots to fuel and fodder are respected. Aborigi-

ginal uplift, too, is part of the department's work. Shifting cultivation in newly cleared areas is allowed on various conditions. As soil conservation is a new line of work, steep hill slopes are excluded from felling operations.

The report indicates that leases for cardamom and areca plantations are granted even in reserved forests. The official review suggests that working plans will be revised when there are only two forest circles in Madras. The appendix on live-stock shows that sales of calf elephants to foreign dealers and temples continue. The majority of elephants were used in the Malabar forests, but the particulars reveal that animals were transferred from one division to another while at the regular sales of young stock, auction prices fluctuated heavily. Age did not always guarantee a good price. The record of game shot is noteworthy for its omission of the cheetah. The true hunting leopard is extinct and even bears are hardly encountered. The biggest bag for the year shown is under hares (14) though it is clear that it is a ground game like the mongoose. The Game Associations in Ooty and Kodakanal get the department's support, but poaching is still prevalent.

Difficulties of U.K. Leather Trade

An important subject for Madras is the difficult conditions which now obtain in the U.K. leather trade. The depression in half-tanned E1 kips has hardly passed, and the official review suggests that the fall in the London prices for goat and sheep is due to poor quality and adulteration. Vegetable tanned leather from South America must be treated as a new rival. Both East and West Africa are building up a trade in tanned hides. The big trade in leather and manufactures between India and the U.K. was affected in 1955 by competition from Eire, Australia, Canada and Uruguay. Australian leather is said to be cheaper than Indian. Chrome leather from Pakistan creates a new problem for Indian exporters here. Though Russia bought goatskins in London, British tanners have asked for the abolition of preference on Indian hides and skins. Glove-makers are reluctant to buy Indian sheepskins because of adulteration. Synthetic rubber is also a rival to leather, and the U.K. footwear industry is getting anxious over its prospects. Strikes and the credit squeeze have affected U.K. buying of hides and skins in Madras which was forced to curtail output in the first quarter of 1956, and is alarmed over the high cost of raw hides and skins. The setting up of an export promotion council can afford little help, nor will new tanning extracts offer any assistance to an industry that has a large surplus capacity and still relies on the U.K. market for selling its output.

Transport Needs

When Mr. Balwantrao Mehta visited Madras a fortnight ago the transport needs of south India were impressed upon him so that it could be brought to the notice of the Congress Parliamentary sub-committee. Shorter hauls to the ports on the east coast are one way of reducing the strain on the railways, and the Andhra Chamber of Commerce, therefore, pleaded for the rehabilitation of minor ports. It argued that a provision of Rs. 5 crores for minor ports in the second plan will help Andhra. Visakhapatnam is the concern of the Railway Ministry, but other ports are under the State Government. Sailing vessels can help move coastal cargoes from one minor port to another, and trade licensing, too, can encourage the coastal trade. Dredging of open roadsteads is vital for ports like Masulipatam. The canals in the Kistna delta can help enhance the usefulness of the port. Improvements in the Buckingham Canal can promote transport along the coastal area, but boats using engines are required for quick and efficient operation. The Chamber has asked for the inclusion of Kakinada, which soon has to be made an all-weather port on the main railway line from Madras to Visakhapatnam, pointing out that Kakinada is the biggest port for ore shipments. The opening of a railway line from Bimilipatam to Visakhapatnam is considered to be another essential improvement. No doubt, improvements in Vijayawada will reduce transport delays, but the ports are considered more important. The minor ports fund can help only to some extent; Central grants are needed because road transport is often affected by floods in the Godavari delta. The theory that Nizampatnam in Nellore is in need of early improvement is not accepted, though it is said that country craft and small coastal vessels can be helped by uniform port dues and the provision of tugs and lighters.

Resources of Salem District

A note on the resources of Salem district by the local Secretary of A.I.M.O. calls attention to the chromite and magnesite deposits found there. The manufacture of refractories is easy with the fireclay available in south Arcot. The tariff protection given for abrasives accounts for the setting up of a factory near Omalur. The Planning Commission, in its recent programme for industrial development, suggests that Hindustan Abrasives in Salem is bigger and may develop more rapidly than the factory set up in Madras with foreign aid and skill. But the presence of corundum and emery has not helped the enterprise in Salem, as the local abrasives industry has made little progress. It is perhaps right to say that the Planning Commission's account of the abrasives industry relates to the future rather than to the present. The present state of the abrasives and grinding wheels industry in Bombay and Madras is unconnected with the development of small-scale manufacture of sand paper and allied goods.

Jute

STEADY RISE IN GUNNY PRICES SINCE SEALING ANNOUNCEMENT

RAW JUTE WELL MAINTAINED AS MILLS SEARCH FOR QUICK DELIVERY FIBRE

THE I.J.M.A.'s decision to re-seal a further 5 percent of the mills' loomage already appears to have had the desired result, although it does not come into effect until mid-September. Jute goods prices have recorded a steady rise since the announcement, both heavy goods and hessian having advanced by about Rs. 30 or Rs. 35 a ton. This has narrowed the disparity between fibre prices and those of finished goods; raw jute rates have remained constant, giving mills their first incentive to do business for a considerable time. The advantage gained, however, is still inadequate to give manufacturers a profit on simultaneous business, and only small transactions of this nature have been recorded. Sacking prices rose during the past week to their highest level for four months, and it is over five months since hessian was anywhere near its current level. Mills were unable to take full advantage of the higher prices as the rise caused overseas buyers to lose interest in the Calcutta markets. The bulk of the business was done by local shorts in the speculative market, and shippers also covered before prices became too high. The news that burlap consumption in the U.S.A. had dropped by 1 million yards during July failed to produce more than a temporary halt in hessian, and at 61 million yards was looked upon in some quarters as not bad. This view was based on the fact that consumption in July is normally low, while this year's offtake is 5 million yards more than July last year. Total American consumption to date is 11 million yards up on 1955, 39 million yards more than in 1954 and 34 million yards higher than in 1953. American stocks are also appreciably lower than last year, and as a result the sentiment in hessian is one of confidence.

While jute goods responded to the re-sealing of looms, the reaction in raw jute did not quite come up to expectations. It was thought that prices would show a gradual decline. The fact that this was not the case can be attributed in large measure to the latest raw jute arrival statistics. Although these show a total increase of 11,930 bales over imports in June, arrivals from Pakistan have fallen. At 28,000 bales, they are 17,700 bales less than in the previous month and the lowest figure recorded in just over three years. The increase of 29,830 bales from Indian stations compared with the previous month brought this figure to 284,100 bales, which is over 120,000 bales more than in July 1955. This in itself is very encouraging, but considering the dwindling arrivals from Pakistan the outlook is not so bright. It is the impression in many quarters, especially those connected with Pakistani sellers, that there will be no great improvement in the amount of jute shipped from Pakistan until drastic changes are made in the laws governing the export of jute to India. At present, there seems little likelihood of this taking place, and with India still a long way from self-sufficiency in raw jute in spite of the encouraging increases, the fibre markets have tended to remain steady. They have received support from the mills themselves, who continued their long search for quick delivery jute. Local Calcutta markets were hardly able to keep pace with the demands placed on them and prices became very firm. Upcountry agencies also reported steady conditions, but this was mainly due to the very poor imports on account of bad weather. Upcountry rates retained a premium over Calcutta quotations.

THE JUTE MARKETS

Manufactured Goods: The gunny markets continued to rise as a reaction to the re-sealing of looms. By the opening on Thursday morning, B Twills showed advances of Rs. 1-4 or Rs. 1-8. August shipment jumped to Rs. 106-10 a 100 bags and January-March shipment to Rs. 107, the undertone being very firm. Hessian also moved up and 40in. 100z. reached Rs. 39-13 a 100 yards for August shipment and Rs. 39-11 for January-March shipment. There was very little overseas interest at these prices but speculative interest throughout the day ensured a further rise of 4 or 8 annas in sacking. Reports of a drop in American burlap consumption put a temporary brake on the rise in hessian rates. They dropped by 1 anna, but reports of interest by the U.K. soon changed the situation, and this, combined with heavy speculative activity, forced up prices. Mills sold fair quantities on the rise but most of this was absorbed by the bazaar. After the week-end, heavy goods prices showed an improvement of about Re. 1. At Rs. 107-12 and Rs. 108-8 respectively for the near and forward positions, B Twills recorded their highest level in four months. Similarly, hessian jumped by 10 or 12 annas to reach its highest price since early March, and 40in. 100z. quotations stood at Rs. 40-7 and Rs. 40-6 for the August and January-March shipping periods. A quieter tone developed after this, but Tuesday's quotations showed very little change from the previous day.

At the close, the market was very firm on reports of good enquiries for hessian. Opening quo-

tations on Wednesday morning were as follows:

	August	September	Oct.-Dec.	Jan.-Mar.
	Rs.	Rs.	Rs.	Rs.
40in. 80z.	33-12	33-8	33-4	32-14
40in. 100z.	40-13	40-15	41-2	40-12
B Twills	108-8	109-8	110	109-8
Heavy Ceess				
(Blair)	107	110	110-4	109-8
A Twills	133	134	134-8	134
Liverpools	123-4	124	125	124-8
Cornsacks	109-8	109-12	110-4	110

Raw Jute: There was very little activity in the jute markets at the beginning of the past week, but interest increased as the price of gunnies rose and mills came into the market. The fibre markets opened on the basis of Rs. 28 a maund basis Bottoms for August-September shipment, and tended to remain steady in spite of a general feeling that prices should fall. This was due to the steady upcountry markets where imports were at a very low level because of the bad weather conditions. Mills' main interest was again shown in the local markets, although business was reported as far forward as October for Western fibre. They experienced some difficulty in obtaining jute at their prices in the latter transactions, as sellers were reluctant to meet the lower bids for forward shipment when they could sell large quantities at the higher prices offered for ready delivery. Imports into the local markets again improved, but demand absorbed all available supplies and the stock position was unaltered. Towards the close, business was again done for quick shipment jute, sentiment improved and quotations advanced by 8 annas a maund.

The bulk of the business reported during the week was transacted in the local markets. Dhurbi-Northern jute passed at Rs. 28-8 to Rs. 29 a maund basis Bottoms for 10 or 15 days' delivery, and also ready bills of lading. Other business was put through at Rs. 29 a maund for half August and Rs. 28-8 for half 10th September shipment. Fair quantities of Murshidabad white jute changed hands at Rs. 26-12 for half September-half October shipment. New Crop Daissee white jute also came in for attention and Rs. 28-8 a maund was paid for 15 days' shipment. Old Crop Daissee fetched Rs. 29-8 and Daissee Mesta Rs. 28-8 a maund for the same shipment. Small business was done in Pakistan cuttings at Rs. 128 to Rs. 130 a bale for ready bills of lading.

At the close, the market was very firm in sympathy with the goods market, and opening quotations on Wednesday morning were as follows:

Indian Jute (New Crop):	Landed at Mills Rs. a md basis Bottoms.	Shipment.
Lower Assam	28-8	August-Sept.
Northern	28-8	"
Murshidabad White	27-4	Sept.-Oct.
Daissee White	28	Aug.-Sept.
Daissee	28-8	Sept.-Oct.
Daissee Mesta	26-8	"
Local Northern (Old-New)	29	15 days
Bimil	26-8 for F.A.Q.	Sept.-Oct.

Tossa is quoted at 8 annas to Re. 1 a maund above the price of white jute.

Pucca Bales (New Crop):	Rs. a bale.	Shipment.
Mill Firsts 2/3	190	August-Sept.
Mill Lightnings 2/3	175	"
Mill Hearts 2/3	160	"
S. G. Daissee	185	Sept.-Oct.
L. G. Daissee	170	"
Pakistan Jute (New Crop):	Rs. a md.	Shipment.
Jat	31-8	Sept.-Oct.
District	30-8	"
Northern	30	"
Pucca:	Rs. a bale.	Shipment.
Mill Firsts 2/3	205	Sept.-Oct.
Export Firsts 2/3	185	"
Export Lightnings 2/3	170	"
Jat Cuttings	127-8	Sept.

The local Cossipore markets have been very steady throughout the week in spite of the rise in wagon arrivals to 800. Strong demand for ready jute has kept prices high and prevented stocks from increasing. At the close, quotations were based on Kishanganj jute at Rs. 28-12 a maund for garbat quality.

Mofussil: The recent rainy weather in the up-country regions has prevented any large movements of jute, and imports into all agencies have been very poor. All arrivals have found ready buyers and rates have been maintained at a high level. Reports of flooding have strengthened the market, and quotations in Dhurbi at the close were based on Rs. 26 a maund basis Bottoms.

GUNNY SHIPMENTS IN JULY

The following are the total net figures of manufactured jute goods shipped from Calcutta during the month of July, 1956 after providing for short

shipments. These figures include shipments to coastal ports.

	Hessian Bags (Tons)	Cloth (Tons)	Total (Tons)
Gross	2,896.2	31,027.9	33,924.1
Short Shipped	93.2	323.3	421.5
July 1956 (Net)	2,803.0	30,699.6	33,502.6
June 1956 (Net)	3,059.1	30,108.4	33,167.5
May 1956 (Net)	3,712.7	24,186.8	27,899.5
	Sacking		
Gross	31,171.4	1,596.3	32,867.7
Short Shipped	916.8	2.6	919.4
July 1956 (Net)	30,254.6	1,693.7	31,948.3
June 1956 (Net)	27,489.1	2,007.4	29,496.5
May 1956 (Net)	37,299.5	2,873.7	40,173.2

GUNNY SHIPMENT STATISTICS

The following figures include coastal shipment relating to manufactured jute goods for shipment from the port of Calcutta. These are gross figures based on shipping bills presented:

	Hessian Bags (Tons)	Cloth (Tons)	Total (Tons)
1st to 15th August 1956	1,829.8	18,483.7	20,318.5
1st to 15th July 1956	1,215.7	15,186.1	16,401.8
1st to 15th June 1956	1,334.2	15,525.9	16,860.1
	Sacking		
1st to 15th August 1956	23,915.5	2,046.9	25,962.4
1st to 15th July 1956	12,675.7	925.0	13,600.7
1st to 15th June 1956	13,425.0	768.8	14,193.8

THE FOREIGN JUTE MARKETS

UPWARD PRICE TRENDS

(FROM OUR DUNDEE CORRESPONDENT)

RAW jute prices have shown a tendency to advance further in Pakistan. Sellers were last week encouraged by Continental spinners buying Mill First quality and this has sent the rate up to £94 a ton, with Mill Lightnings up to £85 and Mill Hearts £81. September-October shipment, c.i.f. U. K. These are the lowest limits quoted here, but some sellers are asking as much as £98, £87 and £84 respectively. The whole position is very irregular, but there is no doubting the firmness of the raw jute market. The only change in the rates quoted for dark jute is that for grade Daissee-2/2, for which £82 is wanted, against the minimum of £81. All the other prices remain the same at £91 for good Daissee-2/3, £100 for grade Tossa-2/3 and £90 for Tossa-4, c.i.f. U.K., September-October. Spinners here have bought very little jute, as they say they cannot afford to pay the quoted rates due to the prices for yarns being pegged at 14.19d a lb. for common 8lb. cops and 14.77d for 8lb. spoils. Dundee spinners and manufacturers are

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very unwilling to raise their terms for yarns and cloth, as there is already a wide enough gap between Calcutta goods and those manufactured locally. The shipment rates, f.o.b. Calcutta, are 60s 9d for 40in. 10oz. and 46s 6d for 7½ oz., August, and 60s 9d and 46s 3d September, and also October-December, with B Twills at 163s and 163s 6d for the respective positions of shipment. Allowing 10s a 100 yards of bessians for expenses of shipment, etc., the difference between Dundee and Calcutta 40in. 10oz., in 40 and 45in. widths, is about 3½d a yard.

The Calcutta market may improve now that the mills have decided to seal up all the looms they unseal at the beginning of the year. After 17th September, production of the mills will have returned to something like the quantity they can comfortably dispose of. Dundee spinners and manufacturers have entered a considerable amount of business lately and their prices for yarns and cloth are very firm. They are comfortably situated with orders for delivery over the next two months.

U.S. BURLAP CONSUMPTION AND STOCKS

U.S. burlap consumption during July was slightly lower than June, an improvement in bag cut-up being offset by a decline for industrial uses. Although burlap consumption for the first seven months of this year was 11 million yards more than during the same period last year, the total for June and July this year at 123 million yards is 8 million yards less than for the same two months of last year. The noticeably improved consumption earlier this year, therefore, is not being maintained. U.S. burlap stocks increased 4 million yards in the past month. At an estimated 244 million yards, 129 million yards were spots and 115 million yards were floats. Appearing below are two tables which include the July figures—(1) based on member reports to the Textile Bag Manufacturers Association and the Burlap and Jute Association and (2) projected to represent the estimated consumption and stocks for the entire industry:

U.S. Burlap Consumption (as reported to T.B.M.A.) (Million Yds.)		U.S. Burlap Consumption (Estimated Industry Total) (Million Yds.)	
1956	1955	1956	1955
Jan. 68	58	Jan. 72	62
Feb. 64	61	Feb. 68	65
Mar. 67	68	Mar. 71	71
Apr. 65	60	Apr. 69	63
May 69	69	May 73	73
June 59	71	June 62	75
July 59	53	July 61	56
Total 451	440	Total 476	465
Mo.Av. 64	63	Mo.Av. 68	66
Aug. 69		Aug. 73	
Sept. 68		Sept. 70	
Oct. 70		Oct. 74	
Nov. 67		Nov. 70	
Dec. 70		Dec. 74	
Total 784		Total 826	
Mo.Av. 65		Mo.Av. 69	

U.S. Burlap Stocks (As reported to T.B.M.A.) (Million Yds.)		U.S. Burlap Stocks (Estimated Industry Total) (Million Yds.)	
1956	1955	1956	1955
Jan. 213	217	Jan. 243	245
Feb. 214	227	Feb. 245	256
Mar. 224	224	Mar. 253	254
Apr. 224	232	Apr. 255	258
May 216	230	May 247	261
June 216	221	June 240	252
July 219	223	July 244	245
Aug. 209		Aug. 237	
Sept. 211		Sept. 235	
Oct. 210		Oct. 240	
Nov. 211		Nov. 239	
Dec. 215		Dec. 247	

NEW NAIROBI CIGARETTE FACTORY USES INDIAN TOBACCO

Indian tobacco leaf, together with Kenyan, Southern Rhodesian and other east African varieties and some from the United States, is being used in the new Nairobi factory of the East African Tobacco Company. This factory, which was formally opened by the Governor of Kenya, Sir Evelyn Baring, cost £1 million, and is one of the largest and most modern industrial buildings to be erected in Nairobi. More than 700 Africans are being employed in the manufacture of cigarettes and pipe tobacco, and the industry is providing work for 200 African women and a number of Asians. The European staff numbers only 25. The factory is a two-story building, housing some of the most modern cigarette-making machinery in the world. The machinery is all of British origin. Nine brands of cigarettes are being produced on the Nairobi plant's assembly lines. In performing the opening ceremony, Sir Evelyn Baring said that there was a great need in Kenya for the type of development of which the new tobacco manufactory was a part. The factory was also an example of a decision by a worldwide group with an international reputation that Kenya was sufficiently secure, with prospects of development, to justify an investment of more than £1 million.

Engineering and Transport

U.K. FLYING DISPLAY IN SEPTEMBER

SUPERSONIC FIGHTERS AMONG PLANES TO BE SHOWN

THE holder of the world's speed record for aeroplanes, supersonic fighters, significant new military and civil engines in flying test beds and the latest versions of some of this country's most successful gas-turbine airliners—these and many other aircraft of all sizes and configurations will be on view during the first full week of September at the Society of British Aircraft Constructors' seventeenth flying display. Already a great number of important representatives from many countries have accepted invitations to attend the display.

This year, visitors will see a flying display divided into five groups, three of them featuring several aircraft in the air at the same time for periods varying from four to seven minutes. There will also be a series of individual demonstrations and—a new departure—the opportunity for selected guests on the trade days to fly in certain aircraft. The display will begin with a troopship demonstration. A hundred troops will board the large Beverley transport, now in service with the R.A.F., which will take off and, on landing, demonstrate the speed with which troops can unload and get into "action". The next three aircraft will be flying test beds: the Sperrin fitted with two Gyrons—at 15,000 lbs. announced thrust the most powerful engine yet type tested; a Britannia with two turboprop Proteus 705s, one Proteus 755 (intended for later versions of Britannia) and one Orion, a new and very powerful "constant power" turboprop engine. Then a Canberra will fly, fitted with the new Scorpion rocket engine about which little has yet been released.

New Engines

These engines will play important rôles in British and, probably, foreign aviation in the next few years. The same applies to the Tyne turboprop engine fitted to a Lincoln test bed and the R.A. 29 installed in a Canberra. The former has been specified for the Vanguard airliner and the latter for the Comet IVs and IVAs ordered, so far, by B.O.A.C. and Capital Airlines. Sandwiched between the Britannia and the Lincoln, visitors will see two most successful aircraft in service in several foreign countries as well as at home—the Gannet used for anti-submarine patrolling and the Shackleton long-range maritime reconnaissance aeroplane which is fitted with bunks for the crew.

The last aircraft in the first group will be a Hunter fitted with reverse thrust—a device of great significance in these days of rising landing speeds. The next grounds will feature single and two-seater military and research aircraft ranging from the Aiglet and Jet Provost trainers to Gnat, various Marks of Javelins and Hunters—including the two-seater trainer and versions fitted with rockets and bombs. Two naval aircraft, the D.H. 110 and N. 113 carrier-borne fighters, both of which recently concluded successful deck-landing trials, will be followed by the supersonic P. 1 which, for security reasons, will not land at Farnborough. The last aircraft in this group will, for many people, provide the highlight of the display—the record breaking F.D. 2, the first aeroplane to raise the world speed record to more than 1,000 m.p.h. The three V-bombers, Vulcan, Victor and Valiant will head the third group. The latest Viscount, the larger 802, and long-nosed Britannia 301 will then show their paces—aircraft that are developments of their successful predecessors. They will doubtless be studied with great interest by overseas airline chiefs. Next, three types already giving excellent service in many parts of the world will perform—the Heron (more than 100 of which have been sold), the Pioneer (in service in Malaya) and the Sea Hawk (68 of which have just been ordered by Western Germany).

Wide Range of Helicopters

The helicopter group will include aircraft ranging in size from the tiny Ultra-Light to the 13-seat, twin rotor 173. The Sycamore, more than 100 of which have been built, will cavort with the 173: the Skeeter, just ordered by the Army and Western Germany, will be followed by the Widgeon and Whirlwind, both in service in many parts of the world. The Ultra-Light will conclude this section. Finally, a Britannia, Herald, Twin Pioneer and the new President (civil version of Pembroke), all aircraft with great overseas appeal, will be available to give certain guests the opportunity of experiencing for themselves the quality of the U.K.'s transport aircraft.

NEW MEDIUM-RANGE BRITANNIA AIRLINER DEVELOPED

A new medium-range version of the Bristol Britannia airliner, to seat 133 passengers and to be known as the 320 Series, is now being offered to the world's airline operators. Announcing this, the Bristol Aeroplane Company says that the aircraft has a guaranteed cruising speed of 400 miles an hour and is "substantially more economic to operate than any competitive airliner over sector distances ranging from 200 up to 2,600 statute miles. Over these ranges it can carry a maximum payload of 28,000 lbs. including up to 133 passengers, together with full reserves and allowances for fuel". The medium-range Britannia is a direct development of the Series 310 long-range Britannia, and embodies the experience gained in more than

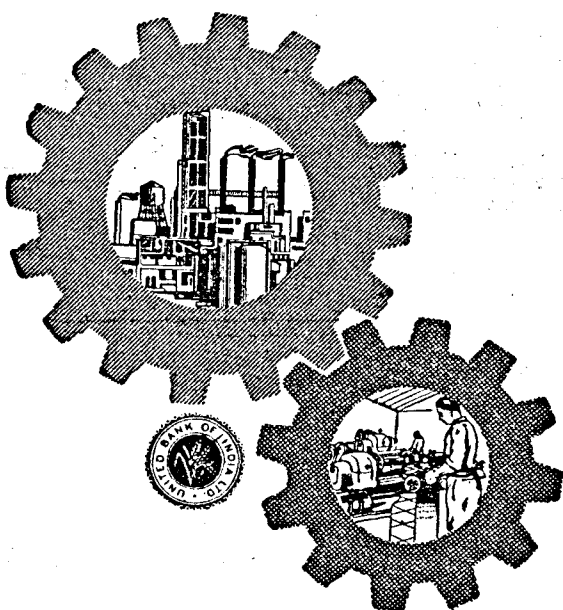
5,000 hours of development flight-testing with earlier versions of the aircraft. Its Proteus-755 engines have behind them more than 40,000 hours of running. Bristol can guarantee delivery to operators early in 1958. A feature of the plane is its short take-off and landing run. It can operate from any existing first-class runway.

The Britannia 100, 15 of which have been ordered by British Overseas Airways Corporation (B.O.A.C.), is making a tour of the U.S.A. Before leaving London on 12th August, Mr. Peter Masefield, Bristol's managing director who is accompanying the plane, said a large number of American airlines were interested in the aircraft. "We are completely happy now about the Britannia. We have an aeroplane which is in advance of anything operating today", he added. It was announced from New York that the Britannia arrived there on 13th August, at 12:52 hours G.M.T. The Bristol Aeroplane Company stated that, despite head winds, the Britannia's time of 13 hours 41 minutes was two hours shorter than the fastest scheduled time for the route.

IMPROVING TURN-ROUND OF SHIPS IN CALCUTTA PORT

Further steps to cope with the second plan traffic have been taken by the Port Commissioners of Calcutta. Dumps have been created in the port area with a view to keeping the transit areas clear, and importers are being encouraged to have their own dumps. The handling of cargo is being speeded up as a result of progressive mechanisation with the installation of modern equipment. The working system is being streamlined to ensure quick turn-round of ships in the port. The trade in general and steel importers in particular have been requested by the Port Commissioners to co-operate in the achievement of this objective by taking delivery of their cargo from the transit areas with the least possible delay. They have been further advised to take advantage of the arrangements made for delivery by road, after the normal working hours and on holidays. The Commissioners stress the paramount importance of keeping the transit areas clear. They emphasise that once the quaysides and transit sheds and yards get congested, both loading and unloading of cargo is held up and ships detained to the considerable inconvenience and loss of all concerned. It is officially stated that where delivery is not promptly taken, the Commissioners will have no alternative but to remove the cargo to their own dumps at the importers' cost, and auction them under the Calcutta Port Act so that the discharge of other vessels coming to the port may be expedited.

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INDUSTRIAL TRENDS IN THE UNITED KINGDOM

UNCERTAINTIES FACING PRODUCERS

(BY A SPECIAL CORRESPONDENT)

WITH the whole situation in the U.K. so much overclouded by the Suez Canal crisis, it is difficult to write on industrial trends with any considerable degree of definition. It is not that there has been any marked damping down of activity, but certainly, in some directions, what were once avowed aims have now taken on a rather general aspect, reflecting a disposition to wait upon events for a little time. Several important concerns, including the Imperial Chemical Industries, have promised that, provided unpleasant things do not happen, such as rises in freight or the cost of fuel, they will stabilise the prices of their products over the next 12 months. Shareholders have looked askance at these declarations, since the holding of the price line seems to foreshadow a stabilisation of dividends also, or it may even be a reduction in the rates—and many shareholders are suffering more acutely than are workers from the present high cost of living. Much will depend upon whether the companies in question are able to reduce their production costs by finding new ways of improving efficiency, and yet not displacing labour. This ability, in turn, cannot be separated from a number of unknowables, notably what is to be the future of wage payments. No guarantee has been forthcoming that these will be stabilised also; indeed the trade unions have made it plain that they regard themselves as having a completely free hand in this matter, whatever course their employers may take concerning the goods they sell. It may be recalled that companies which stabilised prices during the year ended 30th June last, have had to tide over some nasty experiences in fuel prices during the period. Hence the tendency for price

stabilisation promises to be more carefully worded than they were a year ago.

Textile Inventions

The Calico Printers Association has come out with a new light weight cloth by means of which it hopes greatly to expand its exports to tropical countries, and speaks even of completely ousting foreign competitors. No information has been given of the technical production, and reticence in the matter is understandable. The Association has, however, declared that the secrets of manufacture cannot be discovered by the Japanese. Whatever the merits of this cloth, this declaration seems to err on the side of optimism. There are few industrial secrets nowadays that can be kept permanently in the dark, and the nature of any product, which relies upon a novelty so accessible for study as weaving or finishing, will probably be revealed comparatively soon. But whatever else may be the outcome, the Calico Printers should have a good selling start, and it has rendered a service to the British textile industry by placing an emphasis upon the desirability of launching out with fresh enterprise and has thereby lessened, for the time being, the cry that more and more tariffs can alone save the cotton industry. Not that the advocates of the latter, granted their premises, find their case growing weaker; for the intrusion (or is it "infiltration") of foreign textiles is increasingly evident. Household textiles, which include towels, dusters and many others of the lower priced wares are being hard hit. Despite the capricious weather, the sales of apparel and piecegoods for making-up purposes have held their ground fairly well, and it is not surprising, in view of the record rainfall, that the sale of waterproofs, plastic and other kinds, has been exceptionally large. By the way, many companies are now stressing that their fabrics need not be ironed; some are more cautious and confine themselves to remarking that the very minimum of ironing will be required—whether the fabrics are cotton or linen. This is clearly an attempt to meet the challenge of "Terylene" and nylon, which have gained so many users through a similar claim. We are told that a revolutionary rayon fabric

having non-ironing qualities will be on the market early next year, and, as this statement is made by so conservative a firm as Tootal Broadhurst Lee, an innovation of distinct interest seems to be assured.

Progress of Automation

Instrument makers continue to report the receipt of orders for experimental purposes as a prelude to the carrying out of "automation" in real earnest; and the patent list of new inventions in this connexion is impressive. The inventions are particularly concerned with "data processing" and computation, and are said to enable the devising of entirely new industrial techniques. Among the consequences prophesied is the disappearance of many of the conventional types of valves. Large-scale orders by industrial companies for instruments have not been announced, but substantial contracts have been placed on behalf of the Forces, especially for use in aircraft. According to a lengthy review in a British journal, five types of advance have been secured so far in the application of radioisotopes to the textile industry. The first is in atmospheric ionisation, by means of which reductions of static electricity can be secured, thereby the measurement of properties (as, for example, the thickness of materials), thirdly the locating of substances (not very important in the textile industry as yet), fourthly for analytical work, and finally for the determination of a reaction or physical process. Several of these applications have found instrumental expression over the past four years and may now be said to meet the needs of routine procedures in research establishments. The fact that, to quote the writer of the article, there are a great many things which can be done in the textile industry (and others) with radioisotopes that cannot easily be done otherwise, if at all, points to their use becoming essential in the future drafting control of fibres and the production of yarns and fabrics.

A colliery disaster of a few years ago led the British Government to express concern at the use in mines of conveyor belts containing cotton, rubber and other inflammable materials. The substitution of belting using F.V.C. plastic was recommended, but it was found to have the drawback of building up static electricity. Endeavours have been made to remove this defect by the inclusion of surface agents, and considerable success is now claimed in this direction. The amount of the additive required is small, and is sold under various proprietary names by the Geigy Company and other well-known manufacturing chemists. These additives presumably rely chiefly upon tritoyl phosphate.

Publication on Asbestos

The Textile Institute promises for September a new and what should prove to be a standard work on asbestos, the price to be approximately 50s. The price looks rather heavy, and will probably seem onerous in India. But it has to be borne in mind that few textile books, however important, sell more than a few thousand copies, and the book production cost on this level runs high. Authors seldom get an adequate return out of writing technical books. Publishers fare better because they usually publish many technical books and clear something on each. When one hears of the "large demand" for technical books, one is liable to think Penguin-wise and visualise stupendous figures. Alas, the truth is far, very far from this. The publisher frequently tells the author of a technical book that he is being given the inestimable advantage of getting publicity. Once the book is out, he can then ask his present employer for a higher salary on the strength that his authority has been established by the written word. Or he can apply for a fresh and more remunerative job and the publisher will be glad to give him a free copy of his work for the purpose. There may be something in this, but the argument is, for some reason, less convincing than it was, and the publisher now finds himself having to offer a 15 percent royalty on a book instead of the hitherto time-honoured 10 percent.

However, lest too hard a view be taken of publishers, let it be added that they have their hard nuts to crack. The circulation of technical books and technical journals ought to be very much more than it is in the modern world (outside the United States, and, possibly, Russia). Technical books, in Britain at least, are too often left for the specialist libraries to purchase, and these are no by means "as thick as leaves in Vallambrosa". Technical journals suffer from the press-cutting agencies, which supply snippets from them on any specified subject, and also from the abstract services which supply summaries. Let us return from this digression to the book on asbestos. An up-to-date one is certainly needed. Asbestos is among the most important of materials today. The few books available on the subject give a good deal of space to mining operations, and little to industrial uses—where outstanding developments have occurred during the last 15 years. Asbestos still holds foremost place in protection from fire, although other materials have latterly come into prominence for this purpose, including glass fibres, metallised fabrics and also, to a lesser degree, certain plastic coated fabrics. The value of asbestos for insulation purposes is also well-known.

It is of interest that the largest British producers of asbestos (Turner and Newall) have now turned to the production of glass fibres as well. Combinations of asbestos and glass fibres were used in the manufacture of U.S. aeroplanes during the second world war and should find industrial uses also.

Plantation Topics

CASHEW INDUSTRY DECLARED NON-SEASONAL

NEED TO ENSURE BIGGER RAW NUT SUPPLIES

(FROM A SOUTH INDIAN CORRESPONDENT)

THE labour troubles in the cashew factories of Quilon and the subsequent developments have received wide publicity. They were discussed in Parliament, and still continue. The cashew industry is one of India's major dollar-earners. It is of recent origin and is confined to south India. Last year, the industry earned Rs. 12 crores in foreign exchange through the export of cashew kernel and cashew shell liquid. Its quick development during the past 30 years has been influenced by the U.S. demand for cashew kernels. India's cashew kernel exports to that country rose from 200 chests (50 lbs. each) in 1923 to 1,443,948 chests in 1955.

India has almost a monopoly in the cashew kernel trade. But she does not produce enough raw nuts for the processing establishment here. The annual production, on an average, amounts to 50,000 or 60,000 tons only and imports from Africa average 60,000 or 70,000 tons a year. This heavy dependence on imports has often put processors to difficulties. It is, therefore, felt that unless the indigenous production is raised to meet their full requirements, the industry cannot be put on a sound footing. It is gratifying to note that the expansion of cashew cultivation is now receiving the Government's attention. During the second five year plan, it is proposed to raise production by 20,000 tons. The Travancore-Cochin Government has recently sanctioned a scheme for expanding cashew cultivation at a cost of over Rs. 38 lakhs.

The Indian cashew crop is harvested during February-May, and the African crop arrives in India during December-August. As the trees in both India and Africa are scattered over large areas of waste lands, and the crop prospects largely depend on weather conditions, crop forecasts often prove inaccurate. For example, it was forecast that indigenous production this year would set up a new record, but the actual output has turned out to be below normal.

Closure of Factories

The processing industry has to depend almost wholly on manual labour. In Travancore-Cochin alone, it employs some 80,000 workers and about 2,500 supervisory staff. With the steady increase in foreign demand for cashew kernels, a number of new factories have sprung up. The processors usually recruit as many workers as they can to process the raw nuts available to them within the minimum time possible. As a result, the factories close as soon as the raw nut stocks are finished, and usually, the workers remain unemployed for three to four months in a year. This year particularly, the processors were compelled because of the raw nut shortage to close factories early.

The workers have put up a demand that the industry should be declared non-seasonal. The manufacturers of Quilon, represented by the South Indian Cashew Manufacturers Association, oppose it on the following grounds. There are about 150 cashew factories in Travancore-Cochin engaging about 80,000 workers. They work on a raw nut supply of 120,000 tons, including 70,000 tons imported from Africa. This is sufficient only for seven months' working, and for the rest of the year, the factories have to be closed. This cannot be avoided until indigenous production is increased to meet the entire demand of the processing industry, or the number of factories is reduced to 100 and the strength of the workers brought down to 55,000. The manufacturers' contention is that neither the workers nor the management will benefit from such a reduction and it will not be very easy to decide which of the factories should be closed or which section of labour should be thrown out. However, the manufacturers could not impress the Administrator's regime in Travancore-Cochin which has upheld the workers' contention in declaring the industry non-seasonal.

Legal Consequences

As a result of this declaration, Section 25 of the Industrial Disputes Act will be applicable to the cashew-processing industry. The workers will thus be entitled to lay-off compensation and some other benefits. They are also likely to raise some more demands. The South Indian Cashew Manufacturers Association, however, wants to contest the Government's verdict and is contemplating filing a petition against it.

In a non-seasonal industry, the factories have to work throughout the year. So will the cashew industry. Consequently, a reduction in the number of factories as well as in the strength of the workers will be unavoidable. There is no other alternative. The crux of the problem as has already been pointed out, is the inadequate supply of raw nuts. In spite of the Government's award and the workers' agitation, several factories have already been closed, because they have no raw material. Many others are likely to follow within a few weeks. It is difficult to see how the Government's attitude will help the industry at all, or even the unemployment problem. Ultimately, it may result in the flight of capital from this industry.

Complaint Against Exporters

As against this, the cashew market is brisk due to a shortage of cashew kernel stocks; overseas

demand is very keen with bigger orders from the United States whose peak demand period starts in September, and with rumours of a possible bulk purchase by Russia. Only a few months ago, a lack of enquiries from the U.S.A. sent prices down to less than 45 cents a lb. Now the price is somewhere in the region of 56 cents a lb., and as there is a scramble for the available supplies, prices may move up still further. A considerable proportion of the stocks remaining with the processors have been sold forward, contracts extending up to the end of this year. A disturbing feature of the trade at the moment is that far too many exporters have entered the field, besides the manufacturer-shippers. A recent statement of the Cashew Export Promotion Council confirms the allegation that a good deal of sub-standard and spoilt kernel is being exported, which is bound to harm the reputation of the country in the export market.

LONDON TEA SALES

AT last week's London tea sales, the 54,076 packages on offer realised an average price of 3s 11.77d a lb, against 4s 0.29d in the previous sale and 4s 3.96d a year ago. Plain old season's broken pekoe was quoted at 2s 9d a lb, nominal, against 2s 11d in the previous sale. Prices obtained by some of the companies are given below:

	No. of packages.	Average a lb.
Amalgamated	654	4/2½
Anglo-American	1,326	3/11½
Anglo-Indonesian	222	4/5
Assam Dooars	132	5/2
Baraoora	879	2/9½
Central Provinces	1,026	4/4½
Ceylon and Indian	402	4/10
Cons. Estates	695	4/11
Cons. Tea and Lands	1,976	3/2
Dickwella	330	5/9½
Dooars	1,887	3/4½
Eastern Produce	1,386	4/11½
Jetinga Valley	210	3/1
Kanan Devan	2,214	4/4½
Lanka Plants.	376	4/10
Lankapara	578	4/1
Lethenty	368	3/4½
Lungla	1,100	2/9½
Lunuva	1,302	4/7
Malayalam	2,358	3/4½
New Dimbula	396	4/6½
Rajawella	1,098	4/1½
Rangalla Cons.	228	4/10
Scottish Ceylon	588	4/5½
Scot. Tea and Lands	822	5/9½
Southern India	330	3/4
Telbedde	114	5/1½
Travancore	654	3/2½
United Planters	852	4/11½
Yataderia	180	4/0½

U.K. Tea Stocks

U.K. stocks of tea on 10th August amounted to 129.7 million lbs, against 128.4 million lbs a year ago.

COCHIN TEA SALES

At Sale No. 23, 750,000 lbs. of tea were on offer. There was a good general demand. Commons were about steady, Low Mediums improved and Mediums were dearer. Best liquorings were very strong, particularly fannings which were 3 to 4 annas dearer. There was more enquiry for Middle East Fannings at higher rates.

COLOMBO RUBBER PRICES

The following prices have been issued by the Rubber Board of India from the weekly market report published by the Colombo Brokers Association:

	Closing Prices on 10-8-56 (Rupees a lb.)	Average for the period (Rupees a lb.)
Sheet:		
No. 1	1.41	1.41
No. 2	1.38	1.38
No. 3	1.35	1.35
No. 4	1.11	1.11
No. 5	1.06	1.06
Sheet Cuttings 1	1.10	1.10
do 2	1.05	1.05
Crape:		
Water White	—	—
R.M.A. No. 1X	1.54/55	1.55½
R.M.A. No. 1	1.52/53	1.52½
Crape No. 2	1.43	1.43
" No. 3	1.25	1.25
Scrap Cresses:		
Sc. Crape No. 1	.95 Nom	.95
Sc. Crape No. 2	.85/88	.88½
Sc. Crape No. 3	.80/84	.83
Flat Bark	.75/80	.77½
Sc. Crape 3X	.85	.85

To arrive at f.o.b. Colombo prices add 53.45 cents a lb. in respect of rubber other than scrap crepe and 31.45 cents in respect of scrap crepe to the above market prices.

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"CAPITAL" INDEX OF INDIAN INDUSTRIAL ACTIVITY **

The Capital Index of Indian Industrial Activity (Base: 1935) has now been brought up to March, 1956. Compared with the preceding month, there were increases in jute manufactures 5.6 points, steel ingots 10.1 points, cement 25.5 points, paper

1.3 points, coal 1.5 points, wagons loaded 10.4 points, and electricity 8.0 points, while cotton consumption and pig iron decreased by 3.3 points and 6.6 points respectively.

The indices for cheque clearances and notes in

circulation also showed rises of 4.2 points and 8.8 points.

Combining all the factors, the Capital Index of Indian Industrial Activity advanced by 4.9 points during March, 1956.

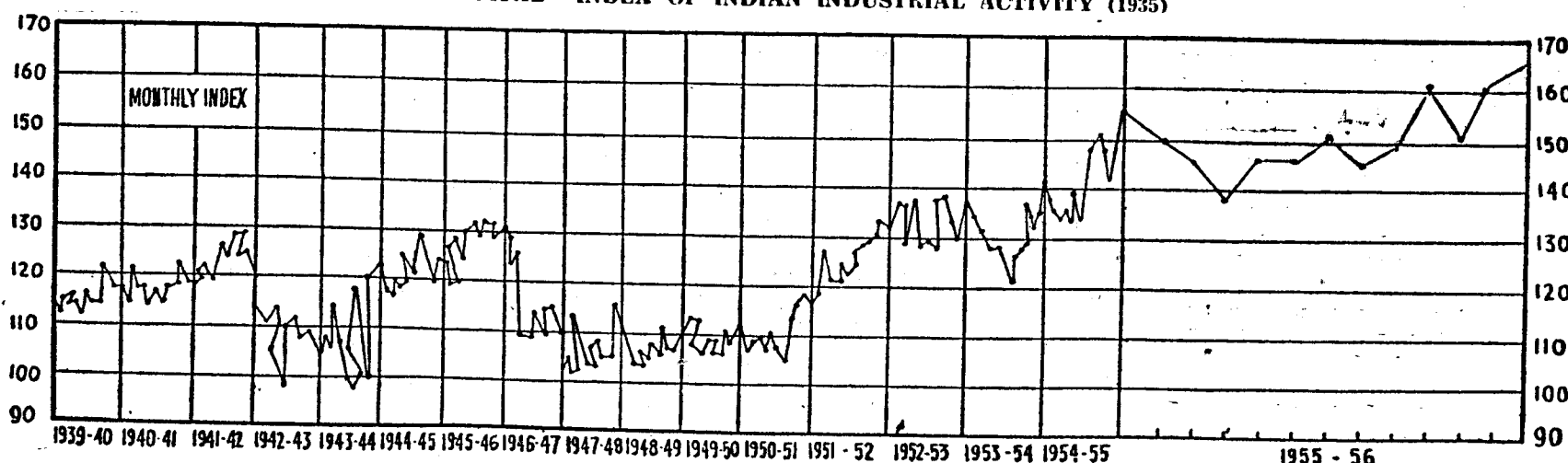
Industrial Production							Mineral Production	Total Number of Wagons Loaded (t)	Financial Statistics	Trade, Foreign & Coastal		Trade, Foreign & Coastal.		General Monthly Index.
Indian Cotton Consumption	Jute Manufactures	Steel Ingots	Pig Iron	Cement	Paper	Coal	Exports			Imports	Finnage Entered	Finnage Cleared		
9	9	9	9	9	6	7	4			3	3	9		
1939-40	114.3	128.0	124.3	127.1	*	147.8	120.1	122.8	101.7	110.3(b)	93.8(b)	87.1(b)	87.5(b)	114.0
1940-41	128.2	110.8	139.1	136.5	*	183.6	124.5	118.9	91.2	107.3(c)	107.3(c)	107.3(c)	107.3(c)	117.3
1941-42	150.3	122.1	157.3	141.6	*	193.2	116.6	117.0	94.0	109.2(c)	109.2(c)	109.2(c)	109.2(c)	122.7
1942-43	154.4	117.8	144.2	130.6	*	153.9	114.7	103.1	70.7	135.5(c)	135.5(c)	135.5(c)	135.5(c)	108.8
1943-44	167.9	99.7	149.2	136.3	*	148.0	109.7	104.8	71.7	137.7(c)	137.7(c)	137.7(c)	137.7(c)	109.2
1944-45	159.2	103.2	128.0	125.6	*	155.9	112.1	112.4	95.4	126.5(c)	126.5(c)	126.5(c)	126.5(c)	120.7
1945-46	161.0	106.0	151.8	96.9	*	151.3	127.0	112.2	112.6	130.9(c)	130.9(c)	130.9(c)	130.9(c)	115.0
1946-47	127.5	100.7	139.8	95.5	*	141.2	123.0	101.6	104.5	199.8(c)	199.8(c)	199.8(c)	199.8(c)	107.0
1947-48	126.2	102.1	140.7	105.4	97.61	125.1	127.7	96.7	82.6	178.9(c)	178.9(c)	178.9(c)	178.9(c)	107.0
1948-49	149.7	101.8	138.7	99.2	100.1	136.6	126.2	98.6	79.5	166.2(c)	166.2(c)	166.2(c)	166.2(c)	107.6
1949-50	123.5	90.2	157.9	116.4	143.4	146.1	146.0	114.5	67.3	140.6(c)	140.6(c)	140.6(c)	140.6(c)	109.4
1950-51	113.1	82.1	165.7	112.4	168.7	155.9	154.9	123.3	84.7	122.4(c)	122.4(c)	122.4(c)	122.4(c)	110.6
1951-52	126.6	93.2	175.9	125.4	207.8	170.6	169.5	134.1	83.1	129.5(c)	129.5(c)	129.5(c)	129.5(c)	132.4
1952-53	141.7	91.0	184.0	119.5	223.6	169.2	172.5	139.6	88.9	154.6(c)	154.6(c)	154.6(c)	154.6(c)	130.4
1953-54	145.9	86.5	178.1	115.5	251.4	166.1	170.8	137.0	83.1	145.8(c)	145.8(c)	145.8(c)	145.8(c)	130.4
1954-55	152.3	97.2	196.2	112.2	275.8	206.0	179.4	144.2	91.8	158.5(c)	158.5(c)	158.5(c)	158.5(c)	141.3
										Notes: n Circulation Weight 6 a		Consumption of Electricity Weight 1		
1952-53	143.8	84.0	175.3	109.1	231.2A	176.2	173.2	134.4	98.1	150.0	146.5A	146.5A	146.5A	131.8
August	141.5	85.4	185.0	116.3	232.0A	171.6	169.7	130.3	84.1	149.7	149.7A	149.7A	149.7A	137.7
September	139.1	91.6	179.6	116.4	218.9A	168.8	173.6	136.9	83.1	142.6	142.6A	142.6A	142.6A	129.2
October	145.5	85.9	193.0	126.4	231.6A	162.5	174.5	137.0	78.7	148.2	148.2A	148.2A	148.2A	129.4
November	157.7	92.4	191.3	119.3	239.4A	164.3	182.8	145.1	87.9	151.9	151.9A	151.9A	151.9A	129.4
December	147.1	85.2	192.2	129.7	219.3A	165.3	177.4	150.3	86.9	154.2	154.2A	154.2A	154.2A	135.5
January	136.8	89.3	179.9	121.1	204.6A	156.2	163.2	140.5	81.1	153.9	153.9A	153.9A	153.9A	128.9
February	137.8	89.9	189.8	121.1	221.8A	159.4	165.1	150.7	97.0	157.6	157.6A	157.6A	157.6A	137.6
March	142.9	96.6	178.3	116.6	213.1A	173.3	182.1	141.0	90.6	159.8	159.8A	159.8A	159.8A	134.4
April	146.2	83.3	179.6	130.1	242.9A	181.2	179.5	137.4	81.5	153.9	153.9A	153.9A	153.9A	132.0
May	146.4	88.3	169.2	107.9	239.2A	185.1	170.8	125.9	80.4	146.5	146.5A	146.5A	146.5A	128.2
June	148.3	87.9	142.7	87.5	252.0A	202.3	169.0	129.9	82.5	136.9	136.9A	136.9A	136.9A	125.2
July	145.0	76.5	135.9	83.0	230.5A	190.8	168.3	129.9	70.1	135.6	135.6A	135.6A	135.6A	118.4
August	144.3	89.1	145.5	94.9	233.2A	199.2	172.6	131.5	78.1	137.4	137.4A	137.4A	137.4A	124.5
September	148.0	79.6	181.2	120.6	247.0A	177.2	171.4	134.6	75.7	138.3	138.3A	138.3A	138.3A	127.6
October	136.4	82.1	204.7	131.3	253.6A	151.2	162.6	133.5	79.2	141.6	141.6A	141.6A	141.6A	128.9
November	150.1	91.3	200.1	127.1	277.4A	150.8	179.3	147.3	91.1	137.3	137.3A	137.3A	137.3A	138.9
December	148.7	78.4	208.6	133.9	272.2A	123.6	165.5	146.7	83.2	147.2	147.2A	147.2A	147.2A	134.3
January	146.8	89.0	189.0	128.9	264.0A	116.9	163.2	137.2	86.7	156.4	156.4A	156.4A	156.4A	132.4
February	147.1	95.3	205.7	125.0	291.8A	141.6	164.8	149.6	98.3	158.1	158.1A	158.1A	158.1A	142.1
March	150.6	97.4	185.8	117.6	269.9A	209.5	170.2	140.1	89.1	154.7	154.7A	154.7A	154.7A	137.7
April	150.2	81.9	183.6	124.4	280.1A	214.7	166.9	137.0	82.2	158.3	158.3A	158.3A	158.3A	134.5
May	150.7	90.5	192.1	120.4	264.4A	208.7	169.3	133.6	81.0	160.3	160.3A	160.3A	160.3A	133.7
June	154.1	90.7	195.2	117.6	273.9A	176.9	181.2	137.4	88.7	160.1	160.1A	160.1A	160.1A	132.9
July	152.1	89.6	200.5	122.3	256.4A	167.4	180.4	137.4	84.4	154.7	154.7A	154.7A	154.7A	137.3
August	152.9	96.2	187.3	115.8	271.2A	178.1	184.1	134.4	90.7	160.0	160.0A	160.0A	160.0A	134.7
September	145.6	89.6	185.3	120.3	279.3A	194.3	170.5	137.6	81.2	150.2	150.2A	150.2A	150.2A	147.8
October	156.7	105.6	199.8	126.6	275.9A	227.2	190.6	145.7	80.6	154.2	154.2A	154.2A	154.2A	153.3
November	157.8	110.7	207.2	130.3	298.6A	238.3	198.8	156.4	101.7	159.1	159.1A	159.1A	159.1A	135.7
December	149.8	98.2	211.0	127.6	282.0A	227.2	179.8	159.1	93.0	161.5	161.5A	161.5A	161.5A	147.4
January	149.2	105.2	196.5	123.9	272.8A	210.6	174.2	150.1	93.1	164.3	164.3A	164.3A	164.3A	144.2
February	158.0	111.4	208.1	120.1	285.3A	218.7	178.3	161.1	116.0	174.6	174.6A	174.6A	174.6A	156.7
March	154.7	110.2	208.2	129.3	227.8A	216.5	181.4	152.0	100.6	182.3	182.3A	182.3A	182.3A	149.4
April	151.1	94.4	205.1	130.3	281.6A	206.3	178.3	146.0	100.0	180.0	180.0A	180.0A	180.0A	147.5
May	154.4	103.7	195.0	125.5	247.2A	208.4	180.3	140.2	96.7	183.3	183.3A	183.3A	183.3A	139.0
June	160.4	94.7	189.7	119.4	262.0A	222.2	180.7	147.0	98.5	178.5	178.5A	178.5A	178.5A	146.4
July	155.3	92.4	195.4	118.3	280.3A	224.3	189.6	148.4	100.6	177.1	177.1A	177.1A	177.1A	146.8
August	164.9	106.3	191.2	114.6	255.0A	231.8	196.0	146.9	107.8	177.1	177.1A	177.1A	177.1A	151.0
September	165.6	94.1	177.7	100.7	293.7A	209.3	179.9	151.6	95.1	172.4	172.4A	172.4A	172.4A	144.7
October	151.6	107.7	186.3	113.6	293.3A	222.2	186.7	157.3	92.7	170.1	170.1A	170.1A	170.1A	150.0
November	167.3	114.7	214.6	130.6	317.6A	232.2	192.2	169.9	106.4	172.4	172.4A	172.4A	172.4A	161.5
December	151.0	101.2	208.1	133.9	300.6A	221.2	182.3	171.8	86.9	175.1	175.1A	175.1A	175.1A	151.8
January	159.2	118.4	205.4	131.6	295.0A	228.6	179.8	167.9	110.6	181.8	181.8A	181.8A	181.8A	160.9
February	155.9	124.0	215.5	125.0	320.5A	229.9	181.3	178.3	114.8	190.6	190.6A	190.6A	190.6A	165.8
March														

(a) April, 1935 to March, 1936=100.
(b) Averages of eleven months, April to February.
(c) Notes in Circulation
(d) Electricity Consumption.

(e) Estimated.
(f) Railway Earnings before April 1952
* Figures not available
† Official year

‡ Average of February and March ** For construction and earlier figure see Annual indices represent averages of monthly figures.
A Base January 1948.
† Provisional.

"CAPITAL" INDEX OF INDIAN INDUSTRIAL ACTIVITY (1935)



Commodity Markets

BRITISH TEXTILE REVIEW

PROMOTING WOOL SALES

BETWEEN the seasons, the wool industry has been able to take stock and has found the position favourable. The last series of London wool sales of the old season confirmed in July that the raw material had established itself on a firm basis, a slight excess of supplies early in the season having been absorbed due to the reduction of prices. Equally important, it is expected in the trade, that the stability will persist into the new season. Conditions are thus conducive to steady trading, which is, in fact, being done. The industry recognises, however, that the days of easy selling are long past and that it must help itself. Consumers in this country and elsewhere are not so readily, as in recent years, buying the durable consumer goods that cut deeply into the trade in textiles, but they have not noticeably diverted their demand to textiles. The wool industry believes that they can be persuaded to do so, at least to a moderate extent. At the conference of the International Wool Textile Organisation in Zurich a few weeks ago, it was stressed that more publicity as well as lower costs and better techniques were necessary to the sales drive.

Training is also important—especially as, in this country, labour is neither plentiful nor cheap. An interesting new method of training burlers and menders was described at the beginning of this month by the education director of the Allied Textile Employers' Council, Mr. Frank Hill. The trainees, he said, were shown pieces of cloth containing faults. At first their responses were slow, but by showing each faulty piece more and more quickly, they could be trained to observe a fault almost instantly. This method is evidently borrowed from the Royal Air Force, which shows the industry is willing to learn from any quarter.

Falling Cotton Textile Export

The cotton industry passed a milestone last month, but it signified retrogression, not advance. Its labour force passed the quarter-million mark on the way down. The number of workers has not been so small since the early postwar years, when labour for such purposes as textiles was extremely scarce. If labour is scarce now it is because operatives have lost faith in the industry. In fact, the main reason for the decline—from a peak above 320,000 at the end of 1951—is the dismissal of operatives who cannot be profitably employed. The contrast between the wool and the cotton industries is apparent in the export figures for the first half of 1956 compared with the same period of last year. While exports of wool yarns and fabrics increased from £41.2 million to £43.7 million, those of cotton yarns and fabrics decreased from £49.9 million to £44.7 million. That cotton is still—or was until very recently—even slightly ahead of wool in the export trade is a reminder of the fabulous position from which this great industry has declined: so elevated that even after decades of decline it is still a leading exporter. The popular idea that the industry is tottering into extinction is obviously premature. Nonetheless, the downward trend is there for all to see, and there is no sign that it is being arrested.

Examples of resistance to the prevailing pessimism have been given before. Another comes from Mr. Maurice Rosen, managing director of Rossendale Rayon Mills, this country's largest producer and exporter of medium-price printed fashion cottons. "In the medium-price bracket—which is by far the largest in demand—Lancashire can beat the world. We have quality goods at a reasonable price. We have the best technical resources; we have the best designers. Guaranteed prices and prompt delivery combined with these points will re-establish Lancashire in the world's markets." So Rossendale is the first company in the cotton industry to announce that it will not raise its prices in the coming twelvemonth, while holding its prices this year at last year's levels. Not everyone, however, will agree with Mr. Rosen that the trend of prices of cotton goods is upward. In many lines, it will not be enough to hold prices: it will be necessary to reduce them if lost trade is to be regained. At present many orders are deferred in the belief that raw cotton will decline in value, and Lancashire's troubles are thereby aggravated. At the beginning of August, the Yarn Spinners Association made reductions ranging between 1½d and 3½d a lb. in its minimum selling prices for American-type yarns, and experience suggests that the new minimum rates will in fact be the market rates. But it is unlikely that, in the prevailing mood, the reductions will effectively stimulate demand.

More Staple than Yarn

In the man-made fibre industries, staple fibre seems to have established its ascendancy over filament yarns. In neither category has the high level of output reached in March been fully held, but output of staple fibre has declined only slightly, that of yarn more seriously; and already in March more staple than yarn was being produced, whereas for many months previously, their outputs were very nearly equal. In June (figures for which are now available from the British Man-Made Fibres Federation, including all commercial man-made fibres) output of filament yarn was 19 million lbs., compared with 20.3 million lbs. a year previously, output of staple 22.5 million lbs., compared with 19.6 million lbs. a year ago. The increase in the latter is the more notable as exports of staple fibres (including tops) have been considerably below last

year's high level—17.8 million lbs. in the first half of 1956, compared with 23.4 million lbs. in the same period of 1955. The trend in favour of staple fibre is adversely affecting the smaller firms, none of which produces staple. Nor are the smaller firms concerned with such technical developments as triacetates. And more orthodox rayon suffers increasingly from the competition of "true" synthetics and of protein fibres. These smaller firms are operating (if they are still operating) in a trade that is contracting and at prices which, so far as standard viscose and acetate yarns are concerned, have not changed since the beginning of 1951, although basic costs have risen persistently. It is not surprising that some firms, which were prosperous and, by ordinary standards, quite large some years ago have gone out of business.

SUGAR PRODUCTION AND STOCKS

The production of indigenous sugar and despatches from Indian factories amounted to 1,853,000 and 1,268,000 tons up to 31st July, 1956, in the current season, as against 1,583,000 and 833,000 tons respectively in the corresponding period of last year. Stocks with the factories on 31st July, 1956 stood at 993,000 tons, compared with 788,000 tons on the same date last year.

MEASURING PROGRESS OF SECOND PLAN

WIDER STATISTICAL ENQUIRIES AND EVALUATION NEEDED

(BY A CORRESPONDENT)

INDIA'S second five year plan was launched with some well-known handicaps—the unfilled resources gap and the prospect of large-scale deficit financing—but it also started under a number of favourable signs. One item on the credit side is that, during the first five year plan, a strong and reasonably solid foundation has been laid for measures, which now help to formulate schemes on a soundly conceived basis. Of those measures one is the evolution of a structure of statistical and other information. Considerable labour and effort has gone into the collection of material on the various problems to be tackled in the second plan, such as the relative positions of agricultural and industrial production, methods and means of raising finances and rural and urban employment. Other issues, such as the computation of national income and the cost of living, the progress of the co-operative movement and the vital rôle it has to play in development, and the relationship that should subsist between small-scale and large-scale industries, were also subjects of intensive study and investigation by organisations and committees set up by the Planning Commission and the Government of India.

The Research Programmes Committee of the Planning Commission, for instance, organised a series of expert studies on various problems with the assistance of universities and some institutes

of research. They produced a considerable body of literature, which was of great use in the formulation of second plan schemes. The studies were on the prospective contribution that small savings could make to plan resources, the employment potential of small-scale industries, the effects of urbanisation on regional development, land reforms and co-operative management, the problems of social welfare of specific population groups and public administration. On land reforms, for instance, the studies of the Research Programmes Committee have been helpful in the enunciation of the broad lines of policies. They have been no less helpful in working out the details of those policies, such as devising uniform principles for implementing the reforms on a country-wide basis. Similarly, in formulating policies for small industries and the way they should work within an integrated scheme in which the spheres of their activities and those of large-scale industries have been defined and demarcated, and the relative prospects for employment offered by both, the statistical data collected earlier were of much use.

Internal Inconsistencies

Nevertheless, the problems of planning in a vast country such as India are immense. The internal conflicts and contradictions among the schemes included in the plan, are an ever-present factor. Development, as it proceeds, will have to be related to resources, personnel and other conditions prevailing at a particular time. Research into these problems will therefore have to be continuous if the pre-condition is to be fulfilled. Among those demanding continuous study and re-study, checking and rechecking of conclusions, the following are illustrative: resources for the plan and the problems of capital formation; personal and corporate taxation, mobilisation of small savings; urban and rural relationships; the effects of projects on employment in different regions; the problems of industrial decentralisation, the economics of house construction; the consequences of land reforms, agrarian legislation and community development and the socio-economic problems of a considerable section of the hitherto untouched social groups, the tribals.

Another similarly important group of problems consists of the demographic structure and the growth and incidence of population. This phenomenon of a rapidly growing population impinges and exercise a powerful impact on every other aspect of development. An important aspect of the population problem is the impact that recent socio-economic changes—through social legislation

and through the pressure of economic conditions—are making on the traditional joint family system. Its disintegration is among the more significant changes that this country has been witnessing in the last few decades. The effects on employment and on the mobilisation of human material for development work will require systematic study. As the machinery for collecting statistical data is being streamlined, the deficiencies in the methods of compiling vital statistics at the village level come prominently into focus. The traditional unsystematic methods followed by village officials leave significant gaps. A reform of the village administration has to be introduced if that limb of the official machinery is to fulfil its obligations efficiently.

Objectives of Planning

It should be constantly kept in mind that the two fundamental objectives of Indian planning are the achievement of full employment and the raising of the standard of living of the population by increasing the national income. For achieving these objectives a continuous investigation of the inter-relationship between population growth and economic development, between employment and the improvement in agricultural and industrial techniques, and also of the changing nature of urban-rural relationships will have to be carried on. The various organisations set up by the Planning Commission or by the Ministries of the Central Government for conducting surveys on these matters are performing a vital task.

Statistical material is the foundation on which a solid superstructure of national planning can be built. The dynamics of national development demand that as the plan schemes progress, and a continuous balancing of demand and supply of materials and labour of resources and investment should be ensured. There has, from this point of view, been a universal welcome to the proposal for annual assessments of the plan schemes, and also for long-range perspective planning. An uninterrupted flow of statistical information is postulated by this process. The Central Statistical Organisation has been carrying out a series of studies on some of these pressing problems. Its activities are being expanded with a view to co-ordinating the efforts of the Central and State Governments in this sphere. It has already been decided to establish State Statistical Bureau and district statistical units. In the interests of co-ordination of statistical information, it has also been decided to establish a joint committee of the representative of the Planning Commission, the Department of Economic Affairs, the Union Ministry of Finance, the Central Statistical Organisation and the Indian Statistical Institute.

In particular, special studies are called for in the three spheres; first, the problem of regional distribution of industries; second, the problems of decentralisation of the economy in the interests of efficient working of projects; third, the problems of deficit financing and the danger of inflation.

Economic Decentralisation

Regional planning of industries is intimately connected with the provision of larger employment facilities, and it is also related to the need for a balanced development of the country. The problem of decentralisation has a bearing on another objective of the second plan, namely, the marshalling of public support and co-operation for the plan. Decentralisation also assumes significance in the context of the need to improve administrative efficiency. Inflationary dangers arising out of deficit financing overshadow the entire framework of the plan, and unless adequate and satisfactory checks are provided, it is most likely to land the country in disastrous inflation.

Evaluation of Progress

Closely linked with research is the evaluation of the progress and effects of the schemes. Emphasis on results and targets is a necessary corollary to planning and a preliminary to the introduction of needed changes in the details. An annual revision of the schemes included in the second plan will serve an important purpose, besides providing an insurance against slackness or falling behind the schedules. The evaluation of the community projects and national extension service schemes, conducted so far by the Programme Evaluation Organisation, has demonstrated the valuable part that independent assessment can play in laying bare the weakness of projects. In the second plan period, the N.E.S. will embrace the entire country, as such it is going to be one the most extensive rural extension movements in the world. "It is of the utmost importance" says the Planning Commission, "that social and economic changes should be analysed objectively as they arise and the impact of economic development on different sections of the rural population observed at first hand." What applies to rural projects applies equally well to other plan schemes, including those for social welfare. It is gratifying to note that the Planning Commission proposes to devote special attention to evaluation work in the second plan period, by bringing within the scope of the evaluation process not only the rural development programmes in the Community Project and N.E.S. areas, but also the rural welfare schemes such as those carried on under the auspices of the Social Welfare Board. It is also gratifying that Parliament is taking a keen interest in the progress of schemes for irrigation, small-scale and large-scale industries, including those managed by public corporations, housing schemes and so on, and that it has set up a number of committees to conduct special investigations. Evaluation should thus go hand in hand with research and collection of statistical material, forming part of the essential processes in planning, and in the achievement of targets.

Calcutta Markets

RATES FALL WITH QUALITY AT TEA EXPORT SALE

BETTER PRICE FOR GOOD DUSTS

A T Sale No. 11, held on 20th and 21st August, offerings at the Export auction consisted of 52,000 packages for which there was a fair demand. Quality showed a decline and withdrawals were heavier than they have been for the last few weeks. C.T.C. Assams generally declined by about 4 annas a lb and orthodox manufacture Assams were also easier. Medium Assams and Doocars Broken were fairly well supported, but were 1 to 2 annas lower, while Fannings grades of this description were firm and those of clean black appearance were often several annas dearer. Stylish whole leaf grades sold well at dearer rates, but the more ordinary kinds shared in the general decline. The weakest feature of the Sale were Darjeeling teas, which were at times selling at Re. 1 below the previous rates.

Quotations	1956	1955
Clean Black Pekoe	1 15 0	2 14 0
Plain B.P.	1 9 0	2 2 0
Medium Assam B.P.	2 4 0 to 2 6 0	2 4 0
Best C.T.C. Assam B.P.	3 12 0 to 4 2 0	3 4 0

At the Internal Sale, Dust offerings consisted of 16,180 chests for which there was a strong demand. The strongest feature of the Sale were the black Middle East types and these were generally dearer while clean Cachar, Doocars and Medium Assams were 1 to 2 annas dearer and sometimes more. Non-wither Doocars were a strong feature and were 2 to 3 annas dearer. Grainy C.T.C. Assams again sold well, but the remaining C.T.C. offerings were generally 2 to 4 annas easier, and at the close of the Sale, were a full 4 annas down on last rates.

Quotations	1956	1955
Medium Doocars Dust	1 11 0 to 1 12 0	2 3 0 to 2 4 0
Medium Assam Grainy	1 15 0 to 2 0 0	2 4 0 to 2 5 0
Dust	2 10 0 to 2 14 0	
Best Assam C.T.C.	3 6 0 to 3 8 0	2 12 0 to 2 14 0

Leaf offerings consisted of 1,066 chests for which there was a fair demand, but prices were irregularly easier, and once again there was little enquiry for the green teas on offer.

FREIGHT MARKETS UNCERTAIN

THE Suez Canal situation continues to dominate the freight markets and both owners and charterers are marking time until the position is clarified. Tanker owners, in particular, are affected and it is reported that, of the two 84,000-tonners now fixed for 7½ years' consecutive voyages commencing early in 1958, one will be employed between Persia and North America but, because of her size, she will be unable to transit through the Suez Canal. Delays are now being experienced in the Canal because of a shortage of pilots, several not having returned from leave. Rates in the grain trades were much the same and U.S. Gulf-Chittagong was done at \$(U.S.)36 for two handy-sized vessels in September, but Rangoon-Colombo had to pay 80s. Further fixtures have been made in the local coal trade to Pakistan and charterers are still open for both Chittagong and Karachi.

SUGAR MARKET RISES

During the week ended 22nd August sugar sales in the Calcutta market averaged 5,500 bags daily. Arrivals were 2,500 bags a day and stocks totalled 160,000 bags. Rates for ready sugar ex-Kantapur delivery were Rs. 31-10 for ordinary grain, and Rs. 33-4 for big grain. Prices rose by 4 to 6 annas in the market due to a falling arrival rate.

HIDES AND SKINS STEADY

The market in hides ruled steady and prices showed an upward tendency. Stocks were less than in the previous week.

Bazaar Sales

(Between 14th August and 20th August, 1956)

Cowhides: Wet salted (Ord.) 16,000 pcs on the basis of Rs. 6-12 to Rs. 9-4; Wet salted (Slaughtered) 18,500 pcs. on the basis of Rs. 12-8 to Rs. 20.

Goatskins: Wet salted (Daissee, Killed) 63,450 pcs. on the basis of Rs. 210 to Rs. 230 and Rs. 315 to Rs. 328; Assam-Dinajpur 5,500 pcs. on the basis of Rs. 205 to Rs. 225; Patna (Ord.) 13,000 pcs. on the basis of Rs. 125.

Bazaar Stocks

(20th August, 1956)

Cowhides: Wet salted (Ord.) 141,000 pcs.

Goatskins: Wet salted (Daissee, Killed) 39,000 pcs.; Assam-Dinajpur-Jalpaiguri 100,000 pcs.; Muzafferpore-Patna-Pakur-Purneah-Kissen-ganj 164,000 pcs.

LINSEED FIRM

After a slightly weaker opening, prices have displayed a steady advance and very firm conditions have been noted at the close. Firm advices from the centres and poor arrivals of seeds have

resulted in a scarcity of goods in the market. There has been fair demand from crushers, but sellers have been reserved. Prices in the oil section have been maintained largely by good local demand; no fresh business from overseas was possible because of the large disparity in prices caused by the high export duty on linseed oil. Latest quotations were as follows: August-September Rs. 24-8 a maund.

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COMPANY AND PUBLIC NOTICES

THE CALCUTTA TRAMWAYS COMPANY, LIMITED

(Incorporated in England).

THE Directors of The Calcutta Tramways Company Limited announce that the result of the working for the year ended 31st December, 1955, was as follows:—

	£	£
The Revenue for the year, after transferring £80,000 to Renewals and Replacements Account was ...		206,018
Against this total has been debited:—		
Provision for taxation ...	83,000	
Debt Interest ...	24,517	
		107,517

Less: Tax deducted from Debt Interest less tax on Investment Income ... 10,698 96,819

Leaving a balance for the year of ... 109,199

to be applied as follows, in accordance with the Agreement dated 30th August 1951, between the Governor of the State of West Bengal and the Company.

To Shareholders' Account	87,457	
Balance to Special Reserve Account ...	21,742	109,199
The amount credited to Shareholders' Account as above is ...		87,457
out of which is payable:—		
Cost of 1st Debenture Stock purchased for cancellation ...	3,902	
2nd Debenture Stock Redemption ...	5,904	
Dividend on Preference Shares less Tax ...	7,187	
Interim Dividend of 3½% f.o.t. on Ordinary Shares	24,500	
Proposed final dividend of 5% f.o.t. on Ordinary Shares ...	35,000	76,493
Leaving to be carried forward on Shareholders' Account ...		10,964

The Annual General Meeting will be held at Winchester House, Old Broad Street, London, E.C.2, at twelve o'clock noon on Tuesday the 9th October, 1956, on which day the warrants for the dividend, if sanctioned, will be posted.

The Ordinary Share Transfer Books will be closed from the 26th September to 9th October, 1956, inclusive.

THE SHAHJAHANPUR ELECTRIC SUPPLY CO. LTD.

NOTICE.

NOTICE is hereby given that an Extraordinary General Meeting of The Shahjahanpur Electric Supply Company Limited will be held at the office of the Managing Agents, No. 14, Old Court House Street, Calcutta on Tuesday the 11th day of September, 1956 at 4.20 P.M. to consider and, if thought fit, to pass the following resolution, namely—

"That the Board of Directors of the Company may appoint an Alternate Director to act for a Director during the latter's absence for a period of not less than three months from the State in which meetings are normally held."

Note 1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.

Note 2. In connection with the business to be conducted at the meeting, please see the undernoted Explanatory Statement.

OCTAVIUS STEEL & CO. LTD.,
Managing Agents.

Calcutta, 20th August, 1956.

EXPLANATORY STATEMENT.

Under Section 313 of the Companies Act, 1956 a Company's Board of Directors if so authorised by its Articles or by a resolution passed by the Company in General Meeting, may appoint an Alternate Director to act for a Director who is absent from the State where the Board Meetings are usually held. As the Company's Articles of Association do not contain a provision conforming with Section 313, it is desirable to have a resolution passed as provided for in that Section. The Managing Agents and the Directors of the Company, other than as such and as Shareholders, have no interest in the business represented by the above resolution.

THE BHAGALPUR ELECTRIC SUPPLY CO. LTD.

NOTICE

NOTICE is hereby given that an Extraordinary General Meeting of the Bhagalpur Electric Supply Company Limited will be held at the office of the Managing Agents No. 14, Old Court House Street, Calcutta on Tuesday the 11th day of September, 1956 at 3.30 P.M. to consider and, if thought fit, to pass the following resolution, namely—

"That the Board of Directors of the Company may appoint an Alternate Director to act for a Director during the latter's absence for a period of not less than three months from the State in which meetings are normally held."

Note 1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.

Note 2. In connection with the business to be conducted at the meeting, please see the undernoted Explanatory Statement.

OCTAVIUS STEEL & CO. LTD.,
Managing Agents.

Calcutta, 20th August, 1956.

EXPLANATORY STATEMENT.

Under Section 313 of the Companies Act, 1956 a Company's Board of Directors if so authorised by its Articles or by a resolution passed by the Company in General Meeting, may appoint an Alternate Director to act for a Director who is absent from the State where the Board Meetings are usually held. As the Company's Articles of Association do not contain a provision conforming with Section 313, it is desirable to have a resolution passed as provided for in that Section. The Managing Agents and the Directors of the Company, other than as such and as Shareholders, have no interest in the business represented by the above resolution.

THE PATNA ELECTRIC SUPPLY CO., LTD.

NOTICE.

NOTICE is hereby given that an Extraordinary General Meeting of the Patna Electric Supply Company Limited will be held at the office of the Managing Agents No. 14, Old Court House Street, Calcutta on Tuesday the 11th day of September, 1956 at 3.40 P.M. to consider and, if thought fit, to pass the following resolution, namely—

"That the Board of Directors of the Company may appoint an Alternate Director to act for a Director during the latter's absence for a period of not less than three months from the State in which meetings are normally held."

Note 1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.

Note 2. In connection with the business to be conducted at the meeting, please see the undernoted Explanatory Statement.

OCTAVIUS STEEL & CO., LTD.,
Managing Agents.

Calcutta, 17th August, 1956.

Explanatory Statement

Under Section 313 of the Companies Act, 1956 a Company's Board of Directors if so authorised by its Articles or by a resolution passed by the Company in General Meeting, may appoint an Alternate Director to act for a Director who is absent from the State where the Board Meetings are usually held. As the Company's Articles of Association do not contain a provision conforming with Section 313, it is desirable to have a resolution passed as provided for in that Section. The Managing Agents and the Directors of the Company, other than as such and as Shareholders, have no interest in the business represented by the above resolution.

THE BHULANBARAREE COAL COMPANY, LIMITED

NOTICE is hereby given to the members of the abovenamed Company that an Annual General Meeting within the meaning of the Companies Act, 1956, (being the Ninety-ninth Ordinary General Meeting of the Company) will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta, on Tuesday, the 28th August, 1956, at 10.30 A.M., for the purpose of receiving the Report of the Directors, passing the Audited Accounts for the half-year ended 31st December, 1955, electing Directors and Auditors and for transacting any other ordinary business of the Company.

The Share Register of the Company will be closed from the 14th to the 28th August, 1956, both days inclusive.

By Order of the Board,
F. W. HEILGERS & CO. (PRIVATE) LIMITED,
Managing Agents.

Calcutta, 26th July, 1956.

NOTE—A member entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote in his stead. Such proxy need not be a member of the Company.

THE DEHRI ROHTAS LIGHT RAILWAY CO., LTD.

NOTICE

IS hereby given that the Annual General Meeting of the Shareholders of the Company will be held on Friday, 21st September, 1956 at 11.30 A.M. at the Registered Office of the Company at Dalmianagar to transact the following business:—

- To receive and adopt the Directors' Report and Audited Accounts of the Company for the year ended 31st March, 1956.
- To declare dividend of Rs. 1/4/- per share.
- To elect Directors to fill up the vacancies caused by the retirement of Shri Harkishore Kejriwal and Shri A. K. Jain under Article 84 of the Articles of Association of the Company. The retiring Directors, being eligible, offer themselves for re-election.
- To appoint Auditors for the current year and to fix their remuneration. Messrs. Lovelock & Lewes, retiring Auditors, being eligible offer themselves for re-appointment.
- To transact the following as an item of special business, special notice of which is hereby given, to consider and if thought fit to pass with or without modification the following resolutions, which will be proposed as Special Resolutions:—

"Resolved that the Articles of Association of the Company be altered in the manner following:—

(a) For Article 32 the following shall be substituted, namely,

"32. The Company shall have a first and paramount lien upon all the shares (not being fully paid up shares) registered in the name of each member (whether solely or jointly with others) for all moneys called or payable at a fixed time in respect of such shares, and such lien shall extend to all dividends from time to time declared in respect of such shares. Unless otherwise agreed the registration of a transfer of shares shall operate as a waiver of the Company's lien (if any) on such shares."

(b) For Article 33 the following shall be substituted, namely,

"33. For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they think fit, but no sale shall be made until notice in writing of the intention to sell shall have been given to such indebted member or to his executors or administrators and default shall have been made by him or them in the payment of moneys called or payable at a fixed time in respect of such shares for 30 days after such notice."

Explanatory Note: The shareholders are informed that the Company has been enlisted on the official list of quotations of the Bombay Stock Exchange. It has, however, been required by the said Exchange that Articles 32 & 33 of the Articles of Association of the Company with regard to lien on shares be amended in the manner as set out in the proposed resolutions (a) & (b) above."

The Share Transfer Books of the Company will remain closed from 6th September, 1956 to 14th September, 1956, both days inclusive.

By Order of the Board,
for SAHU JAIN LIMITED,
A. K. JAIN,
Managing Director,
Managing Agents.

Calcutta, 1st August, 1956.

Payment of dividend when declared will be made only to those members whose names are registered in the books of the Company on the 5th September, 1956 or to their mandatees.

N.B. A member entitled to attend and vote at the meeting of the Company is entitled to appoint another person as his proxy to attend and vote instead of himself and the proxy need not be a member.

HOOLUNGOOREE TEA COMPANY LTD.

THE Board of Directors has to-day decided to recommend to the forthcoming General Meeting of Shareholders a dividend of Rs. 7/8/- per share in respect of the year ended 31st December, 1955, without any deduction in respect of taxation payable by the Company.

By Order of the Board,
ANDREW YULE & CO. LTD.,
Managing Agents.

Dated, 16th August, 1956.

BASMATIA TEA COMPANY LTD.

THE Board of Directors has to-day decided to recommend to the forthcoming General Meeting of Shareholders a dividend of Rs. 1/8/- per share in respect of the year ended 31st December, 1955, without any deduction in respect of taxation payable by the Company.

By Order of the Board,
ANDREW YULE & CO. LTD.,
Managing Agents.

Dated, 16th August, 1956.

THE CUTTACK ELECTRIC SUPPLY CO. LTD.

NOTICE.

NOTICE is hereby given that an Extraordinary General Meeting of the Cuttack Electric Supply Company Limited will be held at the office of the Managing Agents, No. 14, Old Court House Street, Calcutta on Tuesday the 11th day of September, 1956 at 4 P.M. to consider and, if thought fit, to pass the following resolutions namely—

Resolution No. 1. "That the Board of Directors of the Company may appoint an Alternate Director to act for a Director during the latter's absence for a period of not less than three months from the State in which meetings are normally held."

Resolution No. 2. "Resolved that the consent of the Company be and is hereby accorded, with effect from the date of commencement of the Companies Act, 1956, to the Board of Directors borrowing and continuing to borrow monies for and on behalf of the Company in excess of the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set aside for any specific purpose, and that such borrowing shall be exclusive of temporary loans obtained or from time to time to be obtained from the Company's Bankers in the Ordinary course of business."

Note 1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.

Note 2. In connection with the business to be conducted at the meeting, please see the undernoted Explanatory Statement.

OCTAVIUS STEEL & CO. LTD.,
Managing Agents.

Calcutta, 20th August, 1956.

EXPLANATORY STATEMENT.

1. Re: Resolution No. 1.

Under Section 313 of the Companies Act, 1956 a Company's Board of Directors if so authorised by its Articles or by a resolution passed by the Company in General Meeting, may appoint an Alternate Director to act for a Director who is absent from the State where the Board Meetings are usually held. As the Company's Articles of Association do not contain a provision conforming with Section 313, it is desirable to have a resolution passed as provided for in that Section.

2. Re: Resolution No. 2.

Since the commencement of the Companies Act, 1956 the Company's Board of Directors under Section 293(1)(d) may not without the consent of the Shareholders, borrow in excess of the capital of the Company and its free reserves. The paid-up capital of the Company plus its free reserves aggregate a sum of Rs. 7,35,040/-.

Under Article 46 of the Company's Articles of Association the Directors' borrowing powers may not, except with the sanction of a General Meeting, exceed the sum of Rs. 8,00,000/- at any one time owing for principal in respect of monies borrowed for the purposes of the Company. That limit was raised to the sum of Rs. 10,00,000/- by a resolution of the Shareholders passed at an Extraordinary General Meeting of the Company held on 30th May, 1949. As will be noted from the Notice mentioned above (there being no specific limit stated in the resolution to be proposed) that limit of Rs. 10,00,000/- on the sums borrowed at any one time will not be varied and will continue to apply.

The Section of the Act above referred to has made it necessary to have the consent of the Shareholders to any borrowing in excess of the limit set out in the Section which as mentioned for the Company is a sum of Rs. 7,35,040/-. The Company has a Cash Credit Arrangement with its Bankers, Bank of India Ltd. in accordance with which it has borrowed Rs. 5,45,000/-. The Company in the near future will have to incur Capital Expenditure of over Rs. 4 lakhs for the purpose of extensions of its mains and this will have to be met by further borrowings from any possible source. The proposed resolution has to be passed in order to empower the Directors to exceed the limit of borrowings imposed by Section 293(1)(d) of the Companies Act, 1956, in this case Rs. 7,35,040/-.

The Managing Agents and the Directors of the Company, other than as such and as Shareholders, have no interest in the business represented by the above resolution.

THE CHAMPDANY JUTE COMPANY LIMITED.

THE Directors at a Board Meeting held today decided to recommend to the Shareholders in General Meeting the payment of a dividend at the rate of 4% per annum or Rs. 2/- per share for the half-year to 31st March, 1956.

A notice calling a General Meeting for 4th October, 1956, will be published shortly.

By Order of the Board,
JAMES FINLAY & CO., LIMITED,
Managing Agents.

Calcutta, 21st August, 1956

THE IMPERIAL TOBACCO COMPANY OF INDIA LIMITED

NOTICE is hereby given that the Forty-fifth Annual General Meeting of The Imperial Tobacco Company of India Limited will be held at Virginia House, 37 Chowringhee, Calcutta, on the 14th September, 1956 for the following purposes:—

- To receive and adopt the Statement of Accounts and Balance Sheet and the Reports of the Directors and Auditors thereon.
- If considered desirable to declare a dividend.
- To elect Directors.
- To appoint Auditors and fix their remuneration.

The share transfer books of the Company will be closed from the 28th August to the 14th September, 1956, both days inclusive.

By Order of the Board,
B. GRANGER PEARSON,
Assistant Secretary.

9th August, 1956

Virginia House,

37, Chowringhee,

Calcutta.

Notes: The dividend, if approved, will be paid on the 25th September, 1956, to the Shareholders whose names are registered in the books of the Company on the 14th September, 1956, or their mandatees.

Transfers received in order at the registered office of the Company by the 27th August, 1956, will be in time to be passed for payment of the dividend to the transferees.

Shareholders are requested to notify the Company immediately of any change in address.

A member entitled to attend and vote at the General Meeting may appoint a proxy, who need not be a member, to attend and on a poll to vote on his behalf.

THE MOZUFFERPORE ELECTRIC SUPPLY CO., LTD.

NOTICE.

NOTICE is hereby given that an Extraordinary General Meeting of the Mozufferpore Electric Supply Company Limited will be held at the office of the Managing Agents, No. 14, Old Court House Street, Calcutta on Tuesday the 11th day of September, 1956 at 4.10 P.M. to consider and, if thought fit, to pass the following resolution, namely—

"That the Board of Directors of the Company may appoint an Alternate Director to act for a Director during the latter's absence for a period of not less than three months from the State in which meetings are normally held."

Note 1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.

Note 2. In connection with the business to be conducted at the meeting, please see the undernoted Explanatory Statement.

OCTAVIUS STEEL & CO. LTD.,
Managing Agents.

Calcutta, 20th August, 1956.

EXPLANATORY STATEMENT.

Under Section 313 of the Companies Act, 1956 a Company's Board of Directors if so authorised by its Articles or by a resolution passed by the Company in General Meeting, may appoint an Alternate Director to act for a Director who is absent from the State where the Board Meetings are usually held. As the Company's Articles of Association do not contain a provision conforming with Section 313, it is desirable to have a resolution passed as provided for in that Section. The Managing Agents and the Directors of the Company, other than as such and as Shareholders, have no interest in the business represented by the above resolution.

THE IMPERIAL TOBACCO COMPANY OF INDIA LIMITED.

Further to the notice dated 9th August, 1956 members are advised that the Forty-fifth Annual General Meeting of The Imperial Tobacco Company of India Limited will be held at Virginia House, 37 Chowringhee, Calcutta, on the 14th September, 1956 at 3.30 p.m.

By Order of the Board,
B. GRANGER PEARSON,
Assistant Secretary.

22nd August, 1956

Virginia House,

37, Chowringhee,

Calcutta.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	Hour L.S.T.
Jagatjit Cotton Textile Mills, Ltd. (E)	24-8-56	11-15 a.m.
Bhulanbararee Coal Co., Ltd.	28-8-56	10-30 a.m.
Sen-Raleigh Industries of India, Ltd.	28-8-56	Noon.
Alliance Jute Mills Co., Ltd.	28-8-56	3 p.m.
Fort William Jute Co., Ltd.	30-8-56	3-30 p.m.
Hooghly Flour Mills Co., Ltd.	30-8-56	4 p.m.
Jagatjit Cotton Textile Mills, Ltd.	31-8-56	11 a.m.
Sone Valley Portland Cement Co., Ltd.	31-8-56	11 a.m.
Kumardhubi Engineering Works, Ltd.	31-8-56	2-30 p.m.
Kyang Tea Seed Co., Ltd.	6-9-56	4 p.m.
New Samanbagh Tea Co., Ltd.	6-9-56	4-15 p.m.
Bhannia Biscuits Co., Ltd.	7-9-56	11-15 a.m.
Benares Electric Light & Power Co., Ltd.	10-9-56	11 a.m.
Lodna Colliery Co. (1920), Ltd.	10-9-56	3-40 p.m.
Patna Electric Supply Co., Ltd. (E)	11-9-56	3-40 p.m.
Bhagalpur Electric Supply Co., Ltd. (E)	11-9-56	3-50 p.m.
Cuttack Electric Supply Co., Ltd. (E)	11-9-56	4 p.m.
Mozufferpore Electric Supply Co., Ltd. (E)	11-9-56	4-10 p.m.
Shahjahanpur Electric Supply Co., Ltd. (E)	11-9-56	4-20 p.m.
Mysore Spg & Mfg. Co., Ltd.	13-9-56	4-30 p.m.
Imperial Tobacco Co. of India, Ltd.	14-9-56	3-30 p.m.
Dehri Rontas Light Ry. Co. Ltd.	21-9-56	11-30 a.m.
New India Investment Corp., Ltd.	24-9-56	4 p.m.
Eagle Rolling Mills Ltd.	28-9-56	10-40 a.m.
Kumardhubi Fireclay & Silica Works, Ltd.	28-9-56	11 a.m.
Orissa Cement, Ltd.	29-9-56	11-45 a.m.
Calcutta Tramways Co., Ltd.*	9-10-56	Noon.

(E) Extraordinary General Meeting.

* Meeting will be held in London.

DIVIDENDS DECLARED OR PROPOSED—Britannia Biscuit Co. Ltd.—7 p.c. (f) (o). Indian Copper Corporation Ltd.—35 p.c. (f) including Bonus of 25 p.c. Champdany Jute Co. Ltd.—2 p.c. Dehri Rontas Light Railway Co. Ltd.—Rs. 1-4 per share. Basmatia Tea Co. Ltd.—Rs. 1-8 per share. Hooghly Flour Mills Co. Ltd.—Rs. 7-8 per share. Calcutta Tramways Co., Ltd.—5 p.c. (f) (o).

O.—Ordinary Dividend. In.—Interim Dividend.
P.—Preference Dividend. F.—Final Dividend.
P.O.—Preferred Ordinary Dividend. C.—Cumulative.
D.—Deferred Dividend. * Less Tax at 8s 6d in the £.

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INDUSTRIAL PRODUCTS DIVISION
NATIONAL CARBON COMPANY (INDIA) LTD.
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Wednesday 22nd August, 1956.

GOVERNMENT LOANS					PORT TRUST LOANS					IMPROVEMENT TRUST LOANS										
Amount Outstanding Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.	Amount Rs.	Interest per cent	Year of issue	Repay- able	Market quotations Rs.	Amount Rs.	Interest per cent	Year of issue	Repay- able	Market quotations Rs.	Amount Rs.	Interest per cent	Year of issue	Repay- able	Market quotations Rs.	
GOVERNMENT OF INDIA																				
2,48,91,47,000	3	1946	1956 or later	74½	90,24,300	4	1914	1974	99	36,50,000	4	1904	1964	99½	25,00,000	5½	1929	1959	107	
					76,90,100	4	1915	1975	99						50,00,000	4	1934	1964	99½	
8,93,35,000	3	1896-97	At the option of the Government of India after 3 months notice.	75½						35,00,000	4	1905	1965	99½	35,00,000	3½	1935	1965	94	
						68,02,300	3	1921 1st	1981	82	15,00,000	4	1906	1967	99½	30,00,000	3	1936	1966	90
						1,50,00,000	6½	1921 2nd	1981	144N	44,00,000	4	1907	1968	99½	50,00,000	3	1937	1967	91
57,00,69,000	2½	1946	1961	93½											20,00,000	3	1938	1963-68	96	
45,63,07,000	2½	1946	1960	96½											30,00,000	4	1952	1962	99½	
					£892,600	5	1923	1953-83	£79½	75,00,000	4	1908	1969	99½	1,02,00,000	4	1956	1968	99	
50,35,63,000	3	1951	1958	99½	£901,000	5	1924	1954-84	£79½											
										40,00,000	4	1909	1970	100						
1,16,17,46,000	3	1938	1963-65	94½						56,00,000	4	1910	1971	100						
1,10,11,78,000	3	1943	1968-68	93½																
					98,21,600	5½	1926 1st	1956-86	100	75,00,000	4	1911	1972	100						
					10,84,500	5	1926 2nd	1956-86	100½						30,00,000	4	1901	1961	99½	
					1,49,49,500	5	1927	1957-87	102						30,00,000	4	1902	1962	99½	
					1,49,30,000	5	1928	1958-88	103						60,00,000	4	1903	1963	99½	
															80,00,000	4	1904	1964	99½	
															30,00,000	4	1905	1965	99½	

JOINT STOCK COMPANIES PREFERENCE SHARES

Dividends are cumulative and shares carry a preferential claim on the property for the payment of capital and on the profits for dividend except in case of companies marked otherwise. Months against names of companies indicate approximately times of payment of dividends.

Year of Issue	NAMES	Amount issued in 1000	Rate per cent	Paid-up per Share	Market Quotations		Year of issue	NAMES	Amount issued in 1000	Rate per cent	Paid-up per Share	Market Quotations	
					22-8-56	A year ago						22-8-56	A year ago
BANK.													
1901	Allahabad Bank (May Nov.)	15.00	6	100	120	132	1920	Birds Investments (Dec.)	24.00	5 1/2	100	78 1/2	80 1/2
COAL.													
1906	Bengal Nagpur (Feb Aug.)	11.25	7	100	105	118	1935-36	Bombay Steam Navigation (July)	15.00	6 1/2	100	125 1/2	128 1/2
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Britannia Biscuit (Feb Aug.)	15	8	10	152 1/2	155 1/2
1901-20	Bengal Nagpur (June Dec.)	22.92	7 1/2	100	109	125 1/2	1937-38	British India Corporation (Apr. Mar.)	7.50	8	10	125 1/2	128 1/2
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	British India Corporation (Feb.)	81.00	8	10	125 1/2	128 1/2
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Burn Eng (1st & 2nd) (Feb Aug.)	15.00	8	10	125 1/2	128 1/2
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Burn Engineering (Feb Aug.)	15.00	8	10	125 1/2	128 1/2
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Calcutta Electric Supply (Mar Sept.)	15.00	8	10	125 1/2	128 1/2
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Calcutta Silk Manufacturing (July Jan.)	2.00	6	100	55	60
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Calcutta Tramways (Jan July)	2.25	5 1/2	100	9 1/2	10 1/2
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Carew & Co (January)	4.00	6 1/2	100	105	108
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Cawnpore Sugar Works (Feb Aug.)	10.00	8	100	59	65 1/2
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Chrestien Mica Industries Ltd.	30.00	5 1/2	100	137	143 1/2
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Dacca Electric Supply (July)	5.00	6	100	99	101
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Dalmia Cement (Bharat)	2.375	6	40	38 1/2	39 1/2
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Delhi Flour Mills (Oct.)	9	7 1/2	100	132	133
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Deshnagar Power Supply "A" (Jan.)	16.00	5	100	102	104
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Deshnagar Power Supply "B" (Jan.)	12.00	4 1/2	100	102	104
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Duncan Brothers & Co. Ltd.	45.00	6	100	125	126
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Dunlop Rubber "First" (Jan July)	30.00	6	100	125	126
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Dunlop Rubber "Second" (Apr.)	40.00	6 1/2	100	95 1/2	101 1/2
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	East India Distilleries (Jan July)	22.00	7	100	17 1/2	17 1/2
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Eastern Investments Ltd (Apr.)	2.500	5 1/2	100	100	100
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	General Investment & Trust (Feb Aug.)	1.00	5	100	75	77 1/2
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	General Investment & Trust (Feb Aug.)	1.00	5	100	75	77 1/2
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Gillanders Arbuthnot (Apr. Oct.)	2.501	5 1/2	100	65	73
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Gladstone Lyall & Co. Ltd.	15.00	6 1/2	100	66	66
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Godfrey Phillips India Ltd.	30.00	5 1/2	100	68 1/2	68 1/2
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Gwalior Sugar (Redeemable) (Dec.)	6.75	7	100	68	68
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Gwalior Sugar (Dec.)	5.00	7	100	68	68
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Humayan Properties Ltd (Nov.)	12.00	6	100	9 1/2	10 1/2
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Indian Aluminium (Mar Sept.)	40.00	5 1/2	100	86	71
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Do Burma Petroleum (Jan July)	50.00	7 1/2	100	107 1/2	107 1/2
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	India General Navy & Railways	2.244	6	100	85	82
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	India Cable Co (Nov.)	12.88	6	100	33 1/2	27
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Indian Standard Wagon (Aug or Sept.)	1.966	7	100	140	141 1/2
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Indian Iron & Steel	2.69.95	5	100	108	109 1/2
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Investment and Finance (Feb Aug.)	2.00	5	100	75	77 1/2
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Investment and Finance (Feb Aug.)	2.00	5 1/2	100	65	70
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	James Wright (Jan July)	1.30	6	50	41	40
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Jardine Henderson Ltd.	50.00	5 1/2	100	60 1/2	80
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Jessop & Co.	10.00	5	100	102	105 1/2
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Jupiter General Insurance (Sept.)	4.99	6 1/2	100	10	10
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Kumardhubi Engineering (June)	12.00	5	100	103 1/2	104
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Do Fireclay & Silica (June)	2.00	7	100	116	116
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Marlin Burn Ltd.	30.00	6	100	105	105 1/2
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	McLeod & Co.	10.00	5 1/2	100	69	73
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	McLeod & Co.	40.00	5	100	75	83
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Mettur Chemical & Industrial (Sept.)	20.00	6	100	99	98 1/2
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Metal Box Co of India Ltd.	30.00	5 1/2	100	97	97
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Midnapore Zemindary (Feb.)	8.76	5	100	92	92
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Mysore Chemical Mfg (Sept.)	2.00	5	100	9 1/2	8 1/2
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	National Insulated Cable	10.00	5 1/2	100	100	100
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	National Tobacco (June Dec.)	25.00	5	100	79	71
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	National Tobacco (Jan Dec.)	20.00	5 1/2	100	48	58
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Northern India Oil (Jan July)	2.00	6	100	48	58
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Poona Electric Supply Co. Ltd. (June Dec.)	4.00	7	100	103 1/2	103 1/2
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Premier Construction "First" (Apr.)	10.00	6 1/2	100	104	104
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Premier Construction "Second" (Apr.)	15.00	6 1/2	100	99 1/2	99 1/2
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Purnapore (Sugar) (Oct.)	6.00	10	100	16 1/2	16
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Rannuagar Cane & Sugar (Aug.)	4.00	6	100	99 1/2	105 1/2
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Rohas Industries (April)	20.00	7	100	124	135
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Rohas Industries "B" (Apr.)	86.00	4 1/2	100	64 1/2	69
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Shaw Wallace & Co Ltd.	75.00	6 1/2	100	79 1/2	85 1/2
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Shree Gopal Paper	7.50	6	100	120	126 1/2
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Shree Krishna Gyanoddy Sugar "A" (Oct.)	5.00	6	100	89	101
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Shree Krishna Gyanoddy Sugar "B" (Nov.)	12.00	5	100	75	81
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Smith Stanistreet (Chemists) (Nov.)	5.00	10	80	70	60 1/2
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	South Behar Sugar (Oct.)	5.00	7	100	161 1/2	161 1/2
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-38	Spencer & Co. "A" (Provisions) (Jan July)	23.20	6 1/2	100	101	91
1901-20	Bengal Nagpur (June Dec.)	4.00	6 1/2	100	109	125 1/2	1937-3						

COAL COMPANIES

O. P. F. and Dd. Indicate Ordinary Preferred Ordinary. Founders' and Deferred shares respectively. P. next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation		Carry forward	Dividends per cent			Paid-up Shares per Share	Latest Market Quotations as available until.		
							Rs.	Rs.		1953	1954	1955		Rs.	Rs.	A year ago Rs.
25,50,000	26,43,478	24,50,000	6,60,570	Amalgamated	3-9	236	6,83,393	26,953		5-5	31-5	61-71	10	22 1/2	22 1/2	25 1/2
1,00,00,000	1,96,15,288	1,40,49,223	18,85,659	Bengal P	4-10	2	26,18,986	7,31,563		81-71	71-71	81-81	200	536	536	548
4,49,350	3,08,193	70,000	2,24,303	Bengal Bhatdee	6-12	2	15,149	4,951		11-11	11-11	11-11	10	6 1/2	6 1/2	6 1/2
2,25,000	2,52,838	5,34,591	13,809	Bengal Nagpur P	6-12	2	16,266	57,417		Nil-Nil	Nil-Nil	Nil...	10	16 1/2	16 1/2	11 1/2
15,97,000	14,16,665	6,91,475	13,52,076	Bhalgorah	9	152	8,13,899	39,978		...	...	...	10	6 1/2	6 1/2	7 1/2
40,00,000	68,01,474	20,23,235	32,65,320	Bharat Collieries P	6	335	2,52,221	27,433		61	61	61	10	7 1/2	7 1/2	8 1/2
71,00,000	15,63,291	14,29,045	68,704	Bhulanbararee	6-12	106	20,810	1,87,446		Nil-Nil	Nil-Nil	Nil-Nil	10	12 1/2	12 1/2	13 1/2
16,00,000	38,87,275	16,18,636	7,185	Bokare & Ramgur	6-12	135	1,21,936	79,196		...	...	...	10	12 1/2	12 1/2	15
7,50,000	18,56,839	24,29,026	11,00,666	Borrea P	6-12	106	2,14,682	84,207		15-12 1/2	10-10	10-10	10	23 1/2	23 1/2	25 1/2
90,92,480	2,38,29,968	1,75,17,502	25,32,133	Burrakur P	6-12	21	11,90,330	1,15,376		11-21	21-31	31-31	10	14 1/2	14 1/2	14 1/2
49,97,000	35,80,075	750	1,75,962	Central India	3	166	1,33,037	14,019		21	21	21	10	7 1/2	7 1/2	8 1/2
8,00,000	16,67,573	13,30,519	15,752	Central Kurkend P	6-12	323	34,743	82,768		31-31	...	...	10	12 1/2	12 1/2	11
6,00,000	...	...	1,43,676	Churulia	6-12	106	6,374	2,129		11-11	11-11	11-11	4	7 1/2	7 1/2	9 1/2
16,00,000	23,76,131	1,20,000	35,989	Dheme Main	6-12	19	70,801	2,43,279		Nil-Nil	Nil-Nil	...	10	31 1/2	31 1/2	31
2,240,000	2,234,668	2,370,653	2,372,456	East Indian	4	128	1,137,640	5,59,767		181	181	221	10	30 1/2	30 1/2	33 1/2
29,63,760	1,02,83,132	76,84,250	21,79,507	Equitable P	6-12	19	5,71,573	93,266		10-81	71-71	71-71	10	15 1/2	15 1/2	17 1/2
10,00,000	6,74,708	2,07,496	3,32,973	Ghusick & Mustia	3	307	12,979	24,844		...	...	...	10	15 1/2	15 1/2	17 1/2
6,50,000	5,08,856	33,155	4,95,544	Guzdar Kajora	6-12	20	24,150	2,401		...	...	...	10	22 1/2	22 1/2	24 1/2
8,00,000	2,81,843	6,75,000	5,09,694	Huriladih	6-12	19	2,58,582	65,461		71-71	71-10	121-...	10	22 1/2	22 1/2	24 1/2
3,50,000	6,31,200	5,66,816	1,407	Kalapahari	2-8	2	1,38,130	2,21,237		171-10	Nil-Nil	Nil-Nil	10	20 1/2	20 1/2	21 1/2
15,00,000	31,71,936	24,32,396	25,61,314	Karanpura Development	6-12	21	49,116	17,839		Nil-Nil	Nil-Nil	Nil-10	100	21 1/2	21 1/2	19
5,00,000	...	...	...	...	...	...	...	...		Nil-Nil	Nil-Nil	Nil-Nil	10F	...	...	...
20,00,000	25,67,864	2,27,825	75,106	Karanpura Collieries P	2	21	2,23,402	2,661		Nil	Nil	21	100	119	113 1/2	129
5,00,000	10,28,548	16,60,000	11,25,332	Katras Jherriah	1-7	2	5,92,347	1,33,475		20-20	26-26	25-30-35	10	60 1/2	60 1/2	52 1/2
1,38,400	6,75,000	95,000	11,80,294	Khas Kajora P	6-12	326	49,776	1,918		...	...	...	10	9 1/2	9 1/2	9 1/2
5,65,750	10,84,977	85,000	9,599	Mundulpur	6-12	326	79,868	79,868		Nil-Nil	Nil-Nil	...	10	2 1/2	2 1/2	3 1/2
7,48,240	2,62,442	1,50,000	5,04,429	Nazira	12	347	82,501	25,598		5	...	...	10	7 1/2	7 1/2	7 1/2
7,00,000	5,13,418	26,611	61,641	New Bansdeopur	3-9	5	59,011	6,071		31-11	31-71	71-71	10	10	10	10
17,72,320	31,15,787	20,01,763	3,78,538	New Beerboom P	4-10	2	2,64,716	94,383		5-5	31-31	31-5	10	20	20	21 1/2
6,00,000	11,71,307	75,000	40,447	New Manbhom	3-9	202	25,330	2,233		Nil-Nil	Nil-Nil	Nil-Nil	10	11 1/2	11 1/2	10 1/2
2,50,000	7,69,623	1,75,500	10,12,919	North Damuda	1-7	306	7,954	32,184		...	...	...	2 1/2	2 1/2	2 1/2	2 1/2
1,15,000	4,42,488	2,85,193	1,53,246	North West	3-9	2	51,420	15,950		21-Nil	Nil-Nil	61-71	10	19	19	18 1/2
1,57,500	...	...	...	...	...	...	...	...		...	...	...	7 1/2	17 1/2	17 1/2	18 1/2
7,50,000	1,20,000	12,19,987	23,26,757	Ondal P	6-12	106	22,197	56,646		10-10	5-5	5-5	10	15 1/2	15 1/2	18 1/2
8,34,000	9,21,342	10,802	4,36,015	Paranesh P	6-12	207	1,08,075	8,018		11-11	31-31	31-31	10	14 1/2	14 1/2	12
15,75,000	12,40,900	16,00,000	12,21,654	Paranesh Valley	3-9	236	4,18,450	33,343		71-81	81-71	71-71	10	22 1/2	22 1/2	24 1/2
2,50,000	2,62,405	7,500	11,530	Pure Sitalpur	6-12	5	2,008	13,581		Nil-Nil	Nil-Nil	Nil-Nil	10	4 1/2	4 1/2	6 1/2
23,99,500	37,59,038	19,17,105	39,198	Raneengunge	3-9	7	1,83,814	16,846		Nil-Nil	21-21	21-31	10	13 1/2	13 1/2	12 1/2
13,50,000	7,98,001	9,28,385	14,29,643	Rewa	6-12	236	4,96,775	26,029		10-10	71-61	81-121	10	22 1/2	22 1/2	19 1/2
20,00,000	23,74,261	7,52,027	1,01,427	Samia	12	48	1,80,660	31,543		21-21	71	71	10	14	14	14 1/2
1,25,000	1,57,243	2,52,664	2,29,212	Searsole	1	353	1,05,156	21,070		25	25	30	2 1/2	7 1/2	7 1/2	14 1/2
2,00,000	10,92,193	5,36,593	7,87,726	Seepore P.	6-12	2	2,42,112	49,299		121-121	142-142	175-176-67	7	20 1/2	20 1/2	29 1/2
8,00,000	5,29,306	6,32,624	5,29,306	Sengra	6-12	106	4,094	7,503		Nil-Nil	Nil-Nil	11-11	10	8 1/2	8 1/2	10 1/2
17,50,000	22,81,985	10,75,016	63,654	South Karanpura	2-8	21	59,079	51,533		11-11	11-11	11-11	10	9 1/2	9 1/2	12 1/2
8,00,000	1,43,000	13,09,395	21,89,890	Standard	6-12	106	47,444	17,347		10-10	71-71	5-5	10	25 1/2	25 1/2	20 1/2
10,00,000	15,58,085	15,075	3,910	Talcher	9	277	22,689	3,85,056		Nil	Nil	...	2 1/2	3 1/2	3 1/2	4 1/2
3,50,000	4,66,000	3,53,000	8,176	Union	6-12	279	4,403	44,167		10-71	5-21	21-5	10	14 1/2	14 1/2	18
49,98,000	30,14,912	21,550	4,20,307	Western Bengal	3	166	3,99,468	37,694		31	31	5	5	10	7 1/2	7 1/2
7,00,000	32,55,152	1,38,190	40,060	West Jamuria	6-12	19	1,31,849	122		Nil-Nil	Nil-Nil	Nil-Nil	10	11 1/2	11 1/2	14 1/2

* 1956.

N = Nominal

COTTON MILLS

Paid-up Capital Ordinary	Number of		Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up per Shares	Latest Market Quotations as available until		
	Spindles	Looms									Rs.	Rs.	Rs.		1953	1954	1955
Rs.			Rs.	Rs.	Rs.				Rs.	Rs.			Rs.	Rs.	Rs.	Rs.	
15,00,000	14,108	356	14,62,919	1,73,478	11,90,008	Basanti P	12	49	1,97,268	41,227	21	..	10	7 1/2	7 1/2	5 1/2	
32,72,340	22,197	905	27,69,876	23,18,909	24,531	Benares P	3-9	120	1,27,187	4,79,347	..	..	10	11 1/2	11 1/2	11 1/2	
7,11,280	36,000	328	17,17,120	2,20,269	30,842	Bengal Luxmi	9	27	3,66,176	47,818	..	10	40	38	38	40	
27,00,000	31,476	624	23,53,000	3,84,224	43,063	Bengal Nagpur P	6-12	236	5,23,389	18,199	21-Nil	Nil	10	9 1/2	9 1/2	10 1/2	
1,00,000	38,764	992	31,55,000	1,09,84,251	21,32,542	Birla Cotton	3	22	5,28,332	4,25,221	30	30	10	30 1/2	30 1/2	30 1/2	
6,00,000	42,872	641	37,54,142	22,22,588	1,44,948	Bowreah P	6-12	138	84,028	23,47,372	Nil-Nil	Nil-Nil	100	17 1/2	17 1/2	390	
30,00,000	22,000	510	8,43,453	29,51,420	1,00,393	Cannore Textiles	3	25	6,73,253	36,767	111	10	5	9	9	8 1/2	
3,27,02,300	1,01,808	2,762	9,94,63,168	2,74,48,393	2,94,83,803	Delhi Cloth & Genl P.	6	238	1,81,41,278	82,759	7	9	25	37 1/2	37 1/2	38	
1,00,553	42,944	518	34,12,181	21,75,925	1,53,834	Dunbar	6-12	138	9,92,376	1,37,951	Nil-Nil	Nil-Nil	100	294	294	250	
63,00,000	54,007	1,220	22,41,751	66,33,380	43,06,583	Elgin P	9	25	32,80,464	93,386	15	10	10	28 1/2	28 1/2	19 1/2	
1,20,00,000	59,250	1,872	2,38,99,575	1,00,53,952	47,29,268	Kesoram P	3	22	37,41,719	2,45,435	11 1/2	8 1/2	20	19 1/2	20	17	
6,00,000	35,864	864	17,48,143	9,75,679	74,08,655	Mohini P	12	45	9,53,316	5,158	..	..	25	..	..	..	
33,96,288	88,000	1,825	47,44,546	52,19,601	92,65,055	Muir P	12	208	18,77,941	7,77,290	..	..	100	88	88	118	
22,89,882	78,848	1,367	43,25,577	26,00,968	1,45,701	New Victoria P	12	237	18,83,371	13,76,473	Nil	..	210	212	212	118	
19,47,750	23,196	795	22,57,946	18,88,739	2,02,179	Rampooria Cotton	6	4	6,16,936	1,094	5	6 1/2	10	15 1/2	15 1/2	12	
5,00,000	1,14,836	2,077	2,83,77,688	2,65,04,931	32,30,412	Swadeshi (Cawnpore) P	12	333	43,71,838	7,09,029	Nil	Nil	100	11 1/2	11 1/2	9 1/2	
17,50,000	23,196	795	22,57,946	18,88,739	2,02,179	Rampoor Cotton	6	4	6,16,936	1,094	5	6 1/2	10	15 1/2	15 1/2	12	
1,57,50,000	1,14,836	2,077	2,83,77,688	2,65,04,931	32,30,412	Swadeshi (Cawnpore) P	12	333	43,71,838	7,09,029	5	7 1/2	100	11 1/2	11 1/2	9 1/2	
40,50,000	48,754	1,310	91,31,708	1,89,73,217	23,89,979	Bangalore W C Silk P	12	26	56,34,938	2,38,649	25	30	30	100	590	590	517 1/2
1,78,47,800	1,20,012	2,770	3,20,701,600	1,87,39,278	43,80,514	Buckingham Carnatic P	12	26	1,04,66,075	2,38,445	10	10	100	211	209	182	
20,00,000	28,000	..	18,003,003	20,32,074	11,26,239	Cambodia P	12	210	1,96,274	27,593	7 1/2	5	10	14 1/2	14 1/2	13 1/2	
12,00,000	23,864	..	6,41,058	9,00,000	36,53,502	Coimbatore Cotton	12	188	6,53,750	61,404	..	..	100	329	329	329	
22,76,900	72,832	407	47,91,212	7,98,681	22,227	Coimbatore Spg & Wvg	6	46	7,52,342	10,23,340	Nil	..	50	122	122	70 1/2	
6,50,000	80,640	295	12,25,505	17,90,000	58,77,434	Kaleeswarar	12	139	2,05,780	7,677	..	..	100	332 1/2	332 1/2	305	
24,00,000	30,512	200	52,38,868	16,25,006	7,43,757	Kothari Textile P	6	141	3,25,924	29,382	5	5	10	19	18	14 1/2	
23,64,000	48,756	..	15,01,051	21,70,200	78,050	Lakshmi	12	186	31,41,248	2,209	..	..	50	254 1/2	254 1/2	153	
1,75,02,480	4,65,324	..	2,15,02,107	4,13,81,378	31,04,681	Madura	12	108	77,86,509	18,86,810	31,04,681	20	20	15	52 1/2	52	49 1/2
12,00,000	21,856	..	8,43,189	5,85,363	10,32,897	Malabar Spg & Wvg.	12	240	85,193	84,039	..	..	200	112	112	117 1/2	
60,00,000	24,552	603	20,49,893	69,00,000	11,91,755	Mettur Industries	3	29	48,44,863	45,835	22,32	35	42 1/2	100	492 1/2	490	357 1/2
13,61,780	6,000	..	14,15,992	8,90,279	1,34,653	Mysore Spon Silk	3	142	1,753	3,986	Nil	Nil	10	7 1/2	7 1/2	3 1/2	
4,00,000	20,137	Nil	8,36,608	3,00,000	24,24,908	Palani Andavar P	12	30	7,39,437	2,687	..	..	50	168	168	128	
7,79,700	15,540	416	5,42,118	2,43,421	2,65,911	Sitaram Spg & Wvg	3	164	87,724	3,083	..	..	60	..	..	..	
7,00,000	28,104	270	12,98,563	18,23,501	11,71,294	Vasanta P	12	47	16,37,459	..	..	..	100	343	343	23 1/2	

TEA COMPANIES

O. Po and Dd indicate Ordinary, Preferred Ordinary and Deferred Shares, respectively. P next to the name of the company indicates that the Company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary				Net Block Account	Reserve & other Funds	Acreage under Tea	Outturn and Average Price per lb. realised for crop				Estimate	NAMES	Accounts closed	Net Profit including taxation	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			
Ra.				Ra.	Ra.		1953		1954		1955		Ra.	1952	1953	1954	Ra.	22-8-56	14-8-56	A year ago		
Ra.				Ra.	Ra.		Lbs.	As. P.	Lbs.	As. P.	Lbs.						Ra.	Ra.	Ra.	Ra.		
OACHAR																						
3,00,000	3,40,887	1,75,000	862	2,71,440	30-1	2,89,040	39-11	..	..	..	..	..	..	..	..	..	..	..	..	..		
4,00,000	6,26,259	49,878	465	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..		
10,00,000	17,71,849	8,13,800	1,400	8,01,327	31-1	8,90,263	40-10	8,19,040	Central Cachar	12	35	43,307	Nil	Nil	10	12	13	13 1/2	13	13		
2,50,000	57,753	Nil	794	3,80,734	3-11	7,00,450	4-2 2/5	6,87,780	Chandypore	12	128	5,98,004	Nil	Nil	100	100	100	130	130	130		
7,00,000	9,99,137	11,00,000	649	3,74,480	27-11	3,91,520	38-6	4,40,000	Eastern Cachar	12	202	2,48,284	Nil	Nil	100	116	116	123	123	123		
12,00,000	18,43,015	11,50,000	2,153	14,44,160	27-5	17,59,920	35-0	16,00,000	Hatikihira	12	202	13,22,856	Nil	25	40	10	193	193	193	193		
4,50,000	2,97,000	1,65,222	586	..	..	..	..	..	Kallinugur Khoreal	12	313	91,071	Nil	Nil	10	10	11	14	14 1/2	14 1/2		
8,60,000	2,97,000	2,51,794	595	3,44,610	31-1	3,40,507	46-8	3,20,000	Kunchunpore	12	313	3,31,927	Nil	Nil	20	10	264	264	264	264		
7,00,000	8,25,000	2,50,000	1,350	7,44,322	32-4	7,33,267	47-6	7,84,000	North Western Cachar	12	202	1,64,444	Nil	Nil	10	15	15	21 1/2	21 1/2	21 1/2		
1,84,500	3,00,329	..	480.5	3,54,000	29-5	..	..	3,84,000	Pathemara P.	12	165	4,33,780	Nil	Nil	10	10	22	22 1/2	22 1/2	22 1/2		
2,60,000	3,90,357	3,16,592	618	4,54,160	29-1	5,04,720	36-6 4/5	5,84,000	Roopacherra	12	63	5,75,715	Nil	20	35	50	104 1/2	104 1/2	104 1/2	104 1/2		
5,20,000	5,25,000	6,28,514	688	5,99,410	33-8	6,76,800	41-11	5,60,000	Rungmattee	12	12	3,73,677	Nil	Nil	12 1/2	10	191	191	191	191		
4,00,000	6,88,316	5,52,313	662	4,74,400	28-7 1/2	4,99,336	36-7 1/2	5,12,000	Sonai River P.	12	95	5,22,670	Nil	Nil	20	10	12	12	12	12		
8,75,000	5,02,307	4,31,250	1,050	..	..	4,63,320	..	..	Tilka	12	95	5,22,670	Nil	Nil	20	10	12	12	12	12		
DARJEELING																						
9,99,750	6,89,413	4,157	562	1,19,351	33-9	1,14,311	29-11	1,44,000	Bloomfield	12	101	73,268	Nil	Nil	10	31	31	6	6	6		
2,79,900	2,72,561	1,25,000	407.5	1,06,686	42-31	1,41,174	62-0	1,60,000	Chamong	12	279	1,34,209	Nil	Nil	20	10	17	17	20 1/2	20 1/2		
2,79,900	2,72,561	1,25,000	407.5	1,06,686	42-31	1,41,174	62-0	1,60,000	Darj. Tea Chinchona	12	139	1,15,695	Nil	7 1/2	40	100	175	175	290	290		
2,00,000	1,74,363	1,62,639	488	1,04,560	39-10	1,35,760	52-5	1,28,000	Dilaram	12	200	1,03,183	Nil	Nil	25	100	190	190	315	315		
2,00,000	5,13,500	5,35,585	500	2,49,313	32-0	2,84,240	49-11 1/4	2,68,000	Gietle P.	12	74	3,24,074	Nil	Nil	25	10	311	311	304	304		
2,00,000	5,13,500	5,35,585	500	2,49,313	32-0	2,84,240	49-11 1/4	2,68,000	Lingia P.	12	74	3,24,074	Nil	Nil	25	10	301	301	304	304		
2,00,000	6,25,360	1,30,770	1,949	3,08,223	34-3	3,26,515	48-8 1/2	580,000	Longview	12	95	5,22,670	Nil	Nil	10	20	12	12 1/2	12 1/2	12 1/2		
10,32,000	3,57,551	..	781	3,39,234	42-4 1/2	..	..	1,84,000	Margaret's Hope	12	165	1,53,561	Nil	7 1/2	40	100	161	161	277	277		
1,59,000	1,75,390	3,10,239	463	1,63,520	42-1	1,82,080	62-4	1,84,000	Min	12	279	5,44,268	Nil	20	50	10	291	291	333	333		
2,99,300	3,40,000	3,00,000	689	2,72,742	34-9 1/2	4,35,016	53-4 1/2	4,40,000	Nagr Farm	12	63	1,95,358	Nil	Nil	37 1/2	100	600	600	600	600		
1,00,000	1,50,000	1,07,500	505	1,63,571	40-2	1,81,153	53-5	1,80,000	Okay P.	12	139	..	..	..	..	..	..	..	..	..		
9,30,000	3,02,868	2,61,118	776	1,47,589	35-9	1,68,697	52-5	1,76,000	Pashok	12	63	..	..	..	..	..	..	..	..	..		
2,00,000	2,85,000	3,73,387	500	1,40,418	38-5 1/2	1,58,740	50-8	1,60,000	Poobong	12	139	1,73,513	Nil	15	30	10	28	28	204	204		
2,05,000	4,20,000	2,68,427	670	1,73,120	40-8	1,80,720	58-0	1,60,000	Pusimpong P.	12	74	2,02,328	Nil	10	15	10	15	15	14 1/2	14 1/2		
1,40,000	1,40,000	4,77,000	341	1,02,720	40-8	1,77,704	53-3	1,60,000	Rungmattee	12	63	1,99,421	Nil	17 1/2	50	100	408	408	450	450		
6,25,000	5,98,413	1,459	747	1,63,184	34-4 1/2	..	..	1,60,000	Singlet	12	113	45,341	Nil	Nil	10	38 1/2	38 1/2	65	65	65		
9,00,000	9,27,823	1,46,857	683	2,36,381	35-6 1/2	2,64,000	50-4	2,05,035	Singtom P.	12	101	2,87,270	Nil	Nil	5	10	64	64	51	51		
3,00,000	2,89,000	3,90,500	554	2,67,892	37-5 1/2	2,69,738	60-3 1/2	2,80,000	Soom	12	179	4,43,340	..	30	50	10	351	351	304	304		
6,25,000	11,06,947	5,74,585	392	3,52,060	37-5 1/2	3,76,900	54-5	3,00,000	Sungma	12	165	3,50,250	Nil	Nil	10	12	11 1/2	11 1/2	128	128		
3,20,000	4,86,000	9,62,000	1,181	3,64,018	38-2	4,09,447	48-8 1/2	4,00,000	Teesta Valley	12	14	5,34,651	Nil	15	40	10	311	311	378	378		
9,01,500	10,96,000	2,90,000	1,666	6,68,593	35-6	11,19,45	59-6 1/2	7,75,000	Tukvar	12	279	3,99,993	Nil	Nil	10	10	12 1/2	12 1/2	15 1/2	15 1/2		
DUARS																						
15,00,000	17,66,862	24,25,000	2,540	29,22,880	32-4 1/2	30,81,680	51-2	32,00,000	Banarbat P.	12	2	51,07,307	17 1/2	45	120	100	331	325	766	766		
6,00,000	20,53,853	18,70,000	1,105	14,08,864	32-4 1/2	13,91,320	43-7	13,77,200	Baradighi	12	128	12,94,614	5	30	65	10	49 1/2	49 1/2	471	471		
9,00,000	8,05,410	11,03,042	1,112	12,02,369	35-2	..	..	..	Bhatkawa	12	165	9,45,451	Nil	30	20	100	171	171	243	243		
9,00,000	9,00,000	6,50,000	1,343.9	12,02,369	35-2	11,96,886	52-5	12,80,000	Birpara P.	12	63	12,07,481	Nil	Nil	20	100	201 1/2	201 1/2	278	278		
6,00,000	6,00,000	5,33,093	602	5,53,226	34-5	6,04,104	35-10	5,20,000	Carron	12	63	4,07,837	Nil	22 1/2	25	100	322 1/2	322 1/2	595	595		
6,00,000	5,97,972	12,00,000	901	8,82,560	32-2	10,88,880	49-4	11,20,000	Choonabhatti P.	12	63	12,07,481	Nil	25	90	100	272	272	378	378		
5,30,000	2,16,475	2,50,000	500	4,41,787	33-4	4,01,294	43-8	4,48,000	Ellenbarrie	12	63	3,28,625	Nil	110	100	298	298	342	342			
1,20,000	1,70,317	6,60,000	265	2,14,320	32-6	2,24,800	49-1	2,80,000	Engo	12	354	4,49,619	Nil	Nil	50	10	238	238	401	401		
5,50,000	5,11,776	3,00,000	447	4,59,440	38-9	4,75,840	39-9	5,20,000	Ethelbari	12	88	10,21,301	Nil	20	100	232	232	321	321			
10,50,000	14,00,462	19,75,674	996	11,68,881	29-4	12,26,090	47-11	14,57,249	Gopalpur	12	99	15,05,463	Nil	16	60	100	198	197 1/2	402	402		
32,00,000	22,36,929	60,63,333	4,236.5	32,32,773	32-6	30,88,842	41-1	31,20,000	Hantapara P.	12	74	37,76,920	Nil	25	60	10	33 1/2	32 1/2	47	47		
6,25,000	3,40,000	19,79,213	1,452	18,54,630	27-2 1/2	16,07,368	42-5	17,20,000	Huldbari	12	74	37,76,920	Nil	25	60	10	33 1/2	32 1/2	47	47		
3,50,000	4,50,325	6,65,000	607	3,46,720	32-9	4,86,400	54-3	6,90,000	Hasimara P.	12	74	19,89,539	Nil	22 1/2	30	10	31	31	46	46		
9,00,000	7,65,000	7,12,233	937	9,93,483	32-8	11,66,514	45-7	10,00,000	Killcot	12	217	6,59,183	Nil	10	65	100	250	250	327	327		
2,00,000	2,12,000	3,50,000	620	5,05,247	32-8	5,73,830	45-7	9,60,000	Manasurrie	12	63	13,28,301	Nil	25	40	100	301	318	629	629		
9,60,000	9,90,412	23,90,223	1,123	10,53,498	33-10	11,69,538	45-5	16,00,000	New Doonars P.	12	202	26,36,204	17 1/2	45	110	100	51 1/2	51 1/2	52	52		
3,20,000	5,98,142	8,80,000	578	5,64,560	29-1	15,29,400	49-3	6,00,000	Oodlabari P.	12												

MISCELLANEOUS COMPANIES—Cont'd.

O, Po, C and Dd. Indicate Ordinary, Preferred Ordinary, Contributory and Deferred Shares respectively. P. next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Agents refer to the first page				Accounts closed		Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES			Rs.	Rs.	1953	1954	1955	Rs.	22-8-56	14-8-56	A year ago
Rs.	Rs.	Rs.	Rs.										Rs.	Rs.	Rs.
SUGAR BREWERIES, ETC.															
11,00,000	6,45,722	3,75,000	10,90,564	New Savan Sugar and Gur	5	140	95,437	52,205	..	..	..	10	61	61	71
9,00,000	7,28,559	17,64,369	58,734	Purtabpur Sugar P.	10	25	5,08,340	6,871	10	71	71	10	151	151	181
16,59,820	26,52,127	35,00,000	4,84,050	Ramnugger Cane & Sugar P.	8	1	18,11,504	20,350	20	15	20	10	261	261	281
19,99,600	25,52,553	39,88,218	13,92,915	Raza Sugar P.	10	92	10,78,193	3,144	..	..	..	10	201	201	201
8,00,000	4,42,169	6,54,762	1,85,115	Ryam Sugar P.	6	25	1,43,798	24,340	5	5	5	10	131	131	141
11,99,000	15,94,631	18,37,529	98,312	Samastipur Central Sugar	6	25	79,022	8,477	5	5	Nil	10	131	131	141
20,00,000	72,62,286	36,66,708	1,63,444	Shree Krishna Gyanodaya Sugar P.	7	335	12,99,571	34,064	15	15	171	10	13	13	191
7,94,500	13,54,859	11,65,175	1,11,638	Shree Sitaram Sugar	6	140	1,90,057	7,991	..	..	..	10	151	151	141
9,99,950	14,54,274	1,54,304	1,42,696	Sitalpore Sugar	6	94	1,39,515	1,39,515	Nil	Nil	Nil	10	41	41	61
16,00,000	6,07,804	7,99,778	4,22,372	United Provinces	9	341	4,23,980	39,061	5	121	..	10	21	191	251
8,00,000	38,92,308	21,57,556	3,69,236	Upper Ganges Sugar P.	6	227	10,24,925	82,931	25	25	25	10	941	941	70
4,00,000A	14,24,740	23,74,426	10,72,924	Upper India Sugar	4	302	16,80,986	86,393	..	15	20	100AC	280	280	127
7,00,000B												121BC	281	281	15
MISCELLANEOUS															
8,00,000	2,20,232	1,56,200	9,53,5261	A Firpo (Restaurateurs)	10	85	84,518	4,475	..	..	..	10	41	41	41
1,50,00,000	1,40,80,594	6,21,715	51,361	Air India Ltd.	12	269	6,02,785	14,30,401	Nil	..	..	100	..	..	..
2,00,00,000	2,58,39,656	68,01,534	50,022	Air India International Ltd.	12	322	10,51,340	30,205	Nil	..	..	100	..	..	..
17,50,000C	1,31,03,534	15,00,000	5,97,941	Aluminium Corp P.	3	132	12,82,024	32,582	Nil	Nil	Nil	100D	111	111	71
2,50,000D	42,43,917	14,50,000	53,36,059	Anderson Wright, Ltd P.	12	1	4,94,322	24,401	6	71	..	10	111	111	111
20,00,000	10,11,675	36,73,779	14,41,315	Angelo Bros.	6	268	11,84,131	34,961	121	121	20	10	241	241	231
30,00,000	17,54,434	27,66,265	5,49,634	Assam Match	12	274	6,35,809	1,18,395	121	121	121	10	181	181	191
13,99,998	21,25,615	28,30,285	64,182	Assam Saw Mills & Timber	9	21	97,045	5,14,537	Nil	Nil	Nil	3	51	41	41
20,00,000	61,61,507	23,00,000	61,64,007	Associated Hotels of India P.	8	204	8,82,993	32,683	2	2	4	10	10	91	5
80,01,400	33,50,000	1,09,53,000	1,12,08,422	Balmer Lawrie & Co.	12	304	32,12,152	5,03,129	20	13	121	100	172	172	163
12,00,000	2,65,000	8,24,890	1,80,023	Bararee Coke	3-9	128	2,16,123	22,708	7-7	71	71	10	191	191	221
6,00,000	76,414	Nil	30,72,417	Bengal Timber Trading P.	6	128	6,43,164	1,19,103	..	..	..	100	44	44	43
50,00,000	19,53,822	Nil	19,59,059	Bharat Airways Ltd.	6	22	3,19,589	3,19,229	..	..	..	10	51	51	31
20,00,000	7,95,433	Nil	62,81,006	Birds Investments P.	9	160	5,89,372	1,15,707	121	121	121	10	171	171	181
45,97,020	76,85,085	31,11,814	2,09,476	Britannia Biscuit P.	3	50	8,14,261	1,79,277	5	10	10-101	10	151	151	16
13,98,796	13,98,796	31,11,814	3,39,973	British Ceylon Corporation P.	12	6	27,75,295	1,85,955	..	..	..	71	101	101	111
25,00,000	59,89,738	1,18,00,524	2,50,83,650	British India Corporation P.	12	33	30,23,938	27,36,584	10	11	Nil	5	101	101	91
25,00,000A	2,10,569	5,83,876	1,16,62,849	Calcutta Gas Co (Propr.) Ltd. P.	9	235	6,87,704	22,189	5	5	6	10A	71	71	71
2,50,000B	5,92,780	2,40,694	1,02,576	Calcutta Silk Manufacturing P.	3-9	213	45,711	22,586	..	..	..	10	41	41	5
5,00,000	17,63,710	67,71,168	2,49,58,018	Duncan Brothers & Co Ltd.	12	169	48,24,539	4,28,060	10	12	..	100	130	1201	145
90,00,000	2,94,09,046	3,14,86,174	4,04,79,333	Dunlop Rubber Co. (India) P.	12	96	96,72,154	11,71,685	15	15	15	10	291	291	41
61,26,000	54,12,212	1,48,29,523	9,08,257	Eastern Investments Ltd P.	12	21	12,83,240	3,06,138	9	9	9	100	139	144	171
75,00,000	13,79,357	4,33,826	1,02,21,271	F & C Oster (India) Ltd P.	3	84	4,26,249	5,26,954	5	..	..	10	101	101	171
7,50,000	12,02,139	16,59,676	25,63,120	French Motor Car	3	51	19,33,237	1,02,899	..	..	..	5	201	201	191
14,00,000	14,92,000	10,02,000	11,384	Ganges Rope	3-9	19	89,571	27,194	10-10	71	71	100	187	187	192
2,25,000	31,95,729	37,892	5,12,210	General Investments Trust P.	2-8	21	45,701	9,951	21-21	21	21	75	43	43	131
65,00,000	34,18,813	42,00,000	1,09,15,528	Gilanders Arbuthnot & Co Ltd P.	3	105	29,71,809	1,51,360	71	71	71	10	131	131	141
20,00,000	27,68,049	5,00,324	12,83,557	Gladstone Lyrall & Co Ltd P.	12	209	7,02,792	34,255	..	..	..	10	25	25	171
40,00,000	31,71,333	7,81,000	98,384	Godfrey Phillips (India) Ltd P.	12	310	19,01,201	11,96,811	171	10	20	10	25	25	171
30,00,000	32,90,010	17,22,203	6,22,424	Great Eastern Hotel	3	225	5,30,579	16,373	..	..	..	250	239	239	229
10,00,000	17,38,764	1,61,173	9,221	Hindustan Ice & Cold Storage	9	..	43,377	24,274	..	..	..	5	11	11	11
35,20,000	31,95,729	19,00,000	19,72,453	Hoare Miller & Co Ltd.	12	294	91,339	67,868	Nil	Nil	..	10	161	161	141
15,16,00,000	7,28,49,459	7,23,36,779	5,90,97,499	Imperial Tobacco	3	325	3,18,18,053	25,00,733	41	6	8	10	161	161	141
1,60,00,000	2,41,97,583	63,33,999	10,13,114	Indian Aluminium Co., Ltd. P.	12	293	26,76,662	14,18,074	Nil	Nil	9	10	241	231	..
1,52,89,220	98,54,740	1,62,50,000	3,90,322	Indian Cable P.	3	34	77,23,781	28,98,462	10	10	121	100	331	341	291
5,00,000D	22,07,260	2,21,280	11,69,467	Indian National Airways	12	93	36,302	12,62,971	..	..	..	100	61	61	51
83,75,000D	6,57,319	8,08,000	8,08,202	Indian Rubber Manufacturers P	3	173	4,07,268	1,36,845	..	..	..	10	161	161	131
1,25,000D	4,64,735	18,15,467	10,03,705	Indian Wood Products	9	88	17,28,038	2,76,619	25	271	30	100	391	391	41
8,27,970	4,64,735	18,15,467	12,40,386	Investments and Finance P.	2-8	21	1,07,254	7,890	21-21	21	21	2	65	65	65
2,40,000	15,362	4,46,244	3,20,757	Ivan Jones Ltd.	9	194	1,39,321	36,496	..	..	..	50	41	41	31
5,87,500D	2,23,827	2,97,161	6,66,685	James Wright P.	12	281	62,875	5,299	6	5	..	100	991	991	125
1,17,500Dd	51,23,900	55,00,000	3,73,43,977	Jardine Henderson Ltd P.	3	39	41,68,361	4,70,107	71	71	71	100	991	991	125
2,00,00,000	3,17,363	6,02,958	3,21,617	Macfarlane & Co.	3	133	14,078	4,849	..	..	..	50	21	21	21
6,34,000D	82,21,000	44,53,211	3,30,53,661	Macneil & Barry Ltd P.	3	334	37,93,020	6,21,756	71	71	71	100	21	21	21
66,000Dd	36,41,510	54,56,063	1,85,74,341	Martin Burn Ltd P.	9	309	71,18,708	2,03,456	131	131	181	10	241	241	240
1,50,00,000	37,19,459	72,01,900	2,34,00,554	McLeod & Co P.	12	282	25,04,502	1,87,834	5	12	..	100D	240	240	240
1,37,53,000	1,10,37,201	69,74,249	7,33,589	Metal Box Co. of India Ltd P.	3	167	62,82,608	16,24,219	10	10	21-161	10	291	291	281
40,00,000D	19,89,407	74,12,035	11,31,121	National Insulated Cable P.	3	7	30,26,600	2,22,282	10	10	..	10	251	26	191
20,00,000	31,74,413	40,40,000	2,67,663	National Rolling & Steel Ropes	6	7	18,65,549	31,724	51	15	10	10	11	101	151

BOMBAY MISCELLANEOUS COMPANIES

O P. F. D. G. and R indicate Ordinary, Preferred Ordinary, Founders', Deferred, Guarantee and Rebate Shares respectively. P. next to the names of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits Including taxation	Carry forward	Dividends per cent.			Paid-up per Share	Latest Market Quotations as available until		
									1953	1954	1955		20-8-56	10-8-56	A year ago
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.				Rs.	Rs.	Rs.	Rs.
CEMENT															
12,67,59,333	16,16,27,689	6,15,51,096	3,90,26,918	Associated Cement	7	53	4,71,77,960	5,62,770	9½	8½	10	100	203½	195	195½
ELECTRIC LTG. POWER															
6,99,95,600	11,08,94,307	69,91,218	20,82,140	Ahmedabad Electricity	9	146	35,75,580	188	6½	6½	5	100	99½	98½	109½
2,92,83,500	4,18,62,358	52,34,507	65,30,599	Andhra Valley Power Supply P	6	267	46,19,171	25,735	7½	7½	7½	1,000	1,237½	1240	1,380
1,74,99,700	2,14,85,122	39,32,485	5,79,834	Bombay Suburban Elec. Sup.	3	146	19,21,739	45	7	7	7-7*	100	111½	110	122½
38,08,200	17,49,053	4,75,323	14,87,557	Poona Electric Supply P.	12	229	3,86,015	..	..	..	..	100	146	146	146
2,34,45,225	3,37,63,356	63,82,045	58,39,875	Tata Hydro-Elec. Power sup. P.	6	267	37,75,537	21,171	7½	7½	7½	100	128½	128½	146½
5,02,78,750	8,98,37,405	1,41,56,578	1,29,22,549	Tata Power P.	6	267	77,32,961	27,952	7½	7½	7½	1,000	1,312½	1310	1,485
ENGINEERING & METAL															
83,42,200	17,06,292	44,16,374	1,54,08,311	Alcock Ashdown	12	268	8,79,666	1,35,820	10	12½	..	100	345	361½	281½
6,00,000	36,058	4,53,124	91,038	Just's Engineering	3	115	1,17,555	5,394	15	15	8	50	96	96	96
40,00,000	11,26,513	10,00,000	9,74,664	Larsen & Toubro P.	3	351	14,60,726	28,740	10	10	10-10*	100	163	163	133½
40,05,100	81,25,753	2,02,500	49,333	Machinery Mfrs. Corp'n Ltd P	3	330	2,02,006	64,676	Nil	Nil	Nil	100A	..	..	..
1,10,00,000	15,00,978	16,66,194	7,06,260	McKenzie	7	283	1,49,085	64,938	..	..	..	100	96½	96½	96½
2,50,000	4,834	1,00,53,052	1,79,52,042	Premier Construction P.	12	284	3,35,178	59,102	20	25 5/6	28 1/3	300	208½	204½	171
1,31,250	7,33,56,425	26,78,952	44,49,499	Tata Locomotive & Eng. P.	3	69	3,303	50,350	Nil	Nil	Nil	100	175½	168½	139½
4,18,72,400	..	..	..	Tata Iron & Steel P.	3	269	9,26,44,872	4,04,945	28	14	14-14*	750	212½	207½	260½
INSURANCE COMPANIES															
20,00,000	..	23,84,913	95,96,033	British India General	12	297	4,24,629	1,18,606	..	..	..	10	13½	13½	13½
5,15,000	..	11,04,84,687	8,95,48,481	Empire of India Life	12	253	..	..	..	..	..	100	675	675	675
8,46,120	..	38,33,999	46,38,803	Indian Mercantile	12	75	..	1,13,109	..	..	..	20	45½	45½	45½
18,74,940	25,01,134	2,88,61,155	2,61,49,442	Jupiter General P.	12	55	38,351	4,65,316	Nil	Nil	..	15	9½	9½	9½
1,06,81,590	..	1,68,81,793	27,25,18,952	New India	12	179	43,58,653	71,250	13½	16 2/3	..	15	49	49½	47
6,00,000	..	67,83,74,430	63,46,53,420	Oriental Life	12	298	..	..	..	..	..	200	3,820	3,820	6,810
15,99,270	..	29,41,860	59,86,789	Vulcan	12	255	6,05,803	2,81,242	10	10	..	10	15½	15½	15½
MISCELLANEOUS															
90,79,065	31,95,468	3,97,409	12,61,996	Air Service of India	6	336	-15,61,405	-37,22,790	..	..	..	15	..	..	..
47,97,250	21,34,989	35,75,182	78,89,034	Belapur Sugar	9	42	53,89,000	61,389	..	..	..	50	254	253	340½
50,00,000	2,20,64,333	4,12,86,155	2,67,37,639	Bombay Burmah Trading	5	285	47,93,172	61,990	..	16	21	125	762½	732½	565½
42,00,000	1,21,04,053	31,74,431	31,74,431	Bombay Steam Navigation P.	6	256	4,54,215	30,135	..	..	..	50	290	276½	204½
99,99,250	3,085	19,47,386	1,28,40,992	Industrial Investment Trust	12	299	5,81,909	2,83,136	..	4½	4½	100	72	72	72
6,00,000	1,36,558	39,662	4,76,114	Kemp (Chemists)	3	87	4,99,559	4,78,677	..	..	..	200	215	215	215
1,57,71,400	5,74,05,779	1,81,13,445	2,99,042	National Rayon Corp'n.	12	352	63,19,604	5,72,076	9	10	..	100	213½	213½	213½
9,39,98,069	18,36,63,413	12,46,31,677	7,10,16,957	Scindia Steam Navigation	6	198	32,72,555	22,72,555	5	2½	2½	20	19½	18½	16½
7,00,000	27,45,055	57,30,000	11,27,080	Shivrajpur Synd. (Manganese)	11	146	35,49,059	21,661	70	80	80	10	91	90	78½
1,39,95,990	1,94,71,944	13,51,214	4,14,939	Tata Chemicals P.	6	269	13,55,026	57,597	Nil	Nil	Nil	10	20½	20½	16½
70,07,475	75,25,791	34,08,586	22,83,813	Tata Oil P.	3	269	3,00,461	11,453	7	9	8-12*	25	57	58	46½
2,75,00,000	1,46,45,903	2,43,20,936	1,59,49,201	Western India Match	12	274	74,05,281	5,61,984	11	11	11	100	185	185½	193½

*1956 1Liquid Assets

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Block Account	Reserve & other Funds	NAMES	Accounts closed	Managing Agents	Net Earning	Carry forward	Dividends per cent			Paid-up per Shares	Latest Market Quotations as available until		
Rs.	Rs.	Rs.				Rs.	Rs.	1953	1954	1955	Rs.	22-8-56	14-8-56	A year ago Rs.
CALCUTTA														
17,24,000	20,62,356	2,00,804	Ahmedpur Kutwa S.S.G.	3	165	-29,367	..	2½	2½	2½	100	59	59	56
21,69,300	33,40,889	6,00,702	Arrah Sasaram D B G	3-9	32	2,57,676	33,735	3-3	3-3	3-3	100	72	72	75
34,00,000	41,30,202	3,11,043	Bankura Damodar River S.S.G.	3	165	46,607	..	2½	2½	2½	100	58½	58½	60½
19,00,000	29,09,643	4,91,171	Baraset-Basirhat D.B.G.	3-9	331	18,844	1,18,863	..	..	..	100	10	10	19
17,80,000	21,78,786	2,20,877	Burdwan Cutwa S.S.G.	3	165	78,839	..	4	2½	2½	100	58½	58½	63½
31,00,000	35,46,011	..	Chaparmukh Silghat S.S.G.	3-9	32	62,834	10,849	1,29-1,29	1½-1½	1½-1	100	53½	53½	49½
4,75,000	3,20,040	4,75,006	Cherra Chhatak Ropeway	3	88	7,071	9,917	12½	5-..	NH	6	7½	7½	7½
2,47,650	2,75,015	65,236	Darjeeling Ropeway	3	101	18,097	4,549	1½	2½-..	2½	10	7½	7½	3½
22,50,000	60,65,477	12,50,000	Dehri-Rohas	3	335	5,10,908	26,753	6½	7½-..	10	10	14½	14½	15½
11,49,700	20,10,843	1,68,140	Futwah Islampur S.S.G.	3-9	32	-33,016	5,917	98-98	99-1	1-1	100	54	56½	55
16,00,000	50,82,188	17,87,954	Howrah Amta D.R.G. (P)	3-9	32	1,18,351	90,009	3-3	3-3	3-3	100	59½	59½	70½
6,00,000	13,97,138	4,43,410	Howrah-Sheakhala D.B.G.	3-9	32	26,627	20,122	3-3	3-3	3-3	100	37	37	54½
19,50,000	27,95,689	2,47,135	Kalighat Falta S.S.G.	3	165	-1,99,473	..	2½	2½	2½	100	59	58½	60
8,91,100	15,16,175	10,551	Katakhal-Lala Bazar S.S.G.	3	165	31,257	..	4½	5	..	100	75	75	74½
15,00,000	62,56,929	28,77,041	Shahdara Delhi Saharanpur	3-9	32	6,26,073	17,25,546	6-6	6-6	6-6	100	125	125	152
1,75,000	5,41,779	2,04,841	Tezapore Balipara Tramway P.	3-9	165	-43,574	5,944	..	..	..	100	..	..	..

Managing Agents Managing Directors and Secretaries with their Respective address.—(Contd.)

320 F. W. Penn—United Breweries Ltd., Bangalore-1.	329 Sri G. D. Shagat—15, Shib Bhakur Lane, Calcutta.	339 M. G. Investment Corp., Ltd.—127, Mahatma Gandhi Road Fort. Bombay.	348 Sahu Jain Ltd.—11, Clive Row, Calcutta.
321 F. O. Williams—14, Old Court House St., Calcutta.	330 Mahindra & Mahindra Ltd.—Gateway Building, Apollo Bunder, Bombay.	340 K. O. Cherylan—Travancore.	349 Chandmull Batia—7, Canning Street, Calcutta.
322 Messrs Tata Sons Ltd.—New India Assurance Buildings, Mahatma Gandhi Rd. Fort. Bombay-1.	331 N. L. Roy & Sons—Canning St., Calcutta.	341 James Finlay & Co. Ltd.—2, Netaji Subhas Road Calcutta.	350 K. E. Agarwal—Empire House, Hornby Road Fort. Bombay.
323 Anderson Wright & Co.—1, Wellesley Place, Calcutta.	332 M. Paspati, 21, Ravelin Street, Fort. Bombay.	342 U. N. Chatterjee—2, Royal Exchange Place, Calcutta.	351 E. & F. (Management) Ltd.—J. K. Building, Douglas Road, Ballard Estate, Bombay.
324 Bathgate & Co.—17/19, Old Court House St., Calcutta.	333 Jaspuria Bros. Ltd.—33, Netaji Subhas Road, Calcutta.	343 Eastern Smelting & Refining Co., Ltd.—10, Clive Row Calcutta.	352 C. G. Mahant—Ewart House, Bruce Street Fort. Bombay.
325 John Rutherford Blake—Virginia House, 51, Chowringhee Calcutta.	334 S. Latimer—2, Fairlie Place Calcutta.	344 V. J. Pillai—Victoria Bunder Colaba.	353 N. K. Jhajar—14, Netaji Subhas Road, Calcutta.
326 Beriwalla Bros.—33, Netaji Subhas Rd., Calcutta.	335 Sahu Jain Ltd.—Daimanagar.	345 The National Tea Corporation—130, Cotton Street Calcutta.	354 G. C. Kanol—P-8, Mission Row Extension Calcutta.
327 Marwar Textiles (Agency) Ltd.—Waudby Road, Fort. Bombay-1.	336 Putsalis Kilachand—Scindia House, Douglas Road, Bombay.	346 Seshasayee Brothers (Travancore), Ltd.—Eloor Factory Always.	355 G. G. Robertson—16, Strand Road, Calcutta.
328 John Taylor & Sons (India) Ltd.—Mysore, Coorgam, South India.	337 Beriwalla & Co.—63, Netaji Subhas Road Calcutta.	347 Associated Commercial Co. Ltd.—161/1, Harrison Road, Calcutta.	
	338 B. R. Sons Ltd.—Hornby Road, Fort. Bombay.		

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THE DWINDLING BALANCES

INDIA'S NEED FOR FOREIGN EXCHANGE INCREASES

It is too early yet to say that the second five year plan is running into foreign exchange difficulties. The present heavy drain on the sterling balances may be due to special factors which will correct themselves in a month or two. There is no reason for alarm at the moment, but there is every excuse for exaggerated caution. The plan's estimates of foreign exchange earnings are one of its weakest features. That is a fact which has been recognised from the beginning. The Planning Commission itself has emphasised the importance of exploring "all possible avenues..... or securing the required inflow of resource". The recent visit of Mr. B. K. Nehru, Joint Secretary of the Finance Ministry, to the capitals of western Europe was undertaken with this advice in mind. But calculations made so far have been based on the assumption that resources at present available will be adequate for the first three years of the plan without there being any need to supplement them with large foreign loans. Whether this expectation is now being revised in New Delhi is difficult to judge. But the need to have plans ready to stop any unexpected drain developing before the three years are up, is now clear enough, and comparing the size of the second plan's foreign exchange estimates with that portion of the sterling balances earmarked for development financing, it is obvious that the margin of error in the planners' calculations is too small or comfort. Current drawings on the sterling balances are running at the rate of Rs. 276 crores a year, averaged over the period since the second plan commenced on 1st April. This figure must be judged alongside the planners' estimate of Rs. 200 crores for the full five years. On present showing, therefore, extraordinary methods to supplement foreign exchange resources will be necessary in another seven months' time. That is, of course, assuming that the present trend continues.

Why the outflow of foreign exchange should be so much greater than expected may not be clear for some considerable time. The general rise in the world's price level is unlikely to be responsible for a discrepancy of this size, although it could play a larger part in the future than the planners originally expected. There is no particular seasonal reason why the drain should be so heavy, except that large food purchases have recently been made to cover possible shortfalls in this year's harvests. These have not been large yet, but even on the more optimistic views about the success of coming monsoons, they are more likely in future to increase than diminish. There have lately been signs of the inflation the planners warned might disrupt the foreign exchange estimates. But these are a recent development and have not yet assumed proportions which should seriously affect the balance of payments. It seems the most probable explanation is an increase in the import of equipment for industrial development. If this is the case, it will seriously limit the scope for corrective measures. Any interference with the flow of development machinery could disrupt the industrial progress planned for. It is this danger which suggests that an immediate review of the foreign exchange estimates might be necessary if the second five year plan is not to be wrecked in its first year.

The obvious way to correct an adverse balance of payments is to export more. This is not easy in the short-run and might, in fact, be anything but a satisfactory remedy for a developing economy which needs all the goods it can obtain for its own use. It is also an inflationary expedient and is, therefore, inappropriate at the present time. There is no question about the need for building up a sound and expanding export trade in step with the development of the economy, but it is scarcely desirable, even if it were possible, to divert resources now from development at home in a drive to increase those being sent abroad. That does not, of course, affect the need for encouraging traditional export industries to expand

their markets. Cotton textiles, for example, might provide scope for rapid growth if government policy could be more helpful. The planners set out a number of other ways by which foreign exchange might be raised and, especially in the short-run, these are more promising than any substantial expansion of exports. Raising loans in foreign money markets should be possible, especially after Mr. B. K. Nehru's European tour. How cheaply such loans could be arranged is difficult to say. The money market which might be expected most readily to supply India's needs—the London one—is prohibitively expensive at the present time. Others are not so familiar with Indian conditions, nor do they possess the same facilities. But there must be several creditor nations in Europe, particularly Switzerland and West Germany, which are at present looking for outlets for their surplus earnings and would benefit themselves by providing some of India's capital needs. There is at present no lack of facilities which can be tapped for the supply of export credits. This is a source of finance which has important short-run possibilities and might help to tide over a temporary difficulty.

If the planners have blundered in their estimates and the present drain on the sterling balances proves to be permanent, then the sources of longer-term finance may have to be cultivated more carefully. The plan named these as the World Bank, the International Finance Corporation, the United Nations Technical Assistance Administration and

the vast majority of India's newspapers which are bigger and better known, are so primarily because of their regard for standards and quality. The relative lack of concern for these two essentials in journalistic enterprise seems to have been the greatest weakness of the debate. This is unfortunate, because it is precisely against higher standards and competition that the price-page schedule constitutes a major attack. In many ways, newspapers are like any other business; their quality depends on the quality of people they employ, which depends to a large extent on what they are prepared to pay, which in turn depends on their financial position. The effect of the introduction of a price-page schedule would be to weaken the finances of the few journals in whose case they are still fairly healthy, without ensuring corresponding benefits for those which are poorly placed. The present thinking seems to run along the lines that if a newspaper tries to become richer by carrying more advertisements, it should be compelled to print more pages and that should automatically compel it under the new regulations to raise its price. The time would then arrive when more and more readers would shift their patronage to cheaper (and smaller) rivals, the advertisers would find it less attractive, and in consequence shift their advertisements also to the cheaper papers. The price-page schedule would thereby act as a sort of a governor, limiting the growth in each newspaper's advertisement revenue, and readership would as a result be more evenly distributed; the smaller and the younger papers would be able to move up in the general scheme of things, and ultimately be in a position to compete with their bigger rivals.

This reasoning seems to have at least one prominent weakness, and that is the idea that if an advertisement is not given to one newspaper it will automatically go to another. In a country where business men usually have to be badgered into buying advertising space, this is simply not true. The fact is that if newspaper A, in conforming with the price-page schedule, is obliged to decline an advertisement, the latter will not necessarily be offered to newspaper B; the likelihood is that it will be offered to nobody at all, unless some publication of the same general appeal as newspaper A turns up. Quite often such a publication will not be found, and the result then will be that the Government will have weakened the financial foundations of the newspaper industry as a whole. There are other strongly competing advertising media in this country, such as the radio, cinema, posters and leaflets. If certain newspapers can get substantial contracts for advertisements, it is only after struggling against these media, and not merely by sinking their own smaller cousins. There is nothing the Government can do to restrain the revenue earned by these other advertising media in competition with small and young newspapers; why, then, should it seek to subdue the attractions of the bigger and older journals, on the quite erroneous assumption that they alone hold the lesser rivals down?

It is clear from ministerial speeches during the Rajya Sabha debate that the Government itself has no clear idea what the effects of the price-page schedule will be. Dr. B. V. Keskar, Minister for Information and Broadcasting, virtually admitted that the proposal was being adopted after "strong pressure" from various newspapers and members of Parliament. The Government, he said, had been "very reluctant" to take the powers under the new Bill, and "had tried not to have any such things thrust on it." The surrender to pressure is unfortunate, and not only because there is no limit to when or where it might end. As long as there are newspapers which think that they have neither enough readers nor enough advertisements—and such newspapers are in the majority everywhere—there will always be pleas and suggestions to extend such protective umbrellas over their heads. To assuage their jealousy by tying down their bigger and more successful rivals is the surest way of putting shoddy, superficial and third-rate reading matter in the hands of the Indian public. If the intention is that there should be more newspapers, and more prosperous ones, the remedies probably lie in other directions. For the time being, at least, ambitions must be qualified by the fact that when readership is limited, the number of newspapers cannot be unlimited. The readership needs in each case to be increased by an improvement in quality, and that is a matter for newspapers to tackle individually and together. Only strong competition can ensure that standards are maintained and improved; this means that newspapers must be allowed to strive freely for wider audiences who buy them for their quality. As the circulation increases, the volume of advertisements is likely also to increase, and the two together should ensure the financial health of the industry. With financial prosperity would come also the scope for starting more newspapers, and for recruiting better brains. The concept of the price-page schedule seems likely to work in precisely the opposite direction—by weakening the few units which are financially viable, and by bolstering today's multitudinous symbols of mediocrity.

CHANGING TRENDS IN WORLD TRADE

KEEPING PACE WITH HIGHER PRODUCTION

THE expansion of international trade which began in 1952 has kept pace with the rapid growth of the world's industrial production. Between 1950 and 1955 the volume of both world exports and world industrial production increased by 31 percent to 32 percent. This is one of the statements contained in a report on recent developments in the structure and pattern of international trade issued in Geneva by the contracting parties of the General Agreement on Tariffs and Trade. This interesting analysis (*International Trade, 1955*, published by the United Nations) brings out a number of little-known recent developments in world trade.

Not only did the volume of trade increase by nearly a third in five years, but the rate of growth was accelerated year by year. The report notes three major developments.

(1) The rise in world exports last year was again mainly accounted for by trade among industrial countries, while the relative importance of the non-industrial areas continued to decline—both as suppliers to the industrial areas and as markets for their products.

(2) There was a revival of North America's exports due largely to the growing dependence of western Europe on supplies of American raw materials and fuel.

(3) Many industrial countries have been induced by growing competition in world markets to lower their costs of production, and, therefore, to rely more heavily on imports from the most economic sources of supply. To that end they have adopted more liberal import policies.

Trade among industrial countries last year reached 38.7 percent of the total world trade. It has been steadily increasing. On the other hand, the share of trade between the industrial and non-industrial parts of the world is shrinking. In 1937 it was 55 percent; in 1955 it was only 50.7 percent. The main causes of this important change in the pattern of world trade are analysed in some detail. One of them is the relative decline of the textile industries in the industrial countries.

Commenting on the liberalisation of dollar imports in western Europe, the G.A.T.T. report points out that in 1955 the imports of the eleven western European countries from North America rose by 38 percent, while their total imports from all other sources rose by only 12 percent. However, this increase in dollar imports does not seem to be directly due to the relaxation of import controls but rather to the greatly increased European need for raw materials, especially metals, and for fuels.

A feature of world trade last year was the relative stability of average commodity prices. This applied to both primary products and manufactures, although in both sectors some individual prices rose sharply. Another trend brought out by the report is the growing competitive advantage of the eastern European countries in the supply of capital goods. It is suggested that eastern European costs will benefit from closer exchange of technical information and designs, and from a higher degree of specialisation. The Communist countries now appear able to ship capital equipment and semi-manufactures "as readily as the industrial countries of the western world." Discussing the specialisation of eastern countries, the report says that Czechoslovakia, for instance, has increasingly concentrated on the export of machine tools, power plant and motor vehicles. East Germany has specialised in electrical machinery and precision instruments, and Hungary in barges, diesel locomotives and electrical appliances. Poland is offering railway rolling stock, mining equipment and power machinery, while Rumania exports oil-drilling equipment, pipes and tubes.

In dealing with less-developed countries outside the Communist bloc, eastern Europe is also gaining advantage from a readiness to accept payment in kind over a number of years. "They are prepared to buy important amounts of raw materials and foodstuffs," states the report, "which in certain cases would have been difficult to dispose of in world markets."

On the other hand, "the sporadic nature of the exports of certain commodities to eastern Europe and China, and the rapid transfer of orders from one source of supply to another which have been noticed in recent years, do not seem to give to the non-industrial countries the kind of stability which seems to them essential for their economic development." Quoting recent examples, the report refers to sharp fluctuations in Russian purchases of dairy products and cocoa, and "abrupt shifts" in the sources of supply for cotton, wool, rubber, meat and cereals from the rest of the world.

CURRENT COIN

Sen-Raleigh Expanding.—Mr. S. K. Sen, chairman, gave an encouraging account of the progress of Sen-Raleigh Industries of India Ltd. to the company's shareholders at the annual general meeting in Calcutta on Tuesday this week (a fuller report of his address appears on a later page). The company is paying its maiden ordinary dividend of six percent tax-free for the year ended 30th September, 1955. This has been possible because of a rise of more than Rs. 6.5 lakhs to over Rs. 11 lakhs in the net profit, which in turn is due to a rise of Rs. 24.75 lakhs to Rs. 112.95 lakhs in turnover. Normal depreciation has been written off and a general reserve created. Mr. Sen reports that the company ended the year with record orders on its books for both bicycles and components. Sales of all products showed an increase, and orders were in excess of production capacity in all lines except bicycle chains. Sen-Raleighs have substantial plans for expansion. They have asked the Government to sanction an increase in capacity which will enable them to raise output to 200,000 bicycles and 500,000 sets of components. Additional capital will be required to finance these expansion plans and the others already in progress. The company therefore intends to approach the Industrial Finance Corporation for a further loan of at least Rs. 15 lakhs. The advisability of getting the remainder of its share capital subscribed is also being considered. Mr. Sen makes an encouraging reference to the growing popularity of Indian bicycles, but urges the Government to be cautious in framing its future import policies.

Burrakur and Standard Collieries.—A general meeting of the shareholders of the Burrakur Coal Company is to be held in Calcutta today. The meeting has been called to consider the proposal made by Burrakur's directors and those of the Standard Coal Company Ltd. for amalgamation of the two concerns. The Standard Company has an issued capital of Rs. 8 lakhs divided into 80,000 ordinary shares of Rs. 10 each. The company's colliery was sold on 1st October, 1952, and since that date, except for fixed assets valued at Rs. 1,43,060, the entire assets of the company have consisted of investments. It is pointed out that Standard Coal is now virtually an investment company and that, as its business should be primarily coal-mining, it would be in the best interest of the shareholders to amalgamate with a first-class company like Burrakur. The directors of the Burrakur Coal Company say that an extensive development and expansion programme is now on hand and that large sums will be required for it. The alternative to raising a debenture loan or increasing the company's equity capital, both of which might be difficult and expensive expedients considering the present uncertain conditions in the coal industry, would be to amalgamate with the Standard Company and use its current liquid assets, valued at over Rs. 20 lakhs, to help finance the development programme. This step, Burrakur's directors point out, would increase the capital liability of their company to only a limited extent. It is therefore proposed that the entire assets and liabilities of the Standard Coal Company Ltd. should be transferred to the Burrakur Coal Company Ltd. in exchange for the issue of two ordinary shares of Rs. 10 each for every fully paid-up ordinary share held by the shareholders of the Standard Coal Company Ltd.

Collective Action by Business.—The business men's meeting, held in New Delhi last week under the auspices of the Federation of the Indian Chambers of Commerce and Industry, may represent the beginning of concerted opposition to the increasing State incursion into foreign trade. If the business community is to present a good case to the doctrinaires of New Delhi, it is clear that this is an indispensable method of doing it. The Government is not usually impressed by sound economic arguments unless there is a direct appeal to its political ideology, but lately a softening of attitudes has been evident, and there are welcome signs that the Government is paying more attention to economics than before. Mr. Babubhai Chinai, Vice-President of the Federation, who addressed the meeting, was both shrewd and sagacious in the observations and suggestions he made. Mr. Chinai was clear that the decision of the State to enter foreign trade was wholly political, although he did not want the policy itself to be challenged because that he considered would be practically useless. But while offering this counsel, he also reviewed all the issues arising out of State trading, particularly as they affect the interests of the business community. He recalled Mr. Krishnamachari's statement on the rationale of State trading in which the Union Minister had said that it was meant primarily to stimulate trade, mainly export trade and incidentally import trade, and in doing this, to fill many gaps in the existing trade mechanism. The Government had, however, given no assurance that State trading would be restricted to any particular lines, and

as things stood today, the issues arising could be classified broadly into these three categories: (1) the effect of State trading on foreign exchange earning and the reaction to it of overseas buyers, (2) its effect on the activities of mine-owners and shippers and (3) the need for co-operation between the State Trading Corporation and private trade. On the first two issues, Mr. Chinai cited a number of reasons why State trading would have some adverse effect on mine-owners, particularly smaller ones, and why foreign buyers would prefer to deal with private traders, thus making the point that further encroachment of the State on foreign trade would be undesirable from these points of view. On the third point convincingly proved that if anything went wrong with the iron and manganese ore export trade, it was mostly due to Government policy. Wagon shortage was a problem for which private traders were not responsible, and State trading could not be represented as an answer to that by any stretch of logic. He substantiated his arguments with the following facts. In 1953-54, manganese ore exports reached the level of 1,500,000 tons, i.e. 60,000 tons higher than the target fixed for 1950-51. But as a result of the quota system, introduced since October, 1953, inadequate transport facilities, violet price fluctuations and the lack of handling facilities at the ports, the exports have declined. Iron ore exports reached the very high level of 1,363,000 tons in 1955-56, entirely handled through private trade. In the circumstances, Mr. Chinai wondered how the argument that the private trading mechanism was inadequate could possibly hold true. Yet there was the heartening feature that the chief of the S.T.C. had declared his willingness to hold consultations with industry and trade and "to utilise the existing trade channels to the extent possible." He wanted the business community to take advantage of this, and form consultative bodies to be in touch with the Government on matters of trade, be it in ores, cement or vegetable oils—the other two lines which the S.T.C. has decided to enter or in which it is preparing to participate.

Trade With Burma.—The recent visit of Mr. Lalji Mehrotra to Madras produced many suggestions for removing difficulties in trading with Burma. The import of pulses into south India has been seriously delayed this year. Prices in Madras and elsewhere have been rising steadily because supplies from Burma as well as from north India have been held up by transport shortages and other difficulties. Burma is a major market for groundnut oil, and has often paid better prices than the U.K. for oil in drums shipped from Madras. But there is no quota for groundnut oil exports, so the Oils and Seeds Association asked the new Indian Ambassador to Rangoon to enquire which other vegetable oils would be acceptable. It is thought that vanaspathi might find a market in Burma. Complaints about rough handling at Rangoon port were also put forward and attention drawn to the increased expenditure resulting from port delays. Trade with Burma was once substantial but today India holds only third place as a trading partner. That is due partly to the end of tariff preference and partly to the fact that India cannot provide capital for Burma's rehabilitation. The reduced imports from Burma during 1955 cannot be ignored in assessing trade changes or prospects. As a source of raw rubber, Burma may become more important, but whether planters in south India will approve of this is doubtful. Raw cotton and groundnuts, which are available in limited quantities, might feature in exports to India. Indian exporters have not so far complained against State trading by the Burmese Government and have also refrained from criticising the export duties on rice and timber. This is perhaps because Burma's need for revenue and India's own fiscal policy render criticism futile. South India should be doing well out of the advance in prices this year for oil, pulses and condiments exported to Burma. The appearance of Japan as a new rival is explained by the reparations agreement, which accounted for the sharp increase last year in the flow of Japanese goods into Burma. There is, however, an agreement to supply Indian yarn and textiles for Rs. 185 lakhs and the payment will be made in the form of U.S. cotton.

Welfare Burden on Tea.—Welfare burdens increase for all major industries as the Indian Government administers its socialism to the economy in doses, but the tea industry, it would seem, has been made to shoulder more than a fair share of the burdens. Labour welfare in itself is a good thing, and the present impositions would be wholly desirable were it not for the fact that the cost of this welfare, together with taxation, has been seriously impairing the tea industry's competitive strength in overseas markets. This industry is a major foreign exchange earner, and affords employment to thousands of workers. These are important reasons why it should deserve fair, if not special, treatment during the second five year plan, during which it is expected to increase its output to 700 million lbs and maintain exports at the level

of 500 million lbs. But placing present market conditions against a background of constantly rising costs, and the average prices available to it, the industry fears that it will soon face a crisis on the scale of the one it did a few years ago. Yet the Government shows no keen awareness of this situation, and State Governments vie with one another in enforcing social security measures. Mr. H. C. Kothari, chairman of the Association of the Planters of the State of Madras, stated at this body's recent annual general meeting that the welfare cost to the industry in the State, under the Madras Plantations Labour Rules enforced since January this year, was staggering. "The full implementation of the Rules over a period of, say, 10 or 15 years," he calculated, "will give the worker an invisible wage increase of from 25 to 50 percent by way of cost of amenities, will give him free housing of a standard undreamt of by the ordinary agricultural worker of today, hospital facilities of a standard which even many mofussil towns in India do not have, free primary education to his children, free feeding of his children in well-appointed creches, free recreational facilities and maternity benefits for women workers which are 50 percent higher than in any other industry." The cost would correspondingly rise and Mr. Kothari feared that many small units would not have the strength to stand up to the burden.

India's Export Prospects.—With textile exports falling and the prospects for jute goods, another staple item of export, dimmer than usual, the problem of foreign exchange for the second Indian plan has lately come into sharp focus. The planners anticipated a gap of Rs. 1,120 crores in the country's balance of payments during the current quinquennium, and had hoped that the country's exports would rise at a rate sufficient to bridge this gap, with some windfalls of foreign assistance. But the trend of events must have disappointed them already. Exports have not been rising at the expected rate because competition in overseas markets has stiffened and, to make matters worse, a sharp inflationary pressure has made itself felt in the domestic economy. What this means for the plan needs little explaining, but it does seem that a far more resolute drive than has been made, so far is called for to save the situation. This is what Mr. K. P. Goenka, in the course of his presidential address, told the first quarterly general meeting of the Indian Chambers of Commerce, Calcutta, last week. After a detailed analysis of the events that have led to the present unhappy state of the trade balances, he stated his conclusion plainly that "the success of the plan would largely depend on the measures taken to augment the country's foreign exchange resources", and he suggested some of the measures that should be taken promptly to arrest the deterioration. Foreign aid could be a painless way of bridging this huge gap, but Mr. Goenka, like many others, does not believe that sufficient foreign aid will materialise. He, therefore, urged that efforts be made to "create conditions for such foreign enterprise as are already established in India to retain their interest in the country", so that the surplus indigenous capital can be invested in fresh enterprises. Among the measures he suggested to keep the payments balance in reasonable shape were those (such as lower tax rates, less of welfare by legislation, and a wider and more intelligent study of overseas markets) which could increase the competitive strength of Indian exporting industries.

INDIAN TEA ABROAD

THE rapid strides that have recently been made in the consumption of Indian tea in America and Australia would seem to justify the assumption that the conversion of our cousins to a taste for our teas will not take a tithe of the time which elapsed ere the average of 5 lbs per head of the population of Great Britain was reached. It must be remembered that, with the exception of the outturn of the Assam Company, no Indian teas worth mentioning were put upon the London market until 1862, and certainly they were not calculated to recommend themselves to public favour. Scarcely two factories pursued the same method of manufacture, in consequence of which there was so little uniformity that the dealers and brokers were in despair, and it was not until 1868 that Indians really began to attract attention in Mincing Lane, but for the subsequent three years, dealers purchased Indians merely for blending with the lower class of Chinas. From 1869 a demand gradually arose for the unadulterated article, from which time home consumption has steadily increased; and, though there is a considerable section of the public who still cling to the higher class of Chinas, such as that vended by Twinings, Newmann and other well known houses, even they are gradually veering round in favour of Indians. We may take it for granted therefore that within the next two years the demand for Great Britain alone, reckoning on the last census, will amount to 185 million pounds.

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THE RIGHT TO WITHDRAW A RESIGNATION

HIGH COURT ACCEPTS PETITION OF EMPLOYEE

(FROM OUR LEGAL CORRESPONDENT)

THIS case has to do with the word "resignation". Resignation, that is, by an employee from his post, the right, if any, of the employee to withdraw it after it has been tendered, and the right, if any, of the industrial tribunals to quash the acceptance by an employer of a resignation after it has been tendered by an employee. Now, the average employer in a big way of business has generally a pretty sound idea of his general legal rights in the matter of dismissal. He knows he must prove disobedience, misbehaviour, infidelity, negligence or dishonesty before, generally speaking, he can "sack" a man without notice. He also usually has a sound idea as to his right to discharge a servant by notice and what period of notice he ought to give; and, though still imperfectly, he is beginning to apprehend with a fair amount of accuracy, how far these rights of his existing, as they have done for generations at common law, have been encroached upon and largely superseded by the Acts relating to industrial disputes.

Wherefore it seems odd, but is nevertheless a fact, that the ideas of that same employer on the subject of resignation by his employee are usually extremely hazy. For example, fairly recently, at a club committee meeting, the secretary, in a huff at not getting his own way, rose to his feet, planted his minute book and papers in front of the chairman, and after saying, "I resign," walked out, following up the verbal intimation a few minutes later with a formal written letter of resignation "with immediate effect". There were

on that committee two lawyers, judicial officials and business men of wide experience. Yet, though they, each one of them, knew that the secretary had been appointed by a general meeting to serve for 12 months, it did not occur to a single one of them to point out that the resignation, so-called, was totally illegal and inoperative. All they were concerned with was to induce the secretary, a valued friend, to withdraw the notice which he had had no right to give.

So we will investigate this matter of "resignation" by an employee. "The word 'resignation,'" says Mr. Barwell in his and Mr. S. S. Kar's well-known work, "is not a Term of Art", and adds not quite accurately, "It only means 'give up.'" It is the verb "to resign" that means "to give up." "Resignation" means the relinquishing of an office or, a document announcing this, as "I sent in my resignation". But there is another requisite. In order to make the resignation effective, it has to be accepted. Resignation by a servant does not operate as discharging the contract by bringing it lawfully to an end unless the resignation is accepted by the master. When that is the case, the parties have by agreement determined the contract. But if the resignation is not accepted, the servant remains bound, and should he choose to withhold his services, his conduct will be a breach of the contract entitling the employer to damages. "A contract of service," said Jenkins C. J., in an old Bombay leading case, "is continuous in its nature and its continuance and the obligations under it can only be terminable in certain defined modes. Mere resignation is not enough unless it is assented to or unless it complies with those terms which the law implies or the prior agreement of the parties may permit."

Again, a resignation, to be enforceable as such by the employer, must be genuinely such—a voluntary act performed at the free will of the employer. We often hear of "so and so" being

"allowed to resign". That may be all right in the case, say, of a Chancellor of the Exchequer who has allowed a budget leakage or an army officer who, to escape a court martial, is offered the more merciful alternative of resigning his commission. But cabinet ministers and officers of the armed forces are governed by traditional customs and regulations. In the ordinary everyday relationship of master and servant, an employer cannot hold a pistol to his employee's head and say, "Resign, or else...." Such a so-called resignation is not a resignation at all. It is "the sack", and as such opens up the risk of a suit for damages for wrongful dismissal. If an employer takes upon himself to call for his employee's resignation, and to do so under such conditions as amount to duress, as, for instance, if he should indicate that the consequence of not resigning would be dismissal, the employer does so at considerable risk. If the employee purports to resign for fear of dismissal, if he does so he has really been blackmailed into "resigning" and the courts may hold later that he has not resigned at all but has been illegally dismissed.

Thus in *Stephenson v London Joint Stock Bank Ltd.*, where a bank clerk was "required to resign," he was held to have been dismissed, the Lord Chancellor (Lord Halsbury) observing that "the use of polite instead of peremptory language did not alter the fact." In an Indian case, *Abraham Rueben v Karachi Municipality* the principle is clearly laid down. "The test to determine whether a person has resigned his services or has been dismissed therefrom is whether the actions and conduct of such person evince an intention no longer to be bound by the contract of service; on the other hand, if the conduct of the employer amounts to a basic refusal to continue the servant on the agreed terms of employment, then there is at once a wrongful dismissal and repudiation of the contract, even if the servant leaves service in pursuance of a request to resign."

Looking at the situation in reverse, the employer is not unprotected. Take the not infrequent case of an employee who, of his own volition, resigns lest worse befall. He knows, let us assume, that his conduct has been bad, that it is being investigated, that discovery is certain and eventual dismissal inevitable. So, in order to receive his provident fund and other amenities intact, he pushes in his resignation. No good. The employer's remedy is to refuse to accept the resignation, and, if the facts of the case justify him in so doing, to dismiss the employee.

The above summarises the general law on the subject which, however, we must remember, is liable to modification in cases to which the Industrial Disputes Act applies, having regard to the wide discretionary powers of the Tribunals. The latest decision on "resignations", one of the Allahabad High Court, is not concerned with the Act but deals with the interesting point as to how far, if at all, an employee is entitled to withdraw his tendered resignation before it has become operative and before it has been accepted by his employer.

The petitioner had been working as the superintendent of the Municipal Board, Auraiya, in the district of Etawah. Certain charges were framed against him by the president of the Board. They were investigated and were ultimately dropped on 27th September, 1954, so that the petitioner was completely cleared. On 24th February, 1955, a letter, which purported to have been received by the general clerk of the Board, was written by the petitioner. The purport of this letter was that, on account of certain reasons, the petitioner was unable to discharge his duties as superintendent of the Board, and under those circumstances he submitted his resignation, which he prayed should be accepted. This latter of resignation, though it purported to have been received in the office of the Board on 24th February, 1955, was dated 1st April, 1955. Now, if the president, being duly authorised by the Board so to do, had promptly accepted the resignation, the matter might have been at an end. The superintendent might have been out of his job. But the president did not do so, and the superintendent thought over things again and by a subsequent letter prior to 1st April, 1955, he withdrew or purported to withdraw his resignation, saying "he saw no reason not to serve the Board from 1st April, 1955." The president saw reason for the petitioner "not to serve the Board from 1st April, 1955," and rejecting the application for the withdrawal of the resignation, accepted the resignation with effect from 1st April, 1955, and directed the superintendent to hand over charge to the assistant superintendent. Whereupon the petitioner came to the High Court asking for an order setting aside the president's decision and confirming him in his position as superintendent. His case was that his letter of resignation, though handed over to the president on 24th February, 1955, was dated 1st April, 1955, and was not to come into effect until 1st April, 1955. Up to 1st April, he claimed that in the eyes of the law he was entitled to write to the president asking him not to consider his resignation application. In short, his contention was that it is open to a servant to withdraw his resignation before it became actually operative. The High Court accepted this view, quoted the president's order and confirmed the petitioner in his position as superintendent.

(Labour Law Journal. 1956. Vol. I. 736.)

¹ Barwell and Kar on Master and Servant Vol. I. p. 353.

² Ibid. pp. 354-55.

HOW considerate of the State bus drivers to arrange a jam on Hazra Road the very day the Calcutta Police launched their new traffic control scheme. We owe it to them for providing a reminder that not all the city's traffic problems are the result of poor roads and poorer driving; some are due to simple human perversity. I am not denying the part the police can play, although we have seen too many of these bursts of enthusiasm die speedy deaths, and it has usually been my experience that policemen are better at causing traffic jams than preventing them. But I do feel that a few wireless vans are not going to provide the cure for all Calcutta's typical traffic "types". I remember naming some of them a few weeks ago. One or two more have occurred to me since then. What, for instance, can the police do to stop the oncoming driver with the glaring headlights who switches off in deference to one's attempts to play him at his own game, only to flick them on again when he knows it is too late for retaliation? And what of the character who commits the most outrageous of traffic offences right under one's nose and then, in response to a richly deserved cussing, turns a face which reveals stupidity and unrepentance in just about equal amounts? How, may I ask, is it possible to get elementary traffic regulations and courtesies respected by a man who is incapable of feeling a fool? Drivers are not always to blame. Equally reprehensible is the policeman at the busy crossing who stands well back where he knows you cannot see him and then takes your number when he finds you haven't; the one who leans on his umbrella with one hand while he picks his nose with the other; the dreamy one; the argumentative one; the one who interprets his job of keeping the traffic moving at crossings as a duty to empty all minor roads while cars pile up in their hundreds on the main ones. But however limited wireless patrols might be, there is one bit of good they can do and that is to save from death or mutilation the unfortunate driver who is involved in an accident with a pedestrian. That may be another psychological problem—a feature of life in India which somebody the other day called "mobocracy"—but it is one which might respond to determined physical treatment.

The Appleby report is such an important document that I can perhaps be excused referring to it again this week. It raises a number of vital issues, but from among them I propose to touch only on a "popular" one, namely, the delay in the governmental administrative processes. This is a subject the public is fond of pecking at, and not without good reason. Mr. Nehru himself once complained that the Secretariat is a bewildering labyrinth, but that is no good reason why men and files should contrive to get themselves into such an inextricable tangle when they enter it. It may be partly due to the newly-promoted subordinate who has not yet been able to acclimatise himself to a senior post or, perhaps, as Mr. Appleby suggests, to the prevailing custom of not delegating responsibility to "other ranks". There is a further cause which also contributes. It was pointed out, not without a certain mordant humour, by Mr. A. D. Gorwala when he produced his report on administrative reforms some years ago; it is the mania which certain officials have for "doing" a file well. Describing how files inch their way through Government offices, he mentioned how, if they are kept pending for long, whatever the reason, they tend to develop a volition of their own, one that frequently expresses itself in an acute aversion from movement of any kind. A third cause—it has been suggested in some quarters that it is a recent phenomenon—is defective draft-

A DITCHER'S DIARY

I have heard it said of the new Companies Act that, especially on some points, its draughtsmanship leaves much to be desired. Almost every new case calling for a decision is rumoured to necessitate a correction so that—though this is no doubt sheer exaggeration—the original Act has become practically obliterated by the corrigendum slips pasted over it. Yet another cause is the hunt for precedents. I read some time ago that Dr. B. C. Roy was once kept waiting weeks for nothing more complicated than a set of tumbler just because the Finance Department was unable to find a precedent for such a requisition.

I did not agree with all the things Mr. John Sherman Cooper used to say when he was America's ambassador here. Although I admired his grasp of India's point of view, I often considered he did not do justice to that of his own country. But I could not agree more with what he said in San Francisco the other day about Portugal's relinquishing her hold on Goa. And I could not imagine a better time than now for her to do it. This year's Independence Day went off without a single incident on the border. It is more than a year since the last one of consequence took place. Portugal has never had a better opportunity of accepting the inevitable and saving her face as well. She would be doing the rest of the western world a good turn too. Mr. Cooper is right when he says that one of the main reasons the United States attitude is misunderstood in Asia is its apparent association with such obvious examples of unrepentant colonialism. He might have broadened his statement to cover the whole western attitude, because there is no doubting the damage which a hatred of colonialism has done to popular Asian thinking on, for example, the Suez Canal problem. There can be no other explanation of the apparent contempt which has been shown by people who would shrink from calling themselves fascists, for such an important moral question as the sanctity of contractual obligation and such an imperative practical one as whether Asia's lifeline should be left in the hands of a person who is no less a glutton for power and no more a man of his word than were Hitler and Mussolini. It is this out-dated, though understandable, prejudice against colonialism—that is retreating everywhere in Asia excepting Goa—which is helping the Soviet Union turn the Canal question to her own advantage in the cold war. The west must be regretting bitterly that its point of view is so determinedly misunderstood among ordinary Asians whose desire for peace and democratic freedom is every bit as strong as its own and whose grasp of international complications is not yet as admirable as that of Mr. Nehru and Mr. Menon. But while Portugal remains in Goa against India's wishes, it can expect nothing else.

Golf is the answer to the exercise problem for most of Calcutta's business men nowadays. A good one it is too, although there are certain Bacchanalian rituals attached to this particular sport whose health-giving properties are apt, occasionally, to be over-rated. But some people do not like golf—I must confess to being one myself—and for them the solution to the stiffening joint and the thickening waistline is not so simple. The climate is too hot for much walking; the mountains are a long way off; horses are expensive and difficult to keep; tennis is strictly for the energetic; and not everybody likes water well enough to want to swim in

it. There is, of course, Scottish country dancing, but that, or so it seems to me, is one of the most painful ways to an early grave yet devised by mortal man. I suspect there are many ditchers who are looking for just the right kind of exercise, one which does not, for instance, require too much exertion, involve too much expense, or demand too close an association with disreputable animals. The field is narrow; in fact there seems to be only one thing left—yoga. The fact of there being so many Central Government Ministers, eighty-four M.P.s and many civil servants taking regular yoga lessons, as Mr. Nehru disclosed last Saturday, is not necessarily among its best recommendations. But the Prime Minister's own practice most certainly is. If we could look forward, when our years are as advanced, to one tithe the energy he always seems to have, we should have no cause for complaint. I do not know how much of it Mr. Nehru attributes to his twenty-five years of yogic practice or how much to his temperate habits—and however we may regret the fact, there is no denying how important these are. Yoga has always struck me as being the ideal recreation for India. It can be practiced in reasonable comfort, although some of the photographs of *asanas* that I have seen suggest otherwise. It is inexpensive, although I am told a good teacher is essential. It can be indulged in concert with others, or, if preferred, can be limited to the confines of one's own bedroom. I still cannot decide whether it is possible to divorce the exercise part from the rather more doubtful mystical side. But I have been advised that it is.

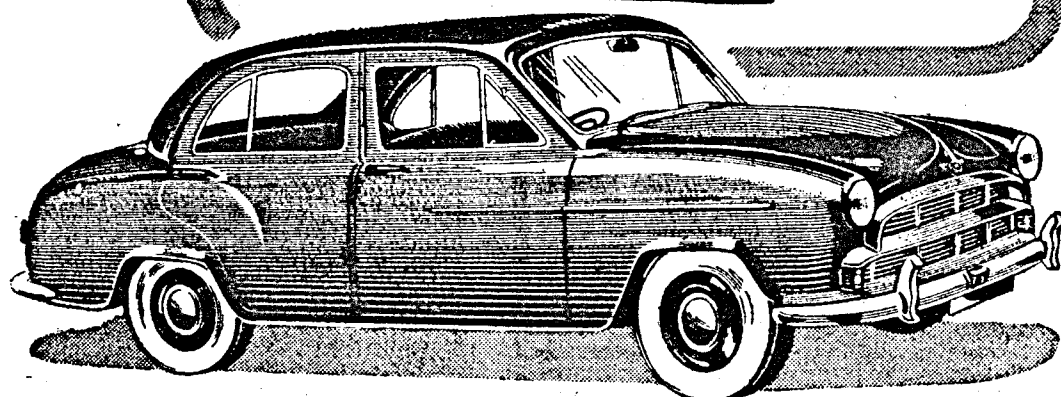
It will, I am sure, be readily conceded that the present-day worker asks for and gets too much molly-coddling: tea at the work-bench, music, welfare amenities, this facility and that and, of course, the special emoluments, all too often unrelated to productivity, with which two world wars have made us familiar. When a worker happens to be woman, which is often nowadays, the employer has to inveigle her, in the U.K. for example, with promises that the job will not coarsen her hands, damage her finger-nails, or otherwise ruin her ensemble. It is perhaps fair that when employers prosper, workers should benefit. But in all countries where the worker is not being driven along with a pistol at his head, industry's largest single affliction is the continued demand for wage increases. In Britain, at the moment, the Confederation of Shipbuilding and Engineering Unions seems determined to push its demand no matter what the effect on export prices or the Government's fight against inflation. In such a bleak situation one may perhaps be permitted a nostalgic reference to an age when a contented worker was not a myth, as he seems to be now. I happened recently on a copy of *A Plan of the English Commerce* by Daniel Defoe who—strange quirk of fate—is today known only for his *Robinson Crusoe* and that, too, in tabloid form fit only for juveniles. Yet, more than two centuries ago, he was an indefatigable journalist and miscellaneous writer as well as being a novelist, and may be said to have helped lay, with others, the foundation of the modern English prose style. In portraying the typical English worker of his day Defoe says: "But let any Man see the difference of the Work, these (English workmen) need no Music, the Feast (i.e. good food) is better than the Fiddle, and the pudding does more than the Bagpipe; in short they work with a Vigour and Spirit not to be seen in other countries." How times change.

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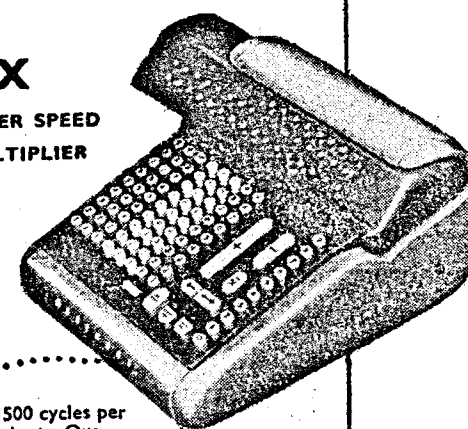
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Company Meeting

SEN-RALEIGH INDUSTRIES OF INDIA LIMITED

CHAIRMAN MR. S. K. SEN'S REVIEW

Addressing the Sixth Annual General Meeting of Sen-Raleigh Industries of India Ltd., at Calcutta, on the 28th August, 1956, Mr. S. K. Sen, Chairman, said:

It is my pleasant duty to place before you the Accounts for the year ended 30th September, 1955. You will no doubt agree with me that the Company has made definite strides during this year. The results are encouraging and satisfactory.

The nett turn-over recorded a further increase from the previous figure of Rs. 88,20,000 to Rs. 1,12,95,110—an increase of Rs. 24,75,110 over the previous year's sales. The nett profit in the period has risen by over Rs. 6.5 lacs to Rs. 11,07,056 and this has fulfilled the expectation held out in my speech last year about the early payment of Ordinary Dividends. Operating results this year have allowed your Directors to recommend payment of the first Dividend of 6% free of income-tax for the Ordinary Shares of the Company whilst maintaining payment of the 5% Tax free Dividend on Preference Shares. This has been made possible after writing off all previous losses, initiating the creation of a General Reserve, and writing off normal depreciation. The total depreciation written off in 4 years of operation has been to the extent of Rs. 21 lacs.

Another notable event benefitting Shareholders has been the acceptance of shares of the Company by the Native Shares & Stock Brokers' Association for enlistment in the Bombay Stock Exchange. Members will be pleased to learn that reports from Bombay indicate that the Ordinary Shares have been at a premium since enlistment.

The Shares of the first and second issue, not being fully paid up, have been forfeited and steps have also been taken to re-issue the forfeited shares out of the first issue.

A welcome feature of the Bicycle Trade in 1955 appeared to be the acceptance by the Indian market of Indian Bicycles as a mainstay of the trade. This resulted in profit margins being established on almost all Indian products as opposed to the feature in previous years when the profit arose mainly from the very restricted imports, and the Indian products were held to be a secondary source of supply.

Realism

This reorientation of thought amongst the Indian traders was a necessary corollary for further expansion and consolidation of the Indian Bicycle Industry. I have often called for a realistic attitude and objective for dealers, and I am glad to say that within my lifetime I have lived to see the day when the Indian Bicycle is standing on its own, in quality and consumer demand, against all comers, and returning a reasonable profit to dealers.

Your Company closed the year with record orders on its books for both bicycles and components. All products recorded increased sales, and orders, as usual, were in excess of production capacity in all lines except in the case of bicycle chains. The position in regard to chains had been affected due to large imports and low rates of duty, under various heads other than as bicycle accessories, and this had created a glut on the market. Repeated and continuous representation to Government have produced some check on such activities, and it is hoped that the position regarding chains will improve in the near future. It is admitted that our chains stand supreme for quality, endurance and value.

Government policies regarding imports continued to follow the pattern set in 1954 of fairly liberal licences for Bicycles and Components. Liberalisation to this level, however, did not affect the indigenous manufacturers' sales to any great extent, although the imports did bring down profit margins on the imported bicycle range. If, however, the experiment is continued, it may endanger production by the Indian industry, and care should be taken by the Government in framing future import policies so that the expanding industry is not affected adversely. The demand for the Bicycle in this country has grown continuously over the past few years, and the year 1955 was not only a record production year for your Company, but also for the Indian industry. With a production of about 550,000 cycles, and in import of 150,000 bicycles, the consumption of bicycles this year constitutes an all India record.

All indications are that India will take its place amongst the premier Bicycle manufacturing and consuming countries in the World, and I am glad to say that Bicycles have been given reasonable prominence

in the Second Five Year Plan by the Indian Government. The Development Council for Bicycles, a body formed some years ago by the Government of India, representing Industry, Trade and Consumers, to advise on the Indian Bicycle Industry to the Commerce and Industries Ministry, had been asked to submit to the Indian Government its views on what targets should be framed for the Bicycle Industry in the Second Five Year Plan, and a target of 1.25 million Bicycles to be made in India by 1961 was advocated by the Council and accepted by the Planning Commission. Your Company expects to play a prominent part in the fulfilment of the Second Plan as it has done in the first. To this end applications have been made some time back to the Government of India for increases in capacity to be allowed to your Company to raise production in the Bicycle wing to 200,000 Bicycles, and the Component wing to half a million sets of Components. Plans for such expansion are already under active preparation at associate factories in the U.K. and the Continent at the instance of your Directors.

New Plans

These expansion plans along with the plan for manufacture of Freehubs and Bottom Bracket Axles, for which plant is now in order, or in the way, will make further calls on the Capital of the Company, and it has been thought prudent by your Directors to approach the Industrial Finance Corporation for a further loan of at least Rs. 15 lakhs. They have also considered the advisability of getting the balance of the Company's Share Capital subscribed.

All the expansions are expected to take place within the Second Five Year Plan period, and to help in the implementation of these plans, Mr. L. C. Clarkson, Works Director of Raleigh Industries Limited, visited India early in 1956 for a first hand assessment of the situation.

Whilst considering the Second Five Year Plan, your Company has also considered the wider aspects of the Government's Policy for raising the standard of living in the country, and as its contribution on the social side, has planned an extension of housing benefits to cover the majority of its Asansol factory workers at Kanyapur. A start was made with 200 houses last year, of which 144 have already been built, and 56 are held up due to the cement shortage. Further quarters for housing Executive Staff, Clerical Staff and Workers are expected to be developed during the Plan period.

Encouragement of the Small Scale and Cottage Industries and Co-operatives as a policy by the Government is not likely to affect the Large Scale Industries in view of the ever growing demand. I must, however, emphasise the fact that the Large Scale Industries are essential to the progress of the country in maintaining standard quality, obtaining, initiating and applying new techniques and improvements and design, and as such, has a special function to fulfil, and deserves equal encouragement from the Government. The Small Scale Component manufacturers with a production of Rs. 1.75 Crores as against estimates of a production of Rs. 5 Crores required for replacement purposes on over 3 million bicycles on the road will necessitate supplementation from the Large Scale Industry for self-sufficiency.

The Companies Act of 1956 calls for a considerable revision to the existing Articles of the Company, and some of its Amendments.

The Industrial Finance Corporation of India would also require some amendments to be incorporated within the Articles to bring these in line both with the requirements of the new Act, and the Industrial Finance Corporation. The opportunity will be taken to alter some of the main Agreements of the Company where working difficulties have been experienced due to technical reasons. Shortly after this meeting we hope to be able to place before you such amendments as are necessary in the Articles and the Agreements for adoption by you to regularise the position of the Company.

Before closing, I would like to thank all Shareholders who have attended this meeting, and all those who have been unavoidably absent, but who have given their full support to our policies generally, and I would also like to pay tribute to my colleagues on the Board, to the Management, Staff and Workers, and Overseas Associates, for the assistance they have all given to the Company towards the achievements of the year.

RESERVE BANK

ISSUE DEPARTMENT			
(In 000's of Rupees)			
	24-8-56	17-8-56	26-8-55
Liabilities—			
Notes in Banking Dept.	24,04.72	23,64.72	30,72.67
Notes in Circulation	14,31,61.51	14,45,45.97	12,85,08.89
Total Notes issued	14,55,66.23	14,69,08.69	13,15,81.56
Assets—			
A. Gold Coin and Bullion	40,01.71	40,01.71	40,01.71
Foreign Securities	6,06,67.54	6,06,67.54	6,22,04.02
Total of A	6,46,69.25	6,46,69.25	6,62,05.73
B Rupee Coin	1,15,25.48	1,13,77.31	1,10,07.00
Rupee Securities	6,93,71.50	7,08,62.13	5,43,68.83
Total	14,55,66.23	14,69,08.69	13,15,81.56

BANKING DEPARTMENT			
(In 000's of Rupees)			
Liabilities—			
Capital Paid-up	5,00.00	5,00.00	5,00.00
Reserve Fund	5,00.00	5,00.00	5,00.00
National Agricultural Credit (Long-term) Fund	15,00.00	15,00.00	—
National Agricultural Credit (Stabilisation) Fund	1,00.00	1,00.00	—
Deposits—			
(a) Central Govt.	61,58.36	53,72.32	1,04,64.87
(b) Other Govts.	5,70.40	5,57.69	36,42.45
(c) Banks	55,44.26	53,43.72	51,26.46
(d) Others	12,49.60	11,92.37	16,28.84
Bills Payable	5,71.78	6,01.63	10,09.23
Other Liabilities	13,18.14	29,16.16	13,19.89
Total	1,80,12.54	1,85,83.89	2,41,99.74

Assets—			
Notes	24,04.72	23,64.72	30,72.67
Rupee Coin	12.12	9.57	8.37
Subsidiary Coin	7.24	6.46	7.94
Govt. of India Treasury Bills	3,00.14	2,33.06	11,64.58
Balances held abroad	28,78.56	34,39.39	95,49.75
Loans to Govt.	7,64.55	7,30.35	7,30.35
Other Loans etc.	54,97.74	60,78.83	28,74.67
Investments	50,13.22	50,12.23	62,64.62
Other Assets	11,34.45	7,09.28	11,12.84
Total	1,80,12.54	1,85,83.89	2,41,99.74

SCHEDULED BANKS

(In 000's of Rupees)			
	17-8-56	10-8-56	19-8-55
Demand Liabilities—			
(a) Borrowings from Banks	15,89.78	14,21.85	8,68.50
(b) Others	6,28,85.64	6,23,63.58	5,92,70.00

Time Liabilities—			
(a) Borrowings from Banks	3,14.55	3,71.30	3,84.00
(b) Others	4,56,87.08	4,55,95.92	4,03,79.61
Borrowings from State Bank Demand Liabilities	6,70.73	7,15.07	11,24.41
Time Liabilities	37,62.49	35,51.58	34,49.43
Cash	50,41.11	49,24.56	48,16.02
Balances with the Reserve Bank	10,94.05	10,50.11	10,45.83
Money at calls and short notice	21,64.85	19,36.37	15,95.48
Investments in Central and State Govt. Securities	3,61,21.74	3,61,47.57	3,76,02.79
Advances	5,94,66.51	5,95,17.17	5,10,44.44
Inland Bills purchased and discounted	95,69.88	97,41.69	68,64.78
Foreign Bills purchased and discounted	46,08.00	46,57.07	41,05.60

CLEARING HOUSE RETURNS

Week ended	Rs. (thousands)	Bombay
24-8-56	54,81.79	61,65.31
17-8-56	54,74.23	36,99.18
10-8-56	44,52.05	57,00.14
3-8-56	63,66.18	97,65.13

STATE BANK OF PAKISTAN

ISSUE DEPARTMENT			
(In 000's of Rupees)			
	week ended	week ended	ended
Liabilities—	10-8-56	3-8-56	
Notes in Banking Department	9,84.93	10,20.80	
Notes in Circulation	2,82,81.14	2,82,54.05	
Total Notes issued	2,92,66.07	2,92,74.85	
Assets—			
A. Gold Coin and Bullion	11,33.41	11,33.41	
Sterling Securities	96,64.02	96,64.02	
Government of India Securities	16,69.91	16,69.91	
India Notes representing assets receivable from the Reserve Bank of India	43,02.58	43,02.58	
B Rupee Coin	6,42.81	6,51.59	
Govt. of Pakistan Securities	1,12,63.28	1,12,63.28	
Held with Reserve Bank of India pending transfer to Pakistan	—	—	
Gold Coin and Bullion	19.02	19.02	
Sterling Securities	4,40.63	4,40.63	
Govt. of India Securities	1,00.90	1,00.90	
Rupee Coin	29.51	29.51	
Total	2,92,66.07	2,92,74.85	

BANKING DEPARTMENT			
(In 000's of Rupees)			
Liabilities—			
Capital Paid-up	3,00.00	3,00.00	
Reserve Fund	3,00.00	3,00.00	
Deposits—			
(a) Central Government	30,05.43	28,10.43	
(b) Provincial Government	9,91.35	9,23.52	
(c) Banks	21,36.04	20,94.31	
(d) Others	84.25	85.38	
Bills Payable	6,68.05	10,44.74	
Other Liabilities	78,73.31	79,46.51	
Assets—			
Notes	9,84.93	10,20.80	
Rupee Coin:			
(a) Pakistan	10	9	
Subsidiary Coin:			
(a) Pakistan	13	14	
(b) India	—	—	
Bills Purchased and Discounted—			
(a) Internal:			
Govt. Treasury Bills	97.22	81.11	
Loans and Advances to Govt.	—	—	
Provincial Govt. Debtor Balances	—	—	
Other Loans and Advances	5,13.60	4,92.00	
Investments	52,22.74	52,07.35	
Other Assets	10,54.59	11,45.02	
Total	78,73.31	79,46.51	

Finance in India and Abroad

THE CALCUTTA MONEY MARKET

FUNDS STILL EASIER

Tuesday, 28th August.

THERE has been little change in the money market during the past week. Demand for funds remains easier and there is still a general return of advances from the various sources of demand. Similar easiness is reported from the inter-bank market this week, but the call rate is unchanged at 3½ percent.

The bill market has been rather quieter. Few tea and gunny documents have been reported, but the volume is considerably less than last week. Remittance has been fairly good demand. Sterling continues to improve, largely, it is suspected, because of the activities of the British Treasury's exchange equalisation fund. The American dollar quotation is unchanged at Rs. 480½.

The improved supply of funds in the money market should help the State Government loans, a detailed announcement of which appears on page 288 of this issue of Capital. Fifteen State Governments are to approach the market this year for a total of Rs. 64 crores at prices between Rs. 99.4 percent and Rs. 100 percent. All loans will become due for repayment on 3rd September 1968, except that of the Government of Bombay which will be repaid at par on 3rd September 1970. The loans will be open for subscription on 3rd September and will close on 10th September or earlier. All the State Governments reserve the right to retain subscriptions up to ten percent in excess of the notified amount.

Bullion was steady on good offtake, though closing prices were shaded on profit-taking. Silver priced around Rs. 171.4 and gold was lower at Rs. 103.10.

During the week ended 24th August, Government of India Treasury Bills for Rs. 50,00,000 were sold in favour of the Reserve Bank.

Declines of Rs. 13.82 crores and Rs. 13.43 crores to Rs. 1,431.62 crores and Rs. 1,455.63 crores in notes in circulation and the total note issue, respectively, were outstanding features of the return of the Reserve Bank of India for the week ended 24th August, 1956. The currency contraction was adjusted by reducing rupee securities by Rs. 14.70 crores to Rs. 693.72 crores, and increasing rupee coin by Rs. 1.48 crores to Rs. 115.25 crores. Deposits showed an all-round increase. Deposits of the Government of India were Rs. 7.86 crores up at Rs. 61.58 crores, following good tax collections, and other Government accounts were Rs. 12 lakhs higher at Rs. 5.70 crores. Balances of commercial banks increased by Rs. 2 crores to Rs. 55.44 crores held due to easier money conditions. Balances held abroad declined by Rs. 5.60 crores to Rs. 28.79 crores. Other loans and advances fell from Rs. 60.79 crores to Rs. 54.98 crores, of which advances to scheduled banks against usance bills amounted to Rs. 28.12 crores (Rs. 30.76 crores). These advances amounted to Rs. 228.36 crores since 1st January, 1956. Ways and means advances stood at Rs. 7.64 crores, against Rs. 7.30 crores. Other features showed little change.

The return of the State Bank of India for the week ended 17th August, 1956, shows a rise of Rs. 1.78 crores in total deposits to Rs. 224.61 crores. Investments in Government securities are down by Rs. 30 lakhs to Rs. 94.74 crores, while other authorised investments are up by Rs. 20 lakhs to Rs. 11.45 crores. Advances, including cash credits and overdrafts, and bills discounted and purchased, have declined by Rs. 1.89 crores to Rs. 125.25 crores. Cash and balances are, in consequence, shown at Rs. 18.17 crores, or Rs. 75 lakhs higher.

The statement of the position of scheduled banks for the week ended 17th August, 1956, discloses Demand and Time liabilities at Rs. 644.75 crores (Rs. 15.90 crores on account of borrowings from banks) and Rs. 460.02 crores (Rs. 3.15 crores), compared with Rs. 637.86 crores (Rs. 14.22 crores) and Rs. 459.07 crores (Rs. 3.71 crores), respectively, in the previous week. Cash and balances with the Reserve Bank have increased by Rs. 2.10 crores and Rs. 1.16 crores to Rs. 37.62 crores and Rs. 50.41 crores, respectively. There is a drop of Rs. 26 lakhs in investments to Rs. 361.22 crores. Advances and bills discounted at Rs. 736.44 crores show a fall of Rs. 2.72 crores. The ratios to total liabilities of cash and balances, and of advances and discounts, are, in consequence, shown at 8.0 percent and 66.7 percent, against 7.7 percent and 67.3 percent.

According to the returns received in the Department of Commercial Intelligence and Statistics, the total gross sea and land customs revenue collected in India during June, 1956, amounted to Rs. 1,295 lakhs as compared with Rs. 1,392 lakhs in the corresponding month of the previous year. The comparison in the following should be taken

to refer to that of the current figures with those of the corresponding period of the preceding year. Of the total customs revenue collections, import duties accounted for Rs. 1,091 lakhs as against Rs. 1,073 lakhs, export duties for Rs. 177 lakhs as against Rs. 277 lakhs and land customs and miscellaneous for Rs. 27 lakhs as against Rs. 12 lakhs. The total gross collection of Union excise duties amounted to Rs. 1,494 lakhs as compared with Rs. 1,296 lakhs. During the three months, April to June, 1956, the grand total of gross customs and Union excise revenue realised was Rs. 8,019 lakhs as compared with Rs. 7,443 lakhs. Of this amount, import duties accounted for Rs. 3,285 lakhs (Rs. 3,053 lakhs), export duties for Rs. 559 lakhs (Rs. 756 lakhs) land customs and miscellaneous for Rs. 70 lakhs (Rs. 50 lakhs) and Union excise duties for Rs. 4,105 lakhs (Rs. 3,594 lakhs).

The following is a statement of the cash balances of the Central Government on the last day of May, 1956:

	Rs.
(1) At the Reserve Bank of India in India	48,82,76,000
(2) At treasuries in India	1,92,36,000
(3) In England (sterling converted at 18d. the rupee)	1,63,47,000
Total	52,38,59,000

The EASTERN BANK LTD. has declared an interim dividend of 3s a share, less income tax.

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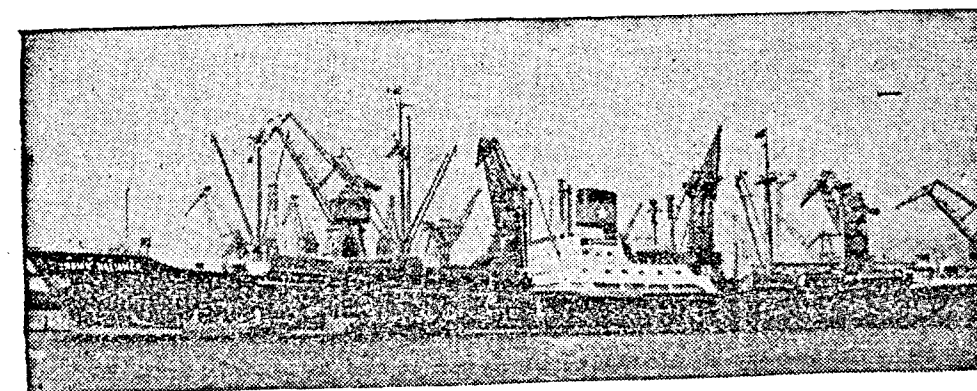
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U.K. HELP FOR INDIAN INDUSTRIALISATION

LIGNITE MINING METHODS IN WESTERN GERMANY

(This is the second of a series of articles written by our New Delhi correspondent on the basis of a recent tour of Europe).

INDIA has some very good men who are doing excellent work for her in Europe. Mr. T. Swaminathan, Counsellor-Minister in London, is one of them. A tried and trusted lieutenant of the Union Commerce and Industry Minister, Mr. T. T. Krishnamachari, Mr. Swaminathan has done much to change the climate of opinion in favour of India. Industrial houses in Britain are anxious to help in implementing the second five year plan. They are convinced that an industrialised India will be a better market for British goods. Most of them now appreciate the background to the new company law. The initial apprehensions have been largely dispelled and leading British concerns are coming to this country to help set up machine-making factories. The application of Vickers and Babcock and Wilcox to collaborate with A.C.C. (India) in establishing a factory to manufacture cement-making machinery is at present before the Government of India. The construction of a steel works in Durgapur is being undertaken by the Indian Steelworks Construction Company which is a combine of a number of the topmost British engineering firms. Imperial Chemical Industries has already set up a plant for jade-green dyes-dyes in Ahmedabad and negotiations are going on

for installing another plant to manufacture "vat" dyes. Britain is well represented in this country's automobile industry. The Defence Ministry will shortly sign agreements with two British companies to set up an aero-engine factory and to manufacture a light-weight fighter plane. A British ship-building company has shown interest in constructing India's second shipbuilding yard.

South Arcot Lignite Project

The Planning Commission has given high priority to the lignite project in the South Arcot district of Madras State. Machinery and equipment of an estimated cost of Rs. 1.4 crores has already been ordered. The project proposes the mining of 3.5 million tons of lignite a year. The generation of 211,000 kW of electric power is also planned, as is the production of 70,000 tons of urea and sulphate-nitrate and 380,000 tons of carbonised briquettes. All this is expected to cost Rs. 52 crores.

Lignite is an important material for the West German economy. It is found in the districts of Cologne, Helmstedt, Hesse and Bavaria. The largest and the most important deposits, from the economic point of view, are in Cologne, where total output in 1955 reached 90.4 million tons. On account of its low calorific power, raw lignite can be transported economically over short distances. For longer hauls, it has to be processed into briquettes. In Western Germany, the first step in mining lignite is to drain out the sub-soil water. It sometimes takes two years to do this in certain areas. The removal of the overburden is the next step. This is done by giant excavators. The design and construction of these excavators have been very highly developed because open-cast mining of lignite is done on a large scale.

The excavator is equipped with two bucket ladders. The main ladder, designed for working below track level, is 60 metres long, overall, and is fitted with 1,400-litre capacity buckets. The depth of the overburden which has to be stripped by the excavator is about 38 metres. The secondary bucket ladder is designed for working at about the track level and is intended to level out the trackway for the excavator itself. The tumbler shaft of the main bucket ladder is driven from both sides by two motors each of 750 horse-power. It is a special feature of the plant that the locomotives pulling the spoil-carrying trains under the excavator for loading are operated, not by the locomotive driver, but direct from the excavator control cab. For this purpose, the locomotives are equipped with a second current collector, which connects them to the conductor rail, fed in turn by the excavator. The loading of the trains is carried out alternately, so that the excavation work may continue without interruption. The excavator moves its own track away from the slope in accordance with the progress of the excavation work. The necessary track-shifting appliances are connected to the bogie truck.

Bucket Wheel Excavator

One of the main differences between the bucket ladder excavator and the bucket wheel excavator is that the latter operates in two separate and distinct stages, namely, excavation and conveyance. The bucket wheel itself does the actual excavation work, while the conveyor, arranged at an angle to the bucket wheel, provides the means of transportation of the material won. The disposal of the spoil is done by means of further conveyors arranged to transport the material continuously. A special characteristic of the bucket wheel excavator is the favourable ratio between the electrical power required and the volume of material excavated and transported. Each type of machine is so designed that the total weight of the excavator is supported at three points. The carrying wheel bogies of rail-mounted trolleys are fitted to the excavator structure in such a way that they can adapt themselves to any unevenness of the track, thus enabling the load on the various carrying wheels to be equalised through compensating beams. This arrangement also prevents the excessive loading of the individual axles and guards against axle or rail fracture. Because of the extensive use of bogies, the excavator can also be employed on tracks with very small radii. As far as possible, all drive parts are arranged in the main body of the excavator. The bucket ladder for operating below track level is so designed that, by the addition of a few parts, it can be converted within a short time on the working site for working above track level. The third operation commences with the mining of lignite, which is sliced and transported to a factory for processing into briquettes.

Selling Tea in Britain

Unless prompt action is taken, the market for Indian tea in Britain might shrink. There are a number of reasons. Firstly, no such commodity as "Indian tea" is seen in British shops, although there is Ceylon tea, China tea, and even Darjeeling tea. Secondly, Ceylon is doing a great deal of publicity to push sales of her tea. There is a Ceylon tea stall in London, but no stall for Indian tea; nor does there appear to be any organised campaign to promote the consumption of the latter. Thirdly, there is a strong campaign to push up sales of coffee, particularly in London. Coffee shops have sprouted all over London and although coffee is more expensive than tea, they appear to do roaring business. Fourthly, the quality of Indian tea sold in Britain often seems poor, considering the price charged for it. According to official sources, the export of tea to the U.K. declined from £43,094,000 in January-June 1955 to £32,040,000 during the corresponding six months of 1956. A "drink more Indian tea" campaign in Britain is urgently necessary.

Stocks and Shares

SHARE MARKET STEADY IN MOST SECTIONS

INVESTMENT BUSINESS DISAPPOINTING

Tuesday Evening.

SPECULATIVE activity has accounted for most of this week's buoyancy on the Calcutta stock market. Although investment scrip have been dull and neglected, Indian Irons have fluctuated between Rs. 36-12 and Rs. 37-12. This evening's closing quotation is Rs. 37-4. The reason for the continued optimism among operators is partly due to improved advices from Bombay and partly to the continued anxiety over the Suez Canal crisis. A wave of profit-taking, which appeared to be developing today, seems to have been reversed by the persistent strength of the Bombay market no doubt due to support from nationalised life insurance funds.

The most disturbing feature of present conditions in Calcutta is the absence of substantial support for investment shares. The engineering and miscellaneous sections have enjoyed their usual activity but others have been quiet, although prices have tended to hold. Burrakurs among coal shares have been a feature due to the amalgamation which is to take place between the company and Standard Coal. After the modest activity of last week, jute shares have encountered profit-taking although prices have generally been maintained. Government securities have remained dull.

Details of the week's trading follow.

The small enquiry for Government securities reported last week has petered out and once again sellers predominate. Prices have been marked down and medium-dated issues are the worst sufferers. Three percent Conversion Loan, however, stabilised at Rs. 75-1 and there were buyers at this level. The Reserve Bank of India reduced its buying prices for 3% 1957 to Rs. 99-12 and 3% 1958 to Rs. 99-9. In medium-dated issues, 3% 1959-61 turned sellers at Rs. 98 and both 3% 1963-65 and 1964 were again marked down to Rs. 94-13 and Rs. 94-14 respectively; 2½% 1961 changed hands at around Rs. 93-7 and 2½% 1962 was marked at Rs. 93-15. In National Plan issues, 3½% 1961 changed hands at Rs. 99-6 and 3½% 1964 had sellers at Rs. 98-11; 3½% 1965 was traded at the lower rate of Rs. 98-8 but 3½% 1967 met with small enquiry at Rs. 98-7-6. In long-dated issues, 3% 1966-68 was quoted at Rs. 93-4 but 3% 1970-75 was weak at Rs. 89-15; while 3½% 1974 was slightly better at Rs. 98-7-6. State Loans were extremely quiet and with the exception of West Bengal issues there were sellers over. Four percent Madras 1967 was marked down to Rs. 99-8 and 4% U.P. 1967 had sellers at Rs. 99-10.

Jute preference shares continued to be freely offered without attracting buyers. Agartara were sold at Rs. 107, Alexandria at Rs. 98-7 and Alliance at Rs. 97. Business was reported in Fort Gloster at Rs. 109. Among miscellaneous issues, British India Corporation were done at Rs. 125, Burrakur 7½% at Rs. 138 and Dalmia Cement at Rs. 101. Humayun Properties were crossed at Rs. 10 and Indian Iron & Steel changed hands at Rs. 108. New Victoria met with some enquiry at Rs. 6, Orient Paper 1st were taken at Rs. 99-8 and the 2nd at Rs. 73-12. Rohtas Industries "B" Preference changed hands freely at around Rs. 64-8.

In the banking section, Hind Bank were better at Rs. 38 while United Commercial and Punjab National were unchanged at Rs. 59 and Rs. 57 respectively. Hindustan Commercial continued to meet with good enquiry at around Rs. 14. United Bank of India "D" shares came to hand at Rs. 4-8.

A solitary transaction was reported in the railway section in Delhi Rohtas at Rs. 14-14.

In the cotton section, Dunbar were in demand and improved from Rs. 298 to Rs. 304. Bowreah changed hands at Rs. 172 and Jaysree were active with the price rising to Rs. 7-6. Kesoram were done at Rs. 19-9 and New Victoria were unchanged at Rs. 2-13. Elgin Mills were slightly easier at Rs. 28.

In the coal section, there was a large turnover in Burrakur with the price improving steadily from Rs. 14-14 to Rs. 15-2. It is reported that the shareholders of the Company are opposing the proposed resolution whereby holders of Standard Coal shares will receive two Burrakur Coal shares for each share held by them. Standard Coal, on the other hand, have dropped back from Rs. 26-4 to Rs. 22-8. Bengal were unchanged at Rs. 538 and Bokaro Ramgur were crossed at Rs. 11-4. Amalgamated were reported at Rs. 23-7 and Equitable were slightly better at Rs. 31-4. New Manbhoom met with some enquiry at around Rs. 10-8 as did Raneegunge at Rs. 13-4.

Following the recent rise in prices of jute shares, profit-taking was noticeable at the higher levels but despite this prices were well maintained. Here is a chart showing representative price movements:

	Opening 23-8-56	Closing 28-8-56
Rs.		Rs.
Anglo-India	184	186
Birla	18 9	18
Chandpany	167	165
Howrah	24 6	24
India	150	147

Gourepore	Rs. 256	Rs. 255
Megna	93	90
National	26 8	26 4
New Central	17 6	172 2

Contrary to the general trend, there was a good enquiry for Kelvin which improved from Rs. 238 to Rs. 250 and Northbrooks had ready buyers at the higher rate of Rs. 26-4.

In electrics, Calcutta were unchanged at around Rs. 13-14 while Jubbulpore were better at Rs. 14-6. Patna Electric came to hand at Rs. 11-10.

In the sugar section, there was some enquiry for Dyer Meakin Breweries at Rs. 5-14 and Belund was unchanged at Rs. 21-6. Ramnugger improved from Rs. 26-6 to Rs. 27 and Shree Krishna Gyanoday were depressed at Rs. 13.

In the engineering section, Indian Iron & Steel, after being taken up to Rs. 37-12 met with some selling pressure, and reacted to Rs. 36-12; replacement buying at the close brought a recovery to Rs. 37-4. The proposal of the Directors of Braithwaite & Co. to write up the par value of the shares from Rs. 7 to Rs. 10 was well received by market operators and the price of the shares improved from Rs. 29-8 to Rs. 30-12. Indian Standard Wagon were steady at Rs. 202 as were Burn & Co. at Rs. 360. Indian Galvanizing were crossed at Rs. 21-12 and there was a good enquiry for Hooghly Docking at around Rs. 141. Jessop & Co. were depressed at Rs. 34-2 as were Richardson & Crundas at Rs. 24-12. Textile Machinery were fairly steady at Rs. 23-9. Marshalls were reported at Rs. 6-2.

In paper, Bengal were neglected at Rs. 110 while India Paper Pulp met with good investment enquiry and recovered from Rs. 25-4 to Rs. 25-10. Titaghar were unchanged at Rs. 41-4 but Shree Gopal were slightly better at Rs. 18-8. Orient Paper were well maintained at around Rs. 40-5.

In cement, Ashoka were steady at Rs. 15-8 as were Orissa at Rs. 13-14 ex-rights. Sone Valley were unchanged at around Rs. 8-13, but Dalmia were better at Rs. 15-12.

Only one share was dealt in among insurance scrip, namely, New Asiatic at Rs. 4-3.

In shipping, India Steamship, on reports of good earnings, spurred from Rs. 9-3 to Rs. 9-12. Calcutta Landing were unchanged at Rs. 16-4 as were India General Navigation at Rs. 114. Port Shipping eased from Rs. 17-5 to Rs. 17.

Among miscellaneous industrials, Aluminium Corporation were easier at Rs. 11-8 while Alkali & Chemical and Angelo Brothers were better at Rs. 22-4 and Rs. 24-4. Bengal Flour were firm at Rs. 30-8 as were Britannia Biscuits at Rs. 15-8. British Burmah Petroleum were lower at Rs. 4-2 as were British India Corporation at Rs. 10-10. Calcutta Trams were well maintained at Rs. 18-8 as were Clive Row Investment at Rs. 11-5. Dunlop Rubber improved slightly to Rs. 29-13 while Hindustan Motors were neglected at Rs. 10-3. Indian Rubber Manufacturers were steady at Rs. 16-8 as were Metal Box at Rs. 29-6. National Carbon were slightly easier at Rs. 29-2 and Rallis at Rs. 41-8. Rohtas Industries recovered from Rs. 22-12 to Rs. 23-3. Midnapore Zemindary spurred to Rs. 38. National Tobacco were unchanged at Rs. 13-8. Imperial Tobacco were crossed at Rs. 15-9 ex-dividend and Hoare were offered at Rs. 6-5. Reliance Firebricks were crossed at Rs. 22 and Sodepore Glass were marked at Rs. 2-15.

In the mining section, Indian Copper fluctuated narrowly around Rs. 6-14 while Chrestien Mica Industries were steady at Rs. 17-8. Metal Corporation met with some enquiry and recovered from Rs. 10-12 to Rs. 11-6. Burma Mines changed hands at Rs. 3-5 and Western Stockholders Investment at Rs. 1.

Tea shares were subdued with turnover at a minimum. Of the Assam shares, Bateli improved to Rs. 24-8 but Bishnauth Old eased to Rs. 24-2 as did Brooke Bond to Rs. 21-10. Brahmapootra were done at Rs. 8-4 as were Dhelakhat at Rs. 22-9 and Dimakusi at Rs. 33-4. Dufflaghur improved from Rs. 35-8 to Rs. 36-2 as did Tezporo from Rs. 23-4 to Rs. 24-8. Of the remaining shares, Sungma were crossed at Rs. 12-2 and Tukvar eased further to Rs. 12-4. Atal were done at Rs. 8-10 and Belto were fully steady at Rs. 59-8. Hansqua were crossed at Rs. 24-8 and Jaysree changed hands at Rs. 12-2. Gaikhatka came to business at Rs. 238. Among Pakistani shares, Dauracherra improved to Rs. 15-10, but Luckatooah eased slightly on profit-taking to Rs. 36-8. Patrakola and Teliapara improved further to Rs. 214 and Rs. 225 respectively.

The profit of the NATIONAL CARBON COMPANY (INDIA) LTD. amounted to Rs. 86.82 lakhs for the year ended 25th December, 1955. The dividend is 32½ percent. Taxation absorbs Rs. 36.66 lakhs. A sum of Rs. 9,91,716 is carried forward, making a balance of Rs. 16,46,239 in the profit-and-loss account. The directors say that the expansion scheme includes the establishment of a zinc rolling mill, a flashlight case plant and a chemical plant. The construction of the zinc rolling mill which was

GOVERNMENT OF UTTAR PRADESH FINANCE (BUDGET) DEPARTMENT

Dated Lucknow, August 10, 1956

PRESS NOTE

4 PER CENT UTTAR PRADESH STATE DEVELOPMENT LOAN 1968.

The Government of Uttar Pradesh are floating a loan of Rs. eight crores in order to finance their irrigation works, electricity projects and other State development schemes. The main terms of the loan are that the issue price will be Rs. 99-8-0 for every Rs. 100 of the loan applied for. The loan will have a currency of twelve years from 3rd September, 1956 and will be repaid at par on 3rd September, 1968 and will bear interest at the rate of 4 per cent per annum from 3rd September, 1956 payable half-yearly on 3rd March and 3rd September and is subject to income-tax. Subscriptions for the loan can be made in the form of cash or cheque, and will be received at the branches and treasury pay offices of the State Bank of India in Uttar Pradesh, the Government treasuries and sub-treasuries in the State of Uttar Pradesh where there is no branch or treasury pay office of the State Bank of India and at the offices of the Reserve Bank of India at Bombay, Calcutta, Delhi, Madras and Bangalore.

Full details of the terms of the loan are contained in Finance Department Notification No. B-6453/X-98-1956, dated August 10, 1956, copies of which, along with the application form are obtainable at the receiving offices mentioned above.

2. Financial Position of the Government of Uttar Pradesh—

Revenue Position—The revenue receipts and expenditure and the surpluses for the last twelve years are as follows:

(Figures are in lakhs of rupees)

	Revenue receipts	Revenue expenditure	Surplus (+)
1944-45	2,747	2,330	+417
1945-46	2,995	2,551	+444
1946-47	3,265	3,061	+204
1947-48	3,876	3,771	+105
1948-49	4,920	4,729	+191
1949-50	5,628	5,626	...
1950-51	5,189	5,194	+5
1951-52	5,556	5,550	+6
1952-53	6,483	6,483	...
1953-54	7,564	7,281	+283
1954-55	7,819	7,713	+106
1955-56	8,451	8,330	+121

The major portion of the revenue surpluses was put into various reserve funds. During 1949-50 and 1952-53, revenue expenditure exceeded revenue receipts because of large expenditure on Development Schemes and the gap in those years was covered by withdrawals from the Revenue Reserve Fund.

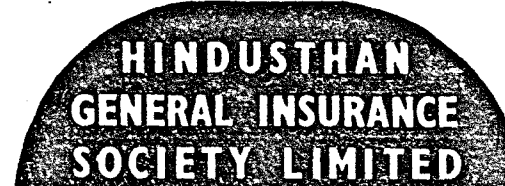
Balances in the Reserve Funds—The balances at the credit of the various reserve funds at the end of 1955-56 were 78 lakhs in the U.P. Road Fund, 73 lakhs in the Hospitals Fund, 4 lakhs in the Famine Relief Fund, 1,118 lakhs in the Revenue Reserve Fund, 18 lakhs in the Sugar Research and Labour Housing Fund, 2,913 lakhs in the Zamindari Abolition Fund, 10 lakhs in the Depreciation Reserve Fund—Irrigation, 179 lakhs in the Depreciation Reserve Fund—Government Bus Services, 333 lakhs in the Depreciation Reserve Fund—Electricity, 12 lakhs in the Contingency Reserve Fund—Electricity and 48 lakhs in the Depreciation Reserve Fund—Cement Factory. Some of these are invested in Government of India Securities. The total balance in these Reserve Funds amounts to 4,786 lakhs.

Debt Position—On March 31, 1956 the debt of Uttar Pradesh amounted to 13,382 lakhs consisting of 1,053 lakhs representing the consolidated debt due to the Central Government and 8,123 lakhs taken from that Government for development purposes and 828 lakhs for Relief and Rehabilitation Schemes plus 3,209 lakhs representing the amount of public loans floated by this Government from time to time plus 169 lakhs as Uttar Pradesh Encumbered Estates Act Bonds. Apart from this the State Government have also issued Zamindari Abolition Compensation Bonds of the face value of Rs. 3,304 lakhs the liability on account of which will be met, by annual equated instalments, from the extra revenue from Zamindari Abolition over a period of 40 years. Sinking Funds for all the public loans and the loans taken from the Central Government for development purposes have been formed and they are invested in Government of India Securities.

Assets of the Government—Against the outstanding debt of 13,382 lakhs there are assets in the form of the Ganga, Yamuna and Sarada Canals, various other small canals, the State tube-wells and the Hydro-Electric Grid, Electric Supply undertakings, Cement Factory and Government Bus Services, in which about 11,607 lakhs have been invested. Another asset is the balance due to Uttar Pradesh Government on account of loans and advances amounting to 3,220 lakhs. Besides these, there are a large number of buildings and roads for which no separate capital accounts are maintained.

State Balance at the close of 1955-56—The Uttar Pradesh Government had a free cash balance of 1,397 lakhs at the end of 1955-56.

Foot Note—The accounts for 1955-56 have not yet been closed finally. The figures for 1955-56 mentioned in the Press Note are based on the March (Final) 1956 Accounts as revised up-to-date by the Accountant General, Uttar Pradesh.



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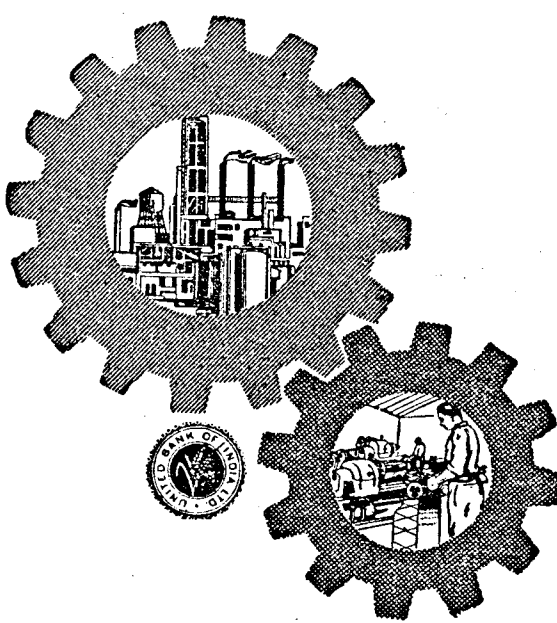
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FOR MANY MONTHS

London, 29th August.

THE main feature of the stock markets here during the past week has been the further contraction in business to the lowest level for many months under the influence of the Suez crisis. Consequently prices have moved narrowly and irregularly to record small and mixed changes in most cases. Gilt-edged securities tended to ease early in the week, but after the week-end, went ahead quite sharply on a renewal of investment support. Foreign bonds were extremely quiet with movements mixed. Interest in the industrial market was very selective. However, after the early uncertainty, this section took on a quietly steady appearance. It was also a quiet week in the Kaffir market. Prices moved within narrow limits to record small changes on balance. Oils moved irregularly, but at the end of the week, tended to improve reflecting President Nasser's favourable reply to Mr. Menzies. Copper and other base metals were uncertain. Tea shares tended to ease on disappointing dividend statements. Rubbers were quiet, although their prices held steady.

The Money Market

During the first few days of the past week, money was very tight on the London money market, and the rate for day-to-day loans was pushed up to 5 percent. The balance was upset on Monday by the absence of maturities, as a result of which funds were withdrawn rather heavily from the market. Little fresh credit was available and the authorities had to operate on a large scale to pull the market out of its difficulties, while several houses were forced to borrow a fair amount on Bank rate terms. The two following days were no better, but on Thursday, conditions were less difficult and on Friday due to disbursements of Government-departmental and local authorities monies, the market had its best day of the week. The high rates which the market had to pay for its requirements during the week resulted in a down-

ward revision of the weekly bid for Treasury bills with the result that the Government had to pay a higher rate for its short-term borrowing. Applications for £270 million worth of 91-day bills totalled £405,210,000 and were allotted at an average rate of 101s 2.95d against 100s 0.43d in the previous week. Offerings this week comprise £290 million worth of 91-day bills. The Bank of England return for the week ended 22nd August showed that bankers' deposits were about £3 million higher.

Activity on Wall Street

After easing on the first day of the past week, U.S. Government issues staged a good recovery. Treasury bonds steadied with the raising of the Federal Reserve discount rate, and the general firming and tightening of money for commercial borrowers. Convertibles followed the down-trend movement of Wall Street. Dow Chemical 3 percents of 1982 were prominent on the decline. Among oils, Standard Oil of Indiana 3-1/8 percents of 1982 eased quite sharply. Investment quality corporates, however, generally held steady. New York Central lines were slightly firmer among rails. Foreign bonds were quiet. Australian obligations improved fractionally, while German bonds continued to advance in moderate trading. Italian Republic 3 percents of 1977 eased on active selling.

U.S. Federal Reserve Return

The U.S. Federal Reserve Return for week ended 22nd August shows that the gold stock rose by \$1 million to \$21,857 million. Foreign deposits rose by \$15 million to \$304 million, while foreign investments fell by \$39 million to \$3,676 million. The Federal Reserve sold \$1 million worth of certificates and \$147 million worth of bills. Total discounts and advances fell by \$26 million to \$806 million, while aggregate excess reserves of member banks fell by \$397 million to \$294 million. The daily average excess reserves of member banks rose by \$92 million to \$655 million, while daily average borrowings fell by \$82 million to \$878 million. Business loans by the New York city banks rose \$107 million to \$10,330 million, compared with a rise of \$69 million to \$8,355 million in the corresponding week a year ago.

Hongkong Gold Falls

The Hongkong gold market was bearish in the past week, in spite of the tension in the inter-

national situation, and the downing of an American plane off the China coast. Traders said the situation was due to an overloaded position of bulls who took the opportunity at every advance to unload. Opening at \$(H)263, the value rose by a one-eighth, then moved steadily down on steadier sterling abroad, and suddenly spurted to \$(H)263 3/4 on Friday. Values lost ground finally to close at \$(H) 262 1/4. Carry-over charges were 630 cents in sellers' favour. This high interest rate also affected the market. The official offtake was 4,610 taels and the unofficial was 16,650 taels. Arrivals were 32,000 ounces. Forward contracts were done at \$(U.S.)37.83.

Vegetable Oil Market

Linseed oil showed again an easy tendency in the past week. Business has been less brisk than of late, and the pressure to sell near deliveries was still the prevailing feature. Although the castor oil market in India was reported to be firmer, the market here was quiet. Indian B.S.S. in bulk, Sept-Oct. shipment was said to have been offered at £130 a ton. There was little rape oil from abroad available at reasonable rates, and in Hull the price for spot remained at £160 a ton; for the Sept-Oct. delivery, £150 was quoted. Tung oil continued in quiet request on spot, with Chinese spot and September deliveries quoted at £188.

Easier Trend in Rubber

Reflecting cheaper first-hand offers, London rubber prices eased early in the past week with traders taking a hopeful view of the Suez Conference, but the market was still largely dominated by political uncertainties which made dealers disinclined to operate except against actual orders. Business was mostly confined to forward delivery positions, discounts for which tended to narrow. Sellers offered reservedly and a steadier trend ensued. Fluctuations were much smaller than of late, and prices indicated the absence of any tightness in nearby rubber. Holiday influences contributed to the smallness of demand. After slow trading, prices closed about a 1d a lb lower on the week. The sole crepe market was steady but dull. Although buying interest remained limited, there was no weight of offerings to depress prices which remained on the basis of 44d a lb, paid for 1/8th inch smooth No. 1 on the spot.

New Delhi

INDIA TO GET AGRICULTURAL PRODUCTS FROM
UNITED STATESWHEAT, RICE AND COTTON EXPECTED TO FEATURE
IN NEW THREE-YEAR PACT

(FROM OUR NEW DELHI CORRESPONDENT)

IT is expected that a \$360 million Indo-U.S. deal will be signed very shortly. It will be a three-year agreement, under which the U.S. Government will supply India 3 million tons of wheat, 200,000 tons of rice, 500,000 bales of cotton and some relatively minor commodities such as milk. India will pay for these purchases in rupees, 15 percent of which will be treated as a gift to this country and 20 percent will be used by the U.S. Embassy in New Delhi to meet certain obligations. The remaining 65 percent will be a loan to India to finance the second five year plan. This loan will carry four percent interest and will be repayable in 40 years.

The negotiations for the proposed deal have been conducted under the U.S. Agricultural Trade Development and Assistance Act of 1954. The Act authorises the sale of American farm surpluses for foreign currencies which can be used by the U.S. Government. The deal will ease India's foreign exchange position in so far as it relates to the purchase of agricultural products. It will also help her, firstly, to finance her development programmes and to that extent narrow down the gap between financial resources and development expenditure; and, secondly, to build buffer stocks of foodgrains to meet emergencies.

Coal Commission

The Government of India has decided to set up a Coal Commission with the Production Minister, Mr. K. C. Reddy, as chairman. The Commission will consist of about 18 members, and will make a thorough study of coal problems. Its first meeting will be held here on 4th September, it is expected. It will divide itself into various sub-committees, which will intensively study and examine the various problems facing the coal industry.

Bigger Demand for Fertilisers

With the change in the targets for agricultural production under the second plan, leading to an increased demand for fertilisers, the Ministry for Production has started preparing for the third five year plan as far as fertilisers are concerned. The target for fertiliser production under the second plan is 380,000 tons of the nitrogenous varieties. This is to be by expanding the existing capacity by 120,000 tons, and setting up three additional units to produce 220,000 tons. The Food and Agriculture Ministry's latest requirements are placed at 480,000 tons, or 100,000 tons more. The demand at the end of the third plan is estimated at 800,000 tons. Burmah-Shell has withdrawn its offer to manufacture fertilisers from the gases at its Trombay refinery.

Official Policy on Oil Refineries

Further details of the Government's attitude on the setting up of oil refineries in the future are now available. The conditions will be radically different from those on which the three refineries have been set up in India. Firstly, the Government will give no guarantee against nationalisation. Secondly, it will hold a major share in their equity capital. Thirdly, the companies, which in every case will have to be co-operative companies, will have to offer a part of the equity capital to the Indian public. The promoters of these conditions, it is learned, have been informed of these conditions, it is learned. They have gone back to consult their principals.

Expanding Port Capacity

A reference was recently made here to port capacity in relation to needs under the second plan. A conference, held recently with the Transport Secretary, Mr. N. M. Ayyar, in the chair, gave some idea of the latest position. Sir Ramaswamy Mudaliar, speaking there, complimented the chairmen of the ports of Calcutta, Bombay and Madras "for the energetic action they were taking to improve the position." He stated that conditions in the ports had improved, as a result of which the existing tonnage itself would be able to handle at least 20 percent more cargo. The Transport Secretary explained that Calcutta, Bombay, Cochin and Visakhapatnam had in peak years together handled a total tonnage of 24.01 million tons of cargo. The traffic handled during 1954-55 by these ports was only 20.17 million tons. Thus, the existing facilities were sufficient to handle an additional traffic of about 4 million tons. The works already completed, and the new works taken in hand, were designed to provide the following additional capacities:

Calcutta	1.5	million tons.
Madras	0.5	" "
Cochin	1.25	" "
Visakhapatnam	1.75	" "
Kandla	1.75	" "
Total	6.75	" "

The table below furnishes comparative figures of the peak traffic handled in each of the major

ports in past years and the traffic handled in 1954-55.

Ports	Traffic handled during peak period (in million tons)	Traffic handled during 1954-55
Calcutta	10.88 (1945-46)	7.81
Bombay	7.58 (1954-55)	7.58
Madras	2.58 (1944-45)	2.20
Cochin	1.58 (1951-52)	1.55
Visakhapatnam	1.39 (1953-54)	1.03
	24.01	20.17

Thus, with the existing facilities, the ports have sufficient capacity to handle a total traffic of 24.01 million tons. The following list shows the development works designed to increase port capacity, which have been completed or are in progress at major ports.

Description of work	When expected to be ready
Calcutta:	
Completed:	
1. Facilities for storage and shipment of ores.	
In Progress:	
1. Mechanical coal loading plant to be installed at coal berth.	December 1956.
2. Equipping No. 1 King George's dock with a 200-ton heavy lift crane.	January 1957.
3. Development of No. 5 berth into a mechanical ore berth.	February 1957.
4. Development of B and D berths, King George's dock, into general cargo berths.	February 1958.
Bombay:	
Completed:	
1. Ten transit sheds and warehouses.	
In Progress:	
1. Jetty Shed, Prince's dock.	November 1956.
2. Transit shed "M", Prince's dock.	July 1957.
Madras:	
In Progress:	
1. Construction of a jetty at north quay.	Sept. 1957.
2. Construction of jetties at south quays III and IV.	March 1958.
3. Construction of a new double-storeyed warehouse equipped with electrically-operated cargo lifts.	Work sanctioned.
Cochin:	
Completed:	
1. One coal berth.	
2. Two oil berths.	
3. Two warehouses.	

In Progress:

- Construction of a coal berth south of wharf. To be completed by April 1957.
- Black oil installation at the north end of Willingdon Island. Likely to be completed by early 1957.
- Construction of a wharf 1,207 feet long for accommodating four berths. Likely to be completed by June 1957.
- Construction of a warehouse for the four-berth scheme. Likely to be completed by June 1957.
- Metre gauge facilities. Likely to be completed in step with the completion by the Southern Railway of the main Ernakulam-Quilon link.

Completed:

- Oil jetty.
- Bunder.
- Construction of two berths. October 1956.
- Construction of the remaining two berths. April 1957.
- Three transit sheds. One almost completed; rest by March 1957.
- Four warehouses. By March 1957.

When the works in hand are completed early in 1958, which will be the peak year for traffic during the second plan period, the total capacity will have increased to 30.76 million tons. With the speedy introduction of the piece-rate system in ports other than Bombay (where it has already been introduced), it is reasonable to expect a 15 percent increase in capacity. Thus, the average capacity of the major ports from 1958 onwards is likely to be about 35 million tons, which represents a 75 percent increase over the traffic handled in 1954-55. This increase should fully cover the expected increase in imports and exports.

Estimate of Imports

No clear information is available at present about the total quantities of cargoes which are expected to come from overseas to Indian ports, and it is necessary to collect full information on this. As a first step, a *pro forma* statement has to be prepared and circulated to various Ministries and departments, calling for full particulars of all planned cargoes likely to move on their account over the next one or two years.

Sir Ramaswamy Mudaliar said that there was a considerable volume of cargo waiting for shipment from U.K. and west European ports which could not be moved all at once. He referred particularly to the underframes for the Integral Coach Factory—large items, of sizes which can only be put on decks—now lying in Continental ports awaiting shipment. He suggested that the various Ministries should phase their shipments and agree on priorities, having regard to the volume of shipping available and the capacity of the receiving ports.

The Joint Secretary to the Commerce Ministry, Mr. K. B. Lall, it is learned, explained the problems facing his Ministry, one of which was to find more shipping space and increase shipping capacity. He indicated that total imports of steel, cement, machinery and fertilisers were not likely to exceed 4 million tons a year, and would be within the estimated increase in the capacity of the ports, as indicated by the Transport Ministry. He declared that there was great difficulty in getting shipping space for low-rated cargoes such as iron

4 PER CENT STATE GOVERNMENT LOANS

(1) Government of Andhra	Rs. 600 lakhs	Issue price Rs. 99-8	per cent
(2) Government of Bihar	Rs. 200 lakhs	Issue price Rs. 99-4	per cent
(3) Government of Bombay	Rs. 750 lakhs	Issue price Rs. 100-0	per cent
(4) Government of Hyderabad	Rs. 200 lakhs	Issue price Rs. 99-8	per cent
(5) Government of Madhya Bharat	Rs. 100 lakhs	Issue price Rs. 99-4	per cent
(6) Government of Madhya Pradesh	Rs. 150 lakhs	Issue price Rs. 99-4	per cent
(7) Government of Madras	Rs. 1250 lakhs	Issue price Rs. 99-12	per cent
(8) Government of Mysore	Rs. 400 lakhs	Issue price Rs. 99-8	per cent
(9) Government of Orissa	Rs. 300 lakhs	Issue price Rs. 99-4	per cent
(10) Government of Punjab	Rs. 200 lakhs	Issue price Rs. 99-4	per cent
(11) Government of Rajasthan	Rs. 300 lakhs	Issue price Rs. 99-8	per cent
(12) Government of Saurashtra	Rs. 250 lakhs	Issue price Rs. 99-8	per cent
(13) Government of Travancore-Cochin	Rs. 200 lakhs	Issue price Rs. 99-4	per cent
(14) Government of Uttar Pradesh	Rs. 800 lakhs	Issue price Rs. 99-8	per cent
(15) Government of West Bengal	Rs. 700 lakhs	Issue price Rs. 100-0	per cent

All the State Governments reserve the right to retain subscriptions up to ten per cent in excess of the notified amount. All the above loans will be repaid at par on 3rd September, 1968 except that of the Government of Bombay which will be repaid at par on 3rd September, 1970.

THE LOANS WILL OPEN FOR SUBSCRIPTION ON 3RD SEPTEMBER, 1956 AND CLOSE ON 10TH SEPTEMBER, 1956 OR EARLIER WITHOUT NOTICE AS SOON AS SUBSCRIPTIONS APPROXIMATE TO THE AMOUNT OF EACH ISSUE.

All the loans will bear interest from 3rd September, 1956. Subscriptions may be in the form of CASH/CHEQUE in respect of all the loans. 3% BOMBAY GOVERNMENT LOAN 1956, 3% MADHYA PRADESH LOAN 1956 and 3% MADRAS GOVERNMENT LOAN 1956 will be accepted AT PAR for conversion into the new loan of the Government concerned; interest on the securities of the respective loans tendered for conversion will be paid up to and including 2nd September, 1956.

3 1/4% TRAVANCORE GOVERNMENT LOAN 1956 will be accepted AT PAR for conversion into the new loan of that Government. In addition to the interest due on securities of that loan tendered for conversion, tenderers will be paid interest at the rate of 4 per cent per annum on the amount of the principal of such securities from 16th August, 1956 to 2nd September, 1956 inclusive.

APPLICATIONS FOR ALL THE LOANS WILL BE RECEIVED AT THE OFFICES OF THE RESERVE BANK OF INDIA AT BOMBAY, CALCUTTA, DELHI, MADRAS AND BANGALORE.

APPLICATIONS will also be received at PLACES WITHIN THE RESPECTIVE STATES as follows:—

(i) At the branches of the State Bank of India and at Treasuries and Sub-treasuries in the case of Andhra, Bihar, Bombay, Madhya Pradesh, Madras, Orissa, Punjab, Rajasthan, Saurashtra and Uttar Pradesh loans.

(ii) At the branches of the State Bank of India in the case of West Bengal loan.

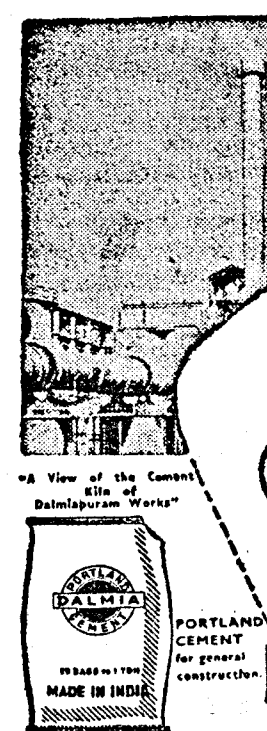
(iii) At the branches of the State Bank of India and at District Treasuries only in the case of Madhya Bharat loan.

(iv) At the branches and treasury pay offices of the Hyderabad State Bank and at Treasuries and Sub-treasuries in the Hyderabad State in the case of Hyderabad loan.

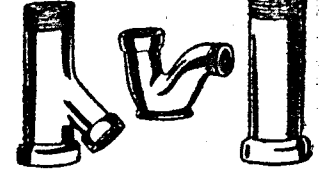
(v) At the branches of the Bank of Mysore Ltd., in the Mysore State except at Bangalore and at Taluk Treasuries in the Mysore State at places where there is no branch of the Bank of Mysore Ltd., in the case of Mysore loan.

(vi) At Treasuries and Sub-treasuries only in the case of Travancore-Cochin loan.

Copies of Notifications and Application Forms may be obtained at any Receiving Office.

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and steel and ores. Mr. Lall suggested the setting up of a working party. His Ministry, he added, was anxious that the general export promotion drive of the Government should not be handicapped by a shortage of shipping space. The Government was anxious to develop the export of ores. The quota for private shippers would be slightly less for the second half of the year than for the first half. It would be approximately 400,000 tons, excluding that intended for Russia, Poland, etc., to which countries the State Trading Corporation would make shipments.

Taxation Reform

Following Professor Kaldor's report on the Indian taxation system, with special reference to raising additional revenues, the Ministry of Finance has deputed three officers, Messrs. N. H. Naqvi, S. Chandrasekhar and A. K. Mukarji, to visit the United States, Sweden and Japan to study the working of the taxes suggested by Professor Kaldor. The Secretary to the Ministry, Mr. A. K. Roy, is also expected to visit these countries.

Property tax is levied in Sweden, Japan, the Netherlands, Finland, Iceland, Luxembourg, the United States and Colombia. In Sweden, it is levied on individuals, families, trusts and foreign companies. All immovable properties in Sweden, and all movable properties existing there which are intended for business carried on in Sweden, are taxed.

U.S.A.

- (i) Capital gains realised through sale of all kinds of property, movable or immovable, which are not sold during the business.
- (ii) No capital loss allowed on the sale of an asset which was not held for the purpose of producing income.
- (iii) Capital gains and losses subdivided into: (a) long-term gains or loss. (b) short-term gain or loss.
- (iv) Capital losses generally set against capital gains and can be carried forward for five years. Part of the capital loss is also set off against the taxable income of the current year in special circumstances.

Other Concessions.

Net assessable capital shall not be less than 50 percent of the real value of the assets, or more than 30 percent of the income of the taxpayer liable to income-tax under the Income-Tax Act.

- (v) If one fails to collect a personal loan, the bad debt can be treated as a "short-term capital loss."

Japan

In 1953, revisions were made in every tax, and taxation on the capital gains of securities was repealed. But, a "revaluation tax", which by nature is a tax on capital appreciation, was re-imposed. Revaluation of assets was enforced and tax was imposed on the re-appraisal gains of assets.

Argentina

Capital gains tax is known there as "eventual profits tax." All capital profits made after 1st January, 1946, by physical or legal persons and not taxed by income-tax law.

Venezuela

Capital gains charged as general income, which includes income from personal property transactions and income from credits.

In the following countries, capital gains and losses are taken into account for determining taxable income under the income-tax law.

Belgium

Capital gains which enter the computation of taxable income include:

- (i) Gains arising from an industrial, commercial, or agricultural enterprise.
- (ii) Gains arising on the realisation of assets or on an appreciation of value shown in the accounts.
- (iii) Gain arising to a shareholder from the distribution of capital by the company.
- (iv) Capital losses are also allowed.
- (i) Gains arising on the sale of any assets in the course of the taxpayer's customary activities.
- (ii) Profit made on the transfer of goodwill, patent rights, leasehold property, minerals, etc.
- (iii) Profits on the sale of machinery, fittings and plants.
- (iv) Shared distributions out of capital profits to shareholders or partners made by a company or a firm.
- (v) Lottery winnings.
- (vi) Capital losses are allowed.

Poland

- (i) Profits arising on the transfer of land or buildings, if held for less than 10 years, are charged to tax.

- (ii) Profits arising on transfer of any other assets held for less than five years are charged to tax.

- (iii) Capital losses are allowed only against capital profits.

France

- (i) All kinds of capital gains for an individual or company

Holland

- (ii) For individuals, only capital gains arising from a business or profession or of over 500 florins in the case of speculation are included in income.
- (iii) Losses from speculations are allowed only against profits from speculation.
- (iv) On the liquidation of a company, all gains realised by a shareholder in excess of paid-up capital are considered.
- (v) Capital losses are also allowed.

Norway

- (i) Gains arising from the sale of a business or business assets.
- (ii) Profits made through the sale of any property other than securities.
- (iii) Lottery prizes.
- (iv) Capital losses are also allowed.

Switzerland

- (i) Profits on the sale, transfer or even re-valuation of assets of any business which is required by law to keep accounts.
- (ii) Lottery winnings.
- (iii) Losses are also allowed.

New Zealand
(1952-54)

- Profits from the sale or disposal of land acquired for sale or disposal of a profit is included in income.

South Africa
(1954-55)

- Casual profits are taxed.

Western
Germany

- Capital gains, in so far as they are income, are not exempt.

German Aeronautical Experts

The Government of India has engaged a team of German aeronautical experts led by Dr. Tank at Hindustan Aircraft Ltd. for the design and development of aircraft in India. A few of the experts have already joined, and the others are expected shortly. This in no way alters or modifies the earlier decision of the Government to set up an aero-engine plant in collaboration with Bristol, and to undertake the manufacture of the lightweight fighter, *Gnat*, in collaboration with Folland of Britain. The Defence Secretary, Mr. M. K. Vellodi, finalised agreements with these two companies during his recent visit to London. The *Gnat* is fitted with the Bristol Be-26 Orpheus axial-flow turbo-jet engine. The two agreements will enable India to manufacture both the aircraft and its engine. The Government has also finalised a deal to purchase English Electric *Canberras*, which are powered by two Rolls Royce Avon axial-flow turbo-jet engines. Deliveries of the first production *Canberras* to the R.A.F. began in January 1951. India is thus buying a tried and tested aircraft.

Indo-Egyptian Trade

Replying to a question in Parliament as to whether Britain's restrictions on Egypt's sterling balances had affected Indo-Egyptian trade, an official spokesman said that under the Indo-Egyptian Trade Agreement, all payments for Egyptian imports into India were made in Indian rupees, 40 percent of which were to be spent on purchases in India and the remainder, at Egypt's desire, were convertible into sterling. "As the entire trade between Egypt and India is financed with rupees, restrictions placed by the U.K. should have no direct effect on Indo-Egyptian trade. If any difficulties do arise, the Government will take such steps as are considered necessary to maintain the flow of trade between the two countries." Since the announcement, the Government of India has advanced money to the Bank of Egypt, through the State Trading Corporation, to purchase the Indian goods she needs.

Rising Cloth Prices

The low stocks and rising prices of mill-made cloth should be a matter of some anxiety for the Government. These stocks have been steadily decreasing and stood at 138,000 bales on 31st July, compared with 143,000 bales on 14th July. The prices of coarse and medium cloth similarly have been increasing. They have risen by 10 points to 141 since April 1956. Enquiries suggest that the *per capita* consumption of cloth during the first six months of 1956 has gone up from 15.9 yards to 16.65 yards. The coming Hindu festivals of Durga Puja and Deewali will give a further impetus to the price increase, it is feared.

Developing Small-Scale Industries

The Government of India is planning more effective measures to develop small-scale industries. A central workshop is being organised here in which prototype machine tools which are not manufactured in India at present will be manufactured. Their usefulness and the demand for them will be appraised through four regional workshops which will be set up simultaneously. The workshops will test the accuracy and performance of the machine tools already manufactured in this country. Western Germany has offered to supply, free of cost, all the equipment and technical personnel needed for these workshops, and has also promised to train Indians in that country.

London

U. K. ECONOMIC POSITION STEADIER

BALANCE OF PAYMENTS SHOWS SURPLUS

(FROM OUR LONDON CORRESPONDENT)

IT is such a change to receive a copy of the Treasury's *Bulletin for Industry* which does not qualify its assessment of the economic outlook with the ominous reference to "further measures if necessary", which has been such a feature of official pronouncements. Instead, it says that the measures taken are beginning to have effect and price stability is at last a real possibility. The Treasury, indeed, is pleased at the progress the national economy has made in the first half of this year. Consumer expenditure has kept steady while investment has gone up. Exports have been rising faster than imports and the balance of payments has changed from deficit to surplus. In 1956 capital investment in manufacturing industry is expected to be 21 percent higher than in 1955. Yet in the first half-year there was a balance-of-payments surplus of more than £100 million, against one of only £15 million in the first half of the previous year. What of the second half-year? The outcome of that is anyone's guess, but at least the majority of indicators on the purely economic, as opposed to the political, front, are reasonably reassuring. Most encouraging, perhaps, is that for the third successive month the terms of trade moved in favour of Britain again in July. While the index of export prices (1954 average=100) was unchanged in July, the import price index fell a further two points from 105 to 103. In consequence, the index of the terms of trade was down from 99 to 97. Lower import prices in July were due mainly to seasonal falls in prices of fresh fruit and vegetables and to lower average values for tea and unwrought copper. On the export side the index for all manufactured goods was one point up at 106, but there was a fall in the engineering products group from 107 to 106. Since the end of last year the index of the terms of trade has moved down from 101 to 97, indicating an improvement of just under 4 percent. This has obviously made a substantial contribution to the strengthening of Britain's balance of payments. But that the Government's measures are also producing results and contributing to the general improvement is shown in a variety of spheres by later entries in this despatch.

Wage Costs Dangers

An unqualified optimism about the future would be extremely dangerous at the present moment. Quite apart from the international uncertainties, the same issue of the *Bulletin* contains a set of figures which represent a serious warning about costs. They disclose how inflation of wage costs damaged our competitive position in 1955, and this process has undoubtedly gone further in the current year. The basic position is well known, costs rising more rapidly than output and rising prices. In 1955 national output rose by 3 percent and costs by 6 percent, the effect being an increase of 3 percent in cost for each unit of output.

	1953	1954	1955	1954	1955
National Output	116	122	126	5	3
Wage Costs:					
Total	144	154	163	7	6
Per unit	124	126	130	2	3

The base year for these index figures is 1943, equal to 100. Recently, and especially in 1955, the rate of increase in national output has slowed down, while the rate of increase in home costs has accelerated. The latest figures show who are responsible for the rise in costs, and it is unquestionably "wage and salary earners." Profits have expanded, but only a little faster than the expansion of production:

	1953	1954	1955	1954	1955
Wages and Salaries:					
Total	142	153	165	7	8
Per unit	122	125	131	2	5
Gross Profits:					
Total	153	170	178	8	5
Per unit	136	139	141	2	1

The point that stands out is that in 1955 the cost of wages and salaries a unit of output rose by 5 percent and the cost of gross profits by 1 percent. This upset the fair balance established in 1954, when both wages and profits contributed equally an extra 2 percent to cost a unit of output. As the Treasury points out, there has been no comparable increase in wage costs in western Germany. Between 1950 and 1954 labour costs a unit of output in manufacturing industry rose by more than 25 percent in Britain against only 2 percent in Germany, and since 1954 the position has almost certainly deteriorated even further.

Electrical Undertakings in India

After a lengthy tussle over balancing charges, a tentative agreement was reached between the Madras Electric Supply Corporation and the British tax authorities on the Corporation's tax liabilities. As a result, a further small liquidation payment of 25 percent on each £1 unit is to be made. The Madras company was one of three British-controlled electricity supply undertakings taken over

by the local Governments in 1947, at prices based on an independent valuation. The purchase figure was £1,612,500. The preference capital was repaid in October, 1950, shortly after the company went into liquidation. A first payment of 20s. 6d. a £1 Ordinary stock was made last September. There are certain tax questions in India still outstanding and a settlement favourable to the company might well permit a third distribution to be made. Of the other two companies, Cawnpore Electric Supply declared a third and final payment of 15s. a unit in April this year. The final winding-up is expected in the next month or two. Delhi Electric Supply and Traction was the first to complete its liquidation, the final payment being made a year ago. A fourth undertaking, the Calcutta Electric Supply Corporation, continues to operate as an independent concern. In February, 1946, the company reached an agreement with the Bengal Government under which 14 licences were grouped into a single licence with an option for the Government to buy the undertaking on 1st January, 1950, and thereafter at 20-year intervals on giving two years' notice. The Government decided not to exercise its option in 1950, so that, barring unforeseen political upheavals, this company should have a clear run until 1970.

Wool Marketing in 1955

The United Kingdom wool clip of 1955 was disappointing in some respects, says the British Wool Marketing Board in its annual report, for the year ended 30th April. It amounted to only 67,200,000 lbs., 5,300,000 lbs., or 7.3 percent, less than in 1954. Prices averaged 52.7d. a lb.—3.7 percent less than in the previous year. The average price of the comparable New Zealand clip, however, dropped by 6.6 percent and that of the Australian clip by 16.8 percent. At the board's sales 59,500,000 lbs., or 88.5 percent of the current clip, had been sold by 30th April, and stocks in hand at that date of 7,500,000 lbs. had been sold since then. The wool scheme had worked successfully in spite of less favourable conditions. Rising costs had been contained by economies by the Board, including a reduction of £11,555 in administrative costs. Total marketing costs on the smaller clip, at £1,238.136, were £34,114 less than in the previous year, though the average cost a lb. was 0.212d. higher. Finance costs rose by over 1d. a lb. because of increase in bank rate and those for the current year might show a further rise of 1d. a lb. unless money became cheaper. Since the wool scheme started six years ago, the Government's guarantees for wool had been supported by funds derived from the surplus made on the 1950 clip, at the time of the Korean war boom. The scheme was self-supporting. These circumstances resulted in a series of stable prices to producers. On the final disposal of the 1955 clip, however, the report says, producers' own price support funds will be virtually exhausted and any deficiency on the 1956 clip will have to be met from the Exchequer. A new phase is accordingly now beginning, and the Board hopes that its operations will not necessitate drafts on the taxpayers' money.

H. P. Debt Falls Again

Hire-purchase indebtedness continued to fall in June, according to Board of Trade figures. At the end of the month the total was about £397 million, or some 12 percent below the level at the end of the year, when it was estimated to have been at least £450 million. At the end of June the debt owing to retailers was about 2 percent lower than in the previous month, while that owing to finance houses was down by about 1 percent. Repayments are still being made at a higher rate than new advances, even though new advances by finance houses have risen from their low level in March and April. So probably have those made by retailers. Of the £397 million total debt, about £234 million is owing to retailers and at least £164 million to finance houses. Of the latter figure, £126 million, or 77 percent, was owing to members of the Finance Houses Association.

The bulk of the debt, £249 million, is on consumer goods, such as furniture, hardware, radio, and electrical goods. Of this, £234 million was owing to retailers. The debt owing to finance houses for motor vehicles was £126 million and that for industrial and farm equipment £17 million. The index number (December 1955=100) of the value of new hire-purchase credit extended direct

to hirers for new private cars fell from 115 in May to 106 in June. For used cars the index was 142 in June, as against 148 in May. For all goods the index was 101, against 108 in May and 96 in April.

Minimum Price Scheme Dropped

Proposals for introducing a minimum price scheme into the weaving section of the cotton industry have been dropped, at least for the time being. In April the employers' organisation on the weaving side of the industry—the Cotton Spinners' and Manufacturers' Association—completed a draft price maintenance scheme for weaving, similar in some respects to the one which has existed in the spinning section of the industry for many years, and circulated it to all its members for their comments and suggestions. In the meantime, however, Parliament has passed the Restrictive Trade Practices Act, and the Association has now issued a statement saying that it did not at present propose to introduce the scheme on a legally enforceable basis. The proposals contained in it would merely be circulated to members for their guidance. The attempt to introduce such a scheme was prompted to some extent by the industry's dis-appointment with the repeated refusal by the President of the Board of Trade to protect cotton against unlimited imports from abroad, and from its fears that profit margin will be reduced further and further if these cheaply produced foreign textiles are allowed to continue to flow in unchecked.

Car Production and Exports

Labour troubles and redundancy in the motor industry, though continuing, did not noticeably affect the production of cars last month. On the export side, in fact, the industry increased its shipments overseas in July by 1,700 cars to a total of 32,145—the highest monthly figure since May last year, and 1,200 more than in July, 1955. It is expected, however, that exports to Australia will decline soon because of the restrictions recently imposed on British cars. There was a slight fall in July in the number of commercial vehicles exported (13,376 in June, 12,703 in July), whereas there had been an increase of 4,000 during the corresponding period last year. These figures are contained in tables issued by the Board of Trade. The tables also show that, although the production of cars fell from 83,043 in June to 51,476 in July—a drop of 31,567—this was actually a few hundred fewer than the drop experienced between June and July the year before. An official of the Society of Motor Manufacturers and Traders, said that this decline occurred each year and was caused by some firms starting their annual holidays in July. Short-time working and strikes did not appear to have increased the figure. The decline in the production of commercial vehicles, however, is greater than normal—a fall of 13,700, compared with one of 10,000 in June-July last year.

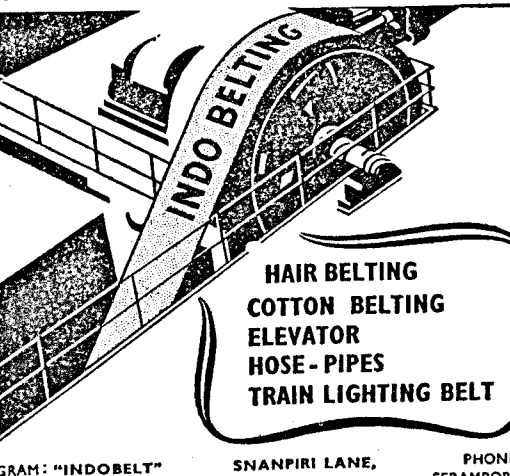
Brevities

The British European Airways Corporation made a net profit of £603,614 in the year ended 31st March, and a gross profit of £1.2 million—an increase of 63 percent on the profit in 1954-55.

For the second month in succession the cost of living has fallen but not sufficiently to alter the Ministry of Labour's index of retail prices. On 17th July this figure was 102, the same as in June. The June index was 102.4, compared with the level of 100 on 17th January, expressed to the nearest whole number it was announced as 102. Therefore, in the first half of July, the cost of living fell by 0.4. This is the first time since 1952 that the index—now calculated on a new basis, on the old basis it actually shows a fall of 1 point on 17th July—has risen as little as two points between January and July. Last year, under the old index, it rose four points in this period, five in 1954, and three in 1953.

Also, for the second successive month the Board of Trade's index number of basic material prices shows a slight fall. For July the index (basis 30th June, 1949=100) was down from 155.2 to 154.1, which is the lowest level touched since November of last year. Last month's fall was due mainly to lower average prices for copper, down 6.3 percent, wool, down 1.5 percent, and linseed oil, with a fall of 8.6 percent. Among the materials that rose in price in July were rubber, up 13.2 percent, tin, up 1.1 percent, lead, which rose 0.4 percent, and palm oil, with a 9.8 percent increase.

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GOVERNMENT DETERMINED TO ENCOURAGE HANDLOOMS

(FROM OUR BOMBAY CORRESPONDENT)

THE Union Minister for Commerce and Industry, Mr. T. T. Krishnamachari, reiterated at a meeting of the All-India Handloom Board here that the Government was determined to do all in its power to encourage the handloom weaver. The object of the meeting was to consider ways and means of increasing the output of the handloom sector by 700 million yards over the next three years. Mr. Krishnamachari felt that an extension of the co-operative system would materially assist the handloom weaver in his activities. Apparently, he was satisfied with the progress that this sector has made over the last few years. He said: "Judging by the progress of expenditure up to March

last, I can say emphatically that, by and large, the State Governments have done well. The work which we have all done during the last three years has produced some good cumulatively, though it varies from place to place. At the same time, I concede that what we have done falls short of what we ought to do, and there is considerable leeway to be made up." Mr. Krishnamachari, however, did not specify in concrete terms the actual good that has been done and its relation to the national economy.

Working Capital

A number of suggestions were made at the meeting. It was proposed that the working capital be increased to Rs. 300 a loom and that this sum be made available to all within the co-operative framework. The other forms of financial assistance, it was urged, should include the granting of marketing loans on liberal terms and short-term loans to co-operative societies for the purpose of maintaining production during slack periods. The necessity of replacing the existing pit looms by frame fly-shuttle looms was also emphasised. The Commerce Minister conceded that a uniform quantum of working capital for each loom would be

desirable, and that in certain circumstances, it may be necessary to extend financial assistance to the handloom weaver. He suggested that a quota of production should be fixed for each State on the basis of its past performance, following which the aid requirements of individual States would be sympathetically considered. On the other hand, there has been sharp criticism of the Government for its proposal to introduce power looms within the small-scale industry. Such a step, it is contended, would lead to unemployment and defeat the very object of the cottage industry as a whole. But it is unlikely that the Government will entertain such objections.

This controversy apart, the fact remains that the country is committed to a policy of the small-scale sector subsisting alongside the organised mill industry. Just how much this experiment will cost the country remains to be seen, but certain manifestations are inevitable in the process of its working. One of these is a rising price level of most varieties of cloth. This has already happened and cloth prices today are about 12 percent to 15 percent higher than they were at this time last year. The Bombay piecegoods market was active last week, and prices of several popular qualities such as drills, dhoties and coatings increased by a further 3 percent. Brisk business has been transacted with merchants from West Bengal, Bihar and Delhi and most mills are now fully booked up till the end of November. On the other hand, mercerised medium shirtings have dropped by about 5 percent. But this is a temporary phase and it is expected that there will be a general rise in the price of all varieties within the next few weeks when the festive season begins. It is now generally believed that the internal demand for cloth is rising at a faster rate than production and in spite of the fact that mill output rose from 2,491 million yards in the first six months of last year to 2,583 million yards for the same period this year, a growing shortage of cloth is expected. This belief has helped strengthen prices and when the shortage shows signs of reaching an acute stage, it is likely that the price level will be forced up to abnormal limits, helped as it probably will be by hoarding and speculative activity. Certainly, there will be seasonal fluctuations when short-term market conditions of supply and demand exert their influence, but the long-term price range will show a tendency to stabilise at a higher level.

Increasing Competition

In these circumstances, it is possible that the Government may be compelled to reverse its decision to peg the output of the mill industry, but it is doubtful if such a reversal could be brought into effect in time to prevent the damage. Perhaps cloth imports from abroad may be necessary to avert a textile famine. Considering that the country itself seeks to export 1,000 million yards a year, this indeed will be ludicrous. Internally rising prices must inevitably lead to diminishing exports. It is expected that the export figure for August will not exceed 55 million yards as against 63.15 million yards shipped last month. An attempt has been made to explain away the fall by attributing it to the closure of Ahmedabad mills for several days during the recent disturbances. This may well have held up despatches, but the fundamental fact is that Indian cotton piecegoods are no longer competitive in world markets. In face of increasing demand and rising prices at home, there is no incentive for Indian mills to be competitive in foreign markets, particularly when they knew that they are fighting losing battles against competition from Japan, Pakistan and the Communist countries. It is officially reported that the Iranian market at present is stocked with 49 million metres and 35 million metres of cotton piecegoods imported from Russia and Japan respectively. Pakistan has already sold a sizeable quantity of grey sheetings to Ethiopia and Somaliland, and merchants in these countries claim that Pakistan qualities are superior to the Indian product and are cheaper. The baling, folding and presentation of Pakistan sheetings are, it is also claimed, superior. Communist China, too, has already entered the Aden market which has traditionally been India's preserve. A trial order for 2,000 bales has been placed with China, and it is reported that judging on the basis of samples submitted, the Chinese product, manufactured on automatic loom, would appear to be far superior to Indian qualities, and what is equally important, much cheaper in price. Competition from these sources in south east Asian markets has already been reported.

Need for Rationalisation

There would appear to be no point in urging the Indian mill industry to launch an all-out export drive in order to earn the foreign exchange which the country so urgently needs, because it is ill-equipped to do so. Even a natural or a controlled fall in internal cloth prices will not help the industry to fulfil its export target of 1,000 million yards each year, because the Indian industry is fundamentally uncompetitive. In this connection, the Government's decision to permit the production of 350 million yards under modern methods by the installation of new 200,000 spindles and 14,600 looms is a step in the right direction, but it does not go far enough. If India is to retain a fair share of the export trade, then rationalisation on a much larger scale is indicated. Even from the point of view of the local market, it hardly seems fair that the domestic consumer should continue indefinitely to subsidise outworn methods and equipment by paying higher prices for a necessary commodity. The issue of rationalisation will have to be faced sooner or later, and it is better to face it before the country's foreign markets are lost than after the damage has been done.

Plantation Topics

PLANTATION ENQUIRY COMMISSION REPORTS ON THE TEA INDUSTRY

NEED TO REDUCE COSTS OF PRODUCTION

THE Plantation Enquiry Commission, in its report on the tea industry in India, has suggested the creation of a tea replanting fund to be used for the purpose of replanting tea bushes. It has suggested that each grower should contribute Rs. 50 an acre every year to the fund. The Tea Board should draw up a programme of phased replanting of tea bushes as well as replacement and renewal of machinery and equipment. The report, which was presented to both Houses of Parliament on Tuesday, estimates that the production in the country may rise to 710 million lbs. a year by the end of the second five year plan. This would mark an increase of about 45.5 million lbs. over the present level of production. The Commission, however, says: "In our assessment the immediate problem before the tea industry in India is not so much the need for a large-scale expansion of the area as of continued maintenance of results already achieved and improvement of existing assets."

The Plantation Enquiry Commission consisted of Mr. P. M. Menon (chairman), Mr. K. G. Sivaswamy and Professor M. V. Mathur (members). It was appointed by the Government of India in 1954 to make a comprehensive enquiry into the economic conditions and problems of the tea, coffee and rubber plantation industries. It was asked to make recommendations on measures for securing a fair price for both the producer and the consumer, for the provision of finance for the industry, for suitable marketing arrangements and for the development and expansion of the plantation industry. The Commission's report on the tea industry was submitted to the Government some time ago and the recommendations contained in the report are being examined. Mr. Sivaswamy has appended a note of dissent to the report. The Commission's report on the other two industries, coffee, and rubber, is expected shortly.

The Commission says that retail prices of tea are high and need to be reduced if internal consumption is to increase. The Tea Board should make a special investigation of the difficulties under which the smaller packaging firms are suffering, and a ceiling should be imposed on the production of existing blenders as well as of new units. The objective should be to ensure that tea is vended only in package form. The abolition of the differential rates of excise duty on packed and loose tea is recommended. The Tea Board should make arrangements for packing and distribution, under its own distinguishing label, 50 percent of the quantity of dust tea that is now packed and sold in India. As for primary sales, the Commission recommends that the selling and buying brokers should be separate. Brokers have come to occupy an unusually strong position in the marketing of tea in Calcutta. They should not be connected in any way with the management, or be a major shareholder in any tea estate, or have any connection with the trade and export of tea. The Tea Board should assume the functions of regulating the sale of tea at the Cochin and Calcutta auctions. The abolition of the export quota system is recommended.

Profits and Capital

The Commission observes that generally speaking the ratio of gross profit to total capital in the tea industry has been high. In its opinion, withdrawal from reserves, other than the dividend equalisation reserve, for the purpose of declaring dividends, is unsound and should cease. As for the provision of finance for the industry, the Commission has emphasised that the tea industry should be given priority in the programme of extension of branches of the State Bank. The recommendations of the All-India Rural Credit Survey Committee have full application to the tea industry. The Commission also feels that the response of the capital market to debentures issued by tea companies should be favourable. It has made a number of recommendations for the improvement of transport in the tea producing areas, for labour welfare and for improving the supply of stores. It has suggested the setting up of a Plantation Labour Welfare Organisation controlled by the Central Government. The Commission has also recommended a basis for computing bonus payment to tea labour.

The tea plantation industry provides direct employment to over a million workers in the country and is, thus, the largest employer of organised labour. The report says that although the internal consumption of tea in India has been progressively increasing during the last few years, the major part of the production is exported. India occupies first place, in both acreage and production, among the principal tea-producing countries of the world which participate in international trade. The large volume of exports gives the industry a place of great importance in the Indian economy as a substantial earner of foreign exchange. The tea industry is also the mainstay of the plywood industry. In north India, the Doon and Terai region of West Bengal has the

highest yield per acre and Ranchi the lowest excluding Almora. In south India the yield is highest in the Anamalis. Unlike north India, tea is made throughout the year in the south.

Referring to the structure of the tea industry in India, the Commission observes that the total capital investment in tea is estimated at Rs. 113.06 crores. Of this, Rs. 40.51 crores (35.8 percent) is Indian and Rs. 72.55 crores (64.2 percent) non-Indian. Between 1939 and 1953, the figures of shareholdings revealed an overall fall of 10.4 percent in the shareholdings of the non-Indian sector and a corresponding rise in the Indian sector.

Concentration in Industry

Thirteen leading agency houses in Calcutta control over 75 percent of the tea production in north India. Of these, seven companies control more than 50 percent and five companies as much as 36 percent of the production. Eight agency houses of producers in Calcutta and their associate firms purchased over 50 percent of the tea at the Calcutta auctions in 1954. The retail distribution of tea in India is controlled by two leading firms to the extent of 85 percent. The Commission points out that in an industry in which capital is so largely in the hands of foreign business houses and 75 percent of the production is controlled directly by a limited number of agents of these firms, it is inevitable that there should be a high degree of concentration. The proportion of reserves to total assets in 1953 was higher in the Indian group than in the non-Indian group. The growth in the paid-up capital from 1939 to 1953 for the companies under various types of management shows that the increase is not very significant. What little increase there has been is also wholly accounted for by the issue of bonus shares or rises in the face value of the shares.

The Commission feels that there is need for the exercise of more rigid scrutiny before sanctioning new capital issues, especially in cases arising out of the purchase of proprietary estates, conversion of sterling companies into rupee companies and issue of bonus shares as a consequence of revaluation of fixed assets. It points out that the growth in the internal resources of the companies has not been commensurate with the needs of the industry for maintaining the fixed assets in a normal condition. A limitation of dividends by half would itself have enabled most companies to increase their internal resources by about 25 percent.

On the cost of production of tea in India, the Commission reports that the cost in 1950 was Rs. 118.15 a 100 lbs. This gradually rose to Rs. 140.36 in 1952, but decreased to Rs. 131 in 1953. The cost was generally higher in sterling and non-Indian rupee estates than in Indian estates. The highest was among sterling companies, Rs. 135.66 a 100 lbs. in 1953, while the cost of the director-controlled Indian public limited companies was the lowest at Rs. 102.11. The Commission finds that, after a certain point, there is no decrease in the cost of production as a result of an increase in the size or yield of the estate. It points out that in tea estates, most of the operations relating to cultivation and gathering of crops, etc. are done by hand, so the possibility of significant reductions in cost by increasing the size of the estate is limited. To bring about economy in the cost of production, the size of the estate should be related to managerial efficiency and the crop required to maintain a tea factory. The Commission's conclusion is that the optimum size for a tea estate may be anywhere between 800 and 1,000 acres. This will mean employment for about 1,000 to 1,500 labourers, which is almost as many as an efficient estate manager can supervise.

Need for Reduction

The Commission observes that the future of the tea industry is closely linked with the cost of production. India has to produce good quality tea at reasonable cost in order to face successfully the growing competition in the international market and to develop, as far as possible, the internal market also. Increased production per acre should be achieved by improved methods of production and increased productivity of labour. "General charges" and "payment to labour" form the largest parts of the total cost of tea production. The Commission suggests the following measures to reduce the cost of general charges: (1) a decrease in the remuneration paid to managing agents and secretaries; (2) abolition of the commission paid to managers, etc. (and instead giving them a consolidated salary); (3) increasing Indianisation of managerial personnel and reduction in the number of the non-Indian managerial personnel to the minimum; and (4) rationalising of the salary structure of the managerial cadre. The Commission has recommended that the Tea Board should undertake a well-planned and regular study of cost data to keep the industry informed about its economic efficiency and competitive position. A

"cost of production" section should be set up in the Tea Board for this purpose.

Replanting Fund

On the maintenance and upkeep of tea bushes, the Commission observes that in spite of the need for a programme of replanting for the very existence of the industry in the long run, progress has been tardy. Each tea garden should be required to lay aside every year a certain sum of money for the purpose of financing programmes of replanting. In the area covered by the replies received, as much as 28.79 percent of the plants were more than 55 years old, having been planted before 1900. Assuming the economic life of a tea bush to be 60 years, all this area will be due for replanting without undue delay. The larger proportion of old plants, i.e. those planted before 1900, are under non-Indian ownership. The Commission has, therefore, recommended that the Tea Board should draw up, in consultation with producers, a programme of phased replanting as well as replacement and renewal of machinery and equipment. The Government should ensure that the tea gardens make the necessary financial provision for this programme before they declare dividends or repatriate profits. The Tea Board should appoint development staff to assist the estates in framing such programmes and to co-ordinate and implement them.

The Commission has suggested that the Government should arm itself with powers to make investigations and issue directions necessary for the proper maintenance of fixed assets, including replanting, in any tea estate. It has recommended that a tea replanting fund should be created in the Tea Board to which each garden should contribute Rs. 50 an acre every year. The amount would be held in the fund by the Tea Board to the credit of the garden concerned. Tea gardens should be allowed to withdraw from the fund such amounts as may be necessary for the purpose of replanting according to a programme approved by the Tea Board. The scheme may be applied only to gardens of 100 acres and above. As the major portion of the acreage and production are accounted for by estates of over 100 acres, the scheme will cover 96.1 percent of the total acreage and 99 percent of the production in the country. The figure of Rs. 50 an acre has been arrived at by the Commission only as an approximation, and on the basis of the cost of replanting an acre and tending it for five years before plucking being taken at Rs. 3,000 and the economic life of a tea bush at 60 years. It says that a detailed investigation should be made by the Tea Board to determine a suitable figure.

The Commission has recommended that when tea gardens of 100 acres or more are sold, the approval of the Tea Board should be obtained. The Board should make an assessment of the age of the tea bushes in different blocks of the garden and the money required to finance the replanting of the existing bushes at the end of the economic life. Contributions to the replanting fund, based on this assessment, by the new buyer of an estate should be prescribed as a condition necessary for his registration by the Tea Board. Also, in the case of sales of sterling capital estates, repatriation of sale proceeds should be permitted by the Reserve Bank of India only after it has ascertained from the Tea Board that the necessary contribution to the replanting fund for the estate has been made.

Financial Help

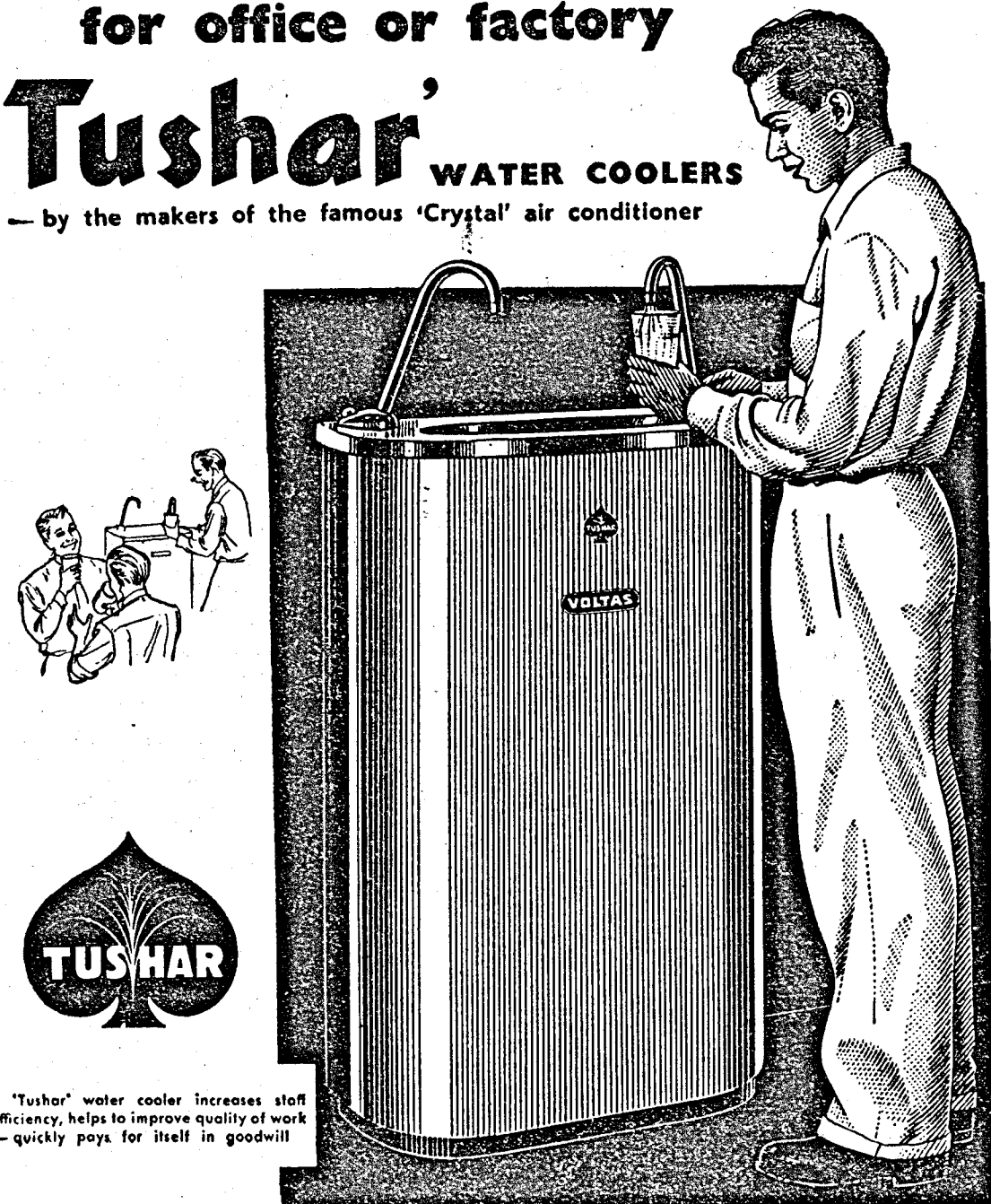
Discussing the financial requirements of the industry, the Commission says that the yearly average of the working capital requirements for the three years 1951 to 1953 for north India works out to Rs. 1,290 an acre and for south India to Rs. 727 an acre. Apart from their own resources, like reserves and advances by managing agents, the external sources of finance on which the companies and other large producers depend are the commercial banks and brokers. The total bank advances during the three years ended 1953 were on the average Rs. 36.82 crores a year. The advances made by brokers, though much smaller than those made by the banks, were not inconsiderable. The Commission observes that the urgency, adequacy and availability of finance for every agricultural producer emphasised in the report of the Committee of All-India Rural Credit Survey have equal application to the tea industry. It considers the levy by some of the banks of a charge on gross sale proceeds in addition to interest is unjustified. It recommends that the Reserve Bank should use its good offices with the banks and, if necessary, use legal powers for the discontinuance of the levy. The Commission is of the opinion that the financial difficulties of the Indian section of the industry can only be removed by the State Bank providing finance in an abundant measure. It, therefore, recommends that in its programme of extension of branches the State Bank should give high priority to the opening of branches in tea plantation areas.

It recommends that the Industrial Finance Corporation and the Finance Corporations of the States in which the tea gardens are situated should meet the needs for long-term finance. It has made recommendations for the redemption of past debts of tea estates. The Commission has suggested that the State Finance Corporations should appoint a panel of experts in consultation with the Tea Board to evolve a common policy in the matter of grant of loans. The Tea Board should have a Plantation Finance Committee to keep a close watch on the financial needs of the tea industry. The Commission feels that the response of the capital market to debentures issued by tea companies should be favourable and recommends that tea

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companies should tap this source of finance for future capital in an increasing measure.

On the marketing of tea (primary sales), the Commission observes that the brokers have come to occupy an unusually strong position in the marketing of tea in Calcutta. The business is concentrated in a few hands. There is every reason to think that the valuation of the broker, which in his dual capacity he communicates to both the seller and the prospective buyer, plays an important part in deciding the relative prices of the produce at the auctions. The Commission, therefore, recommends that the selling and buying brokers should be separate. They should not be connected in any way with the management or be a major shareholder in any tea estate or have any connection with the trade and exports of tea. The Tea Board should assume the functions of regulating the sale of tea at the Cochin and Calcutta auctions. The rules governing the auction sales and other matters pertaining to the primary marketing of tea should be made by the Tea Board. In conformity with its objectives of promoting co-operative effort among growers and manufacturers, it should give every facility to producers for the co-operative marketing of tea. The Board should also go into the matter of warehousing and brokerage charges, about which complaints have been made. The tea exported under forward contracts and direct sales should be included within the ceiling prescribed for direct shipments to London.

Abolition of Export Quotas

The Commission recommends that the export quota system should be abolished. This will affect to some extent the income of the small producers, who should be granted assistance, like subsidised issues of manures and supplies of equipment accompanied by technical aid. Discussing the retail distribution of tea, the Commission finds that packed tea sold in India was on the average 52.94 percent of the total amount of tea estimated to be available for internal consumption during the four years 1951 to 1954. The effect of a higher rate of excise duty on tea sold in packages than on loose tea has been to stimulate the retail distribution of tea in loose form rather than in packages. The Commission considers this to be undesirable since it has the effect of stimulating the distribution of an article of human consumption in a less hygienic form. It has, therefore, recommended that the differential rates of excise duties on packed and loose tea should be abolished and the old uniform rate of duty of 3 annas a lb on all tea restored. The Commission has also recommended that for all producers whose total production does not exceed 5,000 lbs. a year, the excise duty should continue to be levied at the present rate of 1 anna a lb. only.

The Commission feels that if blenders reduce their overheads and quantum of profits, at least in the case of the popular grades, it will give encourage the increased consumption of tea internally, which is very necessary for the stability of the industry. Prices are high and need to be reduced if internal consumption is to be increased. The Tea Board should make arrangements for packing and distributing under its own distinguishing labels, 50 percent of the quantity of dust tea now packed and sold in India. Distribution can be arranged by the Tea Board through its tea houses as well as by ordinary commercial channels. The Commission has recommended that the Tea Board should make a special investigation of the difficulties under which the smaller packaging firms are suffering so that positive steps can be taken to increase their competitive capacity. In its opinion, ceilings on the production of existing concerns as well as the units which may be established hereafter should be fixed at the average of the last three years' production or 6 million lbs, whichever is more. Blenders' co-operatives should be organised and promoted in every way. The Commission has stressed that the objective should be to ensure that tea is vended only in package form within the shortest possible time. On adulteration, the Commission emphasises that the administration of food laws should be pursued with vigour and recommends that the tea waste rules should be promulgated and enforced at an early date.

Managing Agents

Referring to the profits earned by the industry, the Commission says that generally speaking the ratio of gross profit to total capital employed in the industry has been high. The remuneration paid to managing agents is based partly on a percentage of gross sales and partly on a percentage of profits, a specific minimum in each case also being sometimes prescribed. This, it says, results in substantial payment having to be made as managing agents' commission, even when profits are low or non-existent, as in 1951 and 1952. The managers and senior staff are also in most cases paid a commission based on profits. The report says that there was a higher increase in profits between 1945

and 1953 as compared with profits between 1939 and 1946. Indian companies showed a higher increase than sterling and non-Indian companies, which is explained only by the high production cost of sterling and rupee non-Indian companies. It says that withdrawals from reserves other than the dividend equalisation reserve for the purpose of declaring dividends is unsound and should cease.

Taxation Proposals

On taxation, the Commission has made several recommendations. For determining the world price of tea for fixation of the slab for export duty, instead of taking only the previous month's weighted average of the London auction prices, the previous six months' average may be taken. The rules and conditions for the levy of agricultural income-tax on tea plantations in different States should be made uniform. The Central income-tax authorities should collect both taxes and pass on the agricultural portion of the collection to the States. Sales tax on tea which figures in inter-State commerce should be made a Central levy. The Commission has recommended the abolition of the tax of 1 anna a lb levied on all tea consigned to any dealer in the municipal limits of Calcutta and the districts of 24 Parganas and Howrah, as this is inconsistent with the policy of encouraging the auctions in Calcutta. The abolition of the levy made by the Government of Assam on tea moved by road or inland waterways in the State is recommended.

For labour welfare, the Commission has recommended the setting up of a Plantation Labour Welfare Organisation controlled by the Central Government. It estimates the total cost of providing the required number of standard houses for tea labour both in the north and the south at Rs. 60 crores, on the basis of Rs. 2,000 for a new house and Rs. 1,000 for remodelling an old house. It expects a net addition of Rs. 50.63 an acre a year to the internal resources of the companies in the next five years. It thinks that this is a rather limited amount to meet the obligations under the Plantation Labour Act and to meet the other important needs of the industry. This will have to be taken into consideration in phasing the implementation of the Plantation Labour Act. The Commission has recommended that the plantation industry should be eligible for loans under the industrial housing scheme.

Payment of Bonus

Discussing the payment of bonus, which has been a major cause of industrial disputes in recent years, the Commission says that any scheme which may be evolved should incorporate the following essential requirements: (1) depreciation allowance should be separately funded and drawn upon only for expenditure on replacement and renewal of fixed assets; (2) the tea replanting fund should be set apart; (3) after providing for taxation, a statutory reserve for meeting developmental expenditure and unforeseen charges should be built; (4) a minimum dividend should be provided for as a percentage on share capital from what is left over; and (5) the remainder should be divided between the shareholders and labour and staff according to a suitable formula, the details of which should be worked out.

The Commission says that when co-operative institutions, as recommended by it, for supplies, insurance and marketing are fully developed and financial assistance is provided by the State Bank and State Finance Corporations, the need for the managing agency system in the tea industry should disappear. It has recommended that remuneration to staff should take the form of a fixed salary. The Tea Board should be empowered to examine cases of disproportionately highly paid staff working in tea companies, and when necessary, exert its influence in reducing the disparities that exist at present. An increasing number of Indians should be appointed in the managerial cadres of tea companies. All tea plantation companies should be required to seek the permission of the Controller of Capital Issues before increasing their capital.

Sale of Estates

As for the sale of tea estates, the Commission observes that a good many tea estates owned by foreign companies and individuals have been purchased by Indian nationals and in the majority of these estates, which included also the marginal ones, replanting was overdue at the time of sale for which the buyers often made no provision. If a return of at least 4 percent on the purchase price per acre is to be obtained over a long period, the prices paid in some of these cases were excessive. The Commission recommends that if a seller or the prospective buyer so desires, the Tea Board should send its expert evaluator to assess the price of the tea estate. The buyer should be aware of his obligations to the workers employed and take responsibility for their continued employment on the same terms as before. There should be a stipulation in the deed of transfer that the buyer takes this responsibility.

The Commission has repeatedly emphasised the need for efforts for a steady increase in consumption of tea in the internal market. In its opinion, the potentialities of the internal market are very great, and a large and growing internal market is necessary for the stability of the industry. For promotion of exports, it suggests that the Tea Board should appoint an Export Promotion Committee consisting mainly of exporters of tea to look after the expansion of Indian tea sales abroad. A Marketing and Tea Promotion Directorate should be set up in the Tea Board which will make studies of various marketing problems in India and abroad.

For improvements in transport facilities, the Commission has recommended that the Central

Water and Power Commission should investigate the existence of shifting sands in the Brahmaputra which sometimes cause unexpected and abnormal delays in the navigable channels. The attention of the railway authorities has been drawn to the need for keeping the line connecting Dhubri with the Central Doars free from breaching to provide an alternative river route to Calcutta even when the rail route is disrupted.

The Commission is of the view that minimum wages should be the same in all States unless they vary on account of difference in cost of living. The minimum wage should not be disturbed frequently, once it is fixed. In so far as the wage is a minimum, there can be no exemptions for different holdings or estates.

PAKISTAN TEA OUTPUT INCREASES

SELECTIVE DEMAND AT AUCTIONS

(FROM A CORRESPONDENT IN EAST PAKISTAN)

PAKISTAN'S tea output in July was 7,346,430 lbs. compared with 6,736,775 lbs for the same month last year. Production from 1st April, 1956, to 31st July, 1956, totalled 20,525,126 lbs, as against 17,815,625 lbs for the same period of last year. Generally good growing weather was experienced during July. The cumulative increase over 1955 up to the end of May was 2,170,000 lbs, remained approximately the same up to the end of June and it advanced to 2,710,000 lbs by the end of July.

The pattern of the sales in the London market was the same as in previous months, with better liquoring types well supported at satisfactory prices, while thin liquorings and stalky types were neglected. There was no Pakistan tea on offer in London in July, except in the third week when 815 packages of 1955-56 season's tea realised an average price of 2s 8½d. Chittagong tea Sale No. 2 was held on 11th July, when 12,955 chests of Leaf and 3,078 chests of Dust were on offer. The market opened a full 3 annas down on the last rates, but improved slightly as the Sale progressed. There was very little demand for whole leaf grades, a large number of which had to be withdrawn without a bid. Tippy teas were well supported and frequently fetched prices above valuation. Clean Fannings closed some 2 to 2½ annas below previous rates, while Broken teas were up to 3 annas. Some 2,129 chests were withdrawn. In the Dust section, there was a good demand for the better liquoring leafier sorts and also for the popular tobacco-cut types which frequently sold above valuation. The plainer sorts met with much less enquiry and declined by 6 to 8 annas, while small powdery Plain Sylhet Dust was quoted at Rs 1-8. Sale No. 3 was held on 25th July, when 11,883 chests of Leaf and 2,772 chests of Dust were on offer. The market opened on a hesitant note and withdrawals were heavy in the first few pages. Sellers, however, were unanimous in refusing to accept a drop of more than 2 annas and once a price level had been established, bazaar buyers became more confident and the demand, although irregular, became fairly widespread. The better made whole leaf grades sold satisfactorily, but those resembling leafy Broken teas were neglected and were heavily withdrawn. Once again, tippy teas were keenly competed for and frequently sold at prices above valuation. The better liquoring B.O.P.s and O.F.s also were competed for, but thin liquoring and stalky varieties were not so keenly supported. Some 2,060 chests were withdrawn. The Dust section opened with a fair general demand, but prices eased as the Sale progressed to close 1 to 2 annas below last rates. Popular tobacco-cut sorts met with less competition than usual and declined by up to 4 annas. Plain Sylhet Dust was quoted at Rs. 1-6 to Rs. 1-7.

LONDON TEA SALES

AT last week's London tea sales the 55,879 packages on offer realised an average price of 4s 4.22d a lb, against 3s 11.77d in the previous sale and 4s 4.51d a year ago. Plain old season's broken pekoe was quoted at 2s 8d a lb, nominal, against 2s 9d in the previous sale. Prices obtained by some of the companies are given below:

	No. of packages	Average per lb.
Amalgamated	876	4/0½
Amgoose	270	10/0½
Assam Doars	388	4/2½
Assam Frontier	126	7/4½
Badulipar	545	7/6½
Consd. Estates	756	5/3
Consd. Tea & Lands	850	3/1½
Dekhari	120	7/11½
Doars	682	3/9½
Doom Dooma	126	6/10
Empire of India	324	2/11
Hunwal	306	8/0½
Jorchaat	791	9/5½
Kanah Devan	870	4/2½
Lungla	675	2/10
Lunuvu	1,044	5/6½
Nedem	300	4/9½
New Dimbula	390	4/6½
Southern India	354	3/4½
Standard	366	6/9
Travancore	2,125	2/11½
Upper Assam	228	8/4½

U.K. Tea Stocks

U.K. stocks of tea on 17th August amounted to 128.7 million lbs, against 123.9 million lbs a year ago.

Jute

INCREASED FIBRE DUTIES STRENGTHEN RAW JUTE PRICES

GUNNY MARKETS ACTIVE: BEST HESSIAN QUOTATIONS THIS YEAR

ONE of the main factors which has influenced the Calcutta fibre markets this week has been Pakistan's decision to increase the export duty on certain categories of raw jute. The duty on cuttings and ropes has been increased by Rs. 5 a bale, making Rs. 10 a bale in all, while Rs. 15 a bale has been added to the price of habi jabi, bringing the duty on this category to Rs. 20 a bale. The Pakistani authorities have said that habi jabi will now be considered in the same light as long jute for the purpose of export duty. The rate for long jute is unchanged, and remains at Rs. 4 a maund. These alterations have had far-reaching effects, because not only have they priced cuttings, etcetera, out of the Calcutta markets, but they have also strengthened the already bullish feeling among local operators, especially those dealing in low-grade jute suitable as replacement for cuttings. Pakistani markets too showed a sharp reaction to the news and very firm conditions prevail in upcountry centres. Operators have taken their cue from this and have themselves become reserved. Over the week, with encouragement from the goods market, they have succeeded in raising raw jute rates by Re. 1 to Rs. 1-8 a maund. Several mills have continued their demand for quick delivery jute, or delivery within one month and this has prevented any possibility of prices falling. Even those mills which were prepared to buy forward found that there was little or no discount attached to this type of trading and on several occasions there was the anomaly of two separate buyers purchasing jute for widely separated deliveries on a more or less similar price basis. Under the circumstances, sellers are naturally reluctant to face the uncertainty of forward trading, and although a fair amount of forward transactions have been concluded, no one seller has committed himself to heavy obligations. Those mills still looking for quick delivery jute have found sellers reluctant, as the majority have sold freely over the past few weeks and still have large undelivered balances on their books at prices Re. 1 to Rs. 2 below the current level. The availability of quick delivery jute has also dropped and it is reported that stocks in the Cossipore Indian jute, and B Bot and X Bot grades came in for a great deal of interest although the business done at the higher prices was very small. Sellers in general held very bullish ideas, and were encouraged in this by the very firm goods market. Local sellers were very reserved as the continued demand for quick delivery jute had depleted stocks in the Cossipore area to their lowest for several months. As all arrivals were diverted straight to mills there was no chance of them being built up again with the resultant possibility of a fall in price. Thus the sentiment of the whole market was governed by the activity in local circles.

The Trend in Gunnies

The gunny markets have lent considerable support to the fibre markets during the week, and more activity has been experienced than for some time. Although overseas buyers were reported to be interested in various fabrics, both of hessian and sacking constructions, the amount of interest shown has in no way warranted the violent fluctuations which have been predominant throughout. These were mainly the result of speculative manipulations in the fatka market, and it was impossible for firm offers to have any significance for more than a few hours. Consequently, bazaar operators have been well to the fore in all transactions. Many local shippers were caught short by the rise in prices and indulged in frantic covering operations, against their requirements before rates ran away from them. Prices in both the sacking and hessian sections reached new highs, and indeed hessian prices were the best recorded this year. The unusual activity has caused a reversal of the markets to which we have become accustomed, and towards the close, near hessian prices were quoted at premium of about 12 annas over forward shipment instead of the near-parity of the last few months and the discount of the early part of the year. Sacking, on the other hand, showed little change from recent workings and the ready position continued to be quoted at a fair discount on forward shipment, a situation which has been in vogue since the reselling of looms in mid-July. Before that, ready sacking held a very slender advantage over other positions.

THE JUTE MARKETS

Manufactured Goods: At the opening of the goods market last Thursday, the situation was dominated by speculative transactions in the fatka market which caused a general rise in sacking prices. Ready B Twills gained 14 annas and opened at Rs. 109-6 while January-March shipment jumped Re. 1 to Rs. 110-8. The hessian section ruled steady in sympathy and 40in 100z. Hessians gained between two and four annas to be quoted at Rs. 41 a 100 yards. Prices fluctuated rapidly throughout the day, but in the absence of any real goods support they tended to fall back towards the close. Both sections recorded small losses at the opening on Friday morning. From then on, however, a change came over the market, and rumours of American interest in Hessians caused rates in this section to jump 8-12 annas. Other fabrics followed in sympathy and a bullish tendency developed partly on account of the business reported and partly in support of the very steady fibre

markets. Heavy speculative activity and local covering by shippers over the week-end forced prices up still further, and by Monday morning ready Hessians had moved up to Rs. 42-3 and B Twills to Rs. 110-4. Fatka operators increased their activity after this and prices continued to rise until 40in. 100z. recorded a new high at Rs. 42-10 on Tuesday morning. Interest was centred mainly on the hessian section at this stage and all other fabrics merely moved in sympathy. At the close, prices could be regarded as nominal in the absence of real goods business and were quoted as follows:

	August	Sept.	Oct.-Dec.	Jan.-Mar.
	Rs.	Rs.	Rs.	Rs.
40in. 80z.	35-4	35	34-8	34
40in. 100z.	42-10	42-9	42-6	41-12
B Twills	110-12	111-8	112	111-8
Heavy Ceas (plain)	109	113-4	113	112
A Twills	135-4	136-4	137-8	137
Liverpools	126	127	128	127
Cornacks	111-8	112-8	113	112

Raw Jute: There was widespread activity in the raw jute markets this week, and it is estimated that about 700,000 maunds of jute were purchased. Delivery periods varied from ten days to shipment right up to the end of the year. The feature of the week, however, was the fact that prices showed very little variation, and were only slightly lower for October-November-December shipment than for ready delivery. The markets were very steady at the opening and Dhubri-Northern jute was quoted at Rs. 28-8 a maund for August-September shipment. Interest in quick delivery fibre soon pushed up ready prices, and jute in this category moved up to Rs. 30 a maund. Steady buying by mills of all types of jute, and rises in the gunny market added another eight annas to all quotations before the week-end. But this did not deter buyers, and fairly heavy business was transacted at the enhanced rates. By Monday morning, general quotations were put forward at Rs. 29-8 a maund basis Bottoms, but the business transacted at this stage was much smaller than earlier in the week. Pakistan's decision to increase the export duty on cuttings, etc., led to a squeeze on low grade Indian jute, and B Bot and X Bot grades came in for a great deal of interest although the business done at the higher prices was very small. Sellers in general held very bullish ideas, and were encouraged in this by the very firm goods market. Local sellers were very reserved as the continued demand for quick delivery jute had depleted stocks in the Cossipore area to their lowest for several months. As all arrivals were diverted straight to mills there was no chance of them being built up again with the resultant possibility of a fall in price. Thus the sentiment of the whole market was governed by the activity in local circles.

Heavy business was transacted for quick delivery jute this week, and prices ranged between Rs. 28-8 and Rs. 29-8 a maund basis bottoms for ten days' to one month's delivery, while Rs. 29-12 to Rs. 30-4 was paid for ready bills of lading. Western type fibre was purchased in Tossa grades at Rs. 28 a maund for deliveries extending from September right through to December. In Daissee jute, business passed for the same shipments at Rs. 28-8 a maund, and Daissee mesta at Rs. 26-8 a maund. Small lots of Daissee white are now appearing on the market, and contracts were passed for one month's delivery at Rs. 28-8 to Rs. 29-8 a maund. Towards the close business was also reported in Pakistan cuttings at Rs. 133 to Rs. 135 a bale for September shipment.

At the close the market was very steady. Quotations however were nominal because on Wednesday all markets were closed due to the holiday, and were as follows:

Indian Jute (New Crop):	Landed at Mills Rs. a md Basis Bottoms.	Shipment.
Lower Assam	30	August-Sept.
Northern	30	"
Murshidabad White	29	"
Daissee White	30	Sept.-Oct.
Daissee	30-8	"
Daissee Mesta	28-8	August-Sept.
Local Northern	30-8	Sept.-Oct.
Binli	28-8 for F.A.Q.	"
Tossa is quoted at 8 annas to Re. 1 a maund above the price of white jute.		
Pakistan Jute (New Crop):	Rs. a md.	Shipment.
Jat	32	Sept.-Oct.
District	31	"
Northern	30-8	"
Fucca:	Rs. a bale.	
Mill Firsts 2/3	210	Sept.-Oct.
Export Firsts 2/3	195	"
Export Lightnings 2/3	180	"
Jat Cuttings	133	Sept.

Imports into the Cossipore markets showed a rapid decline over the week and wagon arrivals totalled only about 520, which was nearly 300 less than the previous week. Consequently prices were very firm, and as mills were still interested in ready jute, local deliveries advanced to over

Rs. 30 a maund. General quotations in the market were based on Kishanganj jute at Rs. 30 to Rs. 30-8 a maund and there were eager buyers even at this price.

Mofussil: There was a marked increase in imports into most upcountry agencies last week, but this coincided with an increased demand from sellers covering against their August shipment contracts. During the week rates advanced up to Re. 1 a maund, and at the close quotations were based on Rs. 26-12 to Rs. 27-4 a maund in Dhubri. Recent reports of flooding have also helped to keep prices high, as sellers visualise a breakdown in transport arrangements.

MESTA ACREAGE DECLINES IN CURRENT SEASON

The all-India first estimate of mesta, 1956-57, puts the current year's area at 121,000 acres as against the corresponding estimate of 125,000 acres for 1955-56 according to the Directorate of Economics and Statistics, Ministry of Food and Agriculture. This shows a decline of 4,000 acres or 3.2 percent in area during the current year as compared with that of last year. Decline in acreage during the current year has been reported only by Bihar, where it has been attributed to unfavourable climatic conditions at the time of sowing. The decline in Bihar has, however, been offset to some extent by increases in Andhra, Orissa and Bombay. This estimate covers usually the period up to the end of June or the beginning of July, 1956. Till then, the condition of the crop was reported to be generally satisfactory. The estimate does not cover the entire area sown to the crop during 1956-57. Some late varieties of this crop are also grown in other States, such as Madhya Pradesh, Punjab, West Bengal, Hyderabad and Madhya Bharat. Data from those States will be included in the final estimate.

THE FOREIGN JUTE MARKETS

BUSINESS STEADILY BETTER

(FROM OUR DUNDEE CORRESPONDENT)

THE jute trade is now much improved and both spinners and manufacturers are comfortably situated with orders again. Mills and factories in most cases have resumed full time working and it is hoped that the present spurt in business is not temporary. The snag is, of course, that prices for jute yarns and cloth have not been advanced in sympathy with the rise in values of the raw material. These are now all above the minimum fixed rates in Pakistan and there is very little business being done in the fibre, as spinners cannot afford to pay the advance. It is the reluctance of producers to raise their terms that keeps down prices, so that the gap between imported and home produced goods can be narrowed. By the rise in values of Calcutta goods lately, the gap has certainly been reduced. Spinners declare they are losing money by selling cops on the basis of 14.19d a lb. for 8 lb. for the sizes 8/18 lbs., and there cannot be much profit in selling warp on the basis of 14.77d a lb. for 8 lb. A large business has been done in 100z., 90z. and 90z. hessian cloth for bag-making. In the widths 40in and 45in, Hessians these weights are obtainable at 12.3d, 11.5d and 11.1d a yard for 40in., compared with 12.4d, 11.88d and 11.35d respectively in the widths outside of these two. Manufacturers have booked just enough of these and it is difficult for buyers to place further orders. Offers of raw jute are not very freely made and there is a wide difference between sellers. Spinners have shown very little interest at the advance to £96 for Mill Firsts, £86 for Mill Lightnings and £82 for Mill Hearts, with export Hearts from £79, all September-October, cif. U.K. Some sellers are quoting well above these rates, which compare with the minima of £91, £81, £71 and £68 for the respective grades. Dark jute has also begun to move above the minima and grade Tossa-2/3 is lowest at £101 and fours at £91, at which there has been a fair business done recently, while crack Daissee-2/3 is still at £91 and grade now up to £83, September-October, cif. U.K.

Calcutta goods have risen further during the week to 62.3d for 40in. 100z. and 48s 3d for 74oz. August, 62s 6d and 48s 3d September and 62s 9d and 47s 9d October-December, with B Twills at 16½s 3d, 16½s and 16½s respectively, all f.o.b. Calcutta.

THE BANK OF INDORE LTD.,

INDORE

(Incorporated in Indore 1920)

AUTHORISED CAPITAL	Rs 50,00,000
SUBSCRIBED CAPITAL	Rs 30,60,750
PAID-UP CAPITAL	Rs 15,30,375
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Commodity Markets

WHOLESALE PRICE INDEX RISES

THE official wholesale price index (base: year ended August, 1939=100) advanced further by 1.0 percent to 417.9 during the week ended 11th August, 1956, compared with 413.8 (revised) for the previous week. The index was higher by 2.7 percent and 17.1 percent respectively when compared with the corresponding weeks of last month and a year ago. Higher prices of tea (+13%), dal arhar (+4%) and rice (+1%) raised the index for Food Articles by 1.6 percent to 397.7 as compared with 391.5 (revised) for the previous week; prices of wheat, however, declined by 2 percent. The index for Industrial Raw Materials moved up by 0.9 percent to 497.4 because of an increase in the prices of groundnuts (+5%), linseed (+4%), castorseed (+3%), rapeseed and lac (+2% each) and raw cotton, raw jute, gingellyseed and copra (+1% each), although prices of manganese ore (average export price) (-26%) and raw silk (-2%) witnessed a fall. The index for Semi-Manufactures increased by 1.1 percent to 405.0. Items which exhibited significant variations were: Linseed oil (+3%), zinc (+4%), groundnut oil and gingelly oil (-3% each), castor oil, cotton yarn, copper and copra cake (+2% each) and buff hides (-3%). A rise of 0.4 percent to 387.2 in the index for Manufactures resulted from an advance in the prices of footwear (+4%) and jute manufactures and glass (+1% each). The index for the Miscellaneous group went up by 0.6 percent 567.0 due to an increase in the prices of black pepper (+5%), betelnuts and cashewnuts (+2% each) and chillies (+1%).

INDEX NUMBERS BY GROUPS AND SUB-GROUPS (Base: Year ended August 1939=100)

Groups and Sub-Groups	11-8-56	Week Ended 4-8-56	11-7-56	13-8-55
I. Food Articles:	397.7	391.5(R)	377.3(R)	315.1
Cereals	592	502(R)	484(R)	374
Pulses	391	385	372(R)	286
Others	264*	253	242	238
II. Industrial Raw Materials:	497.4	493.2	487.8	406.5
Fibres	474	470	475	415
Oil seeds	566	549	521	396
Minerals	466	516	517	418
Others	422	421	419	420
III. Semi-Manufactures:	405.0	400.4	393.4	326.0
Leather	283	387	395	331
Mineral oils	208	208	208	261
Vegetable oils	376	565	539	396
Cotton yarn	495	483	475	406
Metals	339	329	327	257
Oil Cakes	467	462	423	330
Others	361	361	362	339
IV. Manufactures:	387.2	385.7	385.5(R)	371.5
Textiles	420	419	418	408
Jute	329*	383	389	426
Cotton	430*	430*	430*	402*
Rayon and silk	470*	470*	453*	474*
Woolen	266	266	264	276
Metal products	388	388	388	352
Others	294	291	291	286
V. Miscellaneous:	567.0	563.7	557.7	562.8
All Commodities	417.9	413.8(R)	406.8(R)	356.8

R = Revised. * = Estimated.

MIDDLE CLASS COST OF LIVING INDEX NUMBER FOR CALCUTTA (Base: August, 1939)

THE Middle Class Cost of Living Indices, by groups, have now been brought up to July, 1956. As compared with June, the July Indices for Food, Fuel and Lighting, and Clothing reveal rises of 5 points, 20 points and 8 points, respectively,

Middle Class Cost of Living Index Number for Calcutta. Prices in August, 1939=100

Groups	Weights	GROUP INDICES											
		July, 1955	Aug., 1955	Sept., 1955	Oct., 1955	Nov., 1955	Dec., 1955	Jan., 1956	Feb., 1956	March 1956	April, 1956	May, 1956	June, 1956
Food	53.6	446	447	450	453	455	455	446	442	453	461	470	475
Fuel and Lighting	4.4	299	239	239	239	239	239	239	239	239	239	239	259
Clothing	12.4	494	497	497	503	503	503	507	507	520	520	526	534
Miscellaneous	29.6	282	282	282	282	282	282	282	282	283	283	283	283
Combined Index	100.0	394	396	397	399	401	401	396	394	402	406	411	414

Compiled and constructed by the Statistical Department of "Capital".

Minerals	422	446	511
Others	417	429(R)	420
III. Semi-Manufactures:	329.6	391.8	395.3
Leather	355	404	395
Mineral oils	201	208	208
Vegetable oils	398	555	546
Cotton yarn	406	476	477
Metals	256	308	327
Oilcakes	323	321	433
Others	329	361	362
IV. Manufactures:	370.0	377.6	385.7
Textiles	466	411	419
Jute	417	387	387
Cotton	402*	418*	430*
Rayon and silk	474*	463*	461*
Woolen	282	264	264
Metal products	352	375	388
Others	286	286	291
V. Miscellaneous:	562.6	518.6	560.4
All Commodities	355.6	397.9(R)	409.0

R = Revised. * = Estimated.

NEW BRITISH COTTON FABRICS FOR TROPICAL WEAR

Two new 100 percent cotton fabrics for tropical wear—Helikon, for suits, slacks, and skirts, and Cepea 56, a cotton shirting—were publicly shown in Manchester on 8th August by Mr. Robert Cowan, overseas director of the Calico Printers Association Ltd. The new fabrics are the result of two years' research and experiment, and the chief recommendations are their extreme lightness in weight, crease-resistance, and unshrinkability. The Calico Printers Association expressed the belief that these new cotton fabrics will revolutionise trade in both men's and women's wear for tropical and sub-tropical conditions. First lengths of the fabrics have already been put on the Far Eastern market. Marketing in Commonwealth countries will begin within the next few weeks, and it is planned to introduce the fabrics to the American market.

Mr. Cowan, and Mr. R. Thomas, another Calico Printers Association director, said they had personally tested Helikon suits—which weigh rather less than 2 lbs. and have the appearance and feel of linen—in hot climates. Mr. Thomas found that his suit remained perfectly smart for two days, and was reasonably presentable after four days' wear, without laundering. Mr. Cowan said he wore a Helikon suit on a 30,000-mile tour of the Far East and India, and praised the ease with which it could be washed. He also said that the other new fabric—Cepea 56—has the same crease-resistant properties, and can be as easily washed and worn without ironing. Another advantage is that the dyes are absolutely fast, and the marketing price should be about 20 percent cheaper than crease-resistant linen. The range of colours covers 17 shades. Both fabrics are self-coloured, and are without patterns or designs.

REASONS FOR DECLINE IN TEXTILE EXPORTS

In reply to a question in the Rajya Sabha recently, the Minister for Trade, Mr. D. P. Karmarkar, laid a statement on the table of the House giving reasons for the decline in India's cotton textile exports during the first half of this year. According to the statement, the main reasons are: readjustment of trade in the various markets, suspension of O.G.L. in Burma, competition from Japan, China and Russia in some of India's traditional markets in Asia and Africa, increased world trade in rayon and other synthetic fibres, shrinkage in world trade of cotton textiles, manufacture of cloth for domestic consumption by some of the cotton-growing countries which were large importers of Indian cotton textiles, higher prices in the internal market and increased demand for cloth in the country. To another question whether it was a fact that the export target of mill cloth was not reached during the last four years, the Minister replied in the affirmative.

while that for Miscellaneous remain unchanged at 283 points.

Correlating all the factors, the Middle Class Cost of Living Index for Calcutta shows that the cost of living increased by 4 points during July, 1956.

Calcutta Markets

SELECTIVE BUYING AT TEA EXPORT SALE

GOOD GENERAL DEMAND FOR DUSTS

AT Sale No. 12, held on 27th and 28th August, offerings at the Export auction consisted of 56,900 packages. There was a fair general demand in the early part of the Sale, but this weakened as the Sale progressed. The very best C.T.C. Fannings were strongly supported and were often much dearer, but C.T.C. Assam Broken and the more ordinary Fannings of this description were a full 4 annas to 6 annas easier. Internal buyers were more active than in recent weeks, and as a result, Common Broken and Fannings were well supported and were often dearer. Medium Broken, however, met with less support and were 2 to 4 annas easier. Useful sized Fannings of all descriptions, particularly from Cachar and the Doars were a strong feature and were generally selling at much dearer rates. Stylish Whole Leaf grades were well supported, but the more irregular sorts were little easier. There was little demand for Darjeelings, which were much easier, especially the flavoured sorts which generally declined by up to Re. 1 a lb.

Quotations

	1956 Rs.	1955 Rs.
Clean Black Pekoe	1 14 0	2 14 0
Plain B.P.	1 9 6 to 1 10 0	2 1 0
Medium Assam B.P.	2 1 0 to 2 3 0	2 4 0
Best C.T.C. Assam B. P.	3 8 0 to 3 10 0	3 4 0

At the Internal Sale, Dust offerings consisted of 17,499 chests for which there was a good general demand. The Sale opened at slightly dearer rates but softened towards the close. Black Middle East types were again a strong feature of the Sale and sold well, while the few very best C.T.C. kinds received good support. The remaining C.T.C. offerings were generally a full 4 annas lower except for the fibrous kinds which were well supported. Mediums and Commons opened fully firm to dearer, but at the close were 1 anna easier. Non-wither Doars, however, met with a good enquiry and were at times 1 anna dearer.

Quotations

	1956 Rs.	1955 Rs.
Medium Doars Dust	1 11 0 to 1 12 0	2 3 0 to 2 4 0
Medium Assam Grainy Dust	1 14 0 to 1 15 0	2 4 0 to 2 5 0
Medium Assam C.T.C. Dust	2 10 0 to 2 12 0	
Best Assam C.T.C. Dust	3 4 0 to 3 6 0	2 12 0 to 2 14 0

Leaf offerings consisted of 864 packages for which there was a fair demand, but prices were irregular and slightly lower. The few green teas on offer were virtually neglected.

FREIGHT MARKETS REMAIN QUIET

ANOTHER quiet week prevailed in the freight markets during the past week. Until the Suez Canal situation takes a definite form, it is likely that the markets will remain working at a minimum level of business. Business slightly increased in the American coal trade where French charterers paid 71s for September tonnage. Fixtures for potash from Hamburg to Ceylon and Chittagong have been reported, the former at 130s and the latter, which is unconfirmed, at 200s. Barley from South Australia to Basrah was fixed at 195s, and wheat from New South Wales to the Continent was fixed at 165s. Burma-Colombo repeated 80s for rice, but local coal charterers are experiencing difficulty in obtaining tonnage for Karachi. The time charter section was more active than of late with a variety of fixtures recorded. A new Norwegian motorship of 13,600 d.w. is reported to have been fixed at \$(U.S.)\$5.25 for five years with delivery early 1958, and a Panamanian Liberty secured \$(U.S.)\$4.50 for two years' trading, delivery November.

SUGAR MARKET DULL

During the week ended 28th August, sugar sales in the Calcutta market averaged 3,000 bags daily. Arrivals a day were 500 bags only, but stocks totalled 1,450,000 bags, as the rate of offtake declined, compared with that in preceding weeks. Rates for ready sugar ex-Kantapur delivery were Rs. 31-8 for ordinary grain and Rs. 33 for big grain. The market went dull.

LINSEED

After a rather firm opening, conditions have been easier and prices have displayed a steady decline during the past week. In spite of scarce supplies and firm advices from the centres, the lack of a steady offtake for linseed oil has had a depressing effect on the market, and little business has been reported. The oil section was dull, with local buyers reserved and the prospect of any exports in the near future very remote. Latest quotations were as follows: August-September Rs. 24 a maund.

HIDES AND SKINS

The market in skins ruled quiet, while that of hides was steady. Stocks were less than in the previous week.

Bazaar Sales

(Between 21st August and 27th August, 1956)
Cowhides: Wet salted (Ord.) 30,000 pcs. on the

COMPANY AND PUBLIC NOTICES

THE TINNEVELLY-TUTICORIN ELECTRIC SUPPLY CO. LTD.

NOTICE

NOTICE is hereby given that an Extraordinary General Meeting of the Tinnevely-Tuticorin Electric Supply Company Limited will be held at the office of the Managing Agents No. 14, Old Court House Street, Calcutta on Friday the 14th day of September, 1956 at 4-10 P.M. to consider and, if thought fit, to pass the following resolution, namely—

"That the Board of Directors of the Company may appoint an Alternate Director to act for a Director during the latter's absence for a period of not less than three months from the State in which meetings are normally held."

Note 1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.

Note 2. In connection with the business to be conducted at the meeting, please see the undernoted Explanatory Statement.

OCTAVIUS STEEL & CO. LTD.,
Managing Agents.

Calcutta, 21st August, 1956.

EXPLANATORY STATEMENT.

Under Section 313 of the Companies Act, 1956 a Company's Board of Directors if so authorised by its Articles or by a resolution passed by the Company in General Meeting, may appoint an Alternate Director to act for a Director who is absent from the State where the Board Meetings are usually held. As the Company's Articles of Association do not contain a provision conforming with Section 313, it is desirable to have a resolution passed as provided for in that Section. The Managing Agents and the Directors of the Company, other than as such and as Shareholders, have no interest in the business represented by the above resolution.

THE MANGALORE ELECTRIC SUPPLY CO. LTD.

NOTICE

NOTICE is hereby given that an Extraordinary General Meeting of the Mangalore Electric Supply Company Limited will be held at the office of the Managing Agents No. 14, Old Court House Street, Calcutta on Friday the 14th day of September, 1956 at 4-20 P.M. to consider and, if thought fit, to pass the following resolution, namely—

"That the Board of Directors of the Company may appoint an Alternate Director to act for a Director during the latter's absence for a period of not less than three months from the State in which meetings are normally held."

Note 1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.

Note 2. In connection with the business to be conducted at the meeting, please see the undernoted Explanatory Statement.

OCTAVIUS STEEL & CO. LTD.,
Managing Agents.

Calcutta, 21st August, 1956.

EXPLANATORY STATEMENT.

Under Section 313 of the Companies Act, 1956 a Company's Board of Directors if so authorised by its Articles or by a resolution passed by the Company in General Meeting, may appoint an Alternate Director to act for a Director who is absent from the State where the Board Meetings are usually held. As the Company's Articles of Association do not contain a provision conforming with Section 313, it is desirable to have a resolution passed as provided for in that Section. The Managing Agents and the Directors of the Company, other than as such and as Shareholders, have no interest in the business represented by the above resolution.

PUSSIMBING TEA COMPANY, LIMITED.

THE Thirty-ninth Ordinary Annual General Meeting of Shareholders of the above Company will be held at the Registered Office of the Company, No. 6, Church Lane, Calcutta, on Wednesday, the 19th September, 1956, at 12-30 P.M., to receive the Directors' Report, pass the Accounts for Season 1955, and elect a Director and an Auditor.

The Share Transfer Books and Register of Members of the Company will be closed from the 6th September to the 19th September, 1956, both days inclusive.

By Order of the Directors,

DAVENPORT & CO. PRIVATE LTD.,
Managing Agents.

Calcutta, 27th August, 1956.

Note:—A member entitled to attend and vote at this Meeting is entitled to appoint a proxy, who need not be a member of the Company, to attend and vote in his stead.

NATIONAL CARBON COMPANY (INDIA) LTD.

NOTICE

THE Twenty-first Annual General Meeting of the Shareholders of National Carbon Company (India) Limited, will be held on Friday, the 21st September, 1956, at 3-30 p.m. at the premises of the Bengal Chamber of Commerce and Industry, Royal Exchange, Calcutta-1, to transact the following business:

- To receive the Directors' Report and pass the Audited Accounts for the year ended 25th December, 1955.
- To elect Directors.
- To appoint Auditors and fix their remuneration.
- As special business, to consider and if thought fit, to pass with or without modification the following Resolutions:

As a Special Resolution

(i) That pursuant to Section 314 of the Companies Act, 1956, consent be and is hereby accorded to Mr. J. A. Maroney holding and continuing to hold an office or place of profit under the Company as Sales Manager, Consumer Products notwithstanding his appointment as a Director of the Company.

As Ordinary Resolutions

(ii) That with reference to the provisions of Section 228 of the Companies Act, 1956, it shall not be necessary for the respective accounts of the several branch offices of the Company to be audited by a person qualified for appointment as Auditor under Section 226 of the said Act but that it shall be sufficient as hitherto if the said respective branch accounts are certified by or in accordance with the instructions of the Directors of the Company.

(iii) That H. H. Maharaja Sir Pratap Chandra Bhanj Deo, G.C.I.E., L.D., of Mayurbhanj be and is hereby appointed a Director of the Company.

The Share Register of the Company will be closed from 1st September to 21st September, 1956, both days inclusive.

By Order of the Board,

G. G. SWAN,
Secretary.

3rd August, 1956.

Pollock House,
18A, Brabourne Road,
Calcutta.

NOTE: A member entitled to attend and vote is entitled to appoint a proxy to attend and, on a poll, to vote instead of himself. Such proxy need not be a member of the Company. Proxies in order to be effective must be received by the Company not less than 48 hours before the meeting.

EXPLANATORY STATEMENT.

With regard to the three Resolutions set out under Item No. 4 of the Agenda, the following statement gives the reasons for the proposals embodied in these Resolutions:

- The first Resolution is necessitated by virtue of the provisions of Section 314 of the Companies Act, 1956, since Mr. J. A. Maroney is employed by the Company as Sales Manager, Consumer Products for which he receives remuneration.
- The second Resolution is designed merely to ensure that the practice which has hitherto prevailed regarding branch accounts shall continue to be observed. According to Section 228 of the Companies Act, 1956, unless the Shareholders decide otherwise, there must be a formal audit of branch accounts by a qualified Auditor which, apart from the expense is, in your Directors' opinion, unnecessary.

At present the number of Directors of your Company is nine whereas the maximum number permitted under its Articles of Association is ten. There is, therefore, a vacancy for another Director which it is desired to fill by appointing H. H. Maharaja Sir Pratap Chandra Bhanj Deo, G.C.I.E., L.D., of Mayurbhanj who is a Managing Director of Gladstone, Lyall & Company Ltd., and a Director of several other Companies. Your Directors consider that it will be of very great benefit to the Company to have the services of H. H. Maharaja Sir Pratap Chandra Bhanj Deo, G.C.I.E., L.D., of Mayurbhanj as a Director in view of his wide and extensive experience both of Company management and public affairs.

SIJUA (JHERIAH) ELECTRIC SUPPLY CO., LTD.

NOTICE is hereby given that the Fifty-eighth Annual General Meeting of the SIJUA (JHERIAH) ELECTRIC SUPPLY CO., LTD., will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta, on Thursday, the 27th day of September, 1956, at 3-50 P.M., for the purpose of receiving the Directors' Report, passing the Audited Accounts for the year ended 31st December, 1955, declaring the Dividend recommended by the Directors, electing Directors and appointing Auditors.

The Share Registers of the Company will be closed from the 12th September to the 27th September, 1956, both days inclusive.

By Order of the Board,
BIRD & CO., (PRIVATE) LTD.,
Secretaries.

Chartered Bank Bldgs.,
Calcutta, 27th August, 1956.

Note.—(1) A member entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote in his stead. Such proxy need not be a member of the Company.

(2) The Dividends, if sanctioned, will be paid on or after 10th October, 1956, to those Shareholders so entitled whose names appear in the Company's books on the 27th September, 1956, or to their mandatories. No application for Dividend Warrants will be necessary.

NEW CENTRAL JUTE MILLS CO., LTD.

THE Board of Directors of the Company in their Meeting held on 24th August, 1956 have declared an interim dividend at 12 annas per share on the Ordinary Shares of the Company for the current year. The dividend will be payable to the registered Shareholders as on the 30th September, 1956.

The Share Transfer Books of the Company will remain closed from 21st September to 30th September, 1956, both days inclusive.

SAHU JAIN LIMITED,
Managing Agents.

Calcutta.
Dated the 28th August, 1956.

SIJUA (JHERIAH) ELECTRIC SUPPLY CO., LTD.

THE Board of Directors has recommended the payment of a Dividend on the Ordinary Shares at the rate of 7½% per annum without any deduction for Income Tax paid by the Company for the year ended 31st December, 1955.

By Order of the Board,
BIRD & CO., (PRIVATE) LTD.,
Secretaries.

Chartered Bank Buildings,
Calcutta, 27th August, 1956.

THE JAIPUR UDYOG LIMITED

NOTICE is hereby given that the Annual General Meeting of the Company will be held at the Registered Office of the Company at Sawai Madhopur on Wednesday, the 24th October, 1956 at 4-30 P.M. to receive and adopt the Directors' Report and the Audited Statement of Accounts for the year ended 31st March, 1956, to declare dividends @ 3% on Preference Shares and 12½% on Ordinary Shares, to elect a Director in place of the retiring one and to appoint Auditors for the current year and to fix their remuneration.

The Share Transfer Books of the Company will remain closed from 28th September, 1956 to 24th October, 1956, (both days inclusive).

By Order of the Board,
M. L. RATHI,
Secretary.

Sawai Madhopur,
August 20, 1956.

Note: A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.

THE CALCUTTA TRAMWAYS COMPANY LIMITED.

(Incorporated in England)

Errata.

THE advertisement appearing in the Public Notices Column in the issue of the 23rd August referring to Accounts and Dividend for the year 1955 was by Order of the Board.

P. 4, Mission Row Extension,
Calcutta, 23rd August, 1956.

A. C. T. BLEASE,
Agent.

THE SALEM-ERODE ELECTRICITY DISTRIBUTION CO. LTD.

NOTICE.

NOTICE is hereby given that an Extraordinary General Meeting of the Salem-Erode Electricity Distribution Company Limited will be held at the office of the Managing Agents No. 14, Old Court House Street, Calcutta on Friday the 14th day of September, 1956 at 4 P.M. to consider and, if thought fit, to pass the following resolution, namely—

"That the Board of Directors of the Company may appoint an Alternate Director to act for a Director during the latter's absence for a period of not less than three months from the State in which meetings are normally held."

Note 1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.

Note 2. In connection with the business to be conducted at the meeting, please see the undernoted Explanatory Statement.

OCTAVIUS STEEL & CO. LTD.,
Managing Agents.

Calcutta, 21st August, 1956.

EXPLANATORY STATEMENT.

Under Section 313 of the Companies Act, 1956 a Company's Board of Directors if so authorised by its Articles or by a resolution passed by the Company in General Meeting, may appoint an Alternate Director to act for a Director who is absent from the State where the Board Meetings are usually held. As the Company's Articles of Association do not contain a provision conforming with Section 313, it is desirable to have a resolution passed as provided for in that Section. The Managing Agents and the Directors of the Company, other than as such and as Shareholders, have no interest in the business represented by the above resolution.

THE HOOGRAJULI (ASSAM) TEA CO. LTD.

THE Board of Directors has decided to recommend to the forthcoming Annual General Meeting of Shareholders a dividend of As. 8 per share in respect of the year ended 31st December, 1955, without any deduction in respect of taxation payable by the Company.

By Order of the Board,
ANDREW YULE & COMPANY LTD.,
Managing Agents.

Dated
Calcutta, the 22nd August, 1956.

HARBOUR RADAR FOR INDIA

A decision vital to the future expansion of Indian trade was made in 1948 by the Government of India, namely, to develop Kandla, in the Gulf of Kutch, as a major deep sea port to handle the output from Punjab and Delhi. Increased industrial and agricultural production, together with the development of the mineral resources of the hinterland, has already created extensive congestion in the port of Bombay. Kandla Creek is the only natural deep harbour in the Gulf of Kutch, and its geographical position is well chosen for service to the hinterland. Another important factor in the selection of Kandla is the combination of a natural deep water harbour adjacent to high land, enabling a port to be constructed quickly and developed to any extent which trade may justify. In keeping with the far-sighted approach to the problem made by the Government of India, the Lighthouse Department of the Ministry of Transport has placed a contract, as a result of open competitive tender, for the supply and installation of a Decca type 32 harbour radar at the port of Kandla, to assist the supervision of vessels navigating the approach channels of Tekra Creek to the new harbour. The Decca radar type 31 is the outcome of a long-term investigation by Decca into the requirements for harbour radar at major ports, and is the most advanced equipment of its kind in the world. The discrimination in range and bearing are of an extremely high order, designed to meet the requirements for a supervision of navigation in dense conditions of traffic. A further major development now being undertaken by the Department of Lighthouses is the scheme for the installation of radar on lighthouses to assist navigation in coastal waters. Decca harbour radar type 30A has already been chosen for the first stage of this new development programme, and will be fitted at Saugar and Khander Island lighthouses at the approaches to Calcutta and Bombay.

Mr. Sudhir K. Sen, chairman, Sen-Raleigh Industries of India Ltd., has been elected president of the Cycle Manufacturers Association for 1956-57. The Association represents the major cycle manufacturers of India.

THE INVESTORS' GUIDE AND SHAREHOLDERS' GAZETTE

Official quotations of the Calcutta, Bombay, Madras, London Stock

Exchange Associations and other sources.

Tuesday 28th August, 1956.

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GOVERNMENT LOANS										PORT TRUST LOANS										IMPROVEMENT TRUST LOANS									
Amount Outstanding Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.	Amount Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.	Amount Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.	Amount Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.	Amount Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.	Amount Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.
GOVERNMENT OF INDIA										CALCUTTA										BOMBAY									
2,48,91,47,000	3	1946	1986 or later	75½	90,24,300	4	1914	1974	99	36,50,000	4	1904	1964	99½	25,00,000	5½	1929	1958	107	50,00,000	4	1934	1964	99½	35,00,000	3½	1935	1965	94
					76,90,100	4	1915	1975	99						35,00,000	4	1906	1966	90	35,00,000	4	1906	1967	99½	30,00,000	3	1936	1966	90
8,93,35,000	3	1896-97	At the option of the Government of India after 6 months notice.	75½	68,02,300	3	1921 1st	1981	82	15,00,000	4	1906	1967	99½	50,00,000	3	1937	1967	91	50,00,000	4	1906	1968	99½	20,00,000	3	1938	1963-68	96
					1,50,00,000	6½	1921 2nd	1981	144N	44,00,000	4	1907	1968	99½	30,00,000	4	1952	1962	99½	1,02,00,000	4	1956	1968	99					
57,00,69,000	2½	1946	1961	93½	£892,600	6	1923	1953-83	£79½	75,00,000	4	1908	1969	99½															
45,63,07,000	2½	1946	1960	96½	£901,000	5	1924	1954-84	£79½	40,00,000	4	1908	1970	100															
50,35,63,000	3	1951	1958	99½						56,00,000	4	1910	1971	100															
1,16,17,46,000	3	1939	1963-65	94½	98,21,600	5½	1926 1st	1956-86	100	75,00,000	4	1911	1972	100															
1,10,11,78,000	3	1943	1966-68	93½	99,84,500	5	1926 2nd	1956-86	100½						30,00,000	4	1901	1961	99½										
					1,48,49,500	5	1927	1957-87	102						60,00,000	4	1903	1963	99½										
75,86,72,000	2½	1947	1962	93½	1,49,30,000	5	1928	1958-88	103						60,00,000	4	1904	1964	99½										
															30,00,000	4	1905	1965	99½										
30,33,10,000	3	1950	1964	94½	80,00,000	4	1931	1991	95	STERLING LOANS										BOMBAY									
14,77,48,000	2½	1946	1976	82½	£835,100	3½	1932	1962	£91½						20,00,000	4	1906	1966	99½										
63,30,26,000	4	1926	1960-70	100½	60,00,000	3½	1935	1965	97½						30,00,000	4	1908	1968	£95½N										
1,15,05,83,000	3	1945	1970-75	89½	50,00,000	3	1946	1976	84½	£892,600	5	1923	1953-83	£87½	30,00,000	4	1908	1968	99½										
1,14,06,89,000	3	1944	1957	90½						£901,000	5	1924	1954-84	£87½	30,00,000	4	1909	1969	95½N										
5,85,73,000	4½	1928	1958-68	99½	50,00,000	3	1945	1-2-2005	74	£835,100	5½	1932	1962	£96	2,333,000	4	1910	1970	100										
75,29,00,000	3½	1953	1959-61	98½	2,31,07,100	3½	1946	1-2-1975	85						25,00,000	4	1912	1972	100										
1,13,65,64,000	3	1945	1959-61	98½	25,00,000	3	1946	1966-68	90						18,30,000	4	1913	1973	100										
1,58,17,07,000	3½	1954	1964	98½	50,00,000	3	1947	2006	74						60,00,000	4	1914	1974	100										
1,03,67,92,000	3½	1955	1965	98½	50,00,000	2½	1947	1977	79½						25,00,000	4	1916	1976	100										
					50,00,000	3	1948	1978	83½	MADRAS																			
3,50,00,000	3	1943	1956	99½	1,00,00,000	3	1949																						

JOINT STOCK COMPANIES PREFERENCE SHARES

Dividends are cumulative and shares carry a preferential claim on the property for the payment of capital and on the profits for dividend except in case of companies marked otherwise. Months against names of companies indicate approximately times of payment of dividends.

Year of Issue	NAMES	Amount Issued in 000	Rate per cent	Paid-up per Share	Market Quotations		Year of issue	NAMES	Amount Issued in 000	Rate per cent	Paid-up per Share	Market Quotations	
					28-8-56	A year ago						28-8-56	A year ago
BANK.													
1901	Allahabad Bank (May Nov.)	15.00	6	100	120	132	1920	Birds Investments (Dec.)	24.00	5 1/2	100	78 1/2	80 1/2
COAL.													
1905	Bengal Nagpur (Feb Aug.)	11.25	7	100	105	118	1935	Bombay Steam Navigation (July)	15.00	5 1/2	100	153	153
1899	Borror (June Dec.)	1.00	5	100	109	126	1935	British India Corporation (Apr. Mar.)	7.50	6	100	125	138
1901-20	Burrakur (June Dec.)	22.80	5 1/2	100	77 1/2	81	1935	British India Corporation (Feb.)	31.00	6	100	138	143 1/2
1899	Calcutta Electric Supply (Mar Sept.)	4.50	5 1/2	100	104	117	1935	Burn Eng (1st & 2nd) (Feb Aug.)	13.00	7	100	116	122 1/2
1931	Chas Kajora (Mar Sept.)	1.80	5	10	5	2	1935	Calcutta Electric Supply (Mar Sept.)	15.00	5	100	116	122 1/2
1920	New Beerboom (Jan July)	2.00	7	10	112	131	1935	Calcutta Silk Manufacturing (July Jan)	2.00	6	100	55	60
1898	Jindal (June Dec.)	2.00	6 1/2	100	110	113	1935	Calcutta Tramways (Jan July)	2.25	5 1/2	100	101	105
COTTON MILLS.													
1906	Ahmedabad Advance (Apr Oct.)	10.00	6	100	110	110	1945	Carew & Co (January)	3.00	6 1/2	100	137	143
1894	Dangalore (Jan July)	5.00	6 1/2	100	125	128 1/2	1945	Jawnpore Sugar Works (Feb Aug.)	10.00	6	100	101	105
1938	Dasanti (Oct.)	5.00	6 1/2	100	8	8	1945	Chrestian Mica Industries Ltd.	30.00	5 1/2	100	59	65 1/2
1896	Jengal Nagpur (Apr Oct.)	3.00	6 1/2	100	99	110	1945	Dacca Electric Supply (July)	5.00	6	100	99	101
1909	Jowrah "A" (Apr Oct.)	5.00	6 1/2	100	126	129	1945	Daimia Cement (Bharat)	2.37	6	40	39 1/2	35 1/2
1909	Jowrah "B" (6) (1) (Apr Oct.)	5.00	6 1/2	100	66 1/2	76	1945	Delhi Flour Mills (Oct.)	90	7 1/2	100	132	137
1919	Jradpur "B" (Jan Dec.)	14.75	7	250	324 1/2	324 1/2	1945	Deshwarb Power Supply "A" (Jan.)	12.00	5	100	102	107
1920	Buckingham & Carnatic (Jan July)	21.30	7 1/2	100	144	133 1/2	1945	Deshwarb Power Supply "B" (Jan.)	12.00	4 1/2	100	102	107
1928	Lambadia (July)	1.00	7	100	122 1/2	125	1945	Dunlop Rubber "First" (Jan July)	30.00	6	100	125	126
1912	Central India (Apr Oct.)	50.00	5	500	531 1/2	531 1/2	1945	Dunlop Rubber "Second" (Apr.)	40.00	6 1/2	100	94	101 1/2
1912	Delhi Cloth & General (Oct.)	20.00	4 1/2	25	20	20	1945	East India Distilleries (Jan July)	2.00	7	21	17 1/2	17 1/2
1912	Elgin (May Nov.)	11.00	6	100	135 1/2	143	1945	Eastern Investments Ltd (Apr.)	4.50	5 1/2	100	75	77 1/2
1943	Elgin "B"	4.20	5	10	91	91	1945	General Investment & Trust (Feb Aug.)	1.00	5	100	65	70
1913	Elphinstone (May Nov.)	25.00	7 1/2	100	870	874	1945	General Investment & Trust (Feb Aug.)	1.00	5 1/2	100	65	70
1919	Kesorani (June Dec.)	20.00	4	100	134	133	1945	Jillanders Arbuthnot (Apr Oct.)	2.50	5 1/2	100	65	73
1920	Khatu (Makan) (Nov.)	10.00	6	100	88	88	1945	Jladstone Lyle & Co. Ltd.	15.00	5 1/2	100	66	66
1913	Kothari (Nov.)	12.00	6	10	103	103	1945	Godfrey Phillips India Ltd.	30.00	5 1/2	100	68 1/2	66
1900	Kutir (Feb Aug.)	30.00	6	100	87	87	1945	Gwalior Sugar (Redeemable) (Dec.)	6.75	7	100	68	66
1913	New Great Eastern (Mar.)	30.00	6	200	18 1/2	18 1/2	1945	Gwalior Sugar (Dec.)	5.00	7	100	68	66
1920	New Victoria (Apr Oct.)	28.00	6 1/2	5	5 1/2	3 1/2	1945	Humayan Properties Ltd (Nov.)	12.00	6	10	10	11
1933	Palani Andavar (Mar.)	2.00	7	50	58 1/2	58 1/2	1945	Indian Aluminium (Mar Sept.)	40.00	5 1/2	100	86	71
1935	Svadeshi (Bombay) (May)	15.00	5	100	115	115	1945	Indo Burma Petroleum (Jan July)	50.00	7 1/2	100	107 1/2	107 1/2
1927	Svadeshi (Cawnpore) (Mar.)	35.00	6	100	92	88 1/2	1945	India General Navy & Railways	22.44	6	210	85	82
1931	Svadeshi (Apr Oct.)	3.00	6 1/2	100	113	120	1945	Indian Cable Co (Nov.)	12.88	6	10	33	139
1908	Vishnu (Apr.)	16.00	7	500	550	550	1945	Indian Standard Wagon (Aug or Sept)	1.98	7	100	140	110 1/2
JUTE MILLS.													
192	Agarpara (Jan July)	10.00	7	100	107	116 1/2	1945	Investment and Finance (Feb Aug.)	2.00	6 1/2	100	65	70
1905	Alexandra (Feb Aug.)	9.00	7	100	97 1/2	106	1945	Investment and Finance (Feb Aug.)	2.00	6 1/2	100	65	70
1896	Alliance (Mar Sept.)	15.00	6	100	97	103 1/2	1945	James Wright (Jan July)	1.30	6	50	41	40
1917	Anglo-India (May Nov.)	40.00	7	100	118 1/2	103 1/2	1945	Jardine Henderson Ltd.	50.00	5 1/2	100	66 1/2	82
1908	Auckland (July Jan.)	10.00	5 1/2	100	90	90	1945	Jessop & Co.	10.00	5	100	102	105 1/2
1943	Auckland (July Jan.)	15.00	4 1/2	100	72	76	1945	Jupiter General Insurance (Sept.)	4.99	6 1/2	10	10	10
1918	Bally (Jan July)	20.00	7	100	105	114	1915	Kumardhubi Engineering (June)	12.00	5	100	103	107
1896	Barnagore (Oct Dec.)	22.00	5 1/2	100	40 1/2	46							

COAL COMPANIES

O. Po. F. and Dd. indicate Ordinary Preferred Ordinary Founders' and Deferred shares respectively. P. next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up Share	Latest Market Quotations as available until		
Rs	Rs.	Rs.	Rs.				Rs.	Rs.	1953	1954	1955	Rs	28-8-56	22-8-56	A year ago
25,50,000	26,43,478	24,50,000	6,60,570	Amalgamated	3-9	236	6,83,393	26,953	5-5	31-5	61-7 1/2	10	23 1/2	22 1/2	25 1/2
1,00,00,000	1,96,15,288	1,40,49,223	18,85,659	Bengal P	4-10	2	26,18,986	7,31,563	81-71	71-71	81-81	200	542	536	554
4,49,350	3,08,193	10,000	2,24,303	Bengal Bhatdee	6-12	2	15,149	4,951	11-11	11-11	11-11	10	6 1/2	6 1/2	6 1/2
2,25,000	2,52,838	5,34,591	13,999	Bengal Nagpur P	6-12	2	16,266	57,417	Nil-Nil	Nil-Nil	Nil-...	10	16	16	11 1/2
15,97,000	14,16,665	6,91,475	13,52,076	Bhalkorab	9	152	8,13,899	39,978	...	...	...	10	6 1/2	6 1/2	7 1/2
40,00,000	68,01,474	20,23,235	32,65,320	Bharat Collieries P	6-12	106	2,52,221	27,432	...	...	...	10	6 1/2	7 1/2	8 1/2
2,15,000	15,63,291	14,29,045	68,704	Bhulanbararee	6-12	106	-20,810	-1,87,446	Nil-Nil	Nil-Nil	Nil-Nil	10	12 1/2	12 1/2	13 1/2
16,00,000	38,87,275	16,18,636	7,185	Bokare & Ramgur	6-12	315	1,21,936	-79,196	Nil-Nil	Nil-Nil	Nil-Nil	10	11 1/2	12 1/2	13 1/2
7,56,000	18,56,889	24,29,026	11,60,066	Boreea P	6-12	106	2,14,682	84,207	15-12 1/2	10-10	10-10	10	23 1/2	23 1/2	30 1/2
90,92,480	2,39,29,969	1,75,17,502	25,32,133	Burrakur P	6-12	21	1,19,330	1,15,376	11-2 1/2	21-3 1/2	31-3 1/2	10	15 1/2	14 1/2	14 1/2
49,97,000	35,80,075	750	1,75,962	Central India	3	166	1,33,037	14,019	...	...	...	10	7 1/2	7 1/2	8 1/2
8,00,000	16,67,573	13,30,519	15,752	Central Kurkend P	6-12	323	34,743	82,768	31-31	...	...	10	12 1/2	12 1/2	11 1/2
6,00,000	1,43,676	7,32,535	7,32,535	Churulia	6-12	106	-6,374	7,529	...	...	...	10	7 1/2	7 1/2	7 1/2
16,00,000	23,76,131	12,00,000	35,989	Dhenc Main	6-12	19	70,801	-2,43,279	Nil-Nil	Nil-Nil	Nil-11	10	21	21	21
2,240,000	2,40,568	2,380,653	E372,456	East Indian	4	128	1,17,640	2,59,767	...	...	...	10	31 1/2	31 1/2	31 1/2
29,63,760	1,02,63,132	76,84,250	21,79,507	Equitable P	6-12	19	5,71,573	93,266	10-8 1/2	71-7 1/2	71-...	10	31 1/2	30 1/2	32 1/2
10,00,000	5,74,708	2,07,486	3,32,978	Ghusick & Muslia	3	307	12,979	24,844	...	...	...	10	15	15	15 1/2
6,50,000	5,06,856	33,155	4,95,544	Guadar Kajora	6-12	20	24,150	2,401	...	...	...	10	3 1/2	3 1/2	4 1/2
8,00,000	2,81,843	6,75,000	5,09,594	Hurliadhi	6-12	19	2,58,582	65,461	71-7 1/2	71-10	12-...	10	22	22	21 1/2
3,50,000	6,31,200	5,66,816	1,407	Kalapahari	2-8	2	1,38,130	-2,21,237	171-10	Nil-Nil	Nil-Nil*	10	20 1/2	20 1/2	29 1/2
15,00,000	31,71,936	24,32,396	25,61,314	Karapura Development	6-12	21	49,116	17,839	Nil-Nil	Nil-Nil	Nil-10	100	21 1/2	21 1/2	19
5,00,000F									Nil-Nil	Nil-Nil	Nil-Nil	100			
20,00,000	25,67,864	2,27,825	75,106	Karapura Collieries P	2	21	2,23,402	2,661	Nil	Nil	Nil	100	119	119	130
5,00,000	10,29,548	16,60,000	11,25,332	Katras Jheriah	1-7	2	5,92,347	1,33,475	20-20	28-28	25-30-35*	10	60 1/2	60 1/2	53 1/2
1,38,400	6,75,000	95,000	11,80,294	Khas Kajora P	6-12	326	49,776	1,918	...	...	...	10	9 1/2	9 1/2	9 1/2
5,65,750	10,84,977	85,000	9,999	Mundulpur	6-12	326	-79,868	-79,868	Nil-Nil	Nil-Nil	Nil-...	10	21	21	31
7,48,240	2,62,442	1,50,000	5,04,428	Nazira	12	347	82,501	25,598	...	...	...	10	7	7	7 1/2
7,00,000	5,13,418	26,617	61,641	New Bandsoor P	3-9	5	59,011	6,071	31-12	31-7 1/2	71-...	10	10	10	10 1/2
17,76,230	31,15,787	20,01,763	3,78,538	New Beerboom P	4-10	2	2,64,716	94,383	5-5	31-3 1/2	31-5	10	20	20	21 1/2
6,00,000	11,71,307	75,000	40,447	New Manbhoom	3-9	202	-25,330	2,233	Nil-Nil	Nil-Nil	Nil-Nil	10	10 1/2	11 1/2	10 1/2
2,50,000	7,69,623	1,75,500	10,12,916	North Damuda	1-7	306	7,954	-32,184	...	...	...	10	2 1/2	2 1/2	2 1/2
1,15,000	4,42,488	2,85,193	1,53,246	North West	3-9	2	51,420	15,950	21-Nil	Nil-Nil	61-7 1/2	10	19	19	18 1/2
1,57,500												7 1/2	17 1/2	17 1/2	13 1/2
7,50,000	1,20,000	12,19,987	23,25,757	Ondal P	6-12	106	22,197	56,646	10-10	5-5	5-5	10	15 1/2	15 1/2	18 1/2
8,34,000	9,21,342	10,862	4,36,015	Parasea P	6-12	207	1,08,075	9,018	11-Nil	31-3 1/2	31-7 1/2	10	14 1/2	14 1/2	11 1/2
15,75,000	12,40,000	16,00,000	12,21,654	Pench Valley	3-9	236	4,18,450	3,343	71-8 1/2	81-7 1/2	71-7 1/2	10	22 1/2	22 1/2	24 1/2
2,50,000	2,49,404	7,300	11,536	Pure Sitapur	6-12	5	2,008	18,561	Nil-Nil	Nil-Nil	Nil-Nil	10	6 1/2	6 1/2	6 1/2
23,95,500	37,59,038	19,17,105	59,198	Raneegunge	3-9	79	1,83,814	16,846	Nil-Nil	Nil-Nil	Nil-3 1/2	10	13 1/2	13 1/2	12
13,50,000	7,98,001	9,28,385	14,29,643	Rewa	6-12	236	4,96,775	26,029	10-10	71-6 1/2	81-12 1/2	10	22 1/2	22 1/2	19 1/2
20,00,000	23,74,261	1,01,427	1,01,427	Samla	12	48	1,80,660	31,543	21-2 1/2	71	...	10	14	14	16
1,25,000	1,57,243	2,52,664	2,20,212	Searsale	1	353	1,05,156	21,070	...	...	...	10	7	7	14 1/2
2,80,000	10,92,192	8,36,598	7,87,726	Seepore P	2	6-12	2,42,112	49,259	121-12 1/2	142/7-14 1/2	175/7-17 6/7	7	20 1/2	20 1/2	29 1/2
8,00,000	5,29,306	6,32,757	6,32,757	Sendra	6-12	106	-4,098	7,502	Nil-Nil	Nil-11	11-11	10	8 1/2	8 1/2	11 1/2
17,50,000	22,81,965	10,75,016	63,654	South Karanpura	2-8	21	-59,079	-51,533	11-11	11-11	11-11	10	9 1/2	9 1/2	12 1/2
8,00,000	1,43,000	13,69,395	21,89,890	Standard	6-12	106	47,444	-17,347	10-10	71-7 1/2	71-7 1/2	10	23	23 1/2	20 1/2
10,00,000	15,58,085	15,075	3,913	Talcher	9	277	22,689	-3,85,056	Nil	Nil	...	10	31	31	37
3,50,000	4,66,000	3,53,000	8,176	Union	6-12	279	-4,033	44,167	10-7 1/2	5-2 1/2	21-...	10	14 1/2	14 1/2	16 1/2
49,95,000	50,14,812	21,550	4,20,307	Western Bengal	3	166	3,99,469	37,694	...	...	...	10	7 1/2	7 1/2	7 1/2
7,00,000	32,55,152	1,38,190	40,060	West Jamuria	6-12	19	-1,31,849	122	Nil-Nil	Nil-Nil	Nil-...	10	11 1/2	11 1/2	14 1/2

* 1956.

N = Nominal

COTTON MILLS

Paid-up Capital Ordinary	Number of		Net Block Account	Reserve & other Funds- Premiums & Forfeited Shares	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent			Paid-up per Shares	Latest Market Quotations as available until		
	Spindles	Looms									1953	1954	1955		28-8-56	22-8-56	A year ago
15,00,000	14,108	356	14,62,919	1,73,478	11,90,008	Basanti P	12	49	1,97,268	41,227	21	..	10	7 1/2	7 1/2	5 1/2	
32,72,340	22,197	305	17,89,876	23,18,908	24,551	Benares P	3-9	120	-1,27,181	-4,79,387	..	..	10	13 1/2	13 1/2	11 1/2	
7,11,280	36,000	932	17,17,120	2,20,368	30,842	Bengal Luxmi	3	27	3,66,176	47,819	..	..	10	41	38	40	
27,00,000	31,476	624	23,53,000	15,50,000	3,84,224	Bengal Nagpur P	6-12	236	-5,23,389	18,199	21-Nil	Nil	40	30 1/2	30 1/2	9 1/2	
15,00,000	38,764	992	31,35,500	1,09,84,251	21,32,642	Bengal Cotton	3	22	5,28,332	4,25,221	30	30	100	17 1/2	17 1/2	9 1/2	
6,00,000	42,872	641	37,54,142	22,72,588	1,44,948	Bowman P	6-12	138	84,028	-23,47,373	Nil-Nil	Nil-Nil	10	17 1/2	17 1/2	9 1/2	
30,00,000	22,000	510	8,43,453	29,51,420	1,00,393	Cawnpore Textiles	3	25	67,735	36,767	11 1/2	Nil-5	5	9	9	390	
3,27,32,900	1,01,808	2,762	9,94,63,168	2,74,48,393	2,94,83,803	Delhi Cloth & Genl. P.	6	238	1,81,41,276	82,759	7	9	25	37 1/2	37 1/2	38	
1,00,563	42,944	518	34,12,181	25,71,925	43,06,583	Dunbar	6-12	138	9,92,376	1,37,951	Nil-Nil	Nil-Nil	2 1/2	303	294	247	
19,00,000	54,000	1,200	22,44,751	66,33,360	47,29,260	Elgin P	9	25	32,80,464	93,386	15	10	10	28 1/2	28 1/2	20	
63,00,000	59,250	1,872	2,38,99,575	1,60,53,952	74,29,260	Kesoram P	3	22	37,41,719	2,45,435	11 1/2	8 1/2	8 1/2	20	19 1/2	17 1/2	
33,98,288	35,864	864	17,48,143	9,75,679	74,08,655	Mohini P	12	45	9,53,316	5,158	..	..	25	..	..	..	
30,00,000	88,000	1,825	47,44,546	52,19,601	92,65,055	Muir P	12	208	-18,77,941	-7,77,290	..	..	10	88	88	116	
22,89,882	78,848	1,367	43,25,577	26,00,968	1,45,701	New Victoria P	12	237	-18,83,371	-13,76,473	Nil	..	2 1/2	21 1/2	21 1/2	11 1/2	
5,07,095	23,196	795	22,57,946	18,38,739	2,02,179	Rampooria Cotton	6	4	6,16,936	1,094	6	6 1/2	10	15 1/2	15 1/2	12 1/2	
19,47,750	1,14,836	2,077	2,33,77,688	2,65,04,931	32,30,412	Swadeshi (Cawnpore) P	12	333	43,71,838	7,09,029	Nil	Nil	10	11 1/2	11 1/2	11 1/2	
5,00,000	..	..	..	..	..	Bangalore W. C. Silk P	12	26	56,34,938	2,38,649	25	30	100	595	590	517 1/2	
1,78,47,800	1,20,012	2,770	3,20,71,600	1,87,39,278	11,26,235	Bukingham Carnatic P	12	26	1,01,06,075	2,38,445	10	10	100	208	211	171 1/2	
20,00,000	28,000	..	18,03,003	20,32,074	1,12,26,235	Cambodia P	12	210	1,96,274	27,593	7 1/2	Nil	10	15 1/2	14 1/2	13 1/2	
20,78,900	23,864	..	5,41,058	9,90,000	36,53,502	Coimbatore Cotton	12	189	6,55,750	61,404	..	..	100	392 1/2	392 1/2	320	
6,50,000	50,640	295	47,91,212	7,98,681	22,227	Coimbatore Spg & Wvg	6	46	-75,242	-10,23,340	Nil	..	..	100	122	122	78
24,00,000	30,512	200	52,38,868	17,90,000	58,77,434	Kaleeswari	12	139	2,05,780	7,677	..	..	100	332 1/2	332 1/2	305	
23,94,000	48,756	..	15,01,051	21,70,200	74,3757	Kothari Textile P	6	141	3,25,924	29,382	5	5	10	20	19	14 1/2	
1,75,02,430	4,65,324	..	2,15,02,107	4,13,81,878	31,04,681	Lakshmi	12	186	31,41,248	2,209	..	..	50	252 1/2	254 1/2	153	
12,00,000	21,856	..	6,43,189	5,85,365	10,32,898	Madura	12	108	77,86,509	18,86,813	20	20	20	15	112 1/2	112 1/2	49 1/2
60,00,000	24,252	603	20,49,833	69,00,000	11,91,755	Malabar Spg & Wvg.	3	240	-85,193	-84,039	..	..	200	52 1/2	52 1/2	117 1/2	
13,61,780	6,000	..	14,15,992	9,90,000	1,34,663	Mettur Industries	3	29	48,44,863	45,835	22 1/2	35	42 1/2	492 1/2	492 1/2	357 1/2	
7,79,700	20,137	Nil	8,36,608	9,90,000	24,24,908	Mysore Spun Silk	3	142	1,753	3,986	Nil	Nil	10	7 1/2	7 1/2	120 1/2	
15,540	416	..	5,42,118	2,43,421	2,65,911	Pilani Andavar P	12	30	7,30,437	2,687	..	..	50	172	168	120 1/2	
38,104	270	..	12,98,563	18,23,501	11,71,324	Sitaram Spg & Wvg	3	164	87,724	3,083	..	..	60	354	343	235	
..	..	..	..	..	..	Vasanta P	12	47	16,37,459	..	..	..	100	354	343	235	

TEA COMPANIES

O. Po. and Dd indicate Ordinary Preferred Ordinary and Deferred Shares respectively. P next to the name of the company indicates that the Company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Accrue Tea	Outturn and Average Price realised for crop	Estimate	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Dividends per cent	Paid-up per share	Latest Market Quotations as available until
Rs.	Rs.	Rs.	Rs.	1953	1954	1955	1952	1953	1954	1955	Rs.	Rs.
3,00,000	3,40,887	1,75,000	862	2,71,440	30-1	2,89,040	39-11	---	---	---	---	---
4,00,000	6,28,269	49,878	465	4,01,327	31-1	4,90,263	40-10	---	---	---	---	---
10,00,000	17,71,849	613,800	1,430	10,01,327	31-1	10,00,450	4-2-2-5	---	---	---	---	---
2,50,000	5,75,753	---	794	3,80,734	31-1	7,00,450	---	---	---	---	---	---
7,00,000	6,99,137	11,000	949	3,74,480	27-11	3,91,520	38-5	---	---	---	---	---
12,50,000	18,43,015	11,50,000	2,153	14,44,160	27-5	17,59,920	35-0	---	---	---	---	---
3,50,000	4,81,000	1,65,232	566	---	---	---	---	---	---	---	---	---
2,50,000	2,40,000	2,51,794	399	4,44,310	31-4	4,40,507	46-3	---	---	---	---	---
7,00,000	1,25,000	2,50,000	1,350	1,44,302	32-4	7,23,267	47-6	---	---	---	---	---
1,84,050	4,00,329	---	486	4,54,000	29-5	---	---	---	---	---	---	---
2,50,000	1,90,357	1,10,392	618	4,54,160	29-7	3,04,120	36-4-5	---	---	---	---	---
5,25,000	3,25,300	6,28,514	698	3,99,416	38-9	6,76,800	41-11	---	---	---	---	---
4,00,000	5,68,316	5,52,313	692	4,74,400	28-7	4,49,336	36-7-1-5	---	---	---	---	---
3,75,000	5,02,307	4,31,250	1,050	---	---	4,63,320	---	---	---	---	---	---
3,99,750	6,89,413	4,157	562	1,19,351	32-9	1,14,311	29-11	---	---	---	---	---
2,79,900	4,72,381	1,25,000	1,071	1,06,586	42-3	1,41,174	62-0	---	---	---	---	---
2,75,000	3,75,900	1,11,928	901	---	---	---	---	---	---	---	---	---
2,00,000	1,74,363	1,62,639	488	1,04,500	39-10	1,35,760	52-5	---	---	---	---	---
2,00,000	3,13,500	5,53,585	500	2,45,013	37-0	2,84,204	19-1	---	---	---	---	---
10,00,000	6,25,300	1,30,770	1,049	3,84,322	38-4	6,53,740	48-3	---	---	---	---	---
10,00,000	1,57,576	11,18	761	4,38,233	39-4	5,28,515	48-3	---	---	---	---	---
4,00,000	4,67,134	3,00,000	341	3,09,321	42-3	---	---	---	---	---	---	---
1,50,000	1,75,389	1,10,339	463	1,63,501	42-1	1,82,080	62-4	---	---	---	---	---
2,99,900	3,40,000	3,00,000	689	3,72,742	34-9	4,35,016	33-4	---	---	---	---	---
4,00,000	1,50,000	1,07,500	505	1,63,571	40-2	1,81,153	53-3	---	---	---	---	---
3,30,000	3,02,368	2,61,118	776	---	---	---	---	---	---	---	---	---
3,00,000	2,85,000	5,73,387	900	1,47,598	35-9	1,68,697	44-5	---	---	---	---	---
2,05,000	1,20,500	2,68,427	570	1,03,418	38-5	1,58,740	38-5	---	---	---	---	---
1,40,000	1,40,000	4,77,000	341	1,72,124	40-8	1,80,720	39-0	---	---	---	---	---
3,00,000	2,80,000	71,302	389	1,64,482	39-1	7,77,704	37-3	---	---	---	---	---
6,25,000	3,98,413	1,459	741	1,63,185	34-4-5	2,05,035	47-0	---	---	---	---	---
9,00,000	3,27,823	1,46,857	683	2,36,381	35-4	2,64,900	30-4	---	---	---	---	---
3,00,000	2,89,060	3,90,000	354	2,67,892	40-0	2,89,738	60-3	---	---	---	---	---
6,25,000	1,06,947	4,74,385	382	3,30,160	37-5	1,78,000	44-3	---	---	---	---	---
3,20,000	4,86,000	9,62,401	7184	4,86,018	38-2	4,49,947	48-6	---	---	---	---	---
6,01,350	10,96,000	2,90,000	1,666	6,68,593	35-6	7,11,945	50-5	---	---	---	---	---
15,00,000	17,66,862	34,25,000	2,540	29,22,880	32-4	30,81,680	51-2	---	---	---	---	---
6,00,000	20,53,853	18,70,000	1,105	14,08,364	32-3	13,91,320	43-1	---	---	---	---	---
9,00,000	6,05,410	11,90,000	1,112	13,97,322	30-9	---	---	---	---	---	---	---
9,00,000	9,00,000	12,30,000	13,919	12,30,369	35-2	11,96,886	52-5	---	---	---	---	---
6,00,000	6,00,000	5,33,093	802	5,53,226	34-5	6,04,104	35-10	---	---	---	---	---
6,00,000	6,91,678	10,50,000	903	10,82,880	31-11	10,68,480	49-4	---	---	---	---	---
3,00,000	2,16,475	2,50,000	300	4,41,787	33-4	4,01,294	43-8	---	---	---	---	---
1,20,000	1,70,511	4,64,000	265	4,14,320	32-4	2,24,800	19-1	---	---	---	---	---
3,50,000	5,11,776	3,00,000	447	4,59,440	28-9	4,73,840	39-9	---	---	---	---	---
10,50,000	1,38,424	5,50,000	1,253	5,11,848	32-1	7,62,720	47-4	---	---	---	---	---
10,50,000	17,49,550	22,55,503	1,022	12,30,160	27-11	12,30,080	47-11	---	---	---	---	---
24,00,000	20,00,000	14,48,782	4,421	22,32,773	35-2	30,38,642	44-1	---	---	---	---	---
32,00,000	52,36,329	60,33,333	4,236	50,95,289	32-6	63,71,277	41-11	---	---	---	---	---
8,25,000	4,40,000	19,79,213	1,452	18,54,330	27-4	16,07,368	42-3	---	---	---	---	---
3,50,000	4,00,325	6,65,000	907	4,46,720	32-4	4,86,400	44-3	---	---	---	---	---
9,00,000	6,75,000	1,12,233	937	8,39,383	35-0	11,46,814	39-4	---	---	---	---	---
9,00,000	4,12,000	3,50,000	920	5,05,247	32-3	4,78,330	43-7	---	---	---	---	---
9,50,000	1,60,000	12,80,223	1,125	10,53,493	32-10	1,69,338	42-2	---	---	---	---	---
14,00,000	8,91,963	18,45,000	1,163	16,35,520	31-2	15,52,400	49-3	---	---	---	---	---
3,20,000	3,96,142	4,80,000	578	3,94,500	29-1	6,29,200	40-2	---	---	---	---	---
2,50,000	2,30,000	2,79,541	348	2,52,023	32-4	2,56,097	42-0	---	---	---	---	---
6,00,000	6,29,490	4,01,034	764	8,79,040	30-4	---	---	---	---	---	---	---
3,65,000	10,03,372	4,43,433	1,638	10,13,280	29-6	---	---	---	---	---	---	---
1,48,100	12,28,247	29,20,000	1,766	18,17,923	33-6	19,10,000	48-6	---	---	---	---	---
3,46,400	4,45,351	6,97,500	683	5,99,200	31-7	6,01,920	48-4	---	---	---	---	---
4,50,000	10,63,145	1,64,527	607	3,84,960	28-0	3,99,840	44-7	---	---	---	---	---
2,50,000	1,36,062	5,35,401	450	3,56,134	28-11	3,23,610	36-0	---	---	---	---	---
8,40,000	6,08,045	17,07,785	1,589	15,36,859	33-6	13,20,702	47-7	---	---	---	---	---
5,00,000	3,11,330	1,15,000	517	1,02,807	31-6	4,25,455	42-5	---	---	---	---	---
3,00,000	3,91,676	7,38,010	509	5,39,940	27-4	4,30,542	49-8	---	---	---	---	---
4,50,000	1,50,000	4,50,871	972	---	---	---	---	---	---	---	---	---
3,00,000	2,96,140	3,98,145	970	---	---	---	---	---	---	---	---	---
1,00,000	1,00,000	1,84,733	363	2,05,846	28-0	1,35,179	58-5	---	---	---	---	---
2,20,000	4,50,815	6,00,150	549	5,20,249	29-2	5,69,280	42-2-2-5	---	---	---	---	---
1,25,000	1,25,000	1,59,950	473	---	---	---	---	---	---	---	---	---
2,40,000	2,40,000	2,59,892	836	---	---	---	---	---	---	---	---	---
2,00,000	2,00,000	51,360	547	---	---	---	---	---	---	---	---	---
3,00,000	5,00,603	4,80,000	614	6,61,920	25-10	6,23,840	39-5	---	---	---	---	---
6,00,000	4,50,000	4,46,656	544	4,37,760	36-6	4,13,880	56-0	---	---	---	---	---
2,46,000	2,58,393	---	432	4,58,800	27-1	---	---	---	---	---	---	---
4,00,000	6,04,968	3,26,165	1,189	4,59,680	27-0	3,35,280	37-0	---	---	---	---	---
5,63,680	5,18,418	77,990	550	4,01,120	28-0	3,35,120	39-6	---	---	---	---	---
4,00,000	5,20,001	10,08,000	964	9,79,280	34-10	10,13,200	31-8	---	---	---	---	---
36,00,000	22,95,169	3,74,501	613	2,92,248	31-8	56,62,400	32-8	---	---	---	---	---
3,20,000	3,47,367	1,40,000	627	3,80,800	20-1	3,91,800	32-8	---	---	---	---	---
9,00,000	9,00,000	3,72,055	1,178	1,184,210	37-6	10,66,720	56-6	---	---	---	---	---
1,25,000	1,25,000	---	---	---	---	---	---	---	---	---	---	---
2,40,000	2,40,000	---	---	---	---	---	---	---	---	---	---	---
2,00,000	2,00,000	---	---	---	---	---	---	---	---	---	---	---
3,00,000	5,00,603	4,80,000	614	6,61,920	25-10	6,23,840	39-5	---	---	---	---	---
6,00,000	4,50,000	4,46,656	544	4,37,760	36-6	4,13,880	56-0	---	---	---	---	---
2,46,000	2,58,393	---	432	4,58,800	27-1	---	---	---	---	---	---	---
4,00,000	6,04,968	3,26,165	1,189	4,59,680	27-0	3,35,280	37-0	---	---	---	---	---
5,63,680	5,18,418	77,990	550	4,01,120	28-0	3,35,120	39-6	---	---	---	---	---
4,00,000	5,20,001	10,08,000	964	9,79,280	34-10	10,13,200	31-8	---	---	---	---	---
36,00,000	22,95,169	3,74,501	613	2,92,248	31-8	56,62,400	32-8	---	---	---	---	---
3,20,000	3,47,367	1,40,000	627	3,80,800	20-1	3,91,800	32-8	---	---	---	---	---
9,00,000	9,00,000	3,72,055	1,178	1,184,210	37-6	10,66,720	56-6	---	---	---	---	---
1,25,000	1,25,000	---	---	---	---	---	---	---	---	---	---	---
2,40,000	2,40,000	---	---	---	---	---	---	---	---	---	---	---
2,00,000	2,00,000	---	---	---	---	---	---	---	---	---	---	---
3,00,000	5,00,603	4,80,000	614	6,61,920	25-10	6,23,840	39-5	---	---	---	---	---
6,00,000	4,50,000	4,46,656	544	4,37,760	36-6	4,13,880	56-0	---	---	---	---	---
2,46,000	2,58,393	---	432	4,58,800	27-1	---	---	---	---	---	---	---
4,00,000	6,04,968	3,26,165	1,189	4,59,680	27-0	3,35,280	37-0	---				

MISCELLANEOUS COMPANIES—Contd.

O, Po, C and Dd indicate Ordinary, Preferred Ordinary, Contributory and Deferred Shares respectively. P next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
									1953	1954	1955		28-8-56	22-8-56	A year ago
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.				Rs.	Rs.	Rs.	
SUGAR BREWERIES, ETC.															
11,00,000	6,45,722	3,75,000	10,90,564	New Saven Sugar and Gur	5	140	95,437	52,205	..	..	..	10	6 1/2	6 1/2	7 1/2
9,00,000	7,28,559	17,64,369	58,734	Partabpur Sugar P.	10	25	5,08,340	6,871	10	7 1/2	7 1/2	10	15 1/2	15 1/2	18 1/2
16,59,820	26,52,127	35,00,000	4,84,350	Rannugger Cane & Sugar P.	8	1	18,11,504	20,350	20	15	20	10	20 1/2	20 1/2	28
19,99,600	25,62,533	39,88,218	13,92,915	Raza Sugar P.	10	92	10,78,193	3,144	10	..	..	10	20 1/2	20 1/2	20 1/2
8,00,000	4,42,169	6,54,762	1,85,115	Ryam Sugar P.	6	25	1,43,798	24,340	5	..	..	10	13 1/2	13 1/2	14 1/2
11,99,000	15,94,631	18,37,529	98,312	Samastipur Central Sugar	6	25	79,022	8,477	..	..	..	10	13 1/2	13 1/2	14 1/2
20,00,000	72,62,286	36,66,708	1,63,444	Shree Krishna Gyanodaya Sugar P.	7	335	12,99,571	34,046	15	15	17 1/2	10	15 1/2	15 1/2	19 1/2
7,94,500	13,54,858	11,65,175	11,16,368	Shree Sitaram Sugar	6	140	1,00,057	7,991	..	..	..	10	14 1/2	14 1/2	16 1/2
9,99,950	14,54,274	1,54,304	1,42,696	Sitalpore Sugar	6	94	1,39,515	1,39,515	..	..	..	10	4 1/2	4 1/2	6 1/2
16,00,000	6,07,804	7,99,778	4,22,572	United Provinces	9	341	4,22,880	39,061	5	12 1/2	..	10	21	21	26 1/2
8,00,000	38,92,308	21,57,557	3,60,236	Upper Ganges Sugar P.	6	227	10,24,525	82,931	25	25	25	10	94 1/2	94 1/2	107 1/2
14,00,000A	14,24,740	23,74,426	10,72,924	Upper India Sugar	4	302	16,80,986	86,393	..	15	20	100AC 12 1/2 BC	280	280	15
MISCELLANEOUS															
8,00,000	2,20,232	1,56,200	9,53,526	A Firpo (Restaurateurs)	10	85	84,518	4,475	..	..	..	10	4 1/2	4 1/2	7 1/2
1,50,00,000	1,40,80,594	6,21,715	51,061	Air India Ltd.	12	269	6,02,785	14,30,401	..	..	..	100	..	..	..
2,00,00,000	2,58,39,656	68,01,534	50,022	Air India International Ltd.	12	322	10,51,340	30,205	..	..	..	100	..	..	..
47,50,000C	1,31,03,534	15,00,000	5,97,941	Aluminium Corp P.	3	132	12,82,024	32,582	..	..	..	100	11 1/2	11 1/2	8 1/2
2,50,000D												24Dc	11 1/2	11 1/2	
20,00,000	42,43,917	14,50,000	55,36,059	Anderson Wright, Ltd P.	12	1	4,94,322	24,401	6	7 1/2	..	10	11 1/2	11 1/2	11 1/2
20,00,000	10,11,678	37,63,779	14,41,315	Angelo Bros.	8	268	11,84,131	3,43,961	12 1/2	12 1/2	..	10	24 1/2	24 1/2	23 1/2
20,00,000	10,11,678	37,63,779	14,41,315	Angelo Bros.	8	268	11,84,131	3,43,961	12 1/2	12 1/2	..	10	24 1/2	24 1/2	23 1/2
20,00,000	10,11,678	37,63,779	14,41,315	Angelo Bros.	8	268	11,84,131	3,43,961	12 1/2	12 1/2	..	10	24 1/2	24 1/2	23 1/2
20,00,000	10,11,678	37,63,779	14,41,315	Angelo Bros.	8	268	11,84,131	3,43,961	12 1/2	12 1/2	..	10	24 1/2	24 1/2	23 1/2
20,00,000	10,11,678	37,63,779	14,41,315	Angelo Bros.	8	268	11,84,131	3,43,961	12 1/2	12 1/2	..	10	24 1/2	24 1/2	23 1/2
20,00,000	10,11,678	37,63,779	14,41,315	Angelo Bros.	8	268	11,84,131	3,43,961	12 1/2	12 1/2	..	10	24 1/2	24 1/2	23 1/2
20,00,000	10,11,678	37,63,779	14,41,315	Angelo Bros.	8	268	11,84,131	3,43,961	12 1/2	12 1/2	..	10	24 1/2	24 1/2	23 1/2
20,00,000	10,11,678	37,63,779	14,41,315	Angelo Bros.	8	268	11,84,131	3,43,961	12 1/2	12 1/2	..	10	24 1/2	24 1/2	23 1/2
20,00,000	10,11,678	37,63,779	14,41,315	Angelo Bros.	8	268	11,84,131	3,43,961	12 1/2	12 1/2	..	10	24 1/2	24 1/2	23 1/2
20,00,000	10,11,678	37,63,779	14,41,315	Angelo Bros.	8	268	11,84,131	3,43,961	12 1/2	12 1/2	..	10	24 1/2	24 1/2	23 1/2
20,00,000	10,11,678	37,63,779	14,41,315	Angelo Bros.	8	268	11,84,131	3,43,961	12 1/2	12 1/2	..	10	24 1/2	24 1/2	23 1/2
20,00,000	10,11,678	37,63,779	14,41,315	Angelo Bros.	8	268	11,84,131	3,43,961	12 1/2	12 1/2	..	10	24 1/2	24 1/2	23 1/2
20,00,000	10,11,678	37,63,779	14,41,315	Angelo Bros.	8	268	11,84,131	3,43,961	12 1/2	12 1/2	..	10	24 1/2	24 1/2	23 1/2
20,00,000	10,11,678	37,63,779	14,41,315	Angelo Bros.	8	268	11,84,131	3,43,961	12 1/2	12 1/2	..	10	24 1/2	24 1/2	23 1/2
20,00,000	10,11,678	37,63,779	14,41,315	Angelo Bros.	8	268	11,84,131	3,43,961	12 1/2	12 1/2	..	10	24 1/2	24 1/2	23 1/2
20,00,000	10,11,678	37,63,779	14,41,315	Angelo Bros.	8	268	11,84,131	3,43,961	12 1/2	12 1/2	..	10	24 1/2	24 1/2	23 1/2
20,00,000	10,11,678	37,63,779	14,41,315	Angelo Bros.	8	268	11,84,131	3,43,961	12 1/2	12 1/2	..	10	24 1/2	24 1/2	23 1/2
20,00,000	10,11,678	37,63,779	14,41,315	Angelo Bros.	8	268	11,84,131	3,43,961	12 1/2	12 1/2	..	10	24 1/2	24 1/2	23 1/2
20,00,000	10,11,678	37,63,779	14,41,315	Angelo Bros.	8	268	11,84,131	3,43,961	12 1/2	12 1/2	..	10	24 1/2	24 1/2	23 1/2
20,00,000	10,11,678	37,63,779	14,41,315	Angelo Bros.	8	268	11,84,131	3,43,961	12 1/2	12 1/2	..	10	24 1/2	24 1/2	23 1/2
20,00,000	10,11,678	37,63,779	14,41,315	Angelo Bros.	8	268	11,84,131	3,43,961	12 1/2	12 1/2	..	10	24 1/2	24 1/2	23 1/2
20,00,000	10,11,678	37,63,779	14,41,315	Angelo Bros.	8	268	11,84,131	3,43,961	12 1/2	12 1/2	..	10	24 1/2	24 1/2	23 1/2
20,00,000	10,11,678	37,63,779	14,41,315	Angelo Bros.	8	268	11,84,131	3,43,961	12 1/2	12 1/2	..	10	24 1/2	24 1/2	23 1/2
20,00,000	10,11,678	37,63,779	14,41,315	Angelo Bros.	8	268	11,84,131	3,43,961	12 1/2	12 1/2	..	10	24 1/2	24 1/2	23 1/2
20,00,000	10,11,678	37,63,779	14,41,315	Angelo Bros.	8	268	11,84,131	3,43,961	12 1/2	12 1/2	..	10	24 1/2	24 1/2	23 1/2
20,00,000	10,11,678	37,63,779	14,41,315	Angelo Bros.	8	268	11,84,131	3,43,961	12 1/2	12 1/2	..	10	24 1/2	24 1/2	23 1/2
20,00,000	10,11,678	37,63,779	14,41,315	Angelo Bros.	8	268	11,84,131	3,43,961	12 1/2	12 1/2	..	10	24 1/2	24 1/2	23 1/2
20,00,000	10,11,678	37,63,779	14,41,315	Angelo Bros.	8	268	11,84,131	3,43,961	12 1/2	12 1/2	..	10	24 1/2	24 1/2	23 1/2
20,00,000	10,11,678	37,63,779	14,41,315	Angelo Bros.	8	268	11,84,131	3,43,961	12 1/2	12 1/2	..	10	24 1/2	24 1/2	23 1/2
20,00,000	10,11,678	37,63,779	14,41,315	Angelo Bros.	8	268	11,84,131	3,43,961	12 1/2	12 1/2	..	10	24 1/2	24 1/2	23 1/2
20,00,000	10,11,678	37,63,779	14,41,315	Angelo Bros.	8	268	11,84,131	3,43,961	12 1/2	12 1/2	..	10	24 1/2	24 1/2	23 1/2
20,00,000	10,11,678	37,63,779	14,41,315	Angelo Bros.	8	268	11,84,131	3,43,961	12 1/2	12 1/2	..	10	24 1/2	24 1/2	23 1/2
20,00,000	10,11,678	37,63,779	14,41,315	Angelo Bros.	8	268	11,84,131	3,43,961	12 1/2	12 1/2	..	10	24 1/2	24 1/2	23 1/2
20,00,000	10,11,678	37,63,779	14,41,315	Angelo Bros.	8	268	11,84,131	3,43,961	12 1/2	12 1/2	..	10	24 1/2	24 1/2	23 1/2
20,00,000	10,11,678	37,63,779	14,41,315	Angelo Bros.	8	268	11,84,131	3,43,961	12 1/2	12 1/2	..	10	24 1/2	24 1/2	23 1/2
20,00,000	10,11,678	37,63,779	14,41,315	Angelo Bros.	8	268	11,84,131	3,43,961	12 1/2	12 1/2	..	10	24 1/2	24 1/2	23 1/2
20,00,000	10,11,678	37,63,779	14,41,315	Angelo Bros.	8	268	11,84,131	3,43,961	12 1/2	12 1/2	..	10	24 1/2	24 1/2	23 1/2
20,00,000	10,11,678	37,63,779	14,41,315	Angelo Bros.	8	268	11,84,131	3,43,961	12 1/2	12 1/2	..	10	24 1/2	24 1/2	23 1/2
20,00,000	10,11,678	37,63,779	14,41,315	Angelo Bros.	8	268	11,84,131	3,43,961	12 1/2	12 1/2	..	10	24 1/2	24 1/2	23 1/2
20,00,000	10,11,678	37,63,779	14,41,315	Angelo Bros.	8	268	11,84,131	3,43,961	12 1/2	12 1/2	..	10	24 1/2	24 1/2	23 1/2
20,00,000	10,11,678	37,63,779	14,41,315	Angelo Bros.	8	268	11,84,131	3,43,961	12 1/2	12 1/2	..	10	24 1/2	24 1/2	23 1/2
20,00,000	10,11,678	37,63,779	14,41,315	Angelo Bros.	8	268	11,8,								

BOMBAY MISCELLANEOUS COMPANIES

O Po F Dd G and R indicate Ordinary Preferred Ordinary Founders' Deferred Guarantee and Rebate Shares respectively. P next to the names of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
							Rs.	Rs.	1953	1954	1955	Rs.	28-8-56	20-8-56	A year ago Rs.
Rs.	Rs.	Rs.	Rs.									Rs.	Rs.	Rs.	Rs.
CEMENT															
12,67,59,333	16,16,27,689	6,15,51,096	3,90,26,918	Associated Cement	7	53	4,71,77,960	5,62,770	9½	8½	10	100	207½	203½	191
ELECTRIC LTG POWER															
6,99,95,600	11,08,94,307	69,91,218	20,82,140	Ahmedabad Electricity	9	146	35,75,580	188	6½	6½	5	100	100	99½	108½
2,92,83,500	4,18,62,358	52,34,507	65,30,599	Andhra Valley Power Supply P	6	267	46,19,171	25,735	7½	7½	7½	1,000	1,242½	1,237½	1,377½
1,74,99,700	2,14,85,122	39,32,485	5,79,834	Bombay Suburban Elec Sup	3	146	19,21,739	45	7	7	7-7*	100	110½	111½	121½
38,08,200	17,49,053	4,75,323	14,87,557	Poona Electric Supply P.	12	229	3,86,015					100	146	146	146
2,34,45,225	3,37,65,356	63,32,045	58,39,875	Tata Hydro Elec. Power sup P	6	267	37,75,587	21,171	7½	7½	7½	100	129	128½	145½
5,02,18,750	8,98,37,405	1,41,56,578	1,29,22,549	Tata Power P.	6	267	77,32,961	27,952	7½	7½	7½	1,000	1,312½	1,312½	1,480
ENGINEERING & METAL															
33,42,200	17,06,292	44,16,374	1,54,08,311½	Alcock Ashdown	12	268	8,79,666	1,35,820	10	12½		100	352½	345	280
6,00,000	29,341	4,43,904	59,338	Jost's Engineering	3	115	62,291	1,598	15	15	5-5*	50	96	96	96
40,00,000	11,26,513	10,00,000	9,74,064	Larsen & Toubro P.	3	351	14,60,736	28,740	10	10	10-10*	10	163	163	133
40,95,100	81,25,733	2,02,500	49,333	Machinery Mfgs. Corp'n Ltd P	3	330	2,02,006	64,676	NII	NII	NII	100A			
1,10,00,000	15,00,978	1,66,194	7,06,260	McKenzie	7	283	1,49,085	64,938				100	96½	96½	96½
2,50,000		6,834	1,00,53,052	Premier Construction P.	12	284	3,35,178	59,102	20	25 5/6	28 1/3	300	221½	208½	167
1,31,250		4,80,59,980	26,78,952	Tata Locomotive & Eng. P.	3	69	3,303	50,350	NII	NII	NII	100	183½	175½	148½
4,18,72,400	4,80,59,980	26,78,952	44,49,499	Tata Locomotive & Eng. P.	3	69	3,303	50,350	NII	NII	NII	100	183½	175½	148½
6,99,95,600	32,44,07,755	16,63,05,536	12,34,83,510	Tata Iron & Steel P.	3	269	9,26,44,872	4,04,945	28	14	14-14*	750	216½	212½	249½
INSURANCE COMPANIES															
20,00,000		23,84,913	95,96,033	British India General	12	297	4,24,629	1,18,606				10	133	133	133
6,15,000		11,04,48,687	8,95,48,481	Empire of India Life	12	253						100	675	675	675
8,45,120		36,33,899	46,38,803	India Mercantile	12	75		1,13,109				20	45½	45½	45½
18,74,940	25,01,134	2,83,61,155	2,61,49,442	Jupiter General P.	12	55	38,351	4,65,316	NII	NII		15	9½	9½	9½
1,06,81,590		1,68,81,793	27,25,18,952	New India	12	179	43,58,653	71,250	13½	16 2/3		15	48	49	51½
6,00,000		67,83,74,430	63,46,53,420	Oriental Life	12	298						200	3,650	3,820	6,810
15,99,270		29,41,860	59,86,789	Vulcan	12	255	6,05,803	2,81,242	10	10		10	15½	15½	15½
MISCELLANEOUS															
90,79,065	31,95,468	3,97,409	12,61,996	Air Service of India	6	336	-15,61,405	-37,22,790				15			
47,97,250	21,34,989	35,75,182	78,89,034	Belapur Sugar	9	42	53,89,000	61,389				50	257½	254	341
50,00,000	2,20,64,303	4,12,86,155	2,67,27,639	Bombay Burmah Trading	5	285	47,93,172	61,990				125	793½	762½	565
42,00,000	1,21,04,053	31,74,431	31,14,908	Bombay Steam Navigation P.	6	256	4,54,215	30,135		16	21	50	293½	290	202½
45,30,000		3,085	19,47,386	Industrial Investment Trust	12	299	5,81,909	2,83,136		4½	4½	100	72	72	72
99,99,250	1,36,558	39,662	4,76,114	Kem (Chemists)	3	87	4,99,559	4,78,677				200	215	215	215
8,00,000	5,74,05,779	1,81,13,445	2,99,042	National Rayon Corp'n	12	352	63,19,604	5,72,076	9	10		100	213½	213½	213½
1,57,71,400	18,36,63,413	12,46,31,677	7,10,16,957	Scindia Steam Navigation	6	198	32,72,555	22,72,555	5	21	21	20	19½	19½	15½
9,39,98,069	27,45,055	57,30,000	11,27,080	Shivrajpur Synd (Manganese)	11	146	35,49,059	21,661	70	80		10	89	91	84½
1,00,000		27,45,055	57,30,000	Shivrajpur Synd (Manganese)	11	146	35,49,059	21,661	70	80		10	89	91	84½
1,39,95,990	1,96,71,944	13,51,214	4,14,339	Tata Chemicals P.	6	269	13,55,026	57,597	NII	NII	NII	10	20½	20½	15½
7,00,475	75,25,791	34,08,586	22,83,813	Tata Oil P	3	269	3,00,461	11,453	7	9	8-12*	25	58	57	46
2,75,00,000	1,46,48,903	2,43,20,936	1,50,49,201	Western India Match	12	274	74,05,281	5,61,984	11	11	11	100	183½	185	187½

*1956 tLiquid Assets

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Block Account	Reserve & other Funds	NAMES	Accounts closed	Managing Agents	Net Earning	Carry forward	Dividends per cent			Paid-up per Shares	Latest Market Quotations as available until		
Rs.	Rs.	Rs.				Rs.	Rs.	1953	1954	1955	Rs.	28-8-56	22-8-56	A year ago
												Rs.	Rs.	Rs.
CALCUTTA														
17,24,000	20,62,356	2,00,894	Ahmedpur Kutwa S.S.G.	3	165	—29,367	..	2½	2½	2½	100	59	59	56
21,69,300	33,40,889	6,00,702	Arrah Sasaram D B G	3-9	32	2,57,676	33,735	3-3	3-3	3-3	100	72	72	75
34,00,000	41,30,202	3,11,045	Bankura Damodar River S.S.G	3	165	46,607	..	2½	2½	2½	100	58½	58½	60½
19,00,000	29,09,643	4,91,171	Baraset Basirhat D.B.G.	3-9	331	18,844	1,18,863	..	..	..	100	10	10	19
17,80,000	21,78,786	2,20,877	Burdwan Cutwa S.S.G.	3	165	78,839	..	..	2½	2½	100	58½	58½	63½
31,00,000	35,46,011	..	Chaparmukh Silghat S.S.G.	3-9	32	62,834	10,849	129-129	12-11	11-1	100	53½	53½	49½
4,75,000	3,20,340	4,75,000	Cherra Chhatrak Ropeway	3	88	7,071	9,917	12½	5-..	Nil	5	7½	7½	7½
2,47,650	2,75,015	63,226	Darjeeling Ropeway	3	101	18,097	4,549	11	2½-..	2½	10	7½	7½	8½
22,50,000	60,65,477	12,50,000	Dehri-Rohtas	3	335	5,10,908	26,753	63	7½-..	10	10	15	14½	15½
11,49,700	20,10,843	1,68,140	Futwah Islampur S.S.G.	3-9	32	—33,016	5,917	98-98	99-1	1-1	100	54	54	55
16,00,000	50,82,188	17,87,954	Howrah Amta D.R.G. (P)	3-9	32	1,18,351	90,009	3-3	3-3	3-3	100	59½	59½	70½
6,00,000	13,87,138	4,43,410	Howrah Sheakhala D.B.G.	3-9	32	28,627	20,122	3-3	3-3	3-3	100	37	37	54½
19,50,000	27,95,689	2,47,135	Kalighat Falta S.S.G.	3	165	—1,99,473	..	2½	2½	2½	100	59	59	60
8,91,100	15,16,175	10,551	Katakhal-Lala Bazar S.S.G.	3	165	31,257	..	4½	5	..	100	75	75	74½
15,00,000	62,56,929	28,77,041	Shabdara Delhi Saharanpur	3-9	32	6,26,073	17,25,546	6-6	6-6	6-6	100	125	125	152
1,75,000	5,41,779	2,04,841	Tezpor Balipara Tramway P.	3-9	165	—43,574	5,944	..	..	..	100	..	..	..

Managing Agents Managing Directors and Secretaries with their Respective address.—(Contd.)

320. E. W. J. Penn—United Breweries. Ltd., Bangalore-1.	329. Sri G. D. Bhagat—15, Shib Bhakur Lane, Calcutta.	339. M. G. Investment Corp., Ltd.—127, Mahatma Gandhi Road, Fort, Bombay.	348. Sahu Jain Ltd.—11, Clive Row, Calcutta.
321. F. O. Williams—14, Old Court House St., Calcutta.	330. Mahindra & Mahindra Ltd.—Gateway Building, Apollo Bunder, Bombay.	340. K. O. Cherian—Travancore, Subhas Road, Calcutta.	349. Chandmull Batia—7, Canning Street, Calcutta.
322. Messrs Tata Sons Ltd.—New India Assurance Buildings, Mahatma Gandhi Rd, Fort, Bombay-1.	331. N. & Roy & Sons—Canning St., Calcutta.	341. James Finlay & Co., Ltd.—2, Netaji Subhas Road, Calcutta.	350. K. E. Agarwal—Empire House, Hornby Road, Fort, Bombay.
323. Anderson Wright & Co.—7, Wellesley Place, Calcutta.	332. M. Paspatti, 21, Ravelin Street, Fort, Bombay.	342. U. N. Chatterjee—2, Royal Exchange Place, Calcutta.	351. E. & P. (Management) Ltd.—J. K. Building, Dougall Road, Ballard Estate, Bombay.
324. Rathgale & Co.—17/19, Old Court House St., Calcutta.	333. Jaipuria Bros., Ltd.—33, Netaji Subhas Road, Calcutta.	343. Eastern Smelting & Refining Co., Ltd.—10, Clive Row, Calcutta.	352. C. G. Mahant—Bhart House, Bruce Street, Fort, Bombay.
325. John Rutherford Blake—Virginia House, 37, Chowringhee, Calcutta.	334. S. Lattimer—2, Fairlie Place, Calcutta.	344. V. J. Pillai—Victoria Bunder, Calcutta.	353. N. K. Jha—14, Netaji Subhas Road, Calcutta.
326. Serwala Bros.—53, Netaji Subhas Rd., Calcutta.	335. Sahu Jain Ltd.—Dalmianagar, Calcutta.	345. The National Tea Corporation—130, Cotton Street, Calcutta.	354. G. C. Kanoo—P-8, Mission Row, Calcutta.
327. Marwar Textiles (Agency) Ltd.—Waudby Road, Fort, Bombay-1.	336. Fuisdas Kilachand—Scindia House, Dougall Road, Bombay.	346. Seshasayee Brothers (Travancore), Ltd.—Eloor Factory, Alwaye, Calcutta.	355. G. Robertson—10, Strand Road, Calcutta.
328. John Taylor & Sons (India) Ltd.—Mysore, Oorgram, South India.	337. Beriwalla & Co.—63, Netaji Subhas Road, Calcutta.	347. Associated Commercial Co. Ltd.—161/2, Harrison Road, Calcutta.	
	338. B. R. Sons Ltd.—Hornby Road, Fort, Bombay.		

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CALCUTTA, SEPTEMBER 6, 1956.

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PLANTATION COMMITTEE REPORTS ON TEA

COST STRUCTURE CRITICISED: REPLANTING FUND RECOMMENDED

THE way in which the Plantation Enquiry Commission's report on the tea industry has been made public seems a fair example of a current trend. First, a leak to the Press from a source obviously close to the Committee. Second, a brief information hand-out. And then, when public interest has subsided, the report itself and the authoritative comments from the officials and interests concerned. Under such a procedure, it is almost impossible for a lay commentator to write anything which is not based on inadequate fact or is not out of date so far as the general reader is concerned, by the time it is on paper. There may be nothing deliberate about this unco-ordinated method of publicising matters which are of urgent concern to every intelligent citizen, but it is certainly helping to limit public understanding of the issues involved and is making the task of the conscientious newspaper leader-writer an increasingly difficult one. It must, therefore, be stated right away that the comments made in this article are based on the somewhat sketchy information contained in the official Press summary. They are being offered now because the date when the full version will be released is still not known and there is every risk that it will not be before all but professional interest in the matter has been completely lost.

The Commission's report, if the Press summaries are to be accepted as a reliable guide, should make useful reference material. But whether it offers any suggestions which could improve the efficiency and prosperity of the industry and those who work in it, is doubtful. The constitution of the Committee fitted it admirably for its fact-finding activities, but its academic weighting and the absence from it of anybody who might be expected to know something about growing tea, must seriously limit the value of its recommendations. The emphasis is rightly placed on the improvement of the existing industry rather than on a large-scale increase in its present size. The Committee estimates that the output of tea may rise by another 45.5 million pounds above the present level by the end of the second five year plan. It is difficult to see how this will be achieved unless the internal market can be expanded at a much faster rate than at present. The Committee's recommendation on this point is the reduction of current costs. Its comments appear to be limited to items other than the wages of labour—which constitute, nevertheless, the largest with which the gardens have to contend. Any comment on the industry's costs which does not mention so important a matter as the uneconomic welfare charges with which companies are now struggling, can scarcely be of any real value in indicating how the price of tea is to be reduced. It is this expense of labour, much of it uneconomic, which at present accounts for most of the rigidity in the gardens' costs and is threatening, along with excessive taxation, eventually to price Indian tea out of world markets.

Besides the question of labour cost, the general charges to which the Committee refers are of little significance and certainly do not contribute to the present inflexibility in the industry's cost structure. The recommendation of a decrease in the remuneration paid to managing agents appears to ignore the very real value to the gardens, especially in difficult years, of their managing agency connections. The reduction of such payments to the point where the provision of specialised services and relief financing would become uneconomical, could not help the industry. The suggested abolition of the commission paid to managers and its consolidation into a fixed salary, takes no account of the important need for incentive. It is possible to find better ways of paying managers, but it is unlikely that either output or quality could benefit if the incentive element were ruled out completely. Fixed salaries would also increase

the rigidity of the gardens' costs and reduce their powers of resistance to periods of slack trade. Considering the conditions under which garden managers must work, it is unlikely that any reform of salary payments of the kind suggested would reduce costs without also losing the industry some of its best and most experienced men. The same could be said of the recommendation that the salary structure of the management cadre be rationalised. Any move to reduce remunerations introduced by this method, or by any other, would only lead to a general reduction in the quality of management. The Committee may be right in thinking that there is scope for more Indianisation, but to suggest that this can substantially reduce costs is to ignore the fact that a good Indian manager will not consent to being discriminated against in salary payments. Indianisation is going ahead at a pace limited only by the availability of the right type of recruit, subject of course to the fact that foreign shareholders are unlikely to agree to their capital being left completely in Indian hands. But there is little possibility that it will ensure a large saving in the industry's salaries bill.

A much more useful suggestion for reducing the overall cost of production is that for removing the taxes on tea passing through Calcutta and on its movement by road or inland waterway through Assam. The Committee considers that the various impositions levied on the industry should be the concern of the Central Government, which could then make the necessary allocation of the agricultural income-tax portion between the States concerned. This would certainly help relieve the present bewilderment which the number and variety of different levies is causing. But unless it also means a general reduction of the whole tax burden, it would, of course, have little or no benefit beyond that of convenience.

The Committee's views on the replanting of tea bushes appear to be based on the assumption that their economic life is invariably limited to sixty years. This may be convenient statistically, but it does not necessarily reflect the facts. The life of tea bushes, like that of most industrial assets, depends on the standard of maintenance. And there is no conclusion to be drawn from the fact that the larger proportion of old bushes is to be found on the sterling and non

THE SECOND ELECTION: FIRST VIEW

CHANCES FOR THE CONGRESS

IT is, in a sense, too early to speculate on the prospects of India's second general elections not due until early next year. The Election Commissioner is ready with his organisation, quietly proud of its first performance and richer by the experience. But the parties have yet to choose their runners, compose their manifestos, and send out the agents. On the other hand, the elections are already casting their shadow on many speeches and some decisions. When some M.P.s threaten to resign on the issue of States reorganisation, they do so doubtless in loyalty to some high principle, but thoughts of the coming elections may not on that account be totally absent from their minds. When some M.L.A.s canvass for the choice of particular regions for launching national extension blocks, they are no doubt guided by the highest patriotic motives; even so, the coming elections may have added something to their zeal. Thus, E-Day is already in India's life, and part of it. An additional reason for casting an advance look on the elections now is that distance may lend clarity to the view which many shades of me-tooism, to be discussed later, will tend to obscure as the weeks go by.

That it is possible to indulge in some speculation over free India's second general elections so far in advance of the event is itself a tribute to the political stability of the country. There is not another democratic country in the world where there are so many voters and where elections are held with more freedom and fairness. Very rightly India's first elections were hailed as a great success; they were no less. Her ability to repeat the feat five years later—five eventful years in which there have been no noticeable extensions of the frontiers of democracy—is perhaps the most hopeful fact in the troubled world of today, and no discussion on electoral prospects can begin without the fullest acknowledgement of this achievement. Of all the countries in Asia, India alone has embarked on two ambitious plans of economic advancement without any appreciable sacrifice of political liberty; in most other countries freedom has disappeared without much economic progress recorded in the process. India can well be proud.

So can the Congress Party, the overwhelming winner of the last elections and the strongest contestant in the next. Its record of nine years' government at the Centre and in the States (except for two brief spells in two States, PEPSU and Travancore-Cochin) is replete with achievements which have been universally acclaimed, although it is possible that acclamation abroad has been greater than that within. In spite of a daily Press almost wholly pro-Congress, in spite of the large and expensive publicity establishments maintained by the Centre and the States, the very real achievements of the Party have somehow failed to evoke that enthusiasm which many think is its due: the Party machine may have been at fault. Again, as the Party in power the Congress has been obliged to take several unpleasant decisions, and a certain amount of discontent was inescapable. In the matter of statal reorganisation, for instance, the Congress has created several pockets of intense resentment, a good deal of which was perhaps escapable. It will be surprising if a part of this is not carried to the polls. There are also complaints that the Congress Government under Mr. Nehru has paid overmuch attention to international affairs—at the expense of internal problems of greater immediacy. Outweighing all this, however, is the still enormous prestige of the Congress as the Party which brought freedom, and there is the country-wide habit, a major factor in India, of voting Congress. Not even the wildest optimists in opposition hope to offer, in the country as a whole, anything resembling a serious challenge to the Congress Party's continuance in power. The self-assurance of the Party, bordering on complacency, is matched by the virtually complete absence of morale in the parties in opposition.

Mr. Nehru's shrewdness as a party politician receives too little recognition from his countrymen, but the sad disarray in which all other parties are to be found today is the result as much of his manoeuvres as of the Left's own many errors. (This is the place to mention that there is no Liberal party left in India, and that, although Sir Stanley Reed said it long before the Avadi resolution, it may still be true that the Congress is more like the Conservative Party in Britain than like the Labour Party.) Every time Mr. Nehru castigates caste-ism, he not only fights a social evil, he also deals a blow to a political rival. When Mr. Nehru pays a visit to Vinoba Bhave's camp, he takes some wind out of Mr. Jai Prakash Narain's sail besides doing honour to a dedicated man. When he feasts his Russian guests into praising the achievements of free India, he not merely demonstrates his sincere belief in co-existence but also knocks the bottom out of the Communist Party of India. It may well be held

against Mr. Nehru that his truly great work for democracy in India is to some extent nullified by the enfeeblement of the opposition, largely his own work.

A good deal of the opposition is better dead. The communal parties had done much harm when they were popular; to defeat them is to strengthen liberalism, the very basis of democracy. The Hindu Mahasabha, the Jan Sangh, the Akali Dal, and such other parties may well get together but, unless communalism across the border changes the scene radically on this side, the success of these parties is unlikely to be an improvement on their showing, agreeably poor, in the last elections. Nor are the feudal parties, who may join hands with the communal ones, likely to take away many seats from the Congress, even in Orissa and one or two other States in which they exist. The parties on the Right have discredited themselves by being illiberal.

The Left has more strongholds than may appear from its present representation in Parliament and the State Assemblies, and several by-elections have demonstrated that in many constituencies, especially Assembly ones, a combined Left can offer a formidable challenge to the Congress. It is in this direction that the Communist Party of India has been devoting its famous energy and skill, and there are takers in the Praja Socialist Party, perhaps the only possible provider of an honestly democratic opposition. The P.S.P., however, is a sadly divided party. Mr. Asoka Mehta seems undeceived by the democratic protestations of the Communists, but Mr. Jai Prakash Narain (whose repeated renunciation of politics has done little to weaken his hold on the party) is apparently working hard for an electoral arrangement with them. The possibility of an alliance between these two, leading to the Congress losing quite a few seats, is not to be ruled out, at least in some States including West Bengal. The fears of a consequent Communist coup are perhaps exaggerated, for in working for an "arrangement" rather than an alliance on the basis of a common programme there is admission that even a combination is not expected to send them to power. Purists may, however, object to the kind of me-tooism which alone can bring the Communists and the P.S.P. together, with the Communists claiming to be democratic and the P.S.P. pretending to have much in common with the Communist Party. Whether the Congress is wise in seeking to fight this with its own brand of me-tooism—more Left than the Left—is another matter.

THE NEW CLOTH DUTIES

THE Government of India's decision last week to raise the excise duties on cloth may yet prove to be a folly of the first magnitude. It appears to show that when blunders are made, they must come not in isolation, but in series. The initial, and biggest, was certainly to peg the production of mill cloth. It was committed at the behest of a series of "expert" committees which were greatly concerned at the fact that people did not want to buy the cloth made by inefficient, small-scale producers because it was far too expensive and often of doubtful quality. The imposition of a ceiling on mill production, although relaxed a little recently, has not taken long to bring about a cloth shortage. Mill stocks are low, prices have been rising, and the approach of the festival season, when demand normally rises fastest, threatens to put the consumer in a fix.

The Government's arguments in favour of a heavier excise duty are not altogether convincing. The main one is that mills are making far too much profit because cloth prices have risen more than those of raw cotton. The attempt is therefore to be made to skim off some of this profit for the benefit of the Central Exchequer. It is significant that although the Government recognises that cloth is too expensive, it is doing nothing which will help the consumer. On the contrary, it must be aware that there is, at the moment, a sellers' market for the commodity, and in such a market most additions to costs fall on the shoulders of the consumer. The plain conclusion which emerges is that the Government wants to kick the cotton textile industry for something which is not the latter's fault; in the process, it is prepared to give consumers an even harder kick than it can the mills. The hardest one of all will go to those who can least afford to bear it—to the people, in whose personal budgets cloth is probably the biggest item after food.

It is time that Congress and non-Congress members of Parliament who spoke so vehemently against the excise duty increase earlier this week learnt to make up their minds. Mr. T. T. Krishnamachari, speaking from the new and august heights of the Finance Ministry, put the issue squarely before them. He suggested in effect that they could either penalise the consumer so as to support small producers who had hitherto miserably failed to produce the extra cloth expected of them; or they could let the mills expand and thus enable prices to come down gradually. Many members of Parliament must have found themselves in a quandary;

this may not have been expressed on their faces when they assembled for their, farewell group photograph on Tuesday, but the thought must have passed through many minds what a cloth famine could do to re-election chances. Others might have reflected anxiously that consumers will be going to the polls at the end of a season when the demand for cloth is usually at its highest; the public memory may prove not to be as short as the proverb so consolingly describes.

There were times during the Lok Sabha debate when Mr. Krishnamachari seemed confused in his own mind about the effects of the duty increases. On the one hand, he said that he was not sure how much of the increases would be passed on to consumers. On the other, he declared that the new duties would check the demand for cloth and thus help bring down prices. The latter supposition seems unlikely, because the only way the duties can check the demand for cloth is by pushing up its price. As the Finance Minister well knows, demand depends on prices themselves, not on the duty element in them. He appeared to be on equally weak ground in suggesting that mills' capacity should be increased, but kept in reserve for emergencies when demand outstripped supply. How any enterprise can be persuaded to make a heavy investment in expanding its capacity, if, in all probability, it will occasionally be obliged to keep it idle for prolonged periods at the Government's whim and fancy, is difficult to see.

CURRENT COIN

Expansion of Tata Iron.—The case for free enterprise was re-stated by Mr. J. R. D. Tata in his address at the annual general meeting in Bombay of the Tata Iron and Steel Co. Ltd. (a fuller version of it appears on a later page). Conceding the important part which the Government has to play in the economic development of the country, Mr. Tata said: "We in the industrial and business field are therefore at one with the Government in their objective of a prosperous, democratic and happy nation emerging from the years of toil ahead. Where we differ is in the respective rôles of the State and of the individual in the economic activity of the nation. We sincerely feel that some of the Government's policies are based on economic theories on capitalism and socialism which no longer fit the facts, if ever they did. They seem to ignore the lessons of the social and economic experiments undertaken elsewhere in the world during the last few decades; for instance, the fact that, apart from the United States, countries in Europe which have relied largely on free enterprise and given it the necessary support and encouragement, have achieved not only economic prosperity but also, through realistic fiscal and administrative measures, the socialist dream of an equalitarian welfare State." Referring to the working of the Tata Iron and Steel Co. Ltd, Mr. Tata said that the financial results of the year's operations were marked by a decrease of Rs. 34 lakhs in disposable profit largely due to lower sales of ferro-manganese and by the large accretions—exceeding Rs. 4 crores—to the plant rehabilitation fund and the development reserve under the Government's new retention price scheme. He welcomed the Government's new price policy which has enabled the industry to undertake large-scale expansion plans. Discussing the two million ton programme, the chairman stated that the project would cost approximately Rs. 75 crores of which Rs. 9 crores, spread over four years, would be spent on site clearing, modifications to existing shops and mills, and the provision of rolling stock and other items. Another Rs. 2.65 crores would be spent on the collieries and ore mines and quarries to meet the added requirements of the expanded programme, and about Rs. 2 crores on the electric ferro-manganese plant. As for financial resources, Mr. Tata said that the World Bank loan amounting to Rs. 36 crores in terms of various foreign currencies, and the additional share capital sanctioned last year, would provide the company with about Rs. 50 crores. The balance of Rs. 25 crores would be secured from retained earnings accruing to the plant rehabilitation fund and the development reserve between 1955-60 and from further borrowings. The chairman spoke of the contract entered into with the Henry J. Kaiser Corporation of the United States and said that the first orders for the principal items, such as the three main rolling mills and electrical equipment, have already been placed. Tata engineers had been sent to the Kaiser headquarters at Oakland and a 55-member Kaiser team was already at work in Jamshedpur. The number of American technicians will increase to 100 at the peak of the construction period while the Indian work force engaged on the project will grow to a maximum of 6,000.

Sone Valley's Expansion Plans.—In his report, to shareholders at the annual general meeting of the Sone Valley Portland Cement Co. Ltd. last week, the chairman, Mr. Anandilal Poddar gave an optimistic account of the company's expansion

plans. (A more comprehensive version of the speech is published on another page). This is the first annual general meeting to be held since Messrs. Martin Burn Ltd. resigned their managing agency and the company came under the control of its directors. A prominent feature of the plans for the future is a proposal to overhaul and renovate the present plant and machinery which, Mr. Poddar maintained, is badly in need of it. When this programme is completed, it is hoped production will exceed the maximum so far achieved. Negotiations have also been opened for additions to the plant in Japla. These are to be made in order to raise the capacity by another 750 tons. It is also proposed, in co-operation with the Government and the steel project, to set up a slag-cement works near Durgapur in West Bengal, which will be capable of utilising about 500 tons of slag from the Durgapur steel works and about 200 tons of clinkers or limestone from Japla. The directors have approached the Government of India stating their readiness to accept the addition of Rs. 4 a ton of cement, which is due to them as rehabilitation price, but which the previous management did not accept. This, Mr. Poddar pointed out, would increase the company's annual revenue by Rs. 8 lakhs. Representations have also been made to the Government for a suitable revision of the retention price for cement ex-factory. Mr. Poddar rounded off his review by the doubt which he and his fellow directors feel about the wisdom of placing the monopoly of cement marketing in the hands of the Government-sponsored State Trading Corporation.

Sales Tax in India.—The States of the Indian Union apparently consider sales tax—consumption tax that is—an inexhaustible source of income. In their greed for more revenue "to finance the evolution of a welfare State", the States have been vying with one another to cast the net even beyond the conventionally permissible commodities, and only recently U.P. decided to tax the consumption of foodgrains. The Constitution apparently fixes no limit to such taxation, a freedom which the States seem only too eager to exploit. But a time has been reached when a halt should be called to such capricious levies, particularly when the acceleration of developmental activities requires a stable price policy. The harmful effect of this tax—which is being imposed in all the States on an extremely wide range of commodities and in some, under a bewilderingly complex system of levy—on consumption and production, is all too obvious. Even the Taxation Enquiry Commission, which recommended leaving the States a good deal of flexible power to levy the tax subject to certain broad but vague conditions, has admitted that "the adaptation of the tax by the States to their growing financial needs and under the conditions and limitations created by the Constitution have combined to increase the cost of production, to enhance the burden on the consumer and to multiply the difficulties of dealers from whom the tax is collected." This is the unsatisfactory position in which the sales tax system in India still exists, and it is unlikely that the Taxation Enquiry Commission's recommendations, if implemented as they are, will improve it appreciably. The real remedy lies, as has been suggested by a brochure just published by the Federation of Indian Chambers of Commerce and Industry, in firm Central action fixing uniform rules of tax which all the States will have to follow. This is what commonsense also suggests. The brochure is entitled *Sales Tax—In Search of a Policy*. Explaining in detail the historical background of sales taxation in India and the circumstances under which the present mess has been created, the brochure lays down six broad conditions to form the basis of a policy in present circumstances: (a) no sales or purchase tax on transactions in the course of export and import, (b) no tax on inter-State transactions between registered dealers, which is the essence of the recent Supreme Court ruling, (c) where important raw materials or articles essential for the life of the community are concerned, Parliament should regulate its levy, (d) specific powers of co-ordination for the Union Government, (e) combining the sales tax levy on important industrial raw materials and essentials with some other tax for administrative convenience and (f) the States should follow the Taxation Enquiry Commission's recommendations on uniformity of the system.

Japan's Shipbuilding Lead.—Shipyards in Great Britain and Northern Ireland have again been surpassed by Japan in tonnage launched. Britain has also fallen behind both Japan and Germany in tonnage begun during the last quarter (ended 30th June), and both Japan and Germany have more export work in hand. These facts are brought out in the Lloyd's Register shipbuilding returns. These show that British yards launched 76 vessels of 306,053 tons during the quarter, while Japan launched 71 of 322,704 tons. Japan began work of 90 ships of 447,292 tons, Germany on 100 of 328,787 tons, and Britain on 62 of 277,108 tons. The British total is below average. Vessels

under construction in Britain at the end of June totalled 334, of 2,028,132 tons, a decline of 232,817 tons on the previous quarter. The fall was mainly due to the exceptional total completed (516,763 tons), the highest since 1921. The work in hand represented 28.1 percent of the world total compared with 32.3 percent at the end of the first quarter of the year. Japan was the country with the next highest total for work in hand—1,116,490 tons, an increase of 114,781 tons. Seventy-four ships of 464,905 tons were under construction in Britain for registration abroad or for sale—263,636 tons less than at the end of March, and the lowest total since September, 1946. The figure represented only 22.9 percent of the total tonnage being built in Britain, against 40.4 percent when the peak figure of 825,745 tons was reached in September, 1950. Countries in which the largest amount of such tonnage was being built were Japan (851,708 tons), Germany (547,166 tons), Sweden (272,252 tons) and France (214,376 tons), representing 76.3, 67.8, 73.7 and 55.5 percent respectively of the tonnage under construction in those countries.

CORRESPONDENCE

SCOTTISH COUNTRY DANCING (TO THE EDITOR OF "CAPITAL")

Sir,

On behalf of a legion of loyal Scots we must take the uttermost exception to The Ditcher's derogatory remarks anent our country's ancient yet evergreen institution—country dancing. (It is only exhaustion after a session last evening that tempers this phrasing).

You will not remember 1887. Our personal recollections of its famous law suit are still fresh; in which the widow of a centenarian sued an insurance company which endeavoured to hold that country dancing was not covered by their policy. Her plea was upheld, the verdict being that such deaths "are almost invariably from other causes." This, we consider, will effectively dispose of the general allegation. Reel and requiem are not collateral in nine cases out of ten; even their derivations are different to some extent.

Golf. Some may deem it a pity that "Old Tom" Morris is no longer available to assess, briefly, our erstwhile prowess at St. Andrews.

Tennis. We have never played in a match that took longer than sixteen minutes.

Yoga. Our national dress precludes it.

Sir, we venture to predict that when, by the passing of time, other interesting but subordinate pursuits have faded away, country dancing will endure, and maintain the veritability of its society's motto: "Hag gisi sgo odfo rone."

Yours etc,

TOM SCROGGIE,

GORDON SIMPSON,

Calcutta, 1st September.

QUALITY OF BENGAL COAL

WE understand that Mr. Apjohn, Vice-Chairman of the local Port Commissioners has recently made some interesting and exhaustive experiments with many samples of Bengal coal, and if we are rightly informed, he has obtained no less than twenty-two distinct varieties of coal produced by the local coal companies and syndicates for testing its power and capabilities for producing steam. Bengal coal has often been operated on or tested in a piecemeal fashion by varying and various methods; but we think that this is the first time on record that so many samples of Bengal coal have been treated or tested on the same lines or by the same measures. Objections have often been raised that the chemical analysis of a coal is not much of a test or guide as to its quality. With this idea, to some extent, we are inclined to agree. We have no doubt that in science or in relation to the matters of life, a practical application is the best, but in the case of coal its component parts cannot be discovered except by a chemical analysis, and we think that Mr. Apjohn's wish has been to provide something of a schedule or guide for those who wish to purchase Bengal coal, so as to formulate to them the relative merits of Bengal coal as they exist in relation to each other. In this we think he has been entirely successful, and the results he has obtained may be considered the most important and conclusive of its kind ever known. The Port Commissioners of Calcutta are a public body, and we trust that, in the interest of the Port in the interest of the coal industry, and more so in the interest of buyers, the valuable tests made by Mr. Apjohn will be made public.

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8th September, 1896.

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BRITISH FIRMS IN INDIAN ECONOMY

THE NOTABLE ROLE OF SIMON-CARVES

(This is the third of a series of articles written by our New Delhi correspondent on the basis of a recent tour of Europe.)

"COME to India and see things for yourself"—This is the standing invitation to all from the Counselor-Minister in London, Mr. T. Swaminathan. As it has been already reported, a British mission consisting of some leading economists, financial editors of some of the important newspapers and a few M.P.s is coming out to India, at the invitation of the Government, "to see things for itself." Even without formal invitations, some of the leading British undertakings have already come to this country and started their operation. Simon-Carves, for example, have been in India for nearly half a century. They have almost continuously maintained a technical staff in the country, and the staff have throughout been engaged in building, reconstructing or servicing coke-oven plants in some part or the other.

This staff is now permanently resident, with the head office in Calcutta and a site office in Jamshedpur. It consists of a nucleus of senior British engineers, assisted by a large number of highly-trained and experienced Indian technicians and charge-hands. It is fully competent to carry out coke-oven contracts on the largest scale, and to give advice on all technical matters concerning the construction and operation of coke-oven

plants. The majority of the coke-oven plants in India have been built by Simon-Carves, and almost all the coke and gas at present used by the iron and steel industry is produced by these plants. In particular, they have built all the coke-ovens in service at present at the Jamshedpur steel works of the Tata Iron and Steel Company, and the Hirapur steel works of the Indian Iron and Steel Company.

The first Simon-Carves coke-oven plant in India was built in Giridih, in 1908 for the East Indian Railway, and other plants were subsequently built in Jharia for the Lodna Colliery Company and in Kusunda for the Bararee Coke Company. Between 1922 and the second world war, 240 ovens were built in Hirapur and Kulti, under three contracts for the Indian Iron and Steel Company, and in the mid-1930's, three large batteries comprising 164 ovens were built in Jamshedpur for the Tata Iron and Steel Company.

Postwar Activities

During the postwar years, both these iron and steel producers have given further important contracts to Simon-Carves. In 1950, a new battery of 72 coke ovens and a by-product plant were completed in Hirapur, and two more batteries of 78 ovens each are now being built. In 1953, a fourth battery of 52 ovens was completed in Jamshedpur: the first three batteries, built some 20 years ago, are now being reconstructed, and two of them are being extended. In addition to the coke-oven work, Simon-Carves have undertaken in Jamshedpur a considerable volume and variety of other steel-works construction, most of which is being, or has been, done as contractors to American consulting engineers: this works includes the construction of

blast furnace ore bins, the installation of open-hearth furnaces and soaking pits, the re-lining of blast furnaces, and the erection of a new steel melting shop.

In connection with the new State-owned steel works to be built in Durgapur by the British consortium, the Indian Steelworks Construction Company, Simon-Carves will build three batteries of coke-ovens (a total of 234 ovens) with their associated coal and coke handling equipment, by-product plant and sulphuric acid plant; they will also be responsible for the coal preparation plant (embracing the coal washery and the coal stocking, blending and reclaiming equipment) and the steam-generating plant supplying high-pressure steam to the entire steel works.

The postwar work of Simon-Carves in India covers the construction or reconstruction of coke oven plants comprising nearly 700 ovens. Over 3 million tons of Indian coal are at present carbonised annually in Simon-Carves plants, and the completion of contracts now in hand will increase this quantity to nearly 7 million tons a year. It has already been said that the Simon-Carves technical staff in India consists largely of Indian technicians, and it should be added that Indian labour is employed for plant construction on site. It is also the policy of Simon-Carves to make the maximum use of materials of Indian origin, such as bricks, refractories, fabricated steel work, and iron and steel castings: such materials may sometimes represent up to about two-thirds of the contract value, the only imported materials being certain specialised types of machinery and equipment not at present obtainable in India.

Since the second world war, Simon-Carves have received more than a dozen orders for heavy chemical plants from a number of enterprises in India. Eleven of these are sulphur-burning sulphuric acid plants, their aggregate capacity amounting to over 80,000 tons of sulphuric acid a year. Two of the largest were ordered by the Indian Iron and Steel Company, and among other purchasers are Indian Steel and Wire Products, Rontas Industries, and Century Rayon.

Demand for Viscounts

India has ordered 10 Viscounts for the Indian Airlines Corporation. I had an opportunity to see the aircraft assembled at the Hurn factory of Vickers-Armstrongs, on the edge of Hurn airport, near Bournemouth. It is the main production plant for the Vickers Viscount, the first propeller-turbine airliner in the world and the only airliner so powered at present in service. Viscount production was transferred to Hurn from the main Vickers-Armstrongs factory in Weybridge, in December 1953. Prior to this, the Hurn factory had been occupied with the production of the Varsity R.A.F. trainer, which had reached a rate of 100 a year. By the time this transfer was made, the Viscount was already well on the way to the success it has since firmly achieved. Orders for the aircraft—now approaching the 300 mark—then totalled 74. When Capital Airlines of the United States placed an order in August 1954 for 40 Viscounts (later raised to 60), bringing the total orders to 143, it became clear, with the promise of further orders to come, that a considerable increase in Viscount production would be necessary. Plans were immediately put in hand for the expansion of production capacity at the Hurn factory. This programme was completed by the end of February, 1955, and all the additional space has been in use since then. Hurn is purely the assembly plant for the Viscount; that is to say, the components and structural parts for the aircraft are manufactured elsewhere, at the Weybridge factory or by sub-contractors, and brought to Hurn for incorporation into the assembly line.

Assembly Work

The assembly line starts with the construction of the front and rear sections of the Viscount fuselage in cantilever jigs, in the first of four hangars or "shops" which form the main part of the factory. The sections are then moved over to the fuselage shop to join the central section of the fuselage which is built in a main frame. Nose and tail sections are also added there, and the completed fuselage moves on a trolley to one of the two erecting shops to join the final assembly line. Here it progresses stage by stage up the line until it emerges at the head as a finished aircraft, ready for testing and delivery. The main extensions at the Hurn factory have been effected to the two erecting shops, both of which have thus been more than doubled in size. Originally each shop was 342 feet long and accommodated five fuselages on the line—three with wings fitted and two without. They have now been extended to 796 feet, with side annexes, and can each accommodate 12 fuselages on the line—six with complete wings and six fitted with inner wings. Thus work can now proceed concurrently on 24 Viscounts instead of on only 10 as previously.

To keep pace with the demands of these two enlarged erecting shops, the fuselage shop has been doubled in size, and the number of fuselage main frames increased from three to eight, with space for more later on. The number of cantilever jigs for fuselage sections has also been more than doubled. The immediate effect of the expansion programme was to double Viscount production in 1955, during which it averaged nearly four a month. This year the production rate has again been raised to five a month (supplemented by production of one a month from a new line in Weybridge) and this will be maintained throughout the year. With the capacity now available at the Hurn and Weybridge factories, production can be further increased next year, if the state of the order book for Viscounts warrants it. At present, there is little reason to suppose that this will not be the case.

THE announcement that T.I.S.C.O. will in future be free to contribute to political funds must have had a sinister ring for some. We all know that sort of thing goes on, but little is usually heard about it, especially in public. But to many others it has come as a breath of hope. When a company of such standing declares openly that it feels it must protect its shareholders' interests by this means, there can be no doubt of the need for it. And the fact that it has decided to do so without any of the usual behind-the-scenes horse trading shows that it regards the issue as a moral one rather than a simple matter of buying privilege. It also means that others of equally unquestionable integrity may be persuaded to follow suit, because there must be few industrialists left in India today who are not coming round to the view that some form of political representation is their only salvation against bureaucratic encroachments. I do not know if this is T.I.S.C.O.'s intention, but something of the sort may be at the back of its mind. I have heard it said that a big-business "lobby" is what is needed to offset the doctrinaire socialists and so preserve some vestiges of political and economic liberalism in this country. I do not agree. It is not so much socialist pressure which has to be resisted as downright ignorance and prejudice. If these could be rooted out of India's politics, private industry need have no fear of its interests. As I see it, the crying need is for better politicians—for men who know the significance of the measures they are asked to vote on and whose approach to problems will be rational rather than emotional. How this can be assured without private industry itself taking an interest in politics, I for one do not know. For those who still have their doubts about the principle involved, it is as well to remember that it is nothing unusual. It happens in other countries; and it is the custom in Britain where—the doubters might bear in mind—it has not prevented the establishment of a welfare State, although it may have helped to curb some of the more wasteful and doctrinaire aspects of it. Most important of all, it has not damaged democracy, and that is what the present uncritical drift towards socialism is doing in India.

One of the odd things about the present trend of affairs in which Tatas now feel they must take an interest, is the apparent willingness, so soon after gaining freedom from foreign rule, to surrender it again to the domination of the State. It may be some consolation that the despotism is now being exercised by Indians and not the British, but it may prove a small one in the long run. The main prize, democratic freedom, which might be expected to be guarded as a treasure beyond price, appears scarcely to have a single friend who is not open to the accusation of self-interest. That is why it is good that so distinguished and disinterested a man as Dr. John Matthai should deliver himself in freedom's cause. It is not unreasonable to suppose that the views he expressed at the annual Convocation of the Calcutta University last Saturday, were conditioned by his experiences as chairman of that prototype of socialistic achievement, the State Bank. Dr. Matthai has already given his opinions on such questions as nationalisation for its own sake and the dangers of bureaucracy. But on Saturday he went to the root of the trouble—the tendency in India to look to the State for the solution of most social and economic ills. When leading British socialists are voicing their anxiety at the deadening effect too much State activity is having on individual character and initiative in their country, it is not surprising that an eminent Indian who, broadly speaking, also holds socialistic views, should be doing the same thing here. But the

A DITCHER'S DIARY

distressing fact remains that there are few who are doing. India needs more men who are prepared to learn the lesson the working of modern socialism is teaching the world—that there is a vast difference between theory and practice. As Dr. Matthai pointed out, it is strange that a country so dedicated to the doctrine of non-violence should be putting its trust in that embodiment of force, the State. It would be a tragedy if the desire to ensure equality and justice for all were to lead to the type of totalitarian socialism which, as we know from Russia's experience, is the very negation of both.

I have heard it said of the Russians that they have no sense of humour. After reading about the Ponomareva incident I am inclined to believe they lack a sense of proportion too. Stealing anything is not to be taken lightly, but to make an international incident out of an unproved pilfering case concerning five women's hats, is going a bit too far. If Miss Ponomareva had appeared in court to answer the charge she would have been assured of the sentimental support of the whole British public. Even if she had been convicted, and that is unlikely since there seem to have been so many doubtful factors, she would most certainly have been let off as a first offender. As it is, she has committed the much more serious crime of slipping her bail, will now attempt to contravene the numerous regulations with which a person leaving the country must comply, and has certainly made herself and her country a laughing stock in the eyes of the British public. But it seems unlikely she has had much say in the matter. The more probable explanation is that the Soviet Embassy lost its head, which is not surprising when it has shown itself so ignorant of the ways of democratic justice as to suggest that the British Government could interfere to stop the case. What is so striking about the whole affair is the disrespect which the Soviet authorities are still prepared to show for the laws and customs of another country, not to mention the contempt for the spirit of sportsmanship which they showed by calling off the athletic contests in which Miss Ponomareva was to have taken part. Or perhaps it is simply a lack of confidence in justice as an institution. Whatever the explanation, the fact remains that for the sake of five hats, the Russians have made complete asses of themselves. It would be interesting to know how Miss Ponomareva will come out of all this. If the matter is important enough in Soviet eyes to justify an international incident, the trouble caused must surely be deserving of nothing less than life-long exile to Siberia.

I am afraid I cannot agree—I mean, of course, with Mr. Rushbrook Williams in his article *Hindu Nationalism Today* which appeared recently in the *Spectator*. This does not mean I disagree with all the points he makes. In fact, I commented some time ago on the Hindu rituals nowadays associated with the inauguration of a new project or the launching of a new ship. I also suggested that it might be creating a sense of isolation among Muslims and other minority communities. But to infer, as Mr. Williams seems to do, that Hindu revivalism, nourished by a newly-won independence, is casting its baleful shadow across the land is quite another matter. His article, for all its appreciation of the religious neutrality of Mr. Nehru and other leaders, tends to give one the creeps, to my mind, unnecessarily. Perhaps Mr. Williams has been influenced too strongly by Dr.

I. H. Qureshi's book, *The Pakistan Way of Life*, because his article is confessedly based on it. I have not yet seen the book, but I hope I shall not be dubbed a cynic if, the present relations between the two countries being what they are, I suggest that there is no surer way of getting one's perspective wrong in writing about India than to take one's inspiration from a book by a Pakistani, and vice versa. Now for some of the more specific complaints which, Mr. Williams says, prove that Hindu revivalism is up on its hind legs. In the first place, he points out that the new community projects provide temples dedicated to Hindu deities. But I have it on good authority that houses of worship—Hindu, Muslim, Christian or other—are not specifically provided for in any community project. Only where there was one already, of whatever creed, has it been allowed to stand, renovated, of course, to fit in with the new surroundings. The next point is: "There is certainly a religious element in the value which the Indian people now attach to the presence of lawns, trees, flowers and shrubs as settings for their industrial, as well as their educational and religious construction." This statement is too vague for my taste. And in any case, this habit is not exclusively Indian. Modern town-planning enthusiasts throughout Europe are insisting on it too. Mr. Williams's next target is the *Panch Shila* which, he maintains, emanates from Hindu philosophy. Maybe it does, I am not so sure. But if it can help the cause of world peace what does it matter where it comes from?

Personally, I am utterly uninterested in doctrinal religious matters. But I suppose an historical interest in religions is different. In any case, living and working in India as I do, it would be strange if I were not to try in my own way to seek some understanding of the principal religions here. To take Hinduism, I must confess that much of it baffles me, but I can hardly ignore the fact that, unlike any other religion, it has an uninterrupted history of well over six thousand years. It is scarcely surprising, therefore, that it should have coloured the Indian way of life. I note that there are several things which, although doubtless religious in origin, have become ordinary social customs and have ceased to have any recognisable religious significance at all. Take *alpna*, for example. This traditional decorative art was unquestionably created to propitiate the gods. But it may now be employed to grace the pandal of an atheists' congress just as well. As for music, Calcutta's citizens at least will testify that at pujas all kinds of songs, from patriotic to amatory, issue in indiscriminate succession from the *mandaps*. This seems to show that these functions have lost a good deal of their old religious content and have now become little more than occasions for social goodfellowship and entertainment. Even the old rituals connected with them are fast disappearing. There is another point which strikes me. Tributes in paint, stone and word, to Greek paganism are, as everybody knows, pretty nearly inexhaustible. Men of all religious denominations have contributed their share. I suppose it is because there is an element of intrinsic beauty in that ancient religion and—this seems equally important—it has long been dead. If there were a Greek today who believed that every tree had its dryad or that Poseidon could still be seen rising from the sea, we should no doubt laugh him into a madhouse. The Hindu pantheon's great fault may be that it is still alive, albeit considerably etiolated. Seemingly, gods, no less than men, have to die to be appreciated.

THE DITCHER.

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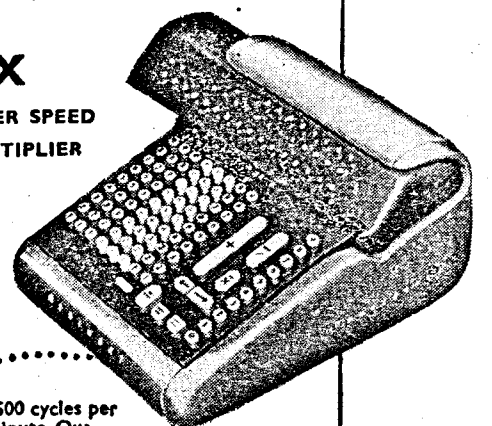
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THE TATA IRON AND STEEL COMPANY LIMITED

CHAIRMAN MR. J. R. D. TATA'S REVIEW

The following is the speech of the Chairman, Mr. J. R. D. Tata, to be delivered at the Forty-ninth Annual General Meeting of the Shareholders of The Tata Iron & Steel Company Limited, on Thursday, 30th August, 1956.

Ladies and Gentlemen,

Much has happened, since our last Annual Meeting, to confirm the views on economic trends to which I had given expression in previous speeches. You will recall that in these speeches I had, apart from dealing with events and problems directly concerning our Company, taken a great deal of your time in sharing with you my hopes, doubts and fears about some of the economic policies of our Government. In particular, I had sounded a note of warning against some developments which seemed to me to threaten the balance of the mixed economy to which I thought we were committed: for instance, the trend towards a highly centralised form of State "capitalism" and the nationalisation of Life Insurance, the use of ordinances as a means of implementing economic policies; the frequent recourse to constitutional amendments; and some of the provisions of the new Companies Act.

While pointing to the dangers inherent in such developments, I had consistently made it clear that free enterprise in India unreservedly accepted the national objectives of increased production and equitable distribution and was anxious to co-operate with Government in the building of a practical Welfare State in which state enterprise and free enterprise joined hands in the common task.

Concentration of Economic Power

If I took such pains to elaborate my views on these matters, it was not only because I felt that they were of vital interest to you as shareholders of this Company, but also because I hoped, that what I had to say might perhaps have a hearing in quarters where policy was fashioned. While I do not wish to waste your time in any repetition of views previously expressed, I feel I must reiterate the concern with which I and many others view the ever increasing centralisation of economic power in the hands of Government.

Nearly fifty years ago Woodrow Wilson said:

"The history of liberty is the history of the limitations of governmental power, not the increase of it. When we resist . . . concentration of power, we resist the powers of death, because concentration of power is what always precedes the destruction of human liberties."

We are witnessing in India an uninterrupted growth of Governmental power in the economic field and are already well on the way to a strange and unnatural combination of political democracy and economic autocracy. The question that should agitate the minds of all of us is whether our political freedoms can long survive if our economic freedoms continue to be whittled away. Once all economic power is centred in Government, will it not be found equally necessary to curtail other freedoms in the interests of the people? Although there may be no danger that the able men in power today, motivated as they are by democratic ideals, will abuse their powers history shows that the danger lies in the very existence of unlimited power which may one day fall into less worthy hands.

Nationalisation of Life Insurance

The extent to which Government's economic powers can be exercised was strikingly demonstrated during the year by the sudden nationalisation of Life Insurance. Although spokesmen of Government have stated in the past that ideology played no part in the formulation of their economic policies, it is noteworthy that, during the debate in Parliament on the Life Insurance Corporation Bill, the then Finance Minister said:

"There was no need for Government to make out a case that private enterprise had failed in order to effect nationalisation. Nationalisation

could be justified on grounds of ideology and philosophy."

"This statement, coupled with the fact that every practical object which the Government sought to achieve could have been secured without recourse to nationalisation, must lead to the conclusion that political or ideological considerations were largely responsible for the measure and that they are likely to motivate future economic decisions. The fact that in normal times Government should have invoked emergency powers to implement this decision by ordinance, without first consulting Parliament and sounding public opinion, cannot but add to one's uneasiness.

State Trading

Another cause for apprehension lies in the recent entry of the State into the field of trading. During the brief period of its existence, the State Trading Corporation has already taken over or entered trading in a number of important commodities and through its operations Government are in a position to exercise powers of control over the whole field of industry even more sweeping than those they already possess.

Private Sector's Performance

We are told that in India capitalism has failed to deliver the goods, that it has shown no initiative and that it cannot in an economically backward country like ours produce the dynamic results obtained in the highly developed economies of the West. So, it is argued, it must be replaced by socialism which, alone, can produce results. This view seems to overlook a number of facts such as that the Private Sector has fulfilled and in some cases exceeded its production quotas under the first Five-Year Plan; that private enterprise in India has not up to now had the freedom of action and the incentives it enjoys in the countries where it has proved so strikingly successful; and that there is enough evidence available that the introduction of socialism of the kind, and by the means, contemplated in India has not proved an unqualified success in other countries. Still, even if we accept the premise that the magnitude and urgency of the task in India render its performance beyond the capacity of free enterprise alone, the correct solution, which until now so long ago seemed to have been accepted by Government, lies in a mixed economy in which both free enterprise and State Enterprise are harnessed to the country's needs.

I feel the charge that free enterprise in India has shown no initiative in recent years is particularly hard to take. I for one am in fact surprised at the amount of initiative displayed considering the discouragement and disincentives to which it has been subjected. While saying this, it is only fair that I should acknowledge the help and advice which industry in the private sector has received in recent years from our dynamic Minister for Commerce and Industry. It is a measure of the man that his socialistic views have not prevented him or his Ministry from extending assistance to industries in need of it for purposes of agreed schemes of development. Without his encouragement and quickness of decision, our Two Million Ton Project might not have come into being or would still be at the stage of discussion and correspondence. We are grateful to him for his support.

Indian industry needs no compulsion to induce it to collaborate with Government or to make its full contribution to the economic development of the country. It is prepared to take the necessary risks and to make the necessary sacrifices, but it asks to be left in reasonable peace to do its allotted job.

Indian Companies Act, 1956

Instead, the restrictions from which it suffered in the past have been aggravated by the new Companies Act. While the many wholesome provisions enacted for the protection of the investor are to be welcomed, the strait-jacket into which the Act places Management goes beyond all reasonable requirements. Those of you who have taken the trouble to study this Act will appreciate the waste of time and energy caused

by a number of its provisions as illustrated by the thirteen pages of the notice and its annexure in this year's Report as compared to the one-page notice in previous years.

The Act has gone to extraordinary lengths in its attempt to regulate the operations of joint stock companies, including such provisions as those pertaining to family relationships, of which no less than eighty-six degrees, both legitimate and illegitimate, have been covered in the relevant section. The Act is not only the cause of much waste of time and energy but also of much avoidable expense. In a country in which there is such a dearth of administrative personnel, in some places a total absence of it—to care for the basic needs of the people in the countryside, it is sad to see so much administrative machinery and expenditure diverted to such relatively unproductive ends.

Agreement on National Objectives

To sum this part of my speech, let me say that we all realise that since Independence our Government have performed a tremendous task. Faced with an unprecedented array of political, economic and social problems, they have discharged with ability, devotion and success an appalling burden of responsibility. We also realise that their task in the coming years will remain a formidable one; that the success of India's plans of economic development is essential to the future prosperity and happiness of our people. We in the industrial and business field are therefore at one with Government in their objective of a prosperous, democratic and happy nation emerging from the years of toil and strife. Where we differ is in the respective roles of the State and of the individual in the economic activity of the nation. We sincerely feel that some of Government's policies are based on economic theories on capitalism and socialism which no longer fit the facts, if ever they did. They seem to ignore the lessons of the social and economic experiments undertaken elsewhere in the world during the last few decades; for instance, the fact that, apart from the U.S., countries in Europe which have relied largely on free enterprise and given it the necessary support and encouragement, have achieved not only economic prosperity but also, through realistic fiscal and administrative measures, the socialist dream of an egalitarian Welfare State.

Financial Results

Coming to matters of more direct and immediate concern to us, you may wish me to amplify the brief reference in the Report to the profits and to tell you something about the progress of our expansion scheme and also about the important understanding we have reached with the Tata Workers' Union which was widely publicised in the Press.

The financial results of the year's operations were characterised by a decrease of Rs. 34 lakhs in disposable profit largely due to lower sales of ferro-manganese and by the large increase in expenditure of Rs. 4 crores to the Plant Rehabilitation and Development Fund and the Development Reserve under Government's new retention price scheme. No ferro-manganese was produced during the year under review and as a result the tonnage despatched was some 10,000 tons less than in the previous year. We have up to now been making ferro-manganese in blast furnaces plant and primarily for our own consumption, only the surplus being sold. For operational reasons, ferro-manganese is made intermittently and sales have therefore been themselves intermittent. Last year's sales were exceptionally large. Once the electric ferro-manganese plant which we are now in the process of building at our Joda manganese mines is completed and in operation in the latter half of 1958 ferro-manganese will no longer be made in the blast furnaces, the whole capacity of which will be reserved for the manufacture of pig iron. Some of the output of the Joda plant will be for sale, but in view of our greatly increased requirements for steel making, the tonnage available will be relatively small until the plant's capacity is increased.

As shareholders will have noticed, the amounts set aside this year for Plant Rehabilitation and Development and to the Development Reserve exceed the corresponding provisions of the previous year by nearly Rs. 3 crores, of which Rs. 2.28 crores represents the net increase in retention prices after taxes and Rs. 68 lakhs the additional tax saving on the Development Rebate. The increase of about a crore in the provision for taxes is itself mainly in respect of the additional price element.

Ever since the war we have protested both to the Tariff Commission and to the Government of India against the excessively low retention prices enforced on the steel industry, which made it impossible for the industry to set aside monies for development or to attract fresh capital. We pointed out that the difference between the retention prices and the imported prices amounted each year to a figure which far exceeded the total value of protection received by the industry during the whole of the seventeen years in which protective duties were imposed. We are happy that at long last Government have adopted a price policy which has enabled the industry to undertake a large-scale expansion.

The Development Rebate granted from last year for tax purposes, in accordance with the recommendation of the Taxation Inquiry Commission, will provide out of tax savings a further valuable source of development finance. We are grateful to Government for their realistic policies which will result in immense benefits to the country in the years to come.

Two Million Ton Programme

Our expansion scheme, although still largely at the preparatory stage, made considerable progress since the last Annual General Meeting. I then stated that the preliminary studies made of the proposal to increase our ingot capacity from 1.3 million tons per annum, which we expected to reach on the completion of the current Modernisation and Expansion Programme, to two million tons, indicated that the project was sound, could be completed within three years and would require about Rs. 60 crores to be spent on the new plant.

Our main efforts in the subsequent months were directed at the two principal objectives of entering into the necessary engineering construction and purchase contracts and of securing the funds required to finance the project.

Appointment of Kaiser Engineers

The technical preparations were completed in record time. It was clear from the start that to complete a project of this magnitude and complexity under three years would require a high degree of co-ordination of its various parts and phases for which it was

essential to place under a single organisation the responsibility for all the engineering, procurement, construction and supervision services. We therefore entered into a contract with two Divisions of the Henry J. Kaiser Corporation of Oakland, California, known for their industrial and engineering experience and their ability to get things done quickly.

Even while the agreement with Kaiser's was being negotiated, much of the preliminary work was begun and worldwide inquiries sent out for the major items of plant and machinery included in the programme. The first order for the principal items, such as the three main rolling mills and electrical equipment, were placed as early as March 1956. A group of Tata engineers were sent to Oakland, the headquarters of Kaiser's, and a Kaiser team began to be built up at Jamshedpur from February 1956. Today some 55 members of the Kaiser Organization are already at work in Jamshedpur and their number will grow to about 100 at the peak of construction activities. The Indian work force engaged on the project will similarly grow to a maximum of 6,000 men.

The completion of the entire project in a matter of two and a half years will be an unequalled achievement in the industrial field in India. While Kaiser's may have under-estimated some of the local problems and difficulties, we have every hope they will be able to adhere to their time-table.

Rail and road transport difficulties, bottlenecks in steel fabrication and congestion in the Calcutta Docks are amongst potential sources of delay which will require constant and sustained attention. On the other hand, our chances of completing the job in time are improved by the co-operation and assistance extended to us from the start by the Ministry of Commerce and Industry and also by the Finance Ministry in general and the Exchange Control Department of the Reserve Bank in particular, in the expeditious disposal of innumerable applications, requests and references submitted to them. We are grateful to them all for their assistance.

Project Cost

With the disposal of the main technical issues of the project, the procurement of the large funds required to finance it became the main subject of attention and effort on our part. In my speech last year, I mentioned a figure of approximately Rs. 60 crores as the estimated cost of the new plant. This figure was based on rough estimates which proved commendably accurate, as the final figure including contingencies now comes to Rs. 62 crores. This, however, represents only the estimated cost of the new plant itself, including the cost of all the work and services entrusted to Kaiser's. In addition, a certain amount of related work has to be undertaken departmentally by the Government, such as the clearing of land, siting, clearing, modifications to existing shops and mills to tie them into the Two Million Ton Programme, the provision of rolling stock and other items. These will cost a total of approximately Rs. 9 crores, spread over a period of four years up to and including 1959-60. In addition, approximately Rs. 2.65 crores will be spent on the collieries and ore mines and quarries to meet the added requirements of the expanded programme, and about Rs. 2 crores on the electric ferro-manganese plant, to which I referred earlier in my speech. The total thus comes to Rs. 75 crores, which, however, does not represent the full measure of the Company's estimated capital expenditure during the five years from April 1955 to March 1960, as it does not include such items as the cost of the current Modernisation and Expansion Programme, annual renewals and replacements, our investments in the Indian Tube Company and a new refractories company and other ancillary schemes.

World Bank Loan

I stated in my speech last year that a good part of the moneys to be spent on the new plant would have to be raised in the form of a loan from abroad. In consultation with the Government of India, who kindly agreed to sponsor an application to the International Bank for Reconstruction and Development, popularly known as the World Bank, discussions were initiated with the President and other officials of the Bank in February this year. These were followed by detailed negotiations and the presentation of a formidable mass of data, and finally by the signature, on the 26th June, 1956, of an agreement for a loan of 75 million dollars, equivalent to Rs. 36 crores, in various currencies and on the principal terms mentioned in the body of the Report. A striking aspect of this loan from which we may well derive satisfaction, is the fact that it is the largest loan granted up to now by the World Bank to an industrial undertaking anywhere in the world and also the largest single loan granted for any purpose to any country in Asia.

While it is true that the loan is guaranteed by the Government of India, the financial strength and creditworthiness of the Company, painstakingly built up by the conservative financial policies followed all these years, was a major factor in the Bank's ready acceptance of our proposals.

One aspect of the negotiations with the Bank which I should like to mention is the remarkable speed at which they were conducted and concluded. We are thankful to Mr. Eugene Black, the distinguished President of the Bank, and to his associates for so kindly expediting, in response to our request, the detailed and complex procedures which the Bank normally follows in disposing of loan applications. Their co-operation was I believe, another reflection of their confidence in the Company and its Management.

This loan and the additional share capital, for the issue of which you passed the necessary resolutions earlier this year, will provide us with about Rs. 50 crores out of the Rs. 75 crores required for the Two Million Ton Programme. The balance of about Rs. 25 crores will be secured from retained earnings accruing to the Plant Rehabilitation Fund and the Development Reserve between 1955-56 and 1959-60 and, from further borrowings. The funds required to finance the other items of capital expenditure, to which I have referred earlier in my speech, will be met largely from internal resources and borrowings.

Agreement with the Union

A brief reference has been made in the Report to the conclusion during the past year of a comprehensive agreement between the Company and the Tata Workers' Union. This Agreement, which seeks to place the relationship between the two parties on a still firmer foundation of goodwill and mutual security, sets out the rights and obligations of the Company and the Union and records agreement on a number of outstanding issues. A special feature of this

Agreement was that it contained an important declaration of intention to bring about a closer association of employees with Management in the working of the industry.

Association of Employees

In furtherance of that provision, the Company and the Union subsequently held further discussions and reached complete agreement on the subject. Under a Supplement Agreement signed on August the 4th, the considerable machinery already in existence at Jamshedpur for joint consultation will be rationalised and, with the exclusion of matters concerned with collective bargaining or grievance procedures, will be brought within a three-tier structure of Consultative Councils. These will be set up for all departments of the plant, for the Works and the Town as a whole, and finally, at the top Management level where a Consultative Council of Management will provide a meeting ground for consultation and for an exchange of views on the general working of the Company and the industry. While the functions of these Councils will all be of an advisory character and Management will remain, as before, in control of the Company's affairs, due weight will naturally be given to the views and recommendations of the Councils.

The subject of associating employees with Management is admittedly a difficult and controversial one. It has been the subject of considerable attention and discussion on the part of Government and the Planning Commission who have expressed themselves in favour of the principle, and also of the Joint Consultative Board of Industry to whom the task of formulating specific proposals has been entrusted.

The question whether the Company should not have waited until an all-India policy had been evolved on the subject was discussed by the Company's Board who ultimately decided to ratify the draft agreement. This decision, which I am convinced was right, is in consonance with the accepted view that freely negotiated agreements are much to be preferred to imposed settlements. The Agreement was negotiated in a fine spirit of mutual frankness and co-operation and represents an honest attempt to devise means of understanding each other better and working closer together. I have every hope that it will prove workable in practice, provided both parties respect the intentions recorded in the Agreement and try to read into its provisions neither more nor less than they contain. This will apply particularly to the Joint Consultative Council of Management.

So far as we are concerned, we shall not seek to fetter the discretion of this Council in discussing such matters as will enable its members, and particularly those representing labour, to acquire a better understanding of the industry and its problems. At the same time, the Company has no intention of surrendering its managerial functions and responsibilities. I for one do not believe in the concept prevalent in some labour circles that factories, whether owned by the State or by shareholders, should ultimately be handed over to workers who would provide both the labour and management of the enterprise. In my opinion, such a view is both unworkable and impractical, and its pursuit can only lead to barren disagreements and ultimate disillusion.

The Management of mechanised industries is becoming more and more complex and requires increasingly high standards of technical and administrative experience and competence. Any worker, however humble his beginnings may have been in the industry employing him, should have the opportunity of rising in the organisation, his progress being determined by merit and his ability to discharge his allotted responsibilities.

But this obviously implies that at a certain stage such a worker leaves the ranks of labour and becomes part of Management. This is a very different proposition from that of handing over the management of a factory to the workers collectively.

I hope therefore that time and energy will not be wasted in a fruitless pursuit of the concept of workers' management which is unworkable, except possibly in very small-scale industries run on co-operative lines.

The Jamshedpur Community

Having said that, I should perhaps mention that somewhat different considerations may apply to functions concerned primarily with the fulfilment of individual and social life within the industrial community as distinct from functions and activities directly concerned with production, sales, finance or administration. Jamshedpur is for our employees a place in which to live as well as to work. The Jamshedpur community is now nearly half a century old. Many of its members were born, have taken up jobs and founded families there, and I believe there is ample talent, interest and civic sense to be found among them which could be harnessed to constructive and responsible work of a civic nature. For instance, many of the citizens within clearly laid down budgets and procedures. So long as the Steel Company furnishes the funds required for running the town, it would naturally retain financial control. Real democracy works from the roots up and we, as a Company, should welcome and encourage opportunities to develop the democratic qualities involved in collective work selflessly undertaken in the interests of the community.

To sum up, I feel that in entering upon these agreements with the Union, we have crossed the threshold of a new era of co-operation and goodwill in our relations with our employees at Jamshedpur. We have not undertaken this experiment in a vain-glorious desire to be pioneers or to set ourselves up as an example to others. We have done so in a spirit of humility.

We have already come a long way in developing sound industrial relations at Jamshedpur for which I feel both the Management and the leadership of the Union deserve credit. We have not by any means solved all our problems; discipline, morale and productivity are not yet what they should be. No doubt, our standards of management themselves can be further improved; but I think it can be said that the present Management of the Company and of the Union have the will to co-operate for the good of the industry and the country as a whole. I am confident that with this background the experiment is well worth trying. If we succeed, nothing but good can come of it for all concerned, including shareholders and employees. If we fail, little harm will have been done so long as the failure will not have been due to lack of goodwill.

We shall in the next few years have many difficult problems to face as a result of the expansion of our plant and operations. I believe the burden will be the lighter for its being shared by those who work for and with us.

Ending on this note, I should like on your behalf to thank all the members of our Management, staff and labour force throughout the Organisation for the excellent work they have put in during the past year.

Note: This is not a report of the proceedings at the above Annual Meeting, of which proceedings a separate report will be published.

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Company Meeting

SONE VALLEY PORTLAND CEMENT COMPANY LIMITED.

CHAIRMAN SHRI ANANDILALL PODDAR'S REVIEW

Address of the Chairman, Shri Anandilall Poddar, M.L.A., at the Annual General Meeting of the Company held on Friday the 31st August, 1956 at 36, Chowringhee, Calcutta.

Gentlemen,

It gives me great pleasure in extending to you a hearty welcome to this, the Thirty-third Annual General Meeting of your Company. The Directors' Report and the Audited Balance Sheet and Profit & Loss Accounts of the Company for the year ended 31st December, 1955, have been in your hands for some time. I seek your permission to take them as read.

During the last few months following the enforcement of the Companies Act, 1956, there has been some change in the administration of the Company. Messrs. Martin Burn Ltd., the Managing Agents during the year under review tendered their resignation and from the 1st August, 1956, the active management has been taken over by your Board of Directors. Some of the earlier Directors who resigned or could not continue under the new Companies Act were replaced by new Directors and the change over was effected with the utmost co-operation of Messrs. Martin Burn Ltd. for which I want to place on record our sincere thanks and appreciation of their good offices. Your Directors will endeavour to maintain the progress and high standard of management in conducting the affairs of the Company which was achieved by Messrs. Martin Burn Ltd., as the Managing Agents and on the excellent foundations laid. It will be their privilege to forge ahead with schemes for substantial renovation and considerable expansion.

New Management

You are aware of the plans for rapid industrialisation and large-scale development in the Indian economy during the Second and subsequent Five-Year periods. It is perhaps needless for me to state that in the building up of the New India of our dreams, Cement has to play a leading role and in appreciation of its great importance the target of cement production is being further raised for the Second Five-Year Plan from 125 lakh tons to 200 lakh tons per year, realising the assured future of the industry and fully conscious of the part your Company has to perform in contributing to the economic advancement of our motherland and with your good wishes I hope I give you some satisfaction to know that your Directors have already set afoot measures to achieve that end.

It is just a month we have been called upon to manage the affairs of the Company directly and during the period we have felt that in order to ensure more economic working and reduce the costs which have been high due mainly to worn out machinery requiring constant repairs, the present machinery require thorough overhaul and renovation. Immediate steps have been taken accordingly. You are aware that the Company produced in 1955 2,10,878 tons of cement. This went down to 1,96,190 in 1954 and to 1,95,000 tons in 1955. The main reason for this setback was the wear and tear of the plant and machinery due to age. There is a limit to what a smart jockey can do to spurt on an aged and run-down horse. Your Directors have set themselves to renew and repair the existing machinery without delay and they hope to regain the earlier efficiency in a few months so that by the time we meet again we shall be able to report having exceeded the maximum of annual production achieved in the Company's years of prosperity.

We are not going to rest on our oars at that and we are looking ahead with schemes for substantial expansion and development. Negotiations have been initiated for additions to the plant at Japla with a view to raise the capacity by another 750 tons and the setting up of a suitable Slag-Cement works in

West Bengal near Durgapur capable of utilising about 500 tons of slag from the Durgapur Steel Works and about 200 tons of clinkers or limestone from Japla, in co-operation with the Steel Project and the Government, is under active consideration. As soon as the necessary encouragement from the Government of West Bengal and the licence from the Government of India are secured we propose to go ahead with our Slag-Cement project.

The finances of your Company also need re-habilitation and immediately after assumption of the management on the 1st of August last your Directors have intimated to the Government of India their readiness to accept the addition of Rs. 4/- per ton on our production by way of re-habilitation price, which, the previous management did not like to accept. We are expecting the official confirmation of this payment very shortly and just at present I am not in a position to give you the news. On the assumption of our estimated production of 2,00,000 tons a year, this addition to the retention price so far allowed will mean an additional revenue income of Rs. 8,00,000/- a year.

In addition to our efforts to increase our income and resources in various ways your Directors have already approached the Industrial Finance Corporation for suitable assistance in putting our re-habilitation and expansion schemes into early action and we confidently hope that ample support both from Private and from Public Sectors will be forthcoming.

State Trading Corporation

As has been mentioned in the Directors' Report the distribution of cement in the Indian market has been taken over by the State Trading Corporation from the 1st of July last under circumstances explained therein. The Cement Industry of India cannot but view the encroachment into this field by a Government machinery with dismay and the dangers have been duly represented. We shall be prepared to extend our full co-operation to Government, however, and we hope the authorities will appreciate at least two things vital to us in this regard.

You are aware of the high reputation acquired and always maintained by the product of your works in their 'Rohas' Brand cement, which in normal times always fetched a higher price in the market and had never failed to attract customers. It is not understood how far your Company can be remunerated by the State Trading Corporation for manufacturing a high quality material and your Directors are thinking of making proper representation in that regard.

Representations have already been made to the Government for a suitable revision of the retention price for cement ex factory, as determined on the basis of the Tariff Commission in 1954, in view of the substantial increase in the items of costs, particularly for coal, wages and railway freight as also the threatened increase in the price of gypsum since the examination of the costing by the Commission two years ago. Should our representations succeed, and there is no reason why they should not be found reasonable, the future of cement industry generally and of your Company in particular will be doubly assured.

Gentlemen, with your co-operation we hope to be able to present you with a better account of ourselves next year and I thank you for the interest you have shown in coming over to this meeting this day.

I also take this opportunity to convey the thanks of the Directors to all the staff and labour of the Sone Valley Portland Cement Company with whose co-operation and active service this Company has forged ahead of all such concerns in the country and on whom the future success will also largely depend. I thank you all.

RESERVE BANK

ISSUE DEPARTMENT

	31-8-56	24-8-56	2-9-56
Liabilities—			
Notes in Banking Dept.	32,63.47	24,04.72	22,33.38
Notes in Circulation	14,24,51.15	14,31,61.51	12,92,88.01
Total Notes issued	14,57,14.62	14,55,66.23	13,15,32.29
Assets—			
A Gold Coin and Bullion	40,01.71	40,01.71	40,01.71
Foreign Securities	6,06,67.54	6,06,67.54	6,56,61.60
Total of A	46,08.25	46,08.25	46,58.31
B Rupee Coin	1,16,73.87	1,15,25.48	1,09,57.73
Rupee Securities	6,93,71.50	6,93,71.50	5,08,91.25
Total	14,57,14.62	14,55,66.23	13,15,32.29

BANKING DEPARTMENT

Liabilities—			
Capital Paid-up	5,00.00	5,00.00	5,00.00
Reserve Fund	5,00.00	5,00.00	5,00.00
National Agricultural Credit (Long-term) Fund	15,00.00	15,00.00	—
National Agricultural Credit (Stabilisation) Fund	1,00.00	1,00.00	—
Deposits—			
(a) Central Govt.	65,76.52	61,58.36	64,58.49
(b) Other Govts.	2,90.35	5,70.40	40,15.83
(c) Banks	56,55.99	55,44.26	54,98.84
(d) Others	12,26.98	12,40.60	18,87.66
Bills Payable	6,52.58	5,71.78	4,44.61
Other Liabilities	15,55.55	15,18.14	15,55.23
Total	1,83,58.37	1,80,12.54	2,06,70.66
Assets—			
Rupee Coin	32,63.47	24,04.72	22,33.38
Notes	11.34	12.12	4.56
Subsidiary Coin	7.89	7.24	7.34
Bills Discounted Int.	—	—	64.30
Govt. of India Treasury Bills	3,96.55	3,06.14	11,90.97
Balances held abroad	24,03.63	28,78.56	63,10.11
Loans to Govt.	8,06.35	7,64.35	25.00
Other Loans etc.	52,16.14	54,97.74	33,75.11
Investments	50,12.22	50,13.22	63,15.78
Other Assets	11,60.60	11,34.45	11,59.85
Total	1,83,58.37	1,80,12.54	2,06,70.66

SCHEDULED BANKS

	(In 000's of Rupees)	24-8-56	1-8-56	26-8-56
Demand Liabilities—				
(a) Borrowings from Banks	17,00.88	15,89.78	8,85.48	
(b) Others	6,37,46.12	6,28,65.64	5,99,21.47	
Time Liabilities—				
(a) Borrowings from Banks	2,89.55	3,14.55	3,59.00	
(b) Others	4,58,90.89	4,58,97.08	4,05,47.38	
Borrowings from State Bank Demand Liabilities	6,34.49	6,70.73	5,74.70	
Time Liabilities	37,53.06	37,62.49	33,27.19	
Cash	50,72.31	50,41.11	50,22.76	
Balances with the Reserve Bank	10,97.95	10,94.05	10,19.28	
Money at call and short notice	23,64.95	21,64.85	18,18.61	
Investments in Central and State Govt. Securities	3,62,01.72	3,61,21.74	3,78,27.67	
Advances	5,91,81.30	5,94,66.51	4,96,50.59	
Inland Bills purchased and discounted	98,16.49	95,69.88	67,38.93	
Foreign Bills purchased and discounted	46,03.11	46,08.00	42,30.74	

CLEARING HOUSE RETURNS

	Week ended	Rs (thousands)	Calcutta	Bombay
31-8-56	31-8-56	54,65.48	56,44.67	
24-8-56	24-8-56	54,81.79	61,65.31	
17-8-56	17-8-56	54,74.23	58,59.18	
10-8-56	10-8-56	44,52.05	57,00.14	

STATE BANK OF PAKISTAN

ISSUE DEPARTMENT

	(In 000's of Rupees)	week ended	week ended
Liabilities—		17-8-56	10-8-56
Notes in Banking Department	9,95.50	9,84.93	
Notes in Circulation	2,82,70.87	2,82,81.14	
Total Notes issued	2,92,66.37	2,92,66.07	
Assets—			
A Gold Coin and Bullion	11,33.41	11,33.41	
Sterling Securities	96,64.02	96,64.02	
Government of India Securities	16,08.23	16,09.91	
India Notes representing assets receivable from the Reserve Bank of India	43,02.58	43,02.58	
B Rupee Coin	4,43.51	4,42.81	
Govt. of Pakistan Securities	1,12,64.94	1,12,63.28	
Held with Reserve Bank of India pending transfer to Pakistan	—	—	
Gold Coin and Bullion	18.02	18.02	
Sterling Securities	4,40.63	4,40.63	
Govt. of India Securities	1,00.90	1,00.90	
Rupee Coin	29.51	29.51	
Total	2,92,66.37	2,92,66.07	

BANKING DEPARTMENT

Liabilities—			
Capital Paid-up	3,00.00	3,00.00	
Reserve Fund	3,00.00	3,00.00	
Deposits—			
(a) Central Government	30,30.44	30,05.43	
(b) Provincial Government	9,23.58	9,91.35	
(c) Banks	20,87.69	21,36.04	
(d) Others	4,04.66	3,36.19	
Bills Payable	56.69	84.25	
Other Liabilities	8,06.50	6,68.05	
Assets—			
Notes	79,28.56	78,73.31	
Rupee Coin	9,95.90	9,84.93	
(a) Pakistan	—	—	
Subsidiary Coin	9	10	
(a) Pakistan	16	13	
(b) India	—	—	
Bills Purchased and Discounted—			
(a) Internal	63.18	97.25	
(c) Govt. Treasury Bills	—	—	
Loans and Advances to Govt.	—	—	
Provincial Govt. Debtor Balances	4,77.75	5,33.69	
Other Loans and Advances	—	—	
Investments	50,90.58	52,22.74	
Other Assets	12,91.50	10,54.59	
Total	79,28.56	78,73.31	

Finance in India and Abroad

THE CALCUTTA MONEY MARKET

DEMAND UNCHANGED

Wednesday, 5th September.

THE slack conditions in the money market are persisting. There has been little change in the demand for funds from any of the main sources. The inter-bank market has been very firm in the past few days due chiefly to the opening of the new State loans on Monday. The call rate is unchanged at 3½ percent, but it is reported that funds are unobtainable at this level.

The bill market has remained quieter. A few tea bills have come to hand, but gunny documents are scarce. Demand for remittance has been good. Sterling has strengthened slightly in the past day or two in spite of the large deficit in the sterling area's advance payments during August. Such a result had been on the whole expected and consequently discounted. A good deal of short-covering is now taking place. Free dealings in American dollars were opened in India on Monday. It is reported that there has been very little change in the dollar rate.

Silver was firm on strong speculative support and the price advanced from the previous week's level of Rs. 171-14 to Rs. 174-1, quoted today. The rate for ready delivery was Rs. 174-4. The London price remained unchanged at 78½d. The price of foreign silver in New York remained the same at 90½ cents.

Gold increased in sympathy with silver and the price rose from Rs. 103 to Rs. 103-9. The sovereign at Rs. 67-14 showed a gain of 10 annas.

During the week ended 31st August, Government of India Treasury Bills for Rs. 35,00,000 were sold in favour of the Reserve Bank.

The return of the State Bank of India for the week ended 24th August, 1956, shows a rise of Rs. 2.03 crores in total deposits to Rs. 226.64 crores. Investments in Government securities are down by Rs. 1 lakh to Rs. 94.72 crores, while other authorised investments remain unchanged at Rs. 11.45 crores. Advances, including loans, cash credits and overdrafts, and bills discounted and purchased have fallen by Rs. 1.48 crores to Rs. 123.77 crores. Cash and balances are, in consequence, shown at Rs. 18.37 crores, or Rs. 20 lakhs higher.

The return of the Reserve Bank of India for the week ended 31st August, 1956 showed a decline of Rs. 7.11 crores to Rs. 1,424.51 crores in active notes while the total note issue was Rs. 1.49 crores higher at Rs. 1,431.62 crores. Notes held in the Banking Department consequently increased by Rs. 8.58 crores to Rs. 32.63 crores. Deposits of the Government of India increased by Rs. 4.19 crores to Rs. 65.77 crores but other Government accounts declined by Rs. 2.79 crores to Rs. 2.91 crores. Balances of commercial banks at Rs. 56.52 crores showed an increase of Rs. 1.12 crores. Balances held abroad fell by Rs. 3.85 crores to Rs. 24.94 crores. Other loans and advances declined from Rs. 54.98 crores to Rs. 52.15 crores, of which advances to scheduled banks against usance bills totalled Rs. 22 crores against Rs. 28.12 crores. These advances amounted to Rs. 232.08 crores since 1st January, 1956. Ways and means advances stood at Rs. 8.06 crores (Rs. 7.64 crores). Other features disclosed little change.

The statement of the position of scheduled banks for the week ended 24th August, 1956, discloses Demand and Time liabilities at Rs. 654.47 crores (Rs. 17.01 crores on account of borrowings from banks) and Rs. 464.90 crores (Rs. 3 crores), compared with Rs. 644.75 crores (Rs. 15.90 crores) and Rs. 460.02 crores (Rs. 3.15 crores) respectively in the previous week. Cash has declined by Rs. 9 lakhs to Rs. 37.53 crores, while balances with the Reserve Bank have advanced by Rs. 31 lakhs to Rs. 50.72 crores. There is a rise of Rs. 80 lakhs in investments to Rs. 362.02 crores. Advances and bills discounted at Rs. 736.01 crores show a drop of Rs. 43 lakhs. The ratios to total liabilities of cash and balances, and of advances and discounts, are, in consequence, shown at 7.9 percent and 65.9 percent, against 8 percent and 66.7 percent.

The profit of the BANK OF MYSORE for the half-year ended last June amounted to Rs. 3,87,291. The directors have declared an interim dividend of 8 percent, including a bonus of 2 percent, to absorb Rs. 4 lakhs. Taxation reserve is allocated Rs. 2½ lakhs, leaving a carry-forward of Rs. 4,19,228.

According to the landborne trade returns received in the Department of Commercial Intelligence and Statistics, provisional figures of the total value of foreign trade of India by land with Pakistan, Afghanistan, Iran and Burma during July, 1956, are as follows (in lakhs of rupees):

	Imports from	Exports to
East Pakistan	74	28
West Pakistan	17	16
Other Countries	7	4
Total	98	48

Total trade amounted to Rs. 146 lakhs. Re-exports and trade in treasure were negligible. There was thus an adverse balance of trade amounting to Rs. 50 lakhs.

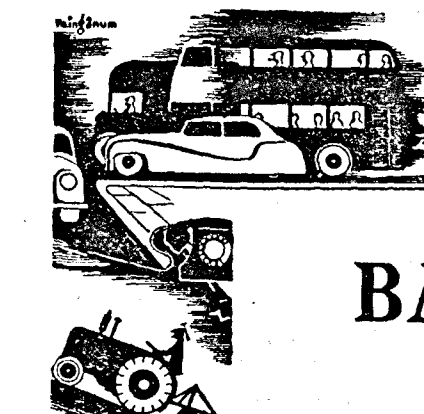
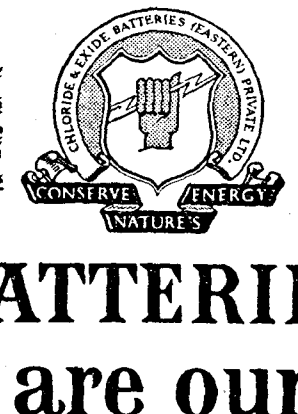
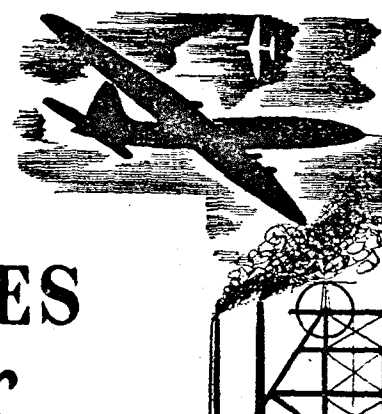
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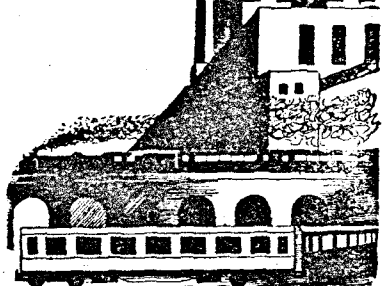
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LONDON INSURANCE LETTER

UNFORESEEN CIRCUMSTANCES

By Air Mail.

EVERY foreseeable contingency is taken into account when policies are drawn up, but circumstances which neither party envisaged arise from time to time. Egypt's declaration on ownership of the Suez Canal produced such circumstances. The British Government reacted by blocking Egypt's sterling accounts; in consequence, exporters of British goods to Egypt could not be paid by the normal method. In the normal policy of the Export Credits Guarantee Department, there is an exchange-transfer clause which would have been applicable if transfer of sterling from Egypt had been blocked, but in this case the "offending" action was that of the British Treasury—and the framers of the policy had not imagined that it would be necessary to allow for such a contingency. As promptly as possible (though there was no special urgency from its own point of view, as claims would not have to be settled until months later), the Department put exporters' minds at rest. A spokesman stated: "A loss arising from the inability to receive payment for goods shipped to Egypt because of the recently-introduced exchange regulations is

regarded by E.C.G.D. as a risk covered under its policies." In other words, one Government department has, as an act of grace, taken responsibility for the effects of an action by another Government department.

Naturally, as soon as that action was taken E.C.G.D. informed its policyholders that new insurance cover on shipments to Egypt could not at present be provided. Any business accepted by exporters after this warning early in August is not, of course, covered by the subsequent announcement on liability. Moreover, so far as E.C.G.D. accepted responsibility it required exporters to exercise "all reasonable care and forethought". In other words, if an exporter had accepted Egyptian orders before the restrictions were imposed, and proceeded to ship them after, he could not claim on a "shipment" policy (applying only to goods actually shipped) as he would be wantonly incurring risk of non-payment. A "contract" policy, on the other hand, provides full protection against losses incurred on contracts arranged before the beginning of August, whether or not the goods were actually shipped (or even finished) by then; but a holder of such a policy would likewise be debarred from claiming if he proceeded to ship the goods in the new situation. Lloyd's underwriters have had a different problem, arranging insurance against prevention of ships from passing through the Suez Canal. It has not been easy to assess an appropriate premium for covering shipowners against the risk of being diverted round the Cape—involving, perhaps, 30 extra days at sea. But this is, at least, a contingency that can be clearly foreseen and obviously a proper one for insurance.

Hire-Purchase Risk

Reasonable care is a natural condition of various kinds of insurance. It is especially important in a new form of insurance that is gaining favour in the U.K., covering hire-purchase business. It might be thought that the severe restrictions on hire-purchase transactions imposed by the authorities, which have certainly curtailed trade, would thereby curtail demand for cover; but there have been until recently no policies available to satisfy the need. The risk itself has been moderated insofar as the initial payment has been compulsorily raised, so that the credit element in each transaction is reduced; but reduction of the period of credit, which has also been enforced, increases the size of the periodic payments and, thereby, the risk of default on them. The credit-insurance which is the speciality of the Trade Indemnity Company is the domestic equivalent of that provided by E.C.G.D. in export trade. Hire-purchase insurance is a special branch of credit-insurance and is outside the range of trade indemnity. The organisation that has put forward a comprehensive scheme recently is the Credit Insurance Association. The main characteristic of the scheme is that it covers dealers' risks; whereas cover has been almost confined hitherto to the finance houses and industrial banks which put up money for the deals. There is not much experience of this kind of insurance in Britain, and it must be admitted that it begins to operate on a substantial scale at a time when many contracts are precarious. Many working people assumed that the prosperity that allowed them high wages would last indefinitely, and on that assumption they committed themselves to periodical payments which cannot be maintained out of substantially reduced pay-packets. Many workers in the motor industry are in this predicament; and many other industries, though not similarly afflicted with unemployment, have stopped the overtime work which provided considerable additions to basic pay. However, the basic risk in this kind of insurance is modified by the existence of tangible goods which (not being the property of the purchaser until payment is completed) can be repossessed by the seller and resold if payment falls more than three months in arrears—the period after which, in the new policy, loss is deemed to have occurred.

New Retirement Policies

The life offices are busy with the new policies for which demand has arisen since the Finance Act was passed a few weeks ago. This is the Act that incorporates the proposals of last April's Budget, a feature of which was the plan whereby small business people and professional men with no pension-schemes in their employment could provide individually for their retirement, or bodies of persons comprising or representing such persons could form private trusts for the purpose. The scope of the concessions provided in the original Bill was somewhat extended in the final Act, but still it covered only a part of the individual need. The policies which the offices are now formulating are based on the provisions that annual premiums not exceeding 10 percent of the insured's earnings or £750 a year are free of income-tax and sur-tax, and that the retirement annuity, when it falls due, will qualify as earned income and so bear tax at the favourable rate. The purpose is "provision for the individual of a life annuity in old age" and the policies cannot be adapted to any other kind of cover. As a general rule, annuities just begin between the ages of 60 and 70, and no lump-sum payment on the death of the insured is permissible; concessions allowed in case of his death before annuities begin, provide, essentially, only for return of premiums, with interest or bonuses. Many people will still find it desirable to take out supplementary endowment or other policies.

Stocks and Shares

SENTIMENT DEPRESSED IN STOCK MARKET

CLOTH EXCISE DUTY CAUSES SETBACK: SHARP REDUCTION IN TURNOVER

Wednesday Evening.

THE share market is quiet with little business passing. Speculative prices have fallen sharply from the buoyant levels recorded last week. There has been some profit-taking, but the main reason is that sentiment in Calcutta has been subdued by the dull conditions which have prevailed in Bombay since the increase in the cloth export duty was announced. A good shake-out is probably no bad thing for the market after the activity of the past week or two and operators are not unduly pessimistic about future prospects. The Suez Canal crisis appears no longer to feature in the market's calculations. Prices of speculatives were all lower at today's clearing.

There has been little activity in investment scrip during the past week. All sections have ruled quiet, including Government securities which have been influenced by the opening of subscriptions for the State loans last Monday. Information about the progress of these State issues is not yet available.

Details of the week's trading follow.

The gilt-edged market continued quiet and prices were again marked down on a wide front with the exception of the 3% Conversion Loan 1986 which met with enquiry and improved from Rs. 75-2 to Rs. 75-5. In short-dated loans, 3% 1957 was marked at around Rs. 99-12 and 3% 1958 had small buyers at Rs. 99-9. In the medium-dated group, 3% 1959-61 had sellers at around Rs. 98 and both 3% 1963-65 and 1964 were quoted lower at Rs. 94-12 and Rs. 94-13 respectively; 2½% 1961 was taken at around Rs. 93-7 and 2½% 1962 changed hands at Rs. 93-15. In National Plan issues, 3½% 1961 was quoted one anna lower at Rs. 99-5 as was 3½% 1964 at Rs. 98-10; 3½% 1965 was easier at Rs. 98-8 and 3½% 1967 was offered at around Rs. 98-7. Among long-dated issues, 3% 1966-68 turned sellers at Rs. 93-4 and 3% 1970-75 continued weak at Rs. 98-14; 3½% 1974, however, was asked for at Rs. 98-7-6.

Due to the flotation of the new State loans, there was virtually no business in pre-existing issues. Sellers depressed the market and there was a further marking down of prices. Four percent U.P. 1967 was quoted lower at Rs. 99-8 and 4% Madras 1967 was c. offer at the same rate.

A few more transactions were reported in jute preference shares during the week. Auckland 2nd were placed at Rs. 74 and Howrah "A" at Rs. 104-8. A small lot of Gourepore was done at Rs. 96. Lansdowne were marked at Rs. 99. Lawrence at Rs. 105. Naitati 2nd changed hands at Rs. 76 and New Central at Rs. 107. Among miscellaneous issues, Arthur Butler were enquired for at Rs. 9 and interested buying took up the price of Associated Hotels shares at one time to Rs. 90; tonight's closing quotation, however, is Rs. 84. Bharat Collieries came to hand at Rs. 85 and Calcutta Electric were transacted at Rs. 11-8. A small lot of Dalmia Cement Rs. 40 paid-up shares was placed at Rs. 38-8 and the Rs. 100 paid-up shares at Rs. 98. Chrestien Mica Industries were done at Rs. 59 and Cawnpore Sugar at Rs. 127. A small odd lot of Bengal Paper Rs. 50 paid-up was crossed at Rs. 71. Indian Iron & Steel were steady at Rs. 108-8 while New Victoria were easier at Rs. 5-10. Orient Paper 1st were taken at Rs. 99 and Rohtas Industries "B" Preference changed hands at Rs. 64-8 as did Shaw Wallace at Rs. 78. There were small buyers of Tezpur Tea at Rs. 13.

In the banking section, United Commercial were easier at Rs. 58-4 as were Punjab National at Rs. 56. Hind Bank reacted from Rs. 38-8 to Rs. 38 while United Bank of India were unchanged at Rs. 4-8 as were Hindustan Commercial at Rs. 14-10.

The only share dealt in among railway scrip was Dehri Rohtas at Rs. 13-11 ex-dividend.

The announcement from Delhi on 31st August increasing the excise duty on fine and super-fine cloth by six annas a square yard, and on coarse and medium cloth by four annas a square yard, not only had a depressing effect on cotton textile shares, but on the market in general. Bowreah and Dunbar fell heavily from Rs. 172 and Rs. 304 to Rs. 150 and Rs. 284. Kesoram were marked back from Rs. 19-6 to Rs. 18-14 and Elgin from Rs. 28 to Rs. 27-10. New Victoria were easier at Rs. 2-9. Contrary to the general trend, Jaysree Textiles were steady at Rs. 7-10.

There was little movement in the price of coal shares, but on the whole interest was lacking. Amalgamated were unchanged at Rs. 23-8 as were Bengal at Rs. 538 and East Indian at Rs. 32-8. Burakur eased from Rs. 15-4 to Rs. 14-13 as did Standard from Rs. 24 to Rs. 23-8. Equitable were shaded at Rs. 30-10 while Karanpura Collieries were steady at Rs. 118. Ranegunge were taken at Rs. 13-4 and New Manbhoom were unchanged at Rs. 10-8. Union changed hands at Rs. 14-8, Western Bengal at Rs. 7 and Central India at Rs. 7-7. In contrast, Borra moved up today to Rs. 24-4, Katras Jherria at Rs. 61 and Sibpore to Rs. 29-8.

Jute shares followed the pattern of coal scrip and prices were inclined to soften towards the close. Here is a chart showing representative price movements.

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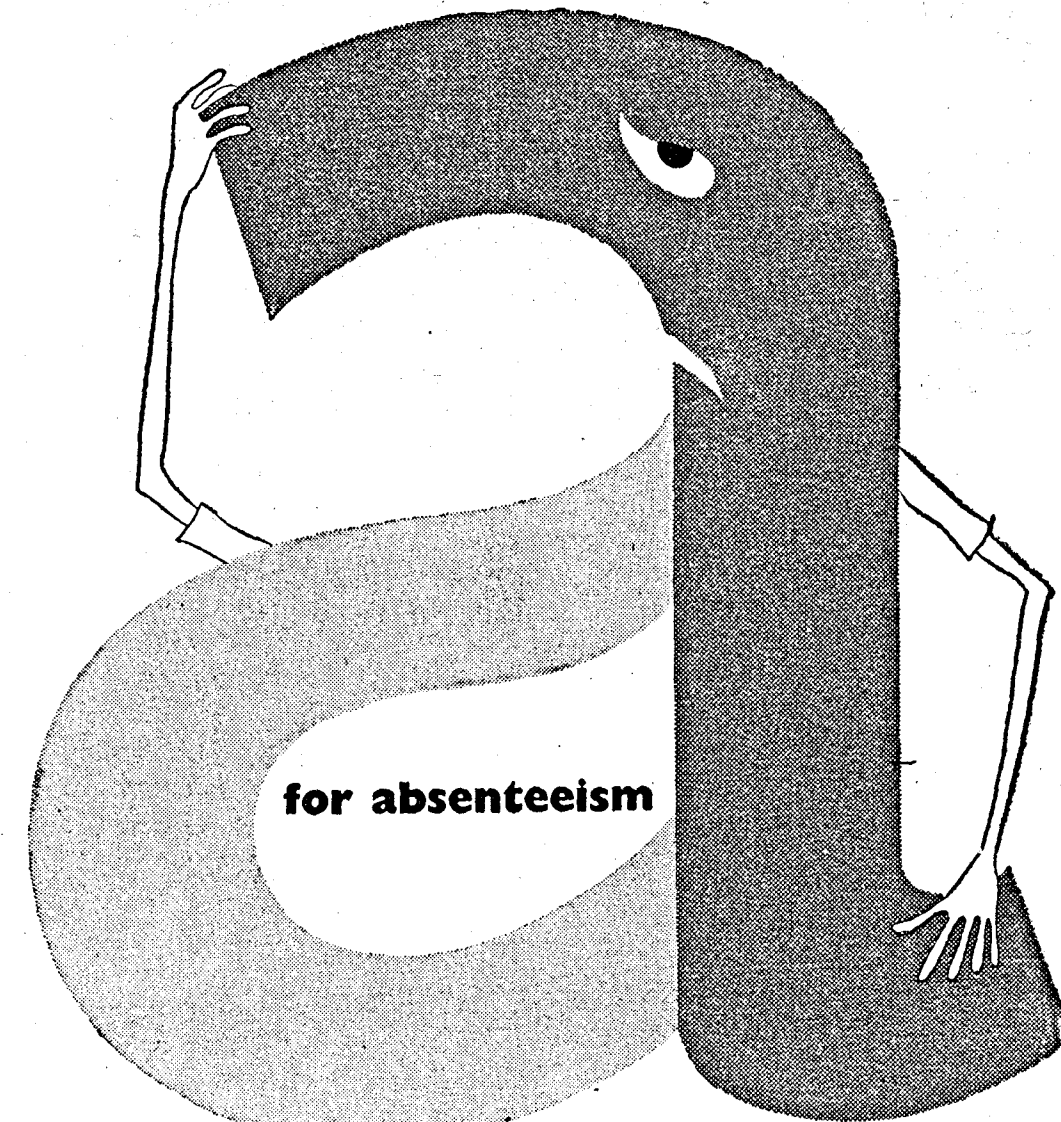
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Rs. 34 as were Richardson & Cruddas at Rs. 25. Despite the publication of an excellent report, Textile Machinery reacted from Rs. 24.14 to Rs. 23.11, due probably to the generally quiet conditions prevailing in the market.

In paper, India Paper Pulp, were better at Rs. 25.8 ex-dividend while Titagur were easier at Rs. 40.12 as were Shree Gopal at Rs. 18. Orient were fairly steady at around Rs. 40.2. Star Paper met with some enquiry following the Company's decision to re-pay the debenture capital and the price improved from Rs. 11.6 to Rs. 11.11.

In cement, Assam Bengal were offered at Rs. 7.4. Ashoka were quoted at Rs. 12.4 and Dalmia were done at Rs. 15.2. Sone Valley were unchanged at Rs. 8.14.

In shipping, Bengal Assam came to hand at Rs. 145 and India General Navigation were Rs. 1 lower at Rs. 113. Indian Steamship were well maintained at Rs. 9.12 as were Port Shipping at Rs. 17.4.

Among miscellaneous industrials, Alkali & Chemical met with some enquiry and improved from Rs. 22.10 to Rs. 22.14. Indian Aluminium also were in strong demand and rose from Rs. 24.10 to Rs. 25.2; profit-taking at the close brought the price down to Rs. 24.12. British India Corporation were easier at Rs. 10.6 while Bengal Flour were steady at Rs. 30. Aluminium Corporation improved at Rs. 12.10. Angelo Brothers were unchanged at Rs. 24 and the announcement of a 5% dividend by the British Burmah Petroleum Co. Ltd., was received with disappointment; the price receded from Rs. 4.2 to Rs. 3.14. Dunlop Rubber were unchanged at Rs. 29.10, but Clive Row were quiet at Rs. 11.8. Hindustan Motors were depressed at Rs. 10 while Imperial Tobacco were bought on investment account at Rs. 15.10. Indian Cables reacted from Rs. 40.6 to Rs. 40.2. Contrary to the general trend, India Rubber Manufacturers met with keen enquiry on reports of excellent working, and the price spurted from Rs. 16.9 to Rs. 18.8. Jardine Henderson were offered at Rs. 98 as were Martin Burn at Rs. 23.13. Midnapore Zemindary receded from Rs. 38 to Rs. 37.8 and National Insulated Cables were easier at Rs. 25.10. National Carbon recovered from Rs. 28.15 to Rs. 29.5 and National Tobacco were lower at Rs. 13.11. F. & C. Osler at one time receded to Rs. 9.14 but recovered today to Rs. 14.8. Rallis were quiet at Rs. 41.8 and Rohtas Industries at Rs. 22.12.

With the exception of Metal Corporation, which were steady at Rs. 11.8, mining issues were depressed. Burma Mines eased to Rs. 3.3. Consolidated Tin to Rs. 2.8 and Orissa Minerals to Rs. 26.2. Indian Copper were quiet at Rs. 6.12.

Tea shares were again quiet and turnover was negligible. Among Assam scrip, Baghmari eased to Rs. 24.14 as did Bishnauth New to Rs. 20.8 and Brahmaputra to Rs. 8.2. Brooke Bond shed eight annas to Rs. 21 and Dhelakhat came to business at Rs. 22.8. Dibrugarh changed hands at Rs. 25.12, as did East India at Rs. 23.6 and Telojan at Rs. 25.10. Kottamullai were taken up to Rs. 29 and Tezpur and Tyroon were both fractionally better at Rs. 23.8 and Rs. 48 respectively. In the Doars section, Banarhat improved to Rs. 335, but later had sellers at Rs. 331. Gaikhatta were marked at Rs. 238 and Hantapara came back to Rs. 190, as did Hasimara to Rs. 32.8. New Doars met with moderate enquiry and improved to Rs. 304. Of the remaining shares, Nagri Farm changed hands at Rs. 27.10, as did Sungma at Rs. 12.10 and Kallinugger and Khoreel at Rs. 104.8. Lackatoorah recorded Rs. 36.14 and Patrakola had buyers at Rs. 206. Telapara were done at Rs. 220 and Atal, Belgachi, Gungaram, Hansqua and Jayshree came to business at Rs. 8.8, Rs. 62, Rs. 171, Rs. 24.8 and Rs. 11.14 respectively.

The profit of the BASMATIA TEA COMPANY declined by Rs. 5.99 lakhs to Rs. 2.15 lakhs for the year ended last December. Bringing in Rs. 93,033, providing for 1953, 1954 and 1955 labour bonuses and transferring Rs. 60,000 to general reserve, there is a balance of Rs. 1,43,235. The dividend has been cut from Rs. 8 to Rs. 1.8 a share but the capital has meanwhile been raised by a one-for-two scrip issue. The carry-forward is Rs. 66,735. Output improved from 6,617 maunds to 7,782 maunds. The average sale price declined from Rs. 3-3-2 a lb. to Rs. 2-2-3 a lb. Estimates for 1956 have been framed for a crop of 8,000 maunds at a cost of Rs. 10.28 lakhs.

The profit of the WESTERN BENGAL COALFIELDS amounted to Rs. 2.19 lakhs for the year ended last March, after providing Rs. 3.08 lakhs for depreciation and Rs. 1.90 lakhs for taxation. Bringing in Rs. 37,694, there is a balance of Rs. 2,57,162. The dividend has been maintained at 8 annas a share, leaving a carry-forward of Rs. 7,262. Raisings increased from 198,000 tons to 226,391 tons, and despatches from 192,000 tons to 251,412 tons.

The HOOGRAJULI (ASSAM) TEA COMPANY has incurred a loss of Rs. 51,932 for the year ended last December. Providing Rs. 47,851 for depreciation, Rs. 94,090 for 1953 and 1954 labour bonuses, bringing in Rs. 84,780 and making other adjustments, there is a balance of Rs. 26,849. The dividend has been reduced from Rs. 9 to 8 annas

a share, but the capital has meanwhile been increased by a three-for-two scrip issue. The carry-forward is Rs. 1,849. The crop increased from 5,834 maunds to 5,838 maunds, but the average sale price was Rs. 1-11-5 a lb. against Rs. 3-1-5 a lb. Estimates for 1956 have been made for a crop of 6,250 maunds at a cost of Rs. 8.58 lakhs.

Providing Rs. 3.30 lakhs (Rs. 2.30 lakhs) for taxation, transferring Rs. 41,500 (Rs. 35,000) to tax contingency reserve, Rs. 50,000 (same) to plant renovation reserve, Rs. 1.30 lakhs (Rs. 1.20 lakhs) to general reserve, Rs. 50,000 (nil) to debenture redemption reserve and bringing in Rs. 41,767, there is a balance of Rs. 3,04,629 for the KUMARDHUMI FIRECLAY AND SILICA WORKS for the year ended last December. The ordinary dividend has been maintained at Rs. 1-8 a share to absorb Rs. 2.25 lakhs (Rs. 1½ lakhs), leaving a carry-forward of Rs. 49,404. The directors say that the position of the order book is satisfactory and the company is obliged to quote for distant deliveries. "With three new steel plants to go up in the country, we expect demand to exceed supply during the second five year plan period."

BOMBAY QUIETER ON NEWS OF EXCISE DUTY

T.I.S.C.O. CHAIRMAN'S SPEECH WELCOMED

Tuesday Evening.

EQUITIES on the Bombay Stock Exchange received a sharp setback last week on selling pressure induced by the increased excise duty on cloth. Operators became nervous as it was difficult to ascertain to what extent the burden of the duty would be passed on to consumers. It is, however, generally believed that the marking down of values was probably overdue considering the substantial increase in prices which had taken place over the past two weeks.

During the early part of the week, sentiment improved following the encouraging speech by Mr. J. R. D. Tata at the annual general meeting of the Tata Iron and Steel Co. The Chairman mentioned about the satisfactory progress the company has been making in its expansion plans and he assured the shareholders that a reasonable return would be given on new share capital.

Tata Ordinary declined to Rs. 200.4. Indian Iron were lowered to Rs. 36.6 on selling pressure from Calcutta interests. Earlier steadiness in other engineering scrip was not maintained at the close on profit-taking. Premier Construction declined to Rs. 215.8, as did Alcock Ashdown to Rs. 342.8. Tata Locomotive fell sharply from Rs. 185 to Rs. 176 on realising.

Increased cloth excise duty resulted in pruning top gains in the textile section. Bombay Dyeing declined to Rs. 658.2 and Century were lowered to Rs. 568.8. Svaldeshi made Rs. 257.8 and Simplex changed hands at Rs. 211.8. India United Ordinary were offered at Rs. 13.3 and Apollo were transacted at Rs. 3. Khatav were an exception and the price improved to Rs. 286 on interested support.

Miscellaneous industrials were shaded in sympathy with the general trend. Associated Cement were done at Rs. 206.4 and Digvijay were taken at Rs. 203.8. Sugar shares were fairly steady, with Belapur making Rs. 250 and Walchandnagar Industries were in demand at Rs. 270.10. Routine business was transacted in shipping shares. Scindia declined to Rs. 18.14, while Great Eastern at Rs. 19.10 showed little variation. Automobile shares were quiet, and Hindustan Motors were freely available around Rs. 10.1. Mining shares were lower, with Sivrajpur Syndicate declining to Rs. 87.8. Bombay-Burmah fell to Rs. 764.6 ex-dividend on long liquidation and B.I.C. lacked interest around Rs. 10.8. National Rayon were lower at Rs. 266.8, as were Tata Chemicals at Rs. 19.14. Sen-Raleigh Industries were maintained around Rs. 15 and National Carbon came to hand at Rs. 29.4.

There was little change in banking and insurance shares. Bank of India made Rs. 172 and New India Assurance Rs. 48.

THE WEEK'S TRANSACTIONS

(In the following list of stocks and shares in which transactions have taken place during the past week the figures indicate. Opening Quotations. Highest for the week. Lowest for the week. Closing Quotations. Quotation for the Corresponding Closing Date a Year Ago. The last named being shown in parenthesis and will not be given where such a quotation is not available.)

GOVERNMENT SECURITIES

2½% U.P. Zamindari Compensation Bond (Collected)—Rs. 40-12-41—40-12-41.
2½% Loan (1961)—Rs. 93-7-93-7—93-7-93-7.
3% " (1963-65)—Rs. 94-12-94-12—94-12-94-12.
3% " (1966)—Rs. 75-1-75-12—75-1-75-12.
3% " (1959-61)—Rs. 98-1-98-1—98-1-98-1.
3% Govt. Paper—Rs. 74-8-74-8—74-8-74-8.
3% Loan (1966-68)—Rs. 93-6-93-6—93-6-93-6.
3% " (1970-75)—Rs. 89-8-89-8—89-8-89-8.
3% " (1957)—Rs. 99-11-99-11—99-11-99-11.
3% " (1961)—Rs. 99-5-99-5—99-5-99-5.
3% " (1962)—Rs. 98-9-98-9—98-9-98-9.
3% " (1964)—Rs. 98-9-98-9—98-9-98-9.
3% " (1967)—Rs. 97-6-97-6—97-6-97-6.
3% " (1965)—Rs. 98-9-98-9—98-9-98-9.
3% " (1974)—Rs. 98-6-98-6—98-6-98-6.
4% U.P. (1964)—Rs. 100-100-100-100.

BANKS

Hind.—Rs. 38-4—38-4—38-4—(28).

Hindusthan Commercial—Rs. 14.8—14.10—14.6—14.10—(10.6).
United Bank of India "D"—Rs. 4.8—4.10—4.8—4.8—(4.9).
United Commercial—Rs. 58.4—58.4—57.12—57.12—(47.8).

RAILWAY

Dehri Rohtas—Rs. 14.12 s.t.—14.12—13.7—13.12—(12.5).

COTTONS

Basanti—Rs. 7 s.t.—7-6-10-6-10—(6.4).
Bengal Nagpur—Rs. 9-12-9-12-9-12-9-12—(9.13).
Borrah—Rs. 150-150-150-150—(390).
Cawnpore—Rs. 9-12-9-12-9-12—(12.5).
Elgin Mills—Rs. 27-10-27-10-27-10—(19.14).
Jayshree—Rs. 7-7-10-7-7-7—(7.7).
Kesaram—Rs. 19-8-19-8-18-12-18-14—(16.10).
New Victoria—Rs. 2-13-2-13-2-8-2-8—(1.15).
Do. (Pref.)—Rs. 5-14-5-14-5-8-5-9—(3.5).

COALS

Amalgamated—Rs. 23.2—23.2—23.2—23.2—(24.1).
Bharat—Rs. 7-4-7-6-7-4-7-6—(8.10).
Do. (Pref.)—Rs. 55-55-55-55—(108).
Bhuranagar—Rs. 2-12-2-12-2-12-2-12—(12.5).
Bokaro & Ramgarh—Rs. 12-13-12-13-12-13-12-13—(15.2).
Burakur—Rs. 15-1-15-3-10-10-14-13—(14.8).
Bhulanbararee—Rs. 12-12-12-12-12-12-12-12—(13.15).
Churulia—Rs. 2-9-2-9-2-9-2-9—(2.14).
Central India—Rs. 7-6-7-8-7-6-7-8—(7.10).
Equitable—Rs. 30-10-30-14-30-7-30-10—(32).
Jainty Central—Rs. 3-8-3-8-3-8-3-8—(3.8).
Katras Jheriah—Rs. 60-60-60-60—(60.8).
Karanpura Collieries—Rs. 118-118-118-118—(128.8).
Lakurka—Rs. 10-10-10-10—(10).
New Beerboom—Rs. 19-12-19-12-19-12-19-12—(21.8).
New Manbloom—Rs. 10-12-10-12-10-12-10-12—(10.4).
Rangeegun—Rs. 13-15-12-12-13-13—(12).
Sendra—Rs. 11-12-11-12-11-12-11-12—(11.2).
Standard—Rs. 23-24-23-23-23-8—(20.14).
Shree Mahakali—Rs. 3-3-3-3—(3).
Union—Rs. 14-14-14-14-14-6—(18).
Western Bengal—Rs. 7-7-2-6-12-6-15—(7.3).

JUTES

Anglo-India—Rs. 186-188-185-185—(238).
Auckland (2nd Pref.)—Rs. 74-74-74-74—(76).
Do. (Ord.)—Rs. 125-125-125-125—(152).
Agarpara—Rs. 11-13-12-11-13-12—(14.2).
Barnagore (Pref.)—Rs. 42-42-42-42—(46).
Bengal Jute—Rs. 16-4-16-4-16-4-16-4—(18.6).
Birla—Rs. 18-4-18-5-18-3-18—(19.4).
Clive ("A" Pref.)—Rs. 98-98-98-98—(105).
Champdany—Rs. 165-165-165-165—(198).
Chitavalah—Rs. 14-24-14-1-14-15—(15.9).
Delta—Rs. 197-197-196-196—(282).
Ganges—Rs. 74-74-74-74—(99.8).
Hooghly—Rs. 24-14-25-2-24-14-24-14—(43.6).
Howrah—Rs. 24-4 c.t.—24-4-24-4-24-4—(30.12).
Do. ("A" Pref.)—Rs. 104-8-105-8-104-8-104—(118).

India—Rs. 141-141-141-141—(186).
Kamarhatti—Rs. 131-135-8-131-134-8—(212).
Do. ("B" Ord.)—Rs. 131-131-131-131—(212).
Kelvin—Rs. 251-251-251-251—(336).
Kinnison—Rs. 178-178-178-178—(222).
Kankarrah—Rs. 91-93-91-93—(164).
Do. ("D" Pref.)—Rs. 87-87-87-87—(87.8).
Lansdowne (Pref.)—Rs. 99-99-99-99—(117.8).
Lawrence—Rs. 113-113-113-113—(184.8).
Do. (Pref.)—Rs. 104-104-104-104—(122).
Naskarpara—Rs. 17-8-17-8-16-16—(19.6).
Naihati (2nd Pref.)—Rs. 76-76-76-76—(76).
National—Rs. 26-4-26-7-24-9-24-13—(35.14).
New Central—Rs. 17-13-16-16—(16.14).
Do. (Pref.)—Rs. 105-105-105-105—(114).
Northbrook—Rs. 26-10-27-8-26-4-27-8—(28.2).
Do. (Pref.)—Rs. 82-82-82-82—(93).
Nellimarla—Rs. 13-4 c.t.—13-4-13-13—(14).
Do. (Pref.)—Rs. 97-97-97-97—(104).
Orient—Rs. 148-8-148-8-148-8-148-8—(191).
Presidency—Rs. 5-14-5-15-5-14-5-14—(7.2).
Rameshwari—Rs. 7-7-1-6-14-6-14—(7.2).
Reliance—Rs. 10-2-10-3-10-2-10-3—(14.1).
Soorah—Rs. 16-6-16-8-16-6-16-8—(21.8).
Shree Ambica—Rs. 15-12-15-12-15-12-15-12—(17.2).
Standard—Rs. 103-103-103-103—(173).
Union—Rs. 160-160-160-160—(233).
Waverley—Rs. 5-6-5-6-5-6-5-6—(8).

MININGS

Burma Mines—Rs. 3-4-3-5-3-2-3-3—(2.2).
Christian Mica—Rs. 17-6-17-7-17-6-17-7—(13.9).
Do. (Pref.)—Rs. 59-59-58-4-58-4—(65.8).
Consolidated Tin—Rs. 2-8-2-8-2-8-2-8—(2.13).
Indian Copper—Rs. 6-13-6-14-6-10-6-12—(6.1).
Metal Corp.—Rs. 11-8-11-10-11-6-11-9—(8.12).
Do. (Defd.)—Rs. 4-5-4-5-4-2-4-2—(2.11).
Orissa Minerals—Rs. 26-8-26-8-26-3-26-4—(27.4).
Tavoy Tin—Rs. 14-15-14-15—(12).

CEMENTS

Ashoka—Rs. 12-6-12-7-12-6-12-8.
Assam Bengal—Rs. 7-4-7-5-7-2-7-4—(7.5).
Do. (Defd.)—Rs. 1-11-15-1-11-11—(2.8).
Bengal Potteries—Rs. 3-11-3-11-3-10-3-10—(3.9).
Dalmia (Bharat)—Rs. 15-8-15-8-15-1-15-1—(16.3).
Do. (Rs. 2-8 paid)—Rs. 5-11-6-5-11-6—(4.4).
Do. (Defd.)—Rs. 5-10-6-5-10-6—(3.2).
Do. (2nd Pref.)—Rs. 38-14-39-2-38-14-39-2—(36).
Orissa—Rs. 14-14-14-14-14-14.
Sone Valley—Rs. 8-14-8-15-8-12-8-13—(8.8).

CHEMICALS

Alkali & Chemical (Ord.)—Rs. 22-8-22-14-22-4-22-14—(19.12).
Bathgate & Co.—Rs. 2-2-1-1-1-1-1-1—(2.5).
Bengal (Pref.)—Rs. 13-6-13-6-13-6-13-6—(13.2).

ELECTRICS

Agra—Rs. 158-158-158-158—(159).
Benares—Rs. 18-4-18-4-17-10-17-10 x.d.—(19.3).
Bareilly—Rs. 14-6-14-6-14-6-14-6—(15).
Calcutta—Rs. 13-14-13-14-13-14-13-14—(15.9).
Do. (Pref.)—Rs. 11-6-11-9-11-6-11-9—(12.3).
Cuttack—Rs. 8-3-8-3-8-3-8-3—(9).
Jubbulpore—Rs. 14-4-14-4-14-4-14-4—(14.8).
Patna—Rs. 11-12-12-11-12-12—(13.1).

ENGINEERING

Arthur Butler—Rs. 9-8-9-8-9-8-9-8—(8.7).
Do. (Pref.)—Rs. 8-9-8-9-8-9—(9).
Bhartia Elec. Stn.—Rs. 18-12-18-13-18-12-18-12—(15.9).
Braithwaite & Co.—Rs. 31-4-31-4-30-12-31 c.t.—(27.10).
Britannia Engineering (Old)—Rs. 18-3-18-4-18-2-18-4—(41.2).
Do. (New)—Rs. 16-2-16-2-16-2-16-2.
Burn & Co.—Rs. 361-361-359-359—(289).

Hooghly Docking—Rs. 141-143-141-143—(147).
Indian Galvanizing—Rs. 21-8-21-9-21-4-21-6—(24.8).
Indian Iron—Rs. 36-15-37-4-36-4-36-6—(39.1).
Do. (Pref.)—Rs. 108-108-108-108—(111).
Indian Standard Wagon—Rs. 202-202-202-202—(141).
Jessop & Co.—Rs. 34-2-34-9 c.t.—33-10-33-12—(54.4).
Do. (Pref.)—Rs. 11-8-11-8-10-11-10—(105.8).
Kumadhubi—Rs. 9-15-9-15-9-14-9-14—(12.5).
Marshalls—Rs. 6-4-6-5-6-3-6-4—(7.10).
National Iron & Steel—Rs. 7-4-7-12-7-4-7-12—(7).
National Screw & Wire Pro.—Rs. 10-4-10-6-10-10.
Richardson & Cruddas—Rs. 24-12-25-1-24-1-25.
Textile Machinery—Rs. 23-14-24-6-23-10-23-11—(26.15).

INSURANCES

General Assurance—Rs. 24-14-24-14-24-14-24-14.
New Asiatic—Rs. 4-1-4-1-4-1-4-1—(6.1).
Ruby General—Rs. 6-10-6-10-6-6—(8).

FLOUR MILL

Bengal—Rs. 30-30-30-30—(34.14).

MISCELLANEOUS

Aluminium Corp.—Rs. 11-8-12-15-11-8-12-12—(7.15).
Do. (6% Pref.)—Rs. 116-8-116-8-116-8-116-8—(108).
Associated Hotels—Rs. 10-3-11-8-10-3-11-8—(5).
Do. (Pref.)—Rs. 80-90-80-87—(63.12).
Assam Match—Rs. 20-4-20-4-20-4-20-4—(19.12).
Bharat Commerce & Industry—Rs. 4-13-4-14-4-13—4.14.
B. I. Corp.—Rs. 10-10-10-11-10-5-10-7—(9.8).
Do. (Pref.)—Rs. 12-12-12-12—(138).
Birds Investment—Rs. 17-11-17-11-17-8-17-8—(18.11).
Do. (Pref.)—Rs. 79-79-79-79—(80.8).
Britania Biscuits—Rs. 15-8-15-9-15-8-15-9—(15.9).
Bararee Coke—Rs. 19-10-19-12-19-10-19-12—(22.1).
Calcutta Tramways—Rs. 18-8-19-4-18-8-19—(17.12).
Clive Row Investment—Rs. 11-6-11-6-11-11-4.
Duncan Bros.—Rs. 135-135-135-135—(143).
Dunlop Rubber—Rs. 30-30-29-7-30-7—(38.9).
Electric Construction Equipment—Rs. 13-13-13-13—13-13-13-13.
Eastern Investments—Rs. 144-145-144-145—(170).
French Motor Car—Rs. 21-2-21-2-21-2-21-2—(19.8).
F. & C. Osler—Rs. 9-15-10-8-9-11-10-8—(16.9).
Gillanders Arbuthnot—Rs. 14-14-14-14-14-2—(13.7).
Do. (Pref.)—Rs. 65-6-65-6-65-6-65-6—(73).
Godfrey Phillips—Rs. 25-6-25-10-25-6-25-10—(20.6).
Hoare Miller—Rs. 6-6-6-6—(7.7).
Imperial Tobacco—Rs. 15-9-15-15-15-3-15-13—(13.7).
Indian Aluminium—Rs. 24-10-25-5-24-8-24-12.
Indian Cables—Rs. 36-36-34-8-34-14—(30.1).
Indian Rubber Mfg.—Rs. 18-18-17-3-17-5—(12.11).
Ivan Jones—Rs. 2-15-2-15-2-15-2-15—(3.5).
Jardine Henderson—Rs. 99-8-99-8-98-99—(122).
Do. (Pref.)—Rs. 66-8-66-8-66-8-66-8—(82).
Martin Burn—Rs. 23-10-24-2-23-10-23-12—(25.2).
Metal Box—Rs. 29-8-29-10-28-12-29-6—(23.8).
National Carbon—Rs. 29-4-29-6-28-12-29-5.
National Insulated Cable—Rs. 25-10-25-14-25-8-25-8—(16.12).
National Rolling—Rs. 11-10-11-13-11-6-11-7—(15.5).
National Tobacco—Rs. 13-6-13-8-13-3-13-4—(10.4).
Osler Electric Lamp—Rs. 4-12-4-12-4-9-4-10.
Rallis India Ltd.—Rs. 42-42-41-8-42—(35.12).
Rohtas Industries—Rs. 22-14-23-3-22-13—(21.10).
Do. ("B" Pref.)—Rs. 64-8-64-8-64-8-64-8—(67).
Shaw Wallace—Rs. 13-13-13-13-13-12-13-12—(14.10).
Do. (Pref.)—Rs. 78-78-78-78—(85).
Straw Pro.—Rs. 20-2-20-5-20-20.
Sodepur Glass Works—Rs. 3-3-3-3-3-3-3-3.
Walford Transport—Rs. 2-5-2-6-2-4-2-6—(2.1).
Western Stockholders Invest.—Rs. 1-1-1-1-1-1-1-1-15.

OIL SHARES

B. B. Petrol—Rs. 4-3-4-4-3-12-3-14—(4.6).
I. B. Petrol—Rs. 40-8-41-39-14-40-2.

PAPER MILLS

India Paper Pulp—Rs. 25-25-25-25—(23.4).
Orient—Rs. 40-4-40-10-40-2—(31.6).
Do. (Pref.)—Rs. 99-99-99-99.
Shree Gopal—Rs. 18-14 s.t.—18-14-17-14—(16.3).
Star—Rs. 11-7-11-12-11-6-11-11—(14.5).
Titagur—Rs. 41-4-41-8 c.t.—40-12-41—(46.14).

PRESSING

Hooghly Ganges Hydraulic—Rs. 5-10-5-11-5-10-5-11.

REAL PROPERTIES

Commercial Properties—Rs. 11-11-11-11.
Mid

Our City Cable

DECLINE IN STOCK MARKETS

GILT-EDGED AND INDUSTRIALS FALL

London, 5th September.

THE stock markets have generally eased during the past week, reflecting various adverse influences. The Chancellor of the Exchequer's warning about the economic situation upset sentiment prior to the week-end. The continuing Suez crisis also dampened enthusiasm. Business throughout remained at an extremely low level. Gilt-edged securities reacted quite sharply following the Chancellor's warning on the domestic economic picture. Although not a great deal of selling occurred, the gilt-edged were without support, and prices fell back to record widespread and appreciable falls compared with their previous levels. In a quiet foreign bond market, German Potash issues receded, but others attracted little attention. Dollar stocks eased early in the week in sympathy with the decline on Wall Street, but later followed the recovery at that centre. Industrial equities followed the general movement of the market with widespread, and in some cases extensive, falls on balance. Virtually all industrial groups moved to lower levels, although there were occasional movements against the trend. The feature of gold mines was a speculative buying of low graders on the suggestion that the South African Government may give some assistance to these mines. Gains however were not always held. Other Kaffirs were

neglected. Coppers were generally inclined higher. Oils eased on international considerations. Rubbers and teas moved irregularly within very narrow limits.

The Money Market

Credit was very tight during the past week. A large proportion of day-to-day requirements was supplied by the authorities through purchases of bills from both the market and banks, but discount houses had still to borrow on penal terms though the overall amount was not large. By and large, the purchase of bills by the authorities and the forced borrowing at the Central Bank were, in effect, a preparation for the following disbursement of some £60 million of Trinidad Oil money. Applications for £290 million worth of 91-day Treasury bills totalled £384,995,000 and were allotted at an average rate of 108s 6.41d compared with 101s 2.95d in the previous week. Offerings this week comprise £290 million worth of 91-day bills. The Bank of England return for the week ended 29th August shows that notes in circulation were about £17 million lower at around £1,907 million and bankers' deposits were about £3 million higher at around £222 million.

Exchange Market Quiet

The foreign exchange market was overshadowed by international events on Monday. Conditions were very quiet throughout with the trading volume insufficient to cause significant changes in rates. Another factor which made for the subdued conditions was the closure of American centres, and in the absence of any U.S. selling, sterling held steady in terms of U.S. dollars. On the other hand, there was a small commercial demand for Canadian dollars which caused spot rates to move up by 3/16 cents against sterling to \$(C) 2.78-11/16. There was little movement of note among conti-

nental which, after tending to move against London were mostly unchanged at the close.

Activity on Wall Street

U.S. Government obligations eased in the past week under the lead of long-termers. Investment quality corporates also declined in dull dealings. Convertible and rail issues shaded in line with the decline in stock market values. Steels, oils and chemicals were soft spots. In the slow foreign section, German Nationals eased, while Italians were little changed. Greeks and Serbs eased slightly. Dane 4 1/2 percents of 1962 lost ground, but Norwegian 4 1/2 percents of 1965 improved. Australians were mixed. Japanese eased slightly. South Africans ruled quiet.

Hongkong Gold Firm

Gold values in Hongkong firmed towards the week-end after being steady in the early period, and closed at \$(H) 265 1/2. The movement of sterling dominated the market throughout. Opening steady at \$(H) 262 1/2, values fluctuated narrowly touching the week's low at \$(H) 262 1/2. They reached the week's high on Friday at \$(H) 266, reflecting the softness of sterling on the Suez news. Lower carry-over charges of 385 cents per 10 taels in sellers' favour also encouraged bulls. The official offshore was 6.240 taels and the unofficial was 16.550 taels. Arrivals totalled 50,000 ounces. Forward contracts were done at \$(U.S.) 37.83 an ounce, c.i.f. Macao.

Vegetable Oil Market Dull

The vegetable oil market was generally lifeless, with prices barely changed. There was a virtual stalemate in coconut oil due to a lack of buying response to the shippers' more determined attempt to append a clause to fresh contracts, making buyers liable for any rise in shipping freight rates. Agreement is being hampered at present by sellers who recently secured offers without the clause and can, therefore, sell on normal terms, although most of them want a small premium. Linseed oil opened on an erratic note with the selling ideas for B.S.S. varying from £117 to £119. However, after an inactive day, assessments worked lower and finally September-October deliveries, ex-tank, U.K., were available at £116 1/2. Groundnut oil was virtually unchanged and lacked attention. Groundnuts were frequently steadier with the Nigerian Board not apparently keen to sell even at £69 c.i.f., although a few parcels could be had for £67 1/2. American oils were generally unchanged reflecting the North American holiday. Castor oil rates were mostly repeated in quiet trading, a shade more was wanted for castorseed, but buyers were not inclined to follow the rise.

Relapse in Rubber

Trading was slow during the greater part of the past week ended 30th August. Renewed anxieties over the Suez situation stimulated trade and professional buying movement at the start of the period, and a rallying movement was strengthened by a covering of near shipment positions of No. 1 R.S.S. Demand was not sustained, however, and in the ensuing dullness, prices sagged. An easier view of the Suez crisis and Colonel Nasser's readiness to discuss with the Menzies mission contributed to the general dullness. Final values were about 1d a lb lower on the week. Buyers of sole crepe showed only occasional interest, but the few offers that were available commanded full recent values on the basis of 44d a lb for 1/2 inch No. 1 on the spot.

Improved Raw Jute Rates in Dundee

Reports received in Dundee state that Indian jute mills have recently been buying raw jute fairly freely against orders for goods. This is probably the reason for the recent improvement of jute values in Dundee, according to trade sources. The advance in prices is bringing out more business at all production centres. Producers are all better employed than they were and the trade is gradually recovering from the prolonged dull spell. In particular, trade sources say, Indian jute mills are in a position to insist upon the payment of higher prices for their cloth and bags. This month, their production will be curtailed by about 5,500 tons of goods a month by the sealing up of 5 percent of their looms which should bring their output more into line with the present-day consumption. Trade sources believe that the new rate of production in India will be just about sufficient to meet the world's demand for Indian made goods and may even result in reduction in stocks.

Blue Funnel Line

Vessels of the Blue Funnel Line trading with Far Eastern and Indonesian ports are not being re-routed via the Cape but are continuing to use the Suez Canal route. As a matter of routine, ships are taking on sufficient bunkers to allow of diversion at any stage should this become necessary. Australian ports are being served via the Cape, because of the saving in time, only of a few days, is not of great importance to costs.

Banking Adviser to Nepal

Mr. F. W. Gray is going to Nepal early in October to advise the Government on the development of banking practices in the country and on ways and means for developing commercial banking. Mr. Gray will stay in Nepal for one year. He will also advise the Government on specific problems arising out of the initial operations of the State Bank of Nepal and on problems relating to exchange stabilisation. He will be attached to the Ministry of Finance. Mr. Gray took his Tripos from the University of Cambridge in 1920 and has had experience in banking in England, China and the United States. He was Assistant Secretary of the Institute of Bankers, England (1921-1929); Economic and Financial Adviser, Bank of China, Shanghai (1930-1938); Co-Agent and Sub-Manager, Bank of China, London (1938-1949) and Treasurer, International Monetary Fund, Washington, D.C. (1950-1953).

New Delhi

GOVERNMENT DECIDES TO ESTABLISH COAL COUNCIL

REVIEWS AND STUDIES OF PLANS FOR INDUSTRY TO BE PREPARED

(FROM OUR NEW DELHI CORRESPONDENT)

THE Government of India has decided to set up a high-powered body, known as the Coal Council of India, whose main purpose it will be to have reviews and studies conducted under its overall supervision and guidance, for planning the development, utilisation and conservation of the country's coal resources. It will be necessary for the Council to consider whether other problems relating to coal should be brought under its review and study, and if so, what they should be.

The Council is composed of the following: The Minister of Production, Government of India, is chairman. The Deputy Minister of Production, Dr. J. C. Ghose. Member, Planning Commission, Mr. B. Mitter. Mr. J. N. Mookherji, Mr. Narendra Singh, Member, Railway Board (Transportation), the Director of Scientific and Industrial Research, the Coal Controller, the Chief Executive Officer, Lignite Project, Madras, the Secretary, Ministry of Finance (Expenditure), the Secretary, Ministry of Iron and Steel, the Secretary, Ministry of Irrigation and Power, the Secretary, Ministry of Natural Resources and Scientific Research, and the Secretary, Ministry of Production, are members.

The scope of the Council's activities will cover:

(1) Problems of Resources: assessment (quality and quantity); (a) exploration (geological); (b) assessment (physical and chemical surveys); (c) coking coal; (d) non-coking coal; (e) production (problems of mining, better mining, stowing, consolidation, conservation methods, etc.); and (f) transport.

(2) Demands: phasing of: (a) industry-wise; (b) for 5, 10, 15 and 20 years; trends; perspective planning.

(3) Metallurgical requirements: (a) requirements; (b) quality; (c) supply problems; (d) processes; (e) substitution; (f) economics; and (g) conservation, including pegging, stowing, beneficiation, blending.

(4) Transport requirements: (a) solid fuels; (b) liquid fuels; (c) electricity; (d) economics (in relation to resources) of a, b and c; and (e) transport.

(5) Power requirements: (a) for traction; (b) for metallurgy; (c) for industries; (d) for agriculture; (e) for domestic purposes; (f) methods of generation; (g) transmission; (h) location; and (i) economics and efficiency.

(6) Other industrial requirements: (a) classification; (b) sources and location; (c) supply; (d) quality; (e) processes; and (f) substitution.

(7) Domestic requirements: (a) requirements; (b) methods and processes; (c) economics; (d) phasing; and (e) transport.

(8) Coal-based chemical industries: (a) fertilisers; (b) heavy chemicals; (c) liquid fuels and hydrocarbons; (d) fine chemicals, drugs, dyestuffs; and (e) other uses.

(9) Organisation: (a) ownership and transfer of rights (time targets and sectors); (b) planning organisation: (i) production, (ii) preparation, (iii) distribution, and (iv) price structure; (c) economics; (d) dynamic (perspective) planning: (i) targets, (ii) methods, (iii) resources (human, financial and technological).

Indo-U.S. Agricultural Pact

An agreement between the Government of the U.S.A. and the Government of India for the import of surplus agricultural commodities under Title I of the Agricultural Trade Development and Assistance Act, U.S. Public Law 480, was signed last week. Inclusive of the provision made for payment of half the shipping costs, the agreement provides for a sum of \$360 million, equal to approximately Rs. 172 crores, for the supply by the United States of agricultural commodities to India during the next three years. It is proposed under this agreement to buy wheat for \$200 million, rice for \$26 million, cotton for \$70 million, tobacco for \$6 million and dairy products for \$35 million. At the present export market prices, the amounts provided are expected to cover the purchase of approximately 3.5 million metric tons of wheat, 200,000 metric tons of rice, 500,000 bales (480 lbs. each) of cotton, and 6 million lbs. of tobacco. The bulk of the dairy products is expected to be in the form of powdered skimmed milk. While these commodities are being purchased by India at export prices, the book value of the quantities indicated, for the U.S. Commodity Credit Corporation, will be about \$550 million. India will, however, not be restricted to buying from stored surplus stocks, and may, if she finds it to her advantage, buy her requirements in the open market.

All the rice will be shipped before 30th June, 1957, while other commodities like wheat and cotton will be imported by India according to a phased programme, taking into account the availability of shipping from the U.S.A., and storage facilities in India, etc.

U.S. Credit Account

The Government of India will credit a U.S. Government account in India with the equivalent of

the dollars paid for the purchase from time to time of surplus agricultural commodities in the U.S.A. The rupees so credited will be utilised in three ways. A total sum of Rs. 111.4 crores will be lent to the Government of India for economic development. The loan will be on a long-term basis and detailed terms of repayment will be settled in due course. Out of this, some Rs. 26 crores will be used for loans to private enterprise. A sum of Rs. 25.7 crores will be granted to the Government of India for expenditure on economic development projects. Thus a total of 80 percent of the sale proceeds will be available to the Government of India for meeting the rupee cost of projects included in the second five year plan. The U.S.A. will be free to devote the balance of approximately Rs. 34.3 crores to various uses in India such as (a) to help develop new markets for U.S. agricultural commodities on a mutually beneficial basis; (b) for the financing of international educational exchange activities; and (c) for paying U.S. obligations in India such as U.S. Embassy expenditure, etc.

The agreement is the biggest single transaction entered into by the U.S.A. with any country under the Public Law 480 Programme. It is also the biggest single agreement so far between India and the United States, the largest transaction previously being the wheat loan of 1951, which provided \$190 million. Shipments under this agreement will be over and above the normal Indian imports from all countries of rice, wheat and cotton. To the extent that imports over and above the normal imports will have been necessary, the agreement will result in considerable saving in foreign exchange, on which recently there has been a heavy drain. The import of agricultural commodities will enable India not only to make available increased quantities of foodgrains for domestic consumption, but also to build up reserve stocks against temporary shortages on account of famine or floods. With the availability of such large stocks at its disposal, which could be released at strategic points, the Government's ability to control foodgrain prices over the entire range, and generally to counter all anti-social activities, will be greatly increased.

Jet Planes for A.I.I.

The Government of India's decision to purchase three jet aeroplanes for the passenger services of Air-India International has already been reported in these columns. This is one case which illustrates the Planning Commission's making provisions in the second plan without matching them with financial resources. The plan says: "For Air-India International, the programme provides for the purchase of a few turbo-prop or jet aircraft both for meeting increased demand on the existing services and for providing additional services." The Planning Commission has provided Rs. 15.34 crores for the purchase of aircraft, Rs. 5.34 crores of which is allocated for the purchase of aircraft by the Indian Airlines Corporation. Of the remaining Rs. 10 crores, orders for aircraft costing about Rs. 2 crores have already been placed with the manufacturers. The three jet aircraft will cost roughly Rs. 12 crores, or Rs. 4.75 crores more than has actually been provided by the Commission.

On aerodromes, the plan says: "Works estimated to cost about Rs. 18 crores are expected to be started during the second plan, the provision in the plan being about Rs. 12.5 crores. The programme aims at meeting the new demands which have arisen from recent technical advances and from India's obligations under the convention on international civil aviation to provide facilities at aerodromes in conformity with the standards laid down by the convention. The programme for civil aviation includes works at aerodromes (Rs. 8.3 crores), telecommunications equipment (Rs. 2.9 crores), and air routes and aerodrome equipment (Rs. 70 lakhs). It is expected that eight new aerodromes and "gliderdromes" will be constructed during the second plan period. The programme of works at aerodromes includes construction of runways, taxi tracks, aprons and hangars."

This very impressive picture, however, does not indicate whether all or any of the three international airports of Calcutta, Bombay and Delhi will be developed for the jet aeroplanes which may be put in service. According to the Planning Commission, these airports are still below the standards laid down by the international convention for civil aviation. Money has been allotted to make up this deficiency rather than to develop them to meet the requirements of jet aircraft. Enquiries show that discussions are still in progress to determine the number—one, two or three—of aerodromes which should be so developed. These discussions concern the availability of money and the relative usefulness and cost of developing each airport. A larger allocation than has already been made in the plan will be required if these aerodromes are to become serviceable for jet aircraft.

Other Demands for More Money

Bigger allocations are also demanded for the coal plan, for oil exploration, for participation in oil companies with Assam Oil and Standard

Vacuum, and for stepping up the production of fertilisers to meet the higher targets of agricultural output. An increase in the allotment for the railways will also become necessary with higher agricultural targets. These difficulties have arisen because of the unrealistic approach of the Planning Commission. It knew that even the target of expenditure amounting to Rs. 4,800 crores for the public sector left an uncovered gap of Rs. 400 crores after taking into account all possible sources of revenue, including deficit financing amounting to Rs. 1,200 crores. For these reasons, presumably, it would not and did not increase the plan outlay, although it entertained and even accepted schemes the net effect of which was to enhance the total outlay by Rs. 1,000 crores, if not more. What did the Commission then do? On the one side, it kept up the façade of the people's plan, which highlighted the employment aspect of development. On the other, it applied an arbitrary and *ad hoc* cut to State and Central plans in order to keep within the total outlay of Rs. 4,800 crores. At the same time, Mr. V. T. Krishnamachari propounded a formula. He claimed that the plan could be implemented in full if the target for agricultural production was raised from 15 percent to 40 percent. He claimed further that this could be done without allotting additional funds. The increased agricultural production, he added, would lower the price level by 20 percent, which presumably would reduce the plan outlay by 20 percent also.

It is interesting to note that Professor W. A. Lewis in 1954 suggested in a leading article in *Capital's* annual number three objectives for the India of 1980:

- 45 percent more food produced at home;
- Ten million tons of steel, with an engineering industry of corresponding size; and
- seven percent of the world trade in manufacture.

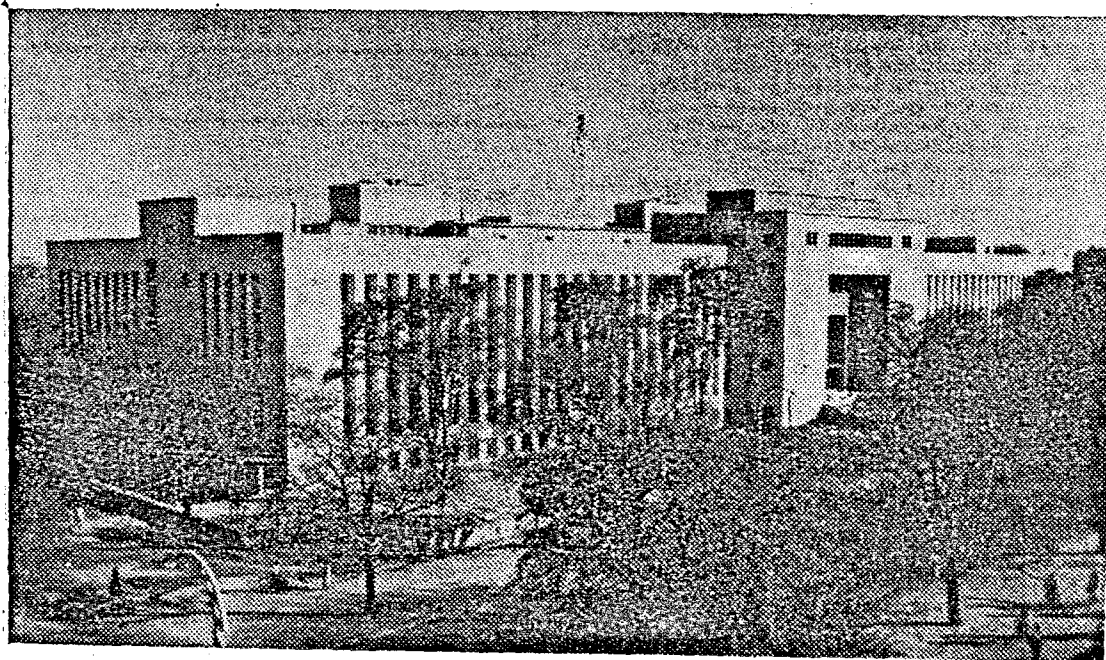
This is, however, by the way. The issue is no longer of merely academic interest. It has come to the forefront. On the one hand, the ministries whose demands have not only been accepted but on the basis of which the Planning Commission has had a considerable boost-up, are asking the Government to allocate funds to meet their obligations. Air India International, for example, has already been given the green signal to go ahead with the purchase of three jet aircraft, thereby increasing the plan outlay by Rs. 4.75 crores. As a natural corollary, financial provisions will have to be made to develop at least one aerodrome to operate these aircraft. On the other hand, inflation has already appeared, and at least one Minister, Mr. Ajit Prasad Jain, has openly admitted that the rise in prices is largely due to deficit financing. Apart from this, the prices of coal, cement and steel have been raised during the past 12 months, thereby raising the ultimate cost of the plan as well. These are indications that in an election year additional taxation will have to be avoided. But in spite of a large number of committees and commissions, no attempt has been or is being made to cut expenditure.

The administration's viewpoint in this connection is that the Government should revise the second plan by reallocating priorities, thereby reducing its size. In other words, the Planning Commission should announce its 1956-57 and 1957-58 plans on a yearly basis. The Planning Commission, meanwhile, is wrestling with State Governments in an attempt to persuade them to increase the targets of agricultural production to 40 percent without any increase in the financial allotment. The Government of the Uttar Pradesh, which met the Planning Commission on 31st August, according to reports, stood up against Mr. V. T. Krishnamachari's formula. It demanded more money to increase agricultural production. These conferences with State representatives will continue till 12th October.

The basis of discussion is a letter, in the course of which the Planning Commission says: "At the conference of Ministers of Agriculture held in Mussoorie at the end of June 1956, certain proposals were made for additional financial allocations. In this connection, attention is invited to paragraph 7 of the Planning Commission's letter dated 5th June, 1956, which stated: 'For carrying out these suggestions and obtaining higher targets, there will be need for reviewing the internal distribution of resources allotted for agricultural programmes. To the extent necessary, some addition to the resources available under the plan may have to be considered. As stated earlier, in some cases, e.g., the seed multiplication farm scheme, it might be necessary and desirable to accelerate the programme and complete it in the first three years instead of phasing it over the five year period. State Governments may examine these various proposals and take appropriate action within the framework of the plan. Schemes which cannot be provided for within the plan should be reported separately for further consideration.' It is contemplated that specific proposals for the provision of additional resources should be considered, in consultation with each State, with reference to the detailed programmes which are formulated."

State Loans to Industrialists

The U.P. Government has created a fresh problem for the Planning Commission. Content 3 that U.P. is industrially backward, it has formulated plans to promote the industrialisation of the State. For this purpose, it proposes to divert over Rs. 1 crore from agriculture to industry. It has also succeeded in alluring to itself certain industries which were originally planned for location in Bihar and West Bengal. According to New Delhi



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reports, the U.P. Government has already promised financial assistance to the following:

Name of Firm	Amount	Purpose.
Sahu Jain,	Rs. 145 lakhs	For setting up a soda ash-cum-ammonium chloride factory, originally planned in Bihar.
J. K. Cotton and Spinning Co.	Rs. 90 lakhs	For setting up a rayon filament factory.
Lakshmiratan Engineering Co.	Rs. 50 lakhs	For setting up a plant to manufacture textile machinery.
Saraya Sugar Factory	Rs. 10 lakhs	For construction of a tramway.
Nawabgunj Sugar Mills	Rs. 8 lakhs	For shifting its idle plant to Hardwagunj.
Vibhuti Glass Works	Rs. 5 lakhs	For working capital.
Mass Products, India, Ltd.	Rs. 1.5 lakhs	For working capital.
General Electric Co.	Rs. 50 lakhs	For setting up a medium plant for the manufacture of switch-gear etc. Originally licenced for West Bengal.
Bist Industrial Corporation	Rs. 40 lakhs	For a sugar factory in Nainital.
Name of Project	Amount involved.	
The following projects are being examined:		
Craft paper	Rs. 10 lakhs.	
Aluminium plant	Rs. 150 lakhs.	
Cement factory	Rs. 100 lakhs.	
Wagon manufacture	Rs. 50 lakhs.	
Rayon yarn manufacture	Rs. 100 lakhs.	

Fundamental Issues

Some fundamental issues are raised. Firstly, the capital structure of an undertaking is controlled by the Central Government through powers vested in it by Parliament under the Capital Issues Control Act. This Act makes the grant of these loans illegal. Secondly, the Central Government has created financing institutions, such as the Industrial Finance Corporation, State Finance Corporations and the I.C.I.C., but they seem to be considered superfluous by the U.P. Government when it advances loans at 5 percent interest, as against 6½ percent charged by the Industrial Finance Corporations. Thirdly, the U.P. Government, by granting loans, has offended the industrial policy statement, which lays down that State assistance to the private sector should be in the form of participation in the equity capital. Apart from this, the whole move reverses the policy enunciated by the Planning Commission on industrialisation and weakens Central control over basic industries. It might start a race between various States to offer bigger and bigger inducements to industrialists so as to make them repudiate their commitments to one State in favour of another. The richer States would win if such a practice is permitted.

The dominance of U.P. in the Union Cabinet is already resented, particularly in the south. Speaking in the Lok Sabha on 31st August, Mr. N. Sreekantan Nair characterised the Central Government's industrialisation policy as "discriminatory", stating that of the Rs. 1,069 crores allotted for the development of industries in the second plan, "not a pie" had been allotted to Travancore-Cochin. "If this kind of discrimination is maintained, the propensity to disintegrate and to secede from the Indian Union will gather momentum."

It is natural for the Deputy Chairman of the Planning Commission, Mr. V. T. Krishnamachari, to take strong exception to the policy of the U.P. Government. It is explained in this connection that all the tests for the consumption of ammonium chloride were conducted in Bihar. It was in pursuance of the Government of India's policy that the Bihar Government refused a loan to Sahu Jain Ltd. Regardless of consequences, it is feared in the lobbies that Uttar Pradesh is still likely to have its way.

Shipping Development Programme

Shipping was once again in the limelight in Parliament. The Production Minister, Mr. K. C. Reddy, made a comprehensive statement on the ship-building industry in India. He said: "The main development programme connected with ship-building in general, including the expansion of the Hindustan Shipyard, are as follows: (1) the expansion of the existing Shipyard in Vizagapatam; (2) the construction of a dry dock in Vizagapatam; (3) the establishment of a second shipyard; and (4) the establishment of a marine diesel engine manufacturing unit.

"Expansion of Vizag Shipyard: "For expanding and improving the shipyard in Vizag, the Government had sanctioned a development programme costing Rs. 1.96 crores out of which Rs. 1.4 crores were spent during the first plan period. In the second plan, besides the provision for the spill-over of Rs. 56 lakhs from the first plan allocation, a further sum of Rs. 1 crore has been allotted for the second phase of development. The shipyard authorities have taken in hand the implementation of the development programme which includes the construction of additional berths, prefabrication workshop, office buildings, quarters and the installation of additional equipment. These are in various stages of planning and construction. Pro-

gress in this respect has not been as good as one would desire due mainly to the acute shortage of steel structural. Efforts are being made to procure these locally, as well as to arrange for imports from abroad, so that the targets laid down may be achieved. With the implementation of the development programme, the ship-building capacity of the yard will be doubled.

"Dry Dock Project: A sum of Rs. 2.14 crores has been allotted for this project in the second plan. A detailed project report has been prepared by Messrs. Rendal, Palmer and Tritton, the technical consultants, on the basis of which the construction of the dry dock will be taken up. The shipyard authorities have, in the meanwhile, taken in hand preliminary arrangements for the stockpiling of necessary materials so that the progress of work should not suffer on this score. The recommendations of the consultants on the design and dimensions of the dry dock have been accepted. The dry dock, when completed, will form an important and useful adjunct to the shipyard. Ships built in Vizagapatam now have to go to Calcutta or Colombo for dry-docking before delivery, involving an additional expenditure of Rs. 45,000 a ship. The dry dock will enable the shipyard to take up remunerative ship repair work, resulting in reduction of its overheads. The dimensions of the dock have been fixed so as to allow the largest of our naval vessels utilising it.

"Establishment of a Second Shipyard: During the second plan period, all preparatory action necessary for the establishment of a second shipyard in the country will be taken. The main difficulty in the establishment of the second shipyard is the paucity of trained personnel for manning the yard. The first priority, therefore, has to be given to building up a nucleus of trained workers. With this end in view, a sum of Rs. 75 lakhs has been allotted in the second plan for implementing a training scheme. It has been decided that the present shipyard offers the best facilities as a training ground. A training scheme which envisages the training of batches of 100 workers at a time over a period of 18 months has been drawn up. With the implementation of this scheme, about 500 technical personnel will be made available as a nucleus for manning the second shipyard when it is established, by the end of the second plan period.

"Meanwhile it has been decided that along with the training scheme steps should be taken for selecting the necessary technical consultants to assist in the establishment of the second shipyard. With this end in view, Indian embassies in countries which have a reputation for ship-building are being addressed to recommend the names of a few ship-building firms who would be interested in and capable of assisting in this matter. These firms will be required to submit their preliminary proposals from among whom one firm would be selected as the consultants. The selected firm of consultants would be required to go round all the possible sites and to submit its recommendations as to the most suitable place for siting the second shipyard together with a detailed project report. The manner in which this can best be achieved is under consideration.

"Marine Diesel Engine Manufacturing Unit: At present propelling machinery and important accessories for Indian-built ships have to be imported. In view of the desirability of becoming self-sufficient in this respect, the question of developing the necessary capacity for the manufacture of marine engines indigenously has been engaging the attention of the Government. Negotiations with three to four foreign firms of repute are in progress with a view to selecting one of them to collaborate technically in the setting up of a unit for the manufacture of marine diesel engines. A proposal to establish an inter-Ministerial committee to assist in the selection of the technical consultants and then guide the work of establishing the above factory is under consideration. Although the Planning Commission has not made any specific provision for this purpose in the second plan, it has agreed to this project being undertaken during this period. It has given the assurance that as soon as the scheme is sanctioned, it will be ready to make available the requisite funds for this purpose."

Government Aid to Shipping

The Deputy Minister for Transport, Mr. O. V. Algesan, made a statement indicating the steps the Government has taken or proposed to take to assist the shipping industry. He said that the Indian shipping companies had from time to time asked for various forms of assistance from the Government for the development of Indian shipping. Their suggestions had been discussed at the meetings of the Consultative Committee of Ship-owners, which were held every year under the chairmanship of the Minister for Transport. The following measures have been taken or are proposed to be taken to assist Indian shipping companies in the further expansion of their overseas trade, acquisition of tankers, etc.: (1) It is proposed to continue loan assistance to Indian shipping companies for the acquisition of tonnage. The necessary financial provision has been made in the second five year plan for this purpose. (2) It is proposed to continue to grant construction subsidy to Indian shipping companies on orders placed with the Hindustan Shipyard Limited, Vizagapatam. (3) The management of the Eastern Shipping Corporation Limited, Bombay, has been taken over by the Government from the Scindia Steam Navigation Company. The concern will be managed

with the assistance of a board of directors wholly nominated by the Government. Additional funds will also be invested by the Government in the Corporation for the expansion of tonnage, including tankers. (4) A new shipping concern, namely the Western Shipping Corporation (Private) Limited, has been set up entirely in the public sector for running shipping services on the India-Persian Gulf, the India-Red Sea and India-Poland services. This Company will have an authorised capital of Rs. 10 crores, the whole of which will be invested by the Government. (5) It is proposed to continue to give the necessary assistance and preference to Indian shipping companies, as at present, in the allotment of Government-owned and controlled cargoes.

The Deputy Minister stated that the following were the suggestions which the Indian shipping companies had made and the concessions which they had asked for: (a) exemption from customs duty and sales tax on ships stores, bunkers, etc.; (b) exemption from tax of the sale proceeds of vessels when ploughed back into the industry; (c) exemption from Section 49-D of the Income-Tax Act; (d) operation subsidy on losing services such as the India-Persian Gulf trade, passenger services in the India-Burma trade, etc.; and (e) the liberalisation of loan terms.

Mr. Alagesan added that the provision of Rs. 45 crores included a carry-over of about Rs. 8 crores from the first plan to meet the commitments entered into during that period. Thus a sum of Rs. 37 crores only will be available for the additional expansion programme relating to the second plan period. The provision might not be adequate for the purpose. It is, however, the intention to review the position from time to time with a view to securing additional funds that may be required. Indian shipping companies have already placed some building orders for ships in foreign yards as well as in the Hindustan Shipyard Limited, Vizagapatam. It is expected that they may be able to place orders for some more ships in foreign yards where some spare capacity may still be available. It is also likely that the companies will go in for some suitable second-hand ships when the market conditions are favourable.

Modernisation of Jute Mills

The Minister for Consumer Industries, Mr. Nityananda Kanungo, said in the Lok Sabha that 64 jute mills had so far modernised their machinery and equipment, partly or fully. The number, he added, included those which were in the process of modernisation. The Minister said that it was expected that a sum of Rs. 15 crores to Rs. 20 crores would be spent by the industry during the second five year plan on modernisation, provided the present pace of progress was maintained. Speaking on the extent to which modernisation had been able to lower the cost of production and improve the quality of the products, the Minister said that precise information was not available because the actual savings in costs and the improvement in the quality of products varied from mill to mill. However, the output of a modern spinning frame was reported to be about 25 percent higher.

New Cotton Spinning Mills

Licences have been issued for the establishment of six new cotton spinning mills in the Punjab and one in P.E.P.S.U. Of the six mills in the Punjab, which will have a total of 121,000 spindles, two will be in Ludhiana and one each in Hissar, Khanna, Kaithal and Abhor. The mill in P.E.P.S.U., which will have 24,000 spindles, will be located in Bhatinda.

Special Optical Glasses

The Minister for Production, Mr. K. C. Reddy, told Rajya Sabha that negotiations were still going on with foreign producers for the establishment of a factory in the country to manufacture special types of optical glass. Offers have so far been received from two firms and they are under examination.

Integration of Banks

The Government of India has deferred its decision on the integration of the Bank of Bikaner, the Bank of Jaipur and the Bank of Rajasthan with the State Bank of India as recommended in the All-India Rural Credit Survey Report, because the integration of these banks raises a number of difficult questions. By legislation, now before Parliament, the Bank of Hyderabad is being taken over by the Reserve Bank of India.

Construction Corporation

The Government of India has approved in principle the proposal to form a national construction corporation, it is learned. The details of the scheme, namely, the articles of association and the memorandum of association of the proposed corporation, are under preparation.

Purchase of Chinese Rice

A deal, it is understood, has been concluded in Peking under which India will purchase 60,000 tons of Chinese rice. This will be paid for in Indian currency, which, it is reported, China will use of purchase of Indian goods. In a written reply to a question in the Lok Sabha, the Food and Agriculture Minister, Mr. A. P. Jain stated that the total quantity of rice imported this year up to 15th August, 1956, was 25,300 tons from Burma only. About 420,000 tons of rice was expected in the remaining part of the year. Out of this, 260,000 tons were expected from Burma, 60,000 tons from China and 100,000 tons from the U.S.A.

London

NOTE OF HESITANCY IN THE ECONOMIC OUTLOOK

LITTLE IMPROVEMENT IN OUTPUT OVER PAST HALF-YEAR

(FROM OUR LONDON CORRESPONDENT)

THERE has been little enough during the past week to give the City much encouragement to take an optimistic view of the economic outlook in the immediate future. It continues, therefore, to adopt a "wait and see" attitude. Industrial output in July showed no appreciable change on its level a year ago. The Central Statistical Office puts its seasonally adjusted index (1948=100) for that month at 135-136 against 136 in July, 1955. The new seasonally adjusted series, "designed to make the trend of production more readily discernible," has been virtually unchanged for six months. In the same months last year it rose from 134 to 136. Holidays affected July output, but the average index for the first seven months of this year works out at no more than 137, compared with 136 for the corresponding period of 1955—and we must do better than that.

So far as the Suez canal situation is concerned there are still high hopes for a satisfactory solution of the problem, and that is responsible for hesitancy rather than any despondency. The same, however, cannot be said of the labour outlook in this country. The British Transport Commission has virtually told the three railway unions that it will reject all major wage claims made this year, without however actually dissuading them from continuing to press their claims. The shipyards are threatened with further production hold-ups either by bans on overtime or even full strike action: and it seems most unlikely, if the labour press and some of the more vocal union leaders are any guide, that the Trades Union Congress, when it discusses the economic situation at its annual conference this week, will give any indication that wage restraint is desirable.

Mr. Macmillan's Appeal

The importance at this stage of a sane lead from the T.U.C. cannot be overemphasised. Indeed, the Chancellor of the Exchequer, appreciating this, took the unprecedented step last week of calling a special Press conference of industrial correspondents with the express purpose of issuing a fresh reminder to the nation "that we live and work very near the margin of safety," but his remarks were addressed in the first place to the trade unions, and their main message was "Another round of wage increases unaccompanied by corresponding increases in production is bound to cripple our prospects. This time we shall all suffer." Later, answering a question about the possibility of industrial strife if wage increases are not granted, Mr. Macmillan said that there might be trouble of that kind and trouble of another sort as well. "If everybody's wages and salaries were doubled to-morrow no one would be much better off. 'I suppose,' said Mr. Macmillan in his context, 'we should devalue the pound and all that sort of thing.' Mr. Macmillan said he was not trying to threaten the T.U.C. but to put before it what it might usefully consider. This was that foreign competition had now increased and that it was no longer possible for Britain to "get away with it." He said that there must, of course, be "adjustments of wages". On the other hand, he insisted that inflation helped no one.

As regards the unions' contention that profits and dividends must be curtailed if wages were to be stabilised, Mr. Macmillan said, after correcting some misunderstandings on the subject: "Now I am not saying that restraint in dividends and profits does not matter. It does. Dividends economically, are small: psychologically they count. If restraint is needed it must apply to everyone. If the production of goods and services has not increased there is no more justification for higher profits than there is for higher wages. Those companies who have shown restraint in their dividend declarations have—and I say this emphatically—done the right thing by their country. In present circumstances I would like to see profit margins cut." Mr. Macmillan's main argument against wage increases was familiar, and has been published before. British earnings have been rising twice as fast as British output a man hour. Earnings in countries like Germany and America have risen also, but so has output. "As a community we have insisted on increasing our money incomes far more than we have been able to increase our output of goods." The consequences of another round of wage increases could be crippling. Some moderate labour leaders privately agree with the Chancellor's interpretation, but his warnings unfortunately are not expected to cut much ice with the majority of unions, who are already forming a new pay queue.

Changes of Employment

One of the purposes behind the Government's credit squeeze measures was to divert labour from industries catering to home demands to those serving export markets. The Ministry of Labour Gazette for August gives an indication of what has so far been achieved by publishing details of changes in employment up to June. The figures, in point of fact, are quite disturbing if it were not for the fact that we know that exports in the particular spheres concerned are in fact increasing, though not perhaps quite as much as might be desirable for balance of payments needs. Five

major groups of industries have lost workers—metal manufacture, engineering, metal goods and precision instruments, vehicle manufacturers, textiles, and clothing. Six groups of industries have been recruiting labour to an important extent—transport; agriculture; food, drink and tobacco; building; the distributive trades; and "professional, financial and miscellaneous services." The Board of Trade considers that Britain's four most important exporting industries are engineering, vehicles, textiles and chemicals. The first three have been losing manpower steadily since February, but it does not follow that the exporting sections of those industries have necessarily been dwindling, although the industries as a whole seem to have been losing workers.

The Ministry of Labour's figures show that the engineering industry has lost 34,000 workers since February, the vehicle-building industry 21,000 (9,000 in June) and the textile industry 25,000. The chemical industry has been more or less stable. The Ministry's figures show that 25,690 were unemployed in the motor industry at the end of June, although 321,300 were still employed. In textiles, 15,457 were unemployed, and 922,300 were at work. The regional analysis shows that the Midlands are suffering more than any other part of the country from unemployment, with 40,548 persons out of work on 16th July, an increase of nearly 15,000 in a month. On the same date, 35,772 were out of work in the North-west a third of them in Liverpool.

Indian Tea Report

The situation in Mincing Lane, which might have been expected to be affected by the Suez Canal situation does not really show a great deal of change on balance. The outstanding feature of recent auctions has undoubtedly been the exceptionally wide gap which is apparent between the prices of high-grade and other teas. Plain varieties are still fetching no more than 3s. a pound, but the better qualities are fetching prices as high

as 12s. a pound. With ordinary qualities so cheap, blenders are prepared to pay high premiums for their marginal requirements. On the other hand, the City, and tea circles in particular, are not at all happy about the report of the Indian Parliamentary Committee of Inquiry into the tea industry. Its view, as expressed by spokesmen to Press representatives, is that this is "just another pinprick." The committee's demand for control of "bonus" issues made on revaluation of assets is regarded as singularly misguided. It is a well-established fact that capitalisations of reserves do nothing in themselves to increase shareholders' prosperity. Exception is also taken to the claim that "limitation of dividends by half" would have enabled most companies to increase their internal resources by 25 percent. This calculation appears to have taken into account only last year's exceptionally high distributions. Common fairness would suggest that the average of good and bad years should be taken. The recommendation for a cut in managing agents' remuneration continues the long story of hostility to the managing agency system, but it is admitted that there is some reason to think that estates could reduce their expenses if they did not have to pay commission for the services rendered by such agents.

Brevities

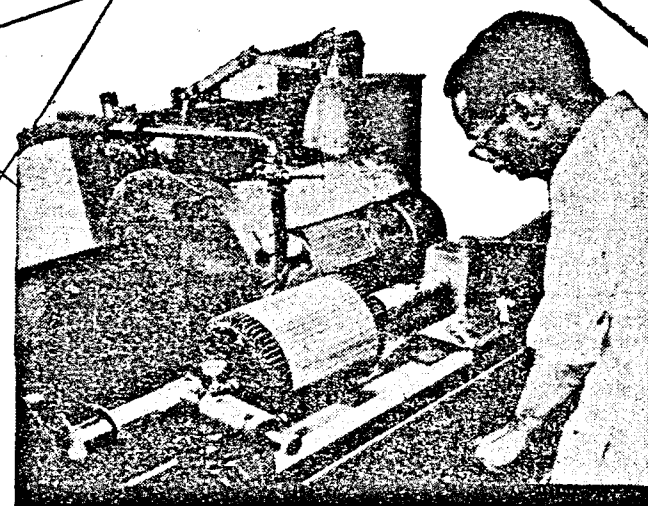
The Indian Airlines Corporation, with five Vickers Viscounts already on order, has just placed an order for five more.

The London Stock Exchange has just ruled that no accumulated interest bond can be dealt in ex dividend until the actual ex-div. date. This move to prevent purchases and sales for the quick profit of the dividend—a tax avoidance move—will considerably narrow the market in short bonds.

A prospective purchaser has approached the board of Derby Tea. If a formal offer materialises, the directors will advise members whether acceptance would be more beneficial than a liquidation.



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Uttar Pradesh

THE PROBLEM OF EDUCATED UNEMPLOYMENT

U. P. CHIEF MINISTER'S CRITICISM OF PLANNING COMMISSION

(FROM OUR LUCKNOW CORRESPONDENT)

ADDRESSING a meeting of the State Planning Board early this week, the Chief Minister, Dr. Sampurnanand, made a vigorous criticism of certain aspects of the Centre's financial policy. He also criticised the Planning Commission's proposals for solving the State's educated unemployment problem. The Planning Commission team, which investigated the extent of educated unemployment in Uttar Pradesh, has placed the figure at between 95,000 and 1 lakh. This, in Dr. Sampurnanand's view is wrong because the team took into account only those who were matriculates or had higher academic qualifications and excluded all those who had passed "Prathama", "Shastri" and other examinations from the unemployed category.

The Planning Commission has suggested three types of schemes for solving the problem of educated unemployment. These are: (1) the starting of orientation schemes, (2) the setting up of co-operative goods transport services and, (3) the establishment of pilot projects in small industries. Dr. Sampurnanand dismissed the first scheme as useless because he felt that the educated unemployed going through the orientation camps would in no way be more employed or be better suited for employment on passing through the camps. He said that the scheme amounted almost to the giving of doles and would directly result in widespread demoralisation. He did not think that the second scheme for setting up goods transport services on a co-operative basis was practicable, but he was wholly in favour of giving it a fair trial to pilot projects in small industries.

The Chief Minister felt that the nationalisation of life insurance has brought about the disappearance of the main class of subscribers to State loans. He also criticised the failure of the Central Government experts to "provide for items which could not be foreseen, but which were within the possibility of occurrence" as one of the shortcomings of the plan. The State Planning Board passed a resolution, moved by the Planning Minister, Mr. C. B. Gupta, urging the Central Government that "the position of material resources should be examined by the Planning Commission and adequate allotment of these material resources consistent with the difficulties and needs of this State should be made, as without these the implementation of the plan is hardly possible." This complaint of unfair treatment recurring unfailingly in the statements of U.P. Government spokesmen does not, however, seem fully justified. The second plan outlay for Bombay shows an increase of Rs. 80 crores over the first plan, for Madras an increase of Rs. 75 crores and for U.P. Rs. 87 crores. For mining and industry, the allocation for U.P. is Rs. 16.43 crores, compared with Rs. 9.47 crores for West Bengal, Rs. 15.2 for Madras, Rs. 9 crores for Bombay and Rs. 1.8 for Bihar. A comparison of the allocations under various other heads also shows that there is not much demonstrable basis for the grievance. Under "Miscellaneous" and "Other" heads, U.P., in fact, tops the list.

Gur Industry's Problems

Gur and khandasari manufacturers from 16 States met in conference in Lucknow this week to discuss the problems facing this important cottage industry. The conference was of special importance to U.P. which produces annually more than half the total of the country's gur and khandasari output worth over Rs. 80 crores. The gur and khandasari industry consumes about 58 percent of the sugarcane grown in the country and provides employment to 2,100,000 people on a seasonal and to 70,000

people on a whole-time basis in the rural areas. At present, the gur and khandasari manufacturers follow extremely wasteful methods, and it was claimed at the conference that if the improvements suggested by the Khadi and Village Industries Board could be effected it would raise the income of the gur manufacturers by Rs. 54 crores a year. Improved types of *kolhus* would increase the output and also result in better quality. The Board has suggested the raising of the general level of gur prices, but if this is done without regard to sugar prices or the consumer tastes, it may lead to the point of diminishing returns. The food content of molasses is the highest; next comes gur. Both are sold cheap, but the middle classes do not like to consume them, because they are not marketed in attractive form.

Octroi Duty Rate

The rate of octroi duty levied by municipalities in the State on goods entering their jurisdictions will be reduced, to the relief of consumers, if they adopt the non-refundable system of levy devised by the U.P. Government. The Minister for Local Self-Government, Syed Ali Zaheer, told a Press conference that the system would be tried in Meerut to start with, and be slowly extended to other municipalities. Under the new scheme, goods meant for temporary detention will be kept in warehouses and godowns made available to dealers by the municipality. A small rent will be charged for this facility, but this, according to the Minister, is different from the levy of an octroi duty. If an importer wishes to take out his goods for immediate export, it will be governed by the transit pass rules and treated accordingly. The Taxation Enquiry Commission has recommended that octroi should ordinarily be levied on the basis of weight and not *ad valorem* since it causes delay and harassment. The entire schedule of rates prescribed for the Meerut Municipal Board is now to be on a weight basis excepting such items as bricks, poultry, animals and cars where it is necessary to fix the basis according to number.

Flood Control Plan

The U.P. Government has submitted a Rs. 27-crore plan for flood control to the Union Government. Disclosing this, the Minister for Irrigation, Mr. Kamalapat Tripathi, said that this scheme had been drawn up on a reduced scale because the Government of India rejected the first Rs. 50-crore scheme. The scheme aims at training the rivers Ghagra, Rapti and Ganga at vital points. Another scheme for the construction of a flood detention reservoir in the Rapti basin in Nepal (near Jalkundi), at an estimated cost of Rs. 16 crores, has also been submitted to the Centre. According to Mr. Tripathi, if this reservoir is built, it should be possible to check nearly two-thirds of the flood water of the Rapti. This year also, extensive floods have taken their toll in Uttar Pradesh. According to official estimates, standing crops worth over Rs. 6 crores have been completely destroyed by the recent floods in the Ganga and the Yamuna in seven districts of the State. Besides standing crops, about 100,000 kutchas houses valued at Rs. 5 crores have also been destroyed. About 2,000 heads of cattle are also missing in the flood-affected areas.

Allocation for Agriculture

The U.P. Government, it is understood made yet another bid to get its allocation under "Agriculture" raised by the Centre at the meeting of Agriculture Ministers in Delhi. With the present allocation, U.P. says that it can increase its agricultural output by only 2,250,000 tons. It can raise the output to 28,000,000 tons, which is the higher level now demanded by the Centre if it is given an additional aid of about Rs. 18 crores. The State, it is claimed, has been able to produce the maximum results in the agricultural sector with the minimum of investment. U.P. needs only Rs. 337 per ton of increased food output, compared with Rs. 1,600 for Bombay, Rs. 1,200 for Madhya Bharat, Rs. 1,522 for Mysore, Rs. 1,715 for the Punjab, Rs. 609 for West Bengal and Rs. 546 for Madras.

Bombay

THE PROSPECT FOR PEPPER EXPORTS

BETTER DEMAND FROM COMMUNIST COUNTRIES

(FROM OUR BOMBAY CORRESPONDENT)

THE pepper export trade has been brisk so far this season. Between November 1955 and July this year, a total of 10,283 tons was exported, which represents an increase of approximately 580 tons over the corresponding period of the previous season. As usual, America was the best customer and accounted for a considerable percentage of the total. Demand in the United States has revived somewhat. In July, of the total export of 852 tons, 584 tons went to the United States, as against 215 tons in the same month last year. An interesting feature is that India's pepper trade with Communist countries is increasing. So far this season, Russia has purchased 2,950 tons and exports to the Chinese mainland have amounted to approximately 330 tons. In addition, Poland and Rumania have bought Indian pepper for the first time—50 tons and 40 tons respectively. Although these are relatively small quantities, the Pepper Merchants Association here believes that it should be possible to step up the trade and also that a potential exists in other Communist countries. It is felt that bilateral trade agreements between India and the "iron curtain" countries could lead to a considerable expansion of exports.

New Indonesian Crop

Whether or not the current rate of shipments can be maintained for the remainder of the season depends on the new Indonesian crop, the season for which opened early last month. It is a bit premature to assess its likely impact, but it is possible that international prices may fall; if Indian prices do not move in sympathy, American importers may switch over to Indonesian supplies. Over the past year, Indonesian and Malayan competition has compelled Indian exporters to reduce their price by approximately eight cents a lb. Production has remained steady at approximately 22,000 tons and it is doubtful if Indian exporters will be in a position to reduce prices still further. In that event, substantial dollar business will be lost. The Government of India is at last taking more interest in this lucrative trade and is now making efforts to stimulate exports. In this connection, a pepper and cashew nut mission is now on a sales promotion tour of Europe. Cashew nuts are a profitable commodity also, and substantial sales have already been made to the United States, Britain, Canada, Australia, Holland, Sweden, New Zealand and Hongkong. Total exports in 1955-1956 amounted to a little over 30,860 tons valued at Rs. 12.92 crores, of which the United States alone accounted for 24,400 tons valued at Rs. 9.8 crores. It now seems that France, Italy and Switzerland may also buy in the near future, while Russia and China have already made taken purchases. In these circumstances, it is possible that the mission will meet the success and will be able to stimulate cashew exports. But there is likely to be difficulty in promoting pepper exports. The problem hinges entirely on the question of price. While importers may be prepared to pay a premium of two to three cents a lb for Indian pepper due to its quality, a wider disparity in relation to Indonesian and Malayan prices is likely to meet with consumer resistance. In addition to competition, the demand for pepper is very elastic.

The fact is that pepper is a traditional export for Malaya and Indonesia, and constitutes a vital element in their economies. Before the war, Indonesia had a virtual monopoly of the export trade. The pepper crop there is grown on a plantation basis, whereas in India it is a subsidiary crop and grown on fragmented holdings. The yield per acre is small and production uneconomic. Indian exporters are therefore often unable to compete with their Malayan and Indonesian counterparts.

Increasing Production

The second five year plan proposes certain changes which should assist the trade. Production is to be increased from the present level of approximately 22,000 tons a year to 32,000 tons by 1959-60, and would still be well below Indonesia's capacity. In addition, research centres have been opened in Travancore-Cochin and Malabar, and regional committees will be set up in various States to encourage the growth of pepper. The research centres will be responsible for supplying technical assistance aimed at greater yields and improved qualities. These steps should lower production costs, which would help the export trade, but it is not clear how the problem of fragmentation of holdings will be tackled. An Export Promotion Council has been formed, but until the Indian product is competitive, the Council can do little except to maintain contact with foreign markets and to keep the home exporter informed of activity and price trends.

Infestation and Moulding

An export drive, if it is to be successful, must be preceded by a drive to improve pepper growing. In addition, the recent abolition of the export duty on pepper is a welcome step. In the past, exporters have been perturbed by the infestation and moulding which occurs in shipments made during the monsoon months. Affected consignments are detained at American ports by the Food and Drugs Administration. A release is authorised only after the consignment has been thoroughly cleaned. The cleaning process involves considerable time and expenditure, and it is estimated that on an average detention charges amount to about Rs. 300 a ton.

Commodity Markets

WHOLESALE PRICE INDEX RISES

THE official wholesale price index (base: year ended August, 1939=100) advanced by 0.8 percent to 421.1 during the week ended 18th August, 1956, compared with 417.9 for the previous week. The index was higher by 2.7 percent and 17.5 percent respectively when compared with the corresponding weeks of the previous month and a year ago. The index for Food Articles rose by 0.9 percent to 401.1 as a result of an increase in the prices of wheat (+3%), gram in Hapur (+5%), dal arhar (+4%), tea (+8%) and gur in Muzaffarnagar (+4%) in spite of a decline in the price of coffee (-5%). Higher prices of manganese ore (average export price) (+31%), groundnuts in Cuddalore (+8%), rapeseed (+5%), castorseed and copra (+3%), raw silk in Bangalore and wet salted cowhides in Kanpur (+2% each) and linseed (+1%) raised the index for Industrial Raw Materials by 1.5 percent to 505.1 as against 497.7 (revised) for the previous week, although the price of raw silk in Malda (-2%) and lac (-1%) showed declines. The index for Semi-Manufactures also moved up by 1.1 percent to 409.5. Items which exhibited significant variations were: groundnut oil, gingelly oil and linseed oil in Calcutta (+4% each), mustard oil (+9%), coconut oil and castor oil (+2% each), cotton yarn (+1%), linseed oil in Bombay (-5%), copper (-4%) and cowhides and zinc (-2% each). An increase in the price of jute manufactures (+2%) raised the Manufactures group index by 0.2 percent to 388.0. The prices of glass, however, fell by 1 percent. Prices of turmeric in Calcutta (-3%) and chillies and betelnuts (-2% each) moved down while those of black pepper (+1%) witnessed an advance and the index for the Miscellaneous group declined by 0.4 percent to 564.6.

INDEX NUMBERS BY GROUPS AND SUB-GROUPS

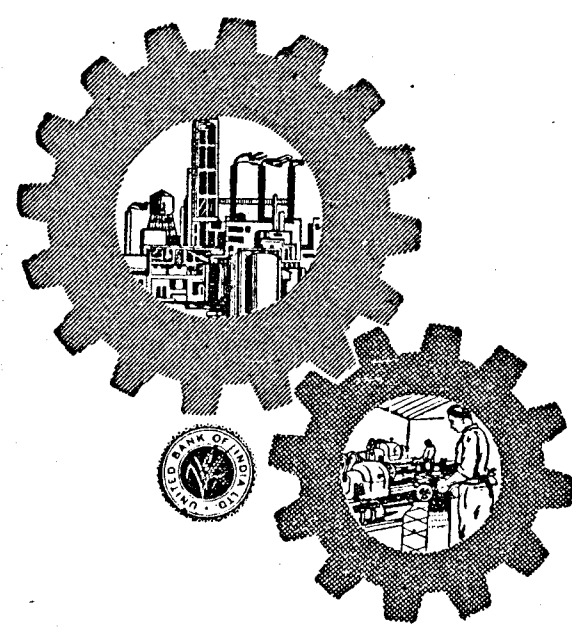
(Base: Year Ended August, 1939=100)

Groups and Sub-Groups	Week Ended			
	18-8-56	11-8-56	21-7-56	20-8-55
I. Food Articles:	401.1	397.7	382.3(R)	320.5
Cereals	505	502	484	386
Pulses	410	391	386	285
Others	264	264*	250(R)	237
II Industrial Raw Materials:	505.1	497.7(R)	493.3(R)	405.6
Fibres	473	474	473	415
Oilseeds	582	566	540(R)	365
Minerals	515	488(R)	525	414
Others	426	425(R)	419	419
III Semi-Manufactures:	409.5	405.0	394.9	326.3
Leather	381	383	396	338
Mineral oils	208	208	208	201
Vegetable oils	406	576	544	383
Cotton yarn	408*	495	476	405*
Metals	329	330	327	257
Oilcakes	479	467	432	333
Others	361	361	362	330
IV Manufactures:	388.0	387.2	386.0	371.2
Textiles	422	420	419	407
Jute	398	390*	386	423
Cotton	430*	430*	430*	402*
Rayon and silk	470*	470*	470*	474*

REPEAT INDIAN ORDER FOR VISCOUNTS

The Indian Airlines Corporation has confirmed an order for five further Vickers Viscount airliners, it was announced by Vickers-Armstrongs Ltd. on 30th August. The Corporation already has five Viscounts on order for delivery between July and October, 1957, and the second batch will be delivered early in 1958. The Indian Airlines Corporation is the thirteenth operator to place repeat orders for Viscounts, which have now been chosen by a total of 39 airline operators or companies.

INDUSTRY AND THE BANK..



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Diethyl Phthalate
Tricresyl Phosphate

DILUENTS
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Benzol
Toluol
Xylo

COUPLERS
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Methyl Amyl Alcohol

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Engineering and Transport

FLYING AT FOUR THOUSAND MILES AN HOUR

TESTS THROUGH WIND TUNNELS

DETAILS of two new wind tunnels, in which scale models of aircraft will be "tested" at up to four times the speed of sound, and missiles at up to six times the speed of sound equivalent to nearly 4,000 m.p.h., were given on 29th August in Brussels to a meeting of the Advisory Group for Aeronautical Research and Development of N.A.T.O. The speaker was Mr. F. E. Roe who is in charge of wind tunnels at the English Electric Aircraft Research Establishment at Warton aerodrome, Lancashire. The tunnels will be a joint facility for the Aircraft and Guided Weapons Divisions of English Electric and, when operating in 1958, will have a higher performance than any other similar type in Britain. They will cost more than £500,000. Wind tunnel tests are essential for the successful development of fast aircraft, and guided missiles. The new equipment will ensure that English Electric is adequately equipped to compete in the new fully supersonic era of aviation which is now beginning. The tunnels will show how aircraft built for speeds not yet experienced by man will behave in the air before they actually fly. Designs for future guided missiles will be similarly tested before any are fired. The company is convinced that successful aerodynamic designs are only possible if the necessary experimental equipment is constantly available. This applies equally to piloted aircraft and unmanned guided missiles.

Recording Equipment

As the needs of the Aircraft and Guided Weapons divisions of the company are not identical, a single tunnel could not be economically designed to meet the needs of both. However, by operating individual tunnels off a common compressed air supply, an appreciable saving in cost will be achieved. The Mach 4 Tunnel for the Aircraft Division will be a four feet square section and the Mach 6 Tunnel for the Guided Weapons Division will be an 18 inches square section. Both tunnels will be of the intermittent blow down type, and either can be operated by opening a valve allowing the compressed air to flow from the reservoir into the tunnel working section, where the model is poised, and escape into the atmosphere. Automatic rapid recording equipment will be used for measuring forces exerted on the models because of the limited operating time of under one minute. This information recorded on punch cards will immediately be available for analysis by feeding into a Deuce electronic computer which has been developed by English Electric. Shock waves forming on the models will be recorded photographically with the aid of Schlieren mirrors. A model of this new facility will be displayed on the English Electric stand at the S.B.A.C. exhibition at Farnborough. The meeting of A.C.A.R.D. in Brussels is the first one to be attended by representatives from the Society of British Aircraft Constructors.

AIR-INDIA INTERNATIONAL TO START SERVICE TO AUSTRALIA

Air-India International will inaugurate a new Super Constellation service to Australia on 5th October. This service will operate between Bombay and Sydney with an initial frequency of one flight a week, leaving Bombay every Friday and Sydney every Monday. All's Super G Constellation, Rani of Nilgiris, left Bombay on 2nd September on a proving flight to Sydney, for a technical survey of the route. The route of this service to Australia will be Bombay-Madras-Singapore-Darwin-Sydney. The Australia service will connect with the U.K.-Europe service in Bombay and provide through connections between Sydney

and London, Dusseldorf, Rome and Cairo. The new service will be operated with Super Constellation aircraft fitted with 19 first-class slumberette and 40 tourist-class seats. The distance of 6,400 miles between Bombay and Sydney will be covered in approximately 23 hours, making this the fastest service between Bombay and Sydney.

U.K. FIRM TO SUPPLY CABLES FOR INDIAN RAILWAY ELECTRIFICATION

A contract for the supply and installation of underground power and control cables in connection with the electrification of the Eastern Railway in the Calcutta region has been awarded to a British firm, British Insulated Callenders Cables Ltd., in conjunction with its associates, the Indian Cable Co. Ltd. The total value of the contract is in the region of £250,000, and is for 245 miles of control cable and 33 kV, 11 kV and 3.3 kV paper insulated feeder power cables. Certain sections of the Eastern Railway are being electrified to improve communications in the central and suburban areas of Calcutta. Work on the first stage, covering the main line between Howrah and Burdwan and the branch line to Tarakeswar, has already begun.

INDIA TO MANUFACTURE NEW TYPES OF ROLLING STOCK

The Hindustan Aircraft (Private) Limited, has entered into a technical assistance agreement with Maschinenfabrik Augsburg Nuernberg A.G. (popularly known as M.A.N.), Western Germany, for the manufacture of rolling stock in its factory in Bangalore. The agreement was signed in New Delhi recently by Mr. M. K. Vellodi, Secretary, Ministry of Defence, and chairman of the Board of Directors, H. A. L. and Mr. J. M. Shrinagesh, managing director of the company. M. A. N. was represented by Mr. H. Gohler and Mr. Swarnajit Singh, director, Escorts (Agents) Private Limited. The agreement covers the manufacture of rolling stock of different types including integral coaches.

DRIVE TO INCREASE TURN-ROUND OF RAILWAY WAGONS

The Railway Board has issued orders that the time at present allowed for the unloading of coal wagons for the railways' own requirements should immediately be cut by 50 percent, in order to increase the availability of wagons for additional traffic during the second plan period. The time allowed for unloading has accordingly been reduced from six hours to three hours. Orders have also been issued that there should be an immediate reduction from six to five hours in the time allowed for loading and unloading of wagons carrying other railway materials. These steps mark the start of a drive to make railway wagons "work harder". It is also expected that the business community will be soon called upon to co-operate with the railways in various ways and to help in the efforts to improve the turn-round of wagons.

DEMAND FOR INDIAN FANS

Indian electric fans are in demand in some 33 countries of Asia and Africa to which 17,318 fans, valued at about Rs. 20.3 lakhs, were exported in 1955. Singapore was the largest purchaser of Indian fans. Among other countries importing in substantial quantities were Ceylon, Kuwait, the Sudan, the Federation of Malaya, Nigeria, the Bahrain Islands, Tanganyika and Zanzibar. The number of fans produced in the country increased to 282,256 in 1955 from 238,950 in 1954. Figures for the first five months of 1956 at 136,450 show that a higher rate of production is being maintained this year. The requirement in India is expected to go up to 600,000 fans a year by 1960-61. There are at present 19 units engaged in the manufacture of electric fans, with an annual rated capacity of 401,700.

Plantation Topics

LONDON TEA SALES

AT last week's London tea sales, the 56,090 packages on offer realised an average price of 4s 6.31d a lb, against 4s 4.22d in the previous sale and 4s 5.24d a year ago. Plain old season's broken pekoe was quoted at 2s 9d a lb nominal, against 2s 8d in the previous sale. Prices obtained by some of the companies are given below:

	No. of packages	Average per lb.
Amalgamated	588	3/10½
Anglo-American	1,086	3/9
Anglo-Ceylon & General	414	5/10½
Assam Doocars	1,644	4/1
Assam Frontier	72	7/10
Chulsa	1,045	3/8
Consolidated Estates	736	5/7½
Craighead	276	5/7½
Dekhari	486	8/5½
Dimbula Valley	102	10/6½
Doocars	803	3/8½
Doom Dooma	342	7/11
Eastern Produce	1,644	5/5
Hope	784	3/9½
Imperial Company	503	5/8½
Jokai	348	9/6
Jorehaut	1,032	10/10
Kanan Devan	2,250	4/1½
Lankapara	719	4/2½
Lunava	906	5/6½
Malayalam	2,460	3/1
New Dimbula	384	4/11½
Ouvah	252	7/2
Rajawella	1,334	5/9½
Rupai	372	8/1
Scottish Ceylon	570	4/7
Scottish Tea & Lands	739	2/11½
Southern India	558	7/4½
Standard	237	4/8½
Tea Corporation	425	4/8½
Travancore	2,124	2/10½
United Planters	600	5/8½

U.K. Tea Stocks

U.K. stocks of tea on 24th August amounted to 125.1 million lbs, against 123.7 million lbs a year ago.

COLOMBO RUBBER PRICES

The following prices have been issued by the Rubber Board of India from the weekly market report published by the Colombo Brokers Association:

	Closing prices on 24-8-56 (Rupees a lb.)	Average for the period (Rupees a lb.)
No. 1	1.41	1.41
No. 2	1.38	1.38
No. 3	1.35	1.35
No. 4	1.11	1.11
No. 5	1.06	1.06
Sheet Cuttings 1	1.05	
do 2	1.00	
Crepe:		
Water White	1.42	1.43½
R.M.A. No. 1X	1.40/42	1.42½
R.M.A. No. 1		
Crepe No. 2	1.35	
Crepe No. 3	1.21½	
Scrap Crepes:		
Sc. Crepe No. 1	.85	.86½
Sc. Crepe No. 2	.81/85	.83
Sc. Crepe No. 3	.75/79	.77½
Flat Bark	.70/73	.72
Sc. Crepe 3X	.80	

To arrive at f.o.b. Colombo prices add 53.45 cents a lb. for rubber other than scrap crepe and 31.45 cents for scrap crepe to the above market prices.

COCHIN TEA SALES

At Sale No. 25, 1,250,000 lbs. of tea were on offer. There was a strong general demand. Commons and low medium Broken were 1 to 2 annas dearer. Fannings particularly those suitable for the Middle East were considerably dearer. Best liquorings were irregular following quality, while Whole Leafs were dearer.

TEA EXPORT DUTY UNCHANGED

The Government of India has issued a notification fixing the price of tea, for the purpose of determining the export duty, at Rs. 2-11-5 a lb. as against Rs. 2-8-5 a lb. fixed on 1st August, 1956. There is no change in the existing rate of duty of annas six a lb.

REGIONAL ARECANUT RESEARCH STATIONS

There is a proposal to establish six regional research stations in Assam, West Bengal, Bombay, Mysore, Madras and Travancore-Cochin during the second five year plan under the auspices of the Indian Central Arecanut Committee. This information was given by Mr. Ajit Prasad Jain, Union Minister for Food and Agriculture, in the Lok Sabha recently in a written reply to a question. The venue of the Central Technological Laboratory had not yet been fixed, he said.

Jute

GUNNY MARKETS FAIRLY STEADY: LITTLE BUSINESS DONE

FALL IN UPCOUNTRY FIBRE PRICES

ALTHOUGH the jute goods markets have been fairly steady over the past week, there has been very little real business. The only interest from overseas came from the Argentine, but the market still awaits her final decision. Speculators took advantage of the uncertainty and manipulated rates to such an extent that hessians moved through a range of about Re. 1 a 100 yards, and sacking through Rs. 2 a 100 bags. Once again, new highs were recorded in the former. It was only when one or two large operators began to book their profits at the higher levels that the market showed any sign of falling, but once it did, the decline was rapid, and towards the close prices at one stage were below the week's opening levels. Local shippers took interest and were responsible for a great deal of the firmness in the early stages, especially in forward shipment, where business was concluded right up to March 1957. This caused heavy goods prices to rise last Thursday, while all other sections recorded losses or were unchanged. The reason for interest in the near position was the placing of additional steamers for various destinations at short notice; the fact that bookings for other vessels closed at the end of August resulted in tightness for ready delivery goods.

Activity in the fibre markets was on a greatly reduced scale compared with the previous week. After a very firm opening, prices fell back towards the close. Ready jute, however, ruled steady throughout, and although interest for quick delivery was limited, transactions in this category carried a substantial premium. This was because imports into the local markets were again small, and many contracts calling for delivery in the early days of September were still unfulfilled. Sellers of forward shipment jute were prepared to discount in order to get business as upcountry markets were on the decline. Imports in the agencies were reported to be good and stocks there were increasing. But prices were prevented from falling back too far by uncertainty over the shipment of jute from Pakistan, which continued in spite of the fact that Pakistani markets were much quieter. The East Bengal authorities are making it increasingly difficult to get jute from there. Even when E.P.C. forms have been passed and the permission of the State Bank granted, the final price landed in India, after all charges have been paid makes the fibre too dear for Calcutta mills. Thus buyers are relying more and more on Indian jute. Latest reports on the New Crop are not encouraging. The moisture content of all arrivals is, as usual, very heavy, and much of the jute appears to be immature. Daissee white jute especially has been most disappointing, but the coming weeks should show an improvement in all types.

THE JUTE MARKETS

Manufactured Goods: The gunny market was very quiet at the opening last Thursday, and prices in almost all sections were depressed. Only forward sacking recorded a rise under the influence of shipper interest. Opening quotations were based on Rs. 110-12 a 100 bags for ready B Twills and Rs. 112 for January-March shipment, and Rs. 42-4 for ready 40in. 100z. hessians, with forward shipment at an 8-anna discount. Interest in sacking continued, especially for forward shipment. During the day, prices recorded a steady rise, opening on Friday morning 12 or 14 annas higher. Hessians were completely ignored and rates fell. Towards the week-end business began to improve. Interest from the Argentine helped hessian recover, and by Saturday morning 40in. 100z. rose to Rs. 42-11 for ready delivery and Rs. 42-2 for January-March shipment. Heavy goods rose in sympathy and in response to speculative activity which pushed up B Twill rates by 12 annas or Re. 1. The rise was short-lived, however, as over the week-end profit-taking by speculators in the fatka market resulted in a general slump in all sections. This, combined with the weakness in raw jute, forced down rates and by Monday morning the week's gains had been nullified. Hessian lost 6 or 8 annas and reverted to the week's opening rates. Sacking lost Rs. 1-8 in all deliveries, so B Twills fell back to Rs. 111-2 for ready and Rs. 112 for January-March shipment. Dull conditions prevailed throughout the day and only minor variations in prices were recorded. Opening quotations on Tuesday morning were virtually unchanged, but after a quiet opening interest increased when reports of a decrease in mills' stocks were circulated in the afternoon, and prices, especially of sacking, staged a recovery.

At the close, the market was very steady and the opening quotations were as follows:

	Ready	Sept.	Oct.-Dec.	Jan.-Mar.
40in. 80z.	35-4	34-14	34-6	33-4
40in. 100z.	42-3	42-5	42-3	41-8
B Twills	112-6	112-12	113-2	112-10
Heavy Cees (Plain)	109-8	114-12	114-12	113-4
A Twills	136	136-8	137-8	137-8
Liverpools	126	127	128	127
Cornacks	113-4	114-4	114-8	113-8

Raw Jute: Interest in the raw jute markets was keen at the opening last Thursday, and business on the previous day had caused quotations to rise. Prices were based on Rs. 29-12 a maund for Dhubri-Northern Bottoms for September-October shipment, but quick delivery jute was quoted at least 8 annas higher. Small interest was again shown, but buyers were not keen to buy ahead and confined their activity to the near positions. Prices remained at this level until Saturday, when they rose to Rs. 30 a maund, but interested parties were not deterred and business continued at the new levels. Over the week-end, a change came over the market as upcountry reports indicated that arrivals in the agencies were increasing. Sellers discounted 8 annas on Monday morning and Dhubri-Northern jute fell back to Rs. 29-8 a maund for early shipment. Local circles were unaffected by this news and quick delivery jute continued to demand a premium as imports into the Cossipore area declined. Only small business was reported, and with prices continuing to fall upcountry, Calcutta rates were reduced to Rs. 29 a maund on Tuesday morning. Towards afternoon, prices again advanced in sympathy with the gunny market, and several enquiries were put out by mills as they took advantage of the improvement in goods. Interest was again centred on quick delivery jute. Prices here were still high and buyers withdrew from the market, having taken up only small quantities.

During the week, business was done over a wide price range. The Dhubri-Northern varieties varied from Rs. 28-8 to Rs. 30 a maund for September-October shipment. Ready bills of lading also changed hands up to Rs. 30-4 a maund, and delivery ex Calcutta godown passed at Rs. 29-8 to Rs. 30-4 a maund for 15 days' to one month's delivery. Various grades of tossa jute were purchased at Rs. 30 to Rs. 30-8 a maund for shipment up to the end of October. Western fibre from Forbesganj and Purnea was purchased late on Tuesday at Rs. 28-8 for September-October shipment with no option of shipment from Sakrighalighat. Small lots of Daissee white were purchased at Rs. 29-8 a maund for September shipment. Business was also done on a small scale for bimil at Rs. 27-8 to Rs. 28 a maund for F.A.Q. Fairly heavy business was done in Pakistan cuttings, but it was confined to ready bills of lading; prices varied between Rs. 135 and Rs. 136 a bale.

At the close, the market was unchanged and opening quotations on Wednesday morning were as follows:

Indian Jute (New Crop):	Landed at Mills Rs. a md basis	Shipment. Sept.-Oct.
Bottoms.		
Lower Assam	29	"
Northern	29	"
Murshidabad White	28-8	"
Daissee White	29	"
Daissee	30	"
Local Northern (Old/New)	29-8	15 days, Sept.-Oct.
Bimil	28 for F.A.Q.	
Tossa is quoted at 8 annas to Re. 1 a maund above the price of white jute.		
Pucca Bales		
(New Crop):	Rs. a bale	Shipment. Sept.-Oct.
Mill Firsts 2/3	190	"
Mill Lightnings 2/3	175	"
Mill Hearts 2/3	160	"
S. G. Daissee	185	"
L. G. Daissee	170	"
Pakistan Jute (New Crop):	Rs. a md.	Shipment. Sept.-Oct.
Jat	32	"
District	31	"
Northern	30-8	"
Pucca:	Rs. a bale	Shipment. Sept.-Oct.
Mill Firsts 2/3	210	"
Export Firsts 2/3	190	"
Export Lightnings 2/3	175	"
Jat Cuttings	132	"

The Cossipore markets were slow to follow the downward upcountry trends as imports in the former showed no improvement. During the week, a total of 560 wagons arrived at the sidings, and there were ready buyers for all arrivals. Premium prices were still being asked for quick delivery. In many cases, there was not enough jute of the category required, and a number of sellers had to ask for the extensions on local delivery contracts. At the close, quotations were based on Kishanganj jute at Rs. 29-4 to Rs. 29-8 a maund, but there were very few sellers at this price.

Mofussil: Reports from upcountry indicate that imports have again improved as a result of which prices in the agencies have fallen by 8 or 12 annas a maund. There is still a heavy demand from sellers, and towards the close business with Calcutta mills for shipment jute has arrested the fall. In Dhubri, quotations are based on Rs. 26 a maund, but these rates are still out of line with Calcutta prices. Operators are reluctant to do business, and a steadier trend has developed with prices unchanged.

GUNNY SHIPMENT STATISTICS

The following figures include coastal shipment relating to manufactured jute goods for shipment

from the port of Calcutta. These are gross figures based on shipping bills presented.

	Hessian Bags (Tons)	Cloth (Tons)	Total (Tons)
1st to 31st August, 1956	3,711.0	38,809.8	42,520.8
1st to 31st July, 1956	2,896.1	31,027.8	33,923.9
1st to 30th June, 1956	3,284.4	30,646.6	33,931.0
	Sacking		
1st to 31st August, 1956	43,642.7	2,747.0	46,389.7
1st to 31st July, 1956	31,171.2	1,696.2	32,867.4
1st to 30th June, 1956	27,982.6	2,071.3	30,053.9

THE FOREIGN JUTE MARKETS

PRICES MOVE UP (FROM OUR DUNDEE CORRESPONDENT)

FOR some days it had been expected that prices for Dundee jute yarns and cloth would be advanced before they actually were on 29th August. Spinners had been complaining bitterly about the dearer tendency in raw jute prices and they were receiving no recompense in the shape of higher yarn rates. These are, of course, fixed at a maximum level by independent accountants, but the general feeling in the trade has been to keep prices down to a reasonably low level. Producers have no wish to scare buyers off jute to purchase substitutes. However, the gap between yarns and jute became so great that spinners were losing money and using up their cheap jute to maintain light coloured yarns. Common 8lb. cops have been raised from 14.19d to 14.77d a lb., and 8lb. spools from 14.77d to 15.35d, while 3ply 8lb. twist is up to 17.04d from 16.46d, and sacking 24lb. weft is raised to 12.35d from 11.76d a lb. The general rise is £5 a ton on all yarns except rove, which is up by only £2.15s to £29.5s for 48lbs. and £80.15s for 200lbs. In the cloth end of the trade hessians are up to 13.51d from 13.11d for 40in. 10½oz., 12.80d from 12.41d for 100z. and 10.51d from 10.20d for 80z., all a yard, less 3 percent discount for cash. The rate for 40in. 100z. and the 40in. and 45in. widths is now 12.41d against 12.03d a yard. These are the widths for making bags, in which manufacturers have entered all their wish meantime, because of the unsatisfactory price. Sacking and tarpaulin prices are raised on the basis of about £5 a ton.

The raw jute market has gone softer over the past two days and Mill Firsts are offered at £97 a ton, with Mill Lightnings at from £87, Mill Hearts at £84 and Continental Hearts at £80, while grade Tossa-2/3 is from £102 and fours from £91 and Daissee-2/3 from £92 for good marks and £83 for grade, all cif U.K., September-October shipment. Calcutta goods have also eased off to 63s 9d for 40in. 100z. hessians and 49s 6d for 7½oz., shipment September to December, with B Twills at 168s September, 168s October and 170s 6d November-December, all f.o.b. Calcutta.

GROWING COMPETITION FROM SUBSTITUTE PACKAGING IN U.K.

Concern was expressed at a Liverpool meeting of the National Association of Sack Merchants and Reclaimers over the rapid spread of the use of substitute packaging in the U.K., reports the Jute Bulletin of the Indian Central Jute Committee. Discussion centred round the appropriate steps which would have to be taken to combat competition. It was pointed out that deliveries of feeds in bulk were increasing to the detriment of the second-hand bag trade, and that some companies were even considering changing over to paper bags. Members suggested that if poultry feeds ceased to be packed in jute, a large part of the collectors' trade would disappear altogether. The secretary of the Association was instructed to write to the British Jute Trade Federal Council setting out the seriousness of the position and enquiring what steps, if any, the Federal Council proposed to take.

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TEA CHESTS AND COMPONENTS

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● PRESERVE ★ TEA FLAVOUR
● SAFEGUARD ★ GOOD WILL

ZEEDONIL INDUSTRIES (INDIA) LTD.
Manufacturers

20, STRAND ROAD
CALCUTTA-1

PHONE: 22-5582

Branches:
● SILIGURI
● TINSUKIA

GRAM-THREEPLY

Calcutta Markets

FAIR GENERAL DEMAND AT
TEA EXPORT SALE

GOOD SUPPORT FOR DUSTS

AT Sale No. 13, held on 3rd and 4th September, offerings at the Export auction consisted of 49,000 packages. There was a fair general demand which weakened as the Sale progressed. Once again internal operators were active, especially in teas for price. Medium Assam Broken met with fair support, but were generally 2 annas easier and medium Fannings were also cheaper. The commonest descriptions were well supported and were fully firm to 1 anna dearer, but Clean Commons were a little easier. The few bright liquoring C.T.C.'s on offer were well supported and were at times dearer, but where quality showed a decline, prices declined by 4 annas. Good B.O.P.'s of orthodox manufacture were 4 annas easier, while O.F.s in this category declined by 2 annas. Whole Leaf grades with a few tips were 1 to 2 annas lower, but the more ordinary kinds were about steady. The quality of Darjeeling teas was generally ordinary, but there was an increased demand for these types which sold 2 to 6 annas below last rates.

	Quotations			
	1956	1955	1956	1955
Clean Black Pekoe	1 14 0	2 12 0		
Plain B. P.	1 9 0 to 1 9 6	1 15 6		
Medium Assam B.P.	1 15 0 to 2 1 0	2 4 0 to 2 5 0		
Best C.T.C. Assam B.P.	3 4 0 to 3 6 0	2 6 0 to 3 7 0		

At the Internal Sale, Dust offerings consisted of 14,900 chests for which there was a good and general demand with black Middle East type the strongest feature of the Sale. Commons and Mediums sold well and were $\frac{1}{2}$ to 1 anna dearer. The few Second Flush grainy C.T.C.'s sold very well, but the remaining good C.T.C.'s were 2 to 4 annas easier, while Mediums in this category were well supported, but at irregular rates.

	Quotations			
	1956	1955	1956	1955
Medium Doonars Dust	1 12 0 to 1 12 6	2 1 0 to 2 2 0		
Medium Assam Grain	1 15 0 to 2 0 0	2 3 0 to 2 3 6		
Dust	2 12 0			
Medium Assam C.T.C.	2 2 0 to 3 6 0	2 11 0 to 2 13 0		
Dust	2 12 0			
Best Assam C.T.C. Dust	3 4 0 to 3 6 0	2 11 0 to 2 13 0		

Leaf offerings were 1,019 packages. There was a good demand at rates which were fully firm to dearer. The green teas on offer, however, were almost completely neglected.

LINSEED QUIETER

The market was distinctly quieter last week, and prices declined progressively. Although up-country markets were fairly steady and arrivals were poor, there were more local sellers. Demand fell off considerably due to the poor offtake of linseed oil and a substantial decline in the price of mustard oil. A depressed undertone prevailed in the oil section; prices declined and the market appeared to be lacking support. Latest quotations were as follows: Ready-September Rs. 23-4 a maund.

HIDES AND SKINS STEADY

The market ruled steady. Stocks were less than in the previous week.

Bazaar Sales

(Between 28th August and 3rd September, 1956)
Cowhides: Wet Salted (Ord.) 16,600 pcs on the basis of Rs. 7-4 to Rs. 9; Wet Salted (slaughtered) 17,500 pcs on the basis of Rs. 12-8 to Rs. 21.

Goatskins: Wet Salted (Daissee, Killed) 58,800 pcs. on the basis of Rs. 150 to Rs. 180; Rs. 187 to Rs. 265 and Rs. 340 to Rs. 345; Assam-Dinaipur-Pakur 27,000 pcs. on the basis of Rs. 180 to Rs. 240; Patna (Ord.) 25,700 pcs. on the basis of Rs. 95 to Rs. 165.

Bazaar Stocks

(3rd September, 1956)

Cowhides: Wet Salted (Ord.) 181,000 pcs.
Goatskins: Wet Salted (Daissee, Killed) 44,000 pcs.; Assam-dinaipur-Jalpaiguri 64,500 pcs.; Muzaffarpur-Patna-Pakur-Purneah-Kissanganj 163,000 pcs.

SHELLAC MARKET QUIET

During the week ended 4th September, the market was quiet. The range of quotations was as follows:

Pure Buttonlac	Rs. 140 buyers, 137 value, 135 buyers.
Lemon No. 1 Shellac	Rs. 140 buyers, 139-8 value, 137-8 buyers.
Lemon No. 2 Shellac	Rs. 137 done, 136-8 value, 134 buyers.
F. O. Std. 1 Shellac	Rs. 134 to 130 buyers 130 done and buyers, 130-8 buyers.
Pure TN Shellac	Rs. 129 to 126 basis done and buyers.
4% I.T.N. Shellac	Rs. 121-8, 116-8, 119 buyers.
No. 1 Kusmi Seedlac	Rs. 129-8 to 127-8 value.
No. 2 Kusmi Seedlac	Rs. 126 buyers, 125 to 123-8 value.
Fine Bysaky Seedlac (Manbhumi)	Rs. 124-8 buyers, 122, 121 done and buyers.
Fine Bysaky Seedlac (C.P.)	Rs. 122 to 118-8 buyers.
Ordinary Bysaky Seedlac (C.P.) under 5%	Rs. 118 to 115 buyers.
Ordinary Bysaky Seedlac (C.P.)	Rs. 113 to 110-8 buyers.
Kireelac	Rs. 46 to 44-8 buyers.

COMPANY AND PUBLIC NOTICES

THE RAMESHWARA JUTE MILL LTD.

NOTICE is hereby given that the 41st Ordinary General Meeting of the Shareholders of the Company will be held at Muktapur, P.O. Samastipur (Darbhanga), on Monday, the 1st October, 1956 at 3-30 P.M. for the following purposes:—

- (1) To receive and consider the Report of the Directors and to pass the audited accounts for the year ended 31st March, 1956.
- (2) To elect Directors in place of the retiring Directors. Mr. G. M. Misra, one of the retiring Directors, has already completed 65 years of age and as it is desirable to avail of his valuable advice by retaining him as a Director of the Company, the following resolution will be proposed as ordinary resolution under Section 281 of the Act, a special notice of which has been received by the Company and is also hereby given to the shareholders.
"RESOLVED that Mr. G. M. Misra who has completed 65 years of age be and is hereby re-elected a Director of the Company and that the age limit prescribed under Sec. 280 of the Companies Act, 1956, shall not apply to him."
- (3) To appoint auditors and fix their remuneration.
- (4) As special business, to consider and if thought fit, to pass with or without modifications, the following resolutions which will be proposed as ordinary resolutions:—

- (a) "RESOLVED that consent of the Company be and is hereby given to the Board of Directors to contribute and/or subscribe from time to time to any national, political, charitable, benevolent, public or general and other funds not directly relating to the business of the company or the welfare of its employees, such amounts as may be considered proper by it notwithstanding that such amounts in any financial year may exceed Rs. 25,000/- or 5% of the Company's average net profits, as determined in accordance with the provisions of the Companies Act, '56 during the three financial years immediately preceding, whichever is greater."
- (b) "RESOLVED that the Company does hereby consent and authorise its managing agents or any associate of its managing agents to retain any commission or other remuneration earned or to be earned by such agents or associate as the managing agents, secretaries and treasurers, manager, agent, secretary or selling or buying agents of any firm, body corporate or other concern in respect of any goods, power, freight, repairs or other services for the sale, purchase, supply or rendering of which a contract has been, or is to be, entered into by such firm, body or concern with the company, provided that the prices or amounts charged to or received by the company are at rates which are not less favourable to the company than the market rates or which are otherwise reasonable."

- (5) To transact any other business which may be brought before the meeting with the permission of the Chairman.

The Share Transfer Books of the Company shall remain closed from 17th September to 1st October, 1956, both days inclusive.

By Order of the Board,

BIRLA BROTHERS PRIVATE LTD.,
Managing Agents.

Muktapur, P.O. Samastipur,

(Darbhanga).

Dated, 30th August, 1956.

- N.B. (i) A member entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.
- (ii) Explanatory statement in regard to special business to be transacted at the meeting:

- (a) The Board of Directors have to give contributions from time to time to various institutions including charitable and other funds not directly related to the business of the Company or to the welfare of its employees and which are at times in excess of the limits as laid down in Sec. 293(i)(e) of the Companies Act, '56. A resolution has, therefore, been proposed to authorise the Direc-

tors to contribute to such funds in excess of the above limits.

- (b) Messrs. Birla Brothers Private Ltd., the managing agents of the Company are principal agents of the Ruby General Insurance Co. Ltd. and are entitled to insurance commission from the insurance company on any insurance contract entered into by this Company with the said insurance company. Sanction of the shareholders is, therefore, sought under Sec. 359 of the Companies Act, '56 to enable the managing agents and/or their associates to retain such commission or other remuneration which they may earn as mentioned in the resolution.

THE MIRZAPUR ELECTRIC SUPPLY COMPANY LIMITED.

NOTICE is hereby given that the Annual Ordinary General Meeting of the shareholders will be held at the Registered Office of the Company, No. 14, Old Court House Street, Calcutta on Friday the 28th day of September, 1956 at 4 P.M. for the following purposes:—

1. To receive and pass the Directors' Report and the audited accounts for the year ended 31st December, 1955.
2. To declare a Dividend.
3. To elect a Director in place of the retiring Director.
4. To elect Auditors for the ensuing year and to fix their remuneration.

The Share Register of the Company will be closed from 21st September, 1956 to 28th September, 1956 both days inclusive.

OCTAVIUS STEEL & CO. LTD.,

Managing Agents.

Calcutta, 5th September, 1956.

Note: A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member.

THE KARANPURA COLLIERIES LIMITED.

NOTICE is hereby given that the Thirty-eighth Annual General Meeting of the Shareholders of the Company, Chartered Bank Buildings, Calcutta, on Saturday, the 29th September, 1956, at 10-30 A.M., for the purpose of receiving the Report of the Directors, passing the Audited Accounts for the year ended 29th February, 1956, declaring the Dividends recommended by the Directors, electing a Director and appointing Auditors.

The Share Transfer Registers of the Company will be closed from the 15th to the 29th September, 1956, both days inclusive.

By Order of the Board,

BIRD & CO. (PRIVATE) LIMITED,
Managing Agents.

Calcutta, 30th August, 1956.

NOTE (1) A member entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote in his stead. Such proxy need not be a member of the Company.

- (2) The Dividend, if sanctioned, will be paid on or after 6th October, 1956, to those shareholders so entitled whose names appear in the Company's books on 29th September, 1956, or to their mandatees. No application for Dividend Warrants will be necessary.

THE ORISSA MINERALS DEVELOPMENT COMPANY LIMITED.

THE Board of Directors has decided to recommend to the forthcoming General Meeting of Shareholders, a Dividend of 20% per annum, without any deduction in respect of taxation, payable by the Company, for the half-year ended 31st December, 1955.

By Order of the Board,

BIRD & CO. (PRIVATE) LIMITED,
Managing Agents.

Chartered Bank Buildings,
Calcutta, 31st August, 1956.

THE BISRA STONE LIME COMPANY LIMITED

THE Board of Directors has decided to recommend to the forthcoming General Meeting of Shareholders a dividend of annas 7/14/- per share without any deduction in respect of taxation payable by the Company for the half-year ended 30th September, 1955.

By Order of the Board,

BIRD & CO. (PRIVATE) LIMITED,
Managing Agents.

Chartered Bank Buildings,
Calcutta, 30th August, 1956.

THE ORISSA MINERALS DEVELOPMENT CO., LTD.

NOTICE is hereby given that the Sixty-sixth Ordinary General Meeting of the Shareholders of THE ORISSA MINERALS DEVELOPMENT COMPANY, LIMITED, will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta, on Thursday, the 4th day of October, 1956, at 10-30 A.M. for the following purposes.

1. To receive the Report of the Directors and pass the Audited Accounts for the half-year ended 31st December, 1955.
2. To declare the dividend recommended by the Directors.

The Share Register of the Company will be closed from 20th September, 1956 to 4th October, 1956, both days inclusive.

By Order of the Board,

BIRD & CO. (PRIVATE) LIMITED,
Managing Agents.

Chartered Bank Buildings,
Calcutta, 31st August, 1956.

NOTE (1) A member entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote in his stead. Such proxy need not be a member of the Company.

- (2) The Dividend, if sanctioned, will be paid on or after 10th October, 1956, to those shareholders so entitled whose names appear in the Company's books on the 4th October, 1956 or to their mandatees. No application for Dividend Warrants will be necessary.

THE BISRA STONE LIME COMPANY, LTD.

NOTICE is hereby given that the Ninety-first Ordinary General Meeting of the Shareholders of The Bisra Stone Lime Company Limited, will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta, at 11-15 A.M. on Thursday, the 4th October 1956, for the purpose of receiving the Directors' Report, passing the Audited Accounts for the half-year ended 30th September 1955, and declaring the Dividend recommended by the Directors.

The Share Transfer Register of the Company will be closed from the 20th September 1956 to 4th October 1956, both days inclusive.

By Order of the Board,

BIRD & CO. (PRIVATE) LTD.,
Managing Agents.

Chartered Bank Buildings,
Calcutta, 30th August 1956.

NOTE:

- (1) A member entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote in his stead. Such proxy need not be a member of the Company.
- (2) The Dividend, if sanctioned, will be paid on or after 10th October 1956, to those Shareholders so entitled whose names appear in the Company's books on the 4th October 1956, or to their mandatees. No application for Dividend Warrants will be necessary.

THE KARANPURA COLLIERIES LIMITED.

AT a meeting of the Board of Directors held on 30th August, 1956, the following Dividends were recommended to be paid for the year ended 29th February, 1956.

On Cumulative Preference Shares ... @ 5½ per annum (after deduction of Income Tax payable by the Company)

On Ordinary Shares ... @ 5 % per annum (without deduction for Income Tax payable by the Company).

By Order of the Board,

BIRD & CO. (PRIVATE) LIMITED,
Managing Agents.

Chartered Bank Buildings,
Calcutta.

THE NORTHBROOK JUTE CO., LTD.

AT a meeting of the Board of Directors held on the 1st day of September 1956, the following Dividends were recommended to be paid for the half-year ended 31st March 1956 without deduction of income tax paid by the Company in each case.

Preference Shares ... 5½ per cent per annum.
Ordinary Shares ... Rs. 1-8-0 per share.

By Order of the Board,

BIRD & CO. (PRIVATE) LTD.,
Managing Agents.

UNION JUTE CO., LTD.

AT a meeting of the Board of Directors held on the 1st day of September 1956, the following Dividends were recommended to be paid for the half-year ended 31st March 1956 without deduction of income tax paid by the Company in each case.

Preference Shares 7 per cent per annum.
Ordinary Shares ... Rupee One per Share.

By Order of the Board,

BIRD & CO. (PRIVATE) LTD.,
Managing Agents.

THE KINNISON JUTE MILLS CO., LTD.

AT a meeting of the Board of Directors held on the 1st day of September 1956, the following Dividends were recommended to be paid for the half-year ended 31st March 1956 without deduction of income tax paid by the Company in each case.

Preference Shares ... 7 per cent per annum.
Ordinary Shares ... Rs. 6 per share.

By Order of the Board,

F. W. HEILGERS & CO. (PRIVATE) LTD.,
Managing Agents.

THE AUCKLAND JUTE CO., LTD.

AT a meeting of the Board of Directors held on the 1st day of September 1956, the following Dividends were recommended to be paid for the half-year ended 31st March 1956 without deduction of income tax paid by the Company in each case.

Redeemable Preference Shares ... 4½ per cent per annum.
Preference Shares ... 5½ per cent per annum.
Ordinary Shares ... Rupee One per share.

By Order of the Board,

BIRD & CO. (PRIVATE) LTD.,
Managing Agents.

THE LAWRENCE JUTE CO., LTD.

AT a meeting of the Board of Directors held on the 1st day of September 1956, the following Dividends were recommended to be paid for the half-year ended 31st March 1956 without deduction of income tax paid by the Company in each case.

"A" Preference Shares 7 per cent per annum.
"B" Preference Shares 5½ per cent per annum

By Order of the Board,

BIRD & CO. (PRIVATE) LTD.,
Managing Agents.

GIELLE TEA COMPANY, LIMITED.

THE Annual General Meeting of Shareholders of the above Company will be held at the Registered Office of the Company, No. 6, Church Lane, Calcutta, on Wednesday, the 26th September, 1956, at 12-30 P.M. to receive the Directors' Report, pass the Accounts for Season 1955, and elect a Director and an Auditor.

The Share Transfer Books and Register of Members of the Company will be closed from the 13th September to the 26th September, 1956, both days inclusive.

By Order of the Directors,

DAVENPORT & CO. PRIVATE LTD.,
Secretaries.

Calcutta, 3rd September, 1956.

Note:—A member entitled to attend and vote at this Meeting is entitled to appoint a proxy, who need not be a member of the Company, to attend and vote in his stead.

THE DALHOUSIE JUTE COMPANY LIMITED

NOTICE is hereby given that an Annual General Meeting within the meaning of the Companies Act 1956 (being the One Hundred and Fifth Ordinary General Meeting) of THE DALHOUSIE JUTE COMPANY LIMITED will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta at 11-15 A.M. on Friday the 5th day of October, 1956, for the following purposes:—

1. To consider and pass the Audited Accounts of the Company for the half-year ended 31st March, 1956 and to receive the Directors' and Auditors' Reports thereon.
2. To appoint Directors in place of those retiring.
3. To appoint Auditors and fix their remuneration.

The Share Transfer Registers of the Company will be closed from 21st September to 5th October, 1956, both days inclusive.

By Order of the Board,

BIRD & COMPANY (PRIVATE) LIMITED,
Managing Agents.

Chartered Bank Buildings,
Calcutta, 1st September, 1956.

NOTE:—Any member who is entitled to attend and vote at this meeting may appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company.

THE LANSLOWNE JUTE COMPANY LIMITED

NOTICE is hereby given that an Annual General Meeting within the meaning of the Companies Act 1956 of THE LANSLOWNE JUTE COMPANY LIMITED will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta at 11-30 A.M. on Friday the 5th day of October, 1956 for the following purposes:—

1. To consider and pass the Audited Accounts of the Company for the half-year ended 31st March, 1956, and to receive the Directors' and Auditors' Reports thereon.
2. To appoint Directors in place of those retiring.
3. To appoint Auditors and fix their remuneration.

The Share Transfer Registers of the Company will be closed from 21st September to 5th October, 1956, both days inclusive.

By Order of the Board,

BIRD & COMPANY (PRIVATE) LIMITED,
Managing Agents.

Chartered Bank Buildings,
Calcutta, 1st September, 1956.

NOTE:—Any member who is entitled to attend and vote at this meeting may appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company.



Serving Industry—which Serves Mankind

1901—the birth of Monsanto starting with practically sweet nothing—the manufacture of a single chemical—Saccharin. Today, Monsanto ranks among the greatest names in chemicals and plastics, serving industry which serves mankind. Today—hundreds of industries rely on Monsanto: Agriculture—Automotive—Aviation—Beverages—Ceramics—Chemical Processing—Cosmetics, Perfumes—Dental—Dyeing—Electrical—Foods—Insecticides—Leather Tanning—Lumber—Machinery—Mining—Packaging—Paint, Varnish, Lacquer—Petroleum—Pharmaceutical—Pulp, Paper—Plastics—Printing Ink—Radio—Rayon—Refrigeration—Rubber—Soaps and Detergents—Textiles.

To those of you who are concerned with any operation in any of these industries, we extend a personal invitation—"Come and consult us". We shall help you increase production...improve products...decrease operating costs...and increase your sales.

MONSANTO CHEMICALS LIMITED, London. • MONSANTO CHEMICAL COMPANY, St. Louis, U.S.A. • Monsanto Canada Limited, Montreal. • Monsanto Chemicals (Australia) Ltd., Melbourne. • Monsanto Chemicals of India Private Ltd., Bombay. • Monsanto Argentina S.A.I.C., Buenos Aires. • Monsanto S.A., Mexico. • Monsanto-Kasei Chemical Co., Tokyo, Japan. • Monsanto-Boussios, Paris, France. • Representatives in principal cities.

MONSANTO CHEMICALS OF INDIA PRIVATE LTD.
Wakefield House, Spratt Road, Ballard Estate, Bombay 1.

THE IMPERIAL TOBACCO COMPANY OF INDIA LIMITED EXPLANATORY STATEMENT

On 21st August 1956 the Company posted to its shareholders with the Report and Accounts for its year ended 31st March 1956 a Notice dated 9th August 1956 convening the Forty-fifth Annual General Meeting of the Company on 14th September 1956.

By an accidental omission, the hour of the Meeting was not specified in the Notice but the Company posted a further Notice dated 22nd August 1956 specifying the hour of the Meeting as 3-30 P.M.

The Directors' attention has since been drawn by certain of the shareholders to the fact that the further Notice dated 22nd August 1956 did not give them twenty-one days' notice of the Meeting to be held on 14th September 1956. The Directors have now been advised that the Notice convening the Meeting, including the further Notice, is not sufficient and that any proceedings on the basis of such Notices will not be valid.

The Directors have decided that a fresh and new Notice should be issued calling the Forty-fifth Annual General Meeting and they do hereby issue such Notice in the terms following:—

NOTICE OF MEETING

NOTICE is hereby given that the Forty-fifth Annual General Meeting of The Imperial Tobacco Company of India Limited will be held at Virginia House, 37, Chowringhee, Calcutta, on 27th September 1956 at 9 A.M. for the following purposes:—

1. To receive and adopt the Statement of Accounts and Balance Sheet and the Reports of the Directors and Auditors thereon.
2. If considered desirable to declare a dividend.
3. To elect Directors.
4. To appoint Auditors and fix their remuneration.

In accordance with the Notice already issued and dated 9th August 1956, the share transfer books of the Company have been closed from 28th August to 14th September 1956, both days inclusive, and further notice is now given that the share transfer books of the Company will remain closed from 15th September to 26th September 1956, both days inclusive.

By Order of the Board,
B. GRANGER PEARSON
Assistant Secretary.

Calcutta.

3rd September 1956.

Virginia House,
37, Chowringhee,

NOTES: The dividend, if approved, will now be paid on 28th September 1956 and not on 25th September 1956, to the shareholders whose names are registered in the books of the Company on 26th September 1956, and not on 14th September 1956, or to their mandates. Transfers received in order at the registered office of the Company by 27th August 1956, remain in time to be passed for payment of the dividend to the transferees.

Shareholders are again requested to notify the Company immediately of any change in address.

A member entitled to attend and vote at the General Meeting may appoint a proxy, who need not be a member, to attend and on a poll to vote on his behalf.

The Statement of Accounts and Balance Sheet and the Reports of the Directors and Auditors thereon were forwarded to shareholders on 21st August 1956.

Notice in particular to:—

P. V. Sykes, B. N. Saha, Raja J. R. Rao, I. M. D'Costa, M. Z. Osmani, G. Cumming, Maj. Genl. S. Shamsheer, F. Roscoe, A. M. Roscoe, Lt.-Col. R. O. B. Perrott, Rani J. K. Debi, W. E. Nicholson, M. L. Bhatia, A. T. W. Edmondson, M. Devi, Genl. S. S. J. B. Rana, Maj. Genl. N. S. S. J. B. Rana, P. A. Dikshit, K. A. Dikshit, P. Da P. Pinto, J. Pinto, D. P. Bahl, E. M. K. O. Carey, M. N. Patei.

CAPITAL (PRIVATE) LIMITED.

NOTICE is hereby given to the Members of the abovenamed Company that an Annual General Meeting within the meaning of the Companies Act, 1956 (being the Fifty-first Ordinary General Meeting of the Company) will be held at the Bengal Chamber of Commerce and Industry, Calcutta on the 28th day of September, 1956, at 10-00 a.m. for the purpose of receiving the Report of the Directors, passing the Audited Accounts for the year ended 31st December, 1955, electing Directors and appointing Auditors.

The Share Register of the Company will be closed from the 13th to the 28th September, 1956, both days inclusive.

By Order of the Board,
W. G. EASSON,
Secretary.

Calcutta,

30th August, 1956.

Note.—A member entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote in his stead. Such proxy need not be a member of the Company.

UNION JUTE COMPANY LIMITED.

NOTICE is hereby given that an Annual General Meeting within the meaning of the Companies Act 1956 (being the One Hundred and Fifty-first Ordinary General Meeting) of UNION JUTE COMPANY LIMITED, will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta, at 10-30 A.M. on Friday the 5th day of October, 1956, for the following purposes:—

1. To receive and adopt the Directors' and Auditors' Reports and to pass the audited accounts for the half-year ended 31st March, 1956.
2. To declare dividends recommended by the Directors.
3. To appoint Auditors for the financial year ending on 31st March, 1957, and to fix their remuneration.
4. To appoint a Director in place of Sir Asoka K. Roy, who retires by rotation and being 70 years of age is not eligible for re-election unless his appointment is approved by a resolution of the Company in General Meeting specifically declaring that the age limit shall not apply to him.

And in this connection to consider and, if thought fit, to pass the following resolution of which special notice as required by Section 281(2) of the Companies Act, 1956, has been received by the Company and the relative explanatory statement concerning which as required by Section 173 of the said Act is appended below.

TO BE PROPOSED AS AN ORDINARY RESOLUTION

"That the restriction as to age limit prescribed by Section 280 of the Companies Act, 1956, shall not apply to Sir Asoka K. Roy and that he be and is hereby re-elected as a Director of the Company, whose period of office as such director would be liable to determination by retirement of Directors by rotation."

The Share Transfer Registers of the Company will be closed from 21st September to 5th October, 1956, both days inclusive.

By Order of the Board,

BIRD & CO. (PRIVATE) LIMITED,
Managing Agents.

Chartered Bank Buildings,

Calcutta, 1st September, 1956.

Note:—(1) A member entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote in his stead. Such proxy need not be a member of the Company.

(2) The dividends, if sanctioned, will be paid on or after 15th October, 1956, to those shareholders so entitled whose names appear in the Company's books on the 5th October, 1956, or to his nominees. No application for dividend warrants will be necessary.

Explanatory Statement: In the special notice given to the Company of the resolution under item No. 4 of the above notice it has been stated that the services of Sir Asoka K. Roy have proved most useful to the Company and as he has considerable experience and personal knowledge of the affairs of the Company, he should continue to remain on the Board of Directors of the Company and that the age limit imposed by Section 280 of the Companies Act, 1956, should not apply to him.

THE LAWRENCE JUTE COMPANY LIMITED

NOTICE is hereby given that an Annual General Meeting within the meaning of the Companies Act 1956 (being the One Hundredth Ordinary General Meeting) of THE LAWRENCE JUTE COMPANY LIMITED will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta at 10-20 A.M. on Friday the 5th day of October, 1956 for the following purposes:—

1. To consider and pass the Audited Accounts of the Company for the half-year ended 31st March, 1956 and to receive the Directors' and Auditors' Reports thereon.
2. To declare Dividends recommended by the Directors.
3. To appoint Directors in place of those retiring.
4. To appoint Auditors and fix their remuneration.

The Share Transfer Registers of the Company will be closed from 21st September to 5th October, 1956, both days inclusive.

By Order of the Board,

BIRD & COMPANY (PRIVATE) LIMITED,
Managing Agents.

Chartered Bank Buildings,

Calcutta, 1st September, 1956.

NOTES:—1. Any member who is entitled to attend and vote at this meeting may appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company.

2. Payment of Dividends if declared will be made only to those members whose names are registered in the books of the Company on 5th October, 1956 and Dividend Warrants will be sent to them on or after 15th October, 1956.

DHELA KHAT TEA COMPANY, LIMITED

NOTICE is hereby given that the Thirty-eighth Annual General Meeting of Shareholders of the Dhekhath Tea Company, Limited, will be held at the Registered Office of the Company, No. 31, Chowringhee Road, Calcutta, on Thursday, the 27th September, 1956, at 9-00 a.m., for the following purposes:—

1. To receive the Directors' Report for Season 1955.
2. To pass the Accounts for the year ended 31st December, 1955.
3. To confirm the Interim Dividend paid on 8th March, 1956.
4. To declare a final Dividend.
5. To elect Directors.
6. To elect Auditors for the current year and to fix their remuneration.
7. To transact any other ordinary business brought before the Meeting.

The Transfer Books of the Company will be closed from 15th September to 28th September, 1956, both days inclusive.

By Order of the Board,

JAMES WARREN & COMPANY, LIMITED,
Secretaries & Agents.

31, Chowringhee Road,

Calcutta, 3rd September, 1956.

THE STANDARD JUTE COMPANY LIMITED

NOTICE is hereby given that an Annual General Meeting within the meaning of the Companies Act 1956 (being the One Hundred and Twenty-first Ordinary General Meeting) of THE STANDARD JUTE COMPANY LIMITED will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta at 10-45 A.M. on Friday the 5th day of October, 1956 for the following purposes:—

1. To consider and pass the Audited Accounts of the Company for the half-year ended 31st March, 1956 and to receive the Directors' and Auditors' Reports thereon.
2. To appoint Directors in place of those retiring.
3. To appoint Auditors and fix their remuneration.

The Share Transfer Registers of the Company will be closed from 21st September to 5th October, 1956, both days inclusive.

By Order of the Board,

BIRD & COMPANY (PRIVATE) LIMITED,
Managing Agents.

Chartered Bank Buildings,

Calcutta, 1st September, 1956.

NOTE:—Any member who is entitled to attend and vote at this meeting may appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company.

THE NORTHBROOK JUTE COMPANY LIMITED

NOTICE is hereby given that an Annual General Meeting within the meaning of the Companies Act 1956 (being the Ninety-fifth Ordinary General Meeting) of THE NORTHBROOK JUTE COMPANY LIMITED will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta at 10-55 A.M. on Friday the 5th day of October, 1956 for the following purposes:—

1. To consider and pass the Audited Accounts of the Company for the half-year ended 31st March, 1956 and to receive the Directors' and Auditors' Reports thereon.
2. To declare Dividends recommended by the Directors.
3. To appoint Directors in place of those retiring.
4. To appoint Auditors and fix their remuneration.

The Share Transfer Registers of the Company will be closed from 21st September to 5th October, 1956, both days inclusive.

By Order of the Board,

BIRD & COMPANY (PRIVATE) LIMITED,
Managing Agents.

Chartered Bank Buildings,

Calcutta, 1st September, 1956.

NOTES:—1. Any member who is entitled to attend and vote at this meeting may appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company.

2. Payment of Dividends if declared will be made only to those members whose names are registered in the books of the Company on 5th October, 1956 and Dividend Warrants will be sent to them on or after 15th October, 1956.

THE AUCKLAND JUTE COMPANY LIMITED

NOTICE is hereby given that an Annual General Meeting within the meaning of the Companies Act 1956 (being the Ninety-fifth Ordinary General Meeting) of THE AUCKLAND JUTE COMPANY LIMITED will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta at 11-05 A.M. on Friday the 5th day of October, 1956 for the following purposes:—

1. To consider and pass the Audited Accounts of the Company for the half-year ended 31st March, 1956 and to receive the Directors' and Auditors' Reports thereon.
2. To declare Dividends recommended by the Directors.
3. To appoint Directors in place of those retiring.
4. To appoint Auditors and fix their remuneration.

The Share Transfer Registers of the Company will be closed from 21st September to 5th October, 1956, both days inclusive.

By Order of the Board,

BIRD & COMPANY (PRIVATE) LIMITED,
Managing Agents.

Chartered Bank Buildings,

Calcutta, 1st September, 1956.

NOTES:—1. Any member who is entitled to attend and vote at this meeting may appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company.

2. Payment of Dividends if declared will be made only to those members whose names are registered in the books of the Company on 5th October, 1956 and Dividend Warrants will be sent to them on or after 15th October, 1956.

THE KINNISON JUTE MILLS COMPANY LIMITED

NOTICE is hereby given that an Annual General Meeting within the meaning of the Companies Act 1956 (being the One Hundredth Ordinary General Meeting) of THE KINNISON JUTE MILLS COMPANY LIMITED will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta at 10 A.M. on Friday the 5th day of October, 1956 for the following purposes:—

1. To consider and pass the Audited Accounts of the Company for the half-year ended 31st March, 1956 and to receive the Directors' and Auditors' Reports thereon.
2. To declare Dividends recommended by the Directors.
3. To appoint Directors in place of those retiring.
4. To appoint Auditors and fix their remuneration.

The Share Transfer Registers of the Company will be closed from 21st September to 5th October, 1956, both days inclusive.

By Order of the Board,

F. W. HEILGERS & COMPANY (PRIVATE) LIMITED,
Managing Agents.

Chartered Bank Buildings,

Calcutta, 1st September, 1956.

NOTES:—1. Any member who is entitled to attend and vote at this meeting may appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company.

2. Payment of Dividends if declared will be made only to those members whose names are registered in the books of the Company on 5th October, 1956 and Dividend Warrants will be sent to them on or after 15th October, 1956.

THE NAIHATI JUTE MILLS COMPANY LIMITED

NOTICE is hereby given that an Annual General Meeting within the meaning of the Companies Act 1956 (being the One Hundred and Second Ordinary General Meeting) of THE NAIHATI JUTE MILLS COMPANY LIMITED will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta at 10-10 A.M. on Friday the 5th day of October, 1956 for the following purposes:—

1. To consider and pass the Audited Accounts of the Company for the half-year ended 31st March, 1956 and to receive the Directors' and Auditors' Reports thereon.
2. To appoint Directors in place of those retiring.
3. To appoint Auditors and fix their remuneration.

The Share Transfer Registers of the Company will be closed from 21st September to 5th October, 1956, both days inclusive.

By Order of the Board,

F. W. HEILGERS & COMPANY (PRIVATE) LIMITED,
Managing Agents.

Chartered Bank Buildings,

Calcutta, 1st September, 1956.

NOTE:—Any member who is entitled to attend and vote at this meeting may appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company.

HOWRAH MILLS COMPANY, LIMITED.

NOTICE is hereby given that the One hundred and thirty-first Annual General Meeting of Members of Howrah Mills Co., Ltd., will be held at the Registered Office of the Company, No. 4, Clive Row, Calcutta, on Friday, the 28th September, 1956, at 12-00 noon for the following purposes:—

- (1) To receive and adopt the Directors' Report and Audited Accounts for the half-year ended 31st March, 1956, and the Balance Sheet as at that date.
- (2) To declare Dividends.
- (3) To elect a Director.
- (4) To appoint Auditors and to fix their remuneration.

The Share Transfer Books of the Company will be closed from 14th September to 28th September, 1956, both days inclusive.

By Order of the Board,

JARDINE HENDERSON, LIMITED,
D. FORDWOOD,
Secretary,

Managing Agents.

Calcutta, 24th August, 1956.

NOTE: (a) A Member of the Company who is entitled to attend and vote may appoint a proxy to attend and vote instead of himself. A proxy need not be a Member of the Company.

(b) Payment of any Dividend declared will be made only to those members whose names are registered in the Books of the Company on the 28th day of September, 1956, or to their Mandates. No applications for warrants will be necessary. Claims on behalf of holders of shares on blank transfer will not be entertained.

BALLY JUTE COMPANY, LIMITED.

NOTICE is hereby given that the Seventy-sixth Annual General Meeting of Members of Bally Jute Co., Ltd., will be held at the Registered Office of the Company, No. 4, Clive Row, Calcutta, on Friday, the 28th September, 1956, at 12-30 p.m. for the following purposes:—

- (1) To receive and adopt the Directors' Report and Audited Accounts for the half-year ended 31st March, 1956, and the Balance Sheet as at that date.
- (2) To declare a Dividend on the Preference Shares.
- (3) To elect a Director.
- (4) To appoint Auditors and to fix their remuneration.

The Share Transfer Books of the Company will be closed from the 14th September, 1956 to 28th September, 1956, both days inclusive.

By Order of the Board,

JARDINE HENDERSON, LIMITED,
D. FORDWOOD,
Secretary,

Managing Agents.

4, Clive Row,

Calcutta, 24th August, 1956.

NOTE: (a) A Member of the Company who is entitled to attend and vote may appoint a proxy to attend and vote instead of himself. A proxy need not be a Member of the Company.

(b) Payment of any Dividend declared will be made only to those members whose names are registered in the Books of the Company on the 28th day of September, 1956, or to their Mandates. No applications for warrants will be necessary. Claims on behalf of holders of shares on blank transfer will not be entertained.

W. H. TARGETT & CO., LTD.

NOTICE is hereby given to the Members of the abovenamed Company that an Annual General Meeting within the meaning of the Companies Act, 1956 (being the Twenty-third Ordinary General Meeting of the Company) will be held at the Bengal Chamber of Commerce and Industry, Calcutta, on the 28th day of September, 1956, at 10-05 a.m., for the purpose of receiving the Report of the Committee of Management, passing the Audited Accounts for the year ended 31st December, 1955, declaring the dividend recommended by the Committee Members, electing Members of the Committee of Management and appointing Auditors.

The Share Register of the Company will be closed from the 13th to the 28th September, 1956, both days inclusive.

By Order of the Board,

W. G. EASSON,
Secretary.

Calcutta,

30th August, 1956.

Note.—A member entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote in his stead. Such proxy need not be a member of the Company.

THE RELIANCE JUTE MILLS COMPANY, LIMITED.

NOTICE is hereby given that the Ninety-ninth Annual General Meeting of Members of The Reliance Jute Mills Co., Ltd., will be held at the Registered Office of the Company, No. 4, Clive Row, Calcutta, on Thursday, the 27th September, 1956, at 11-30 a.m. for the following purposes:—

- (1) To receive and adopt the Directors' Report and Audited Accounts for the half-year ended 31st March, 1956, and the Balance Sheet as at that date.
- (2) To elect a Director.
- (3) To appoint Auditors and to fix their remuneration.

The Share Transfer Books of the Company will be closed from 13th September to 27th September, 1956, both days inclusive.

By Order of the Board,

JARDINE HENDERSON, LIMITED,
D. FORDWOOD,
Secretary,

Managing Agents.

Calcutta, 24th August, 1956.

NOTE: A Member of the Company who is entitled to attend and vote may appoint a proxy to attend and vote instead of himself. A proxy need not be a Member of the Company.

BANARHAT TEA COMPANY LIMITED

THE Board of Directors has decided to recommend to the forthcoming Annual General Meeting of Shareholders a dividend of Rs. 6/8/- per share on the Preference Shares and a dividend of Rs. 25/- per share on the Ordinary Shares, in respect of the year ended 31st December, 1955, without any deduction in respect of taxation payable by the Company.

By Order of the Board,

ANDREW YULE & CO. LTD.,
Managing Agents.

Dated, 30th August, 1956.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	Hour I.S.T.
Kyang Tea Seed Co., Ltd.	6-9-56	4 p.m.
New Samanbhat Tea Co., Ltd.	6-9-56	4-15 p.m.
Britannia Biscuits Co., Ltd.	7-9-56	11-15 a.m.
Benares Electric Light & Power Co., Ltd.	10-9-56	11 a.m.
Lodna Colliery Co. (1920), Ltd.	10-9-56	3 p.m.
Patna Electric Supply Co., Ltd. (E)	11-9-56	3-40 p.m.
Bhagalpur Electric Supply Co., Ltd. (E)	11-9-56	3-50 p.m.
Cuttack Electric Supply Co., Ltd. (E)	11-9-56	4 p.m.
Mozufferpore Electric Supply Co., Ltd. (E)	11-9-56	4-10 p.m.
Shahjahanpur Electric Supply Co., Ltd. (E)	11-9-56	4-20 p.m.
Mysore Spg. & Mfg. Co., Ltd.	13-9-56	4-30 p.m.
Imperial Tobacco Co. of India, Ltd.	14-9-56	3-30 p.m.
Salem Erode Electricity Distribution Co., Ltd. (E)	14-9-56	4 p.m.
Tinnevely—Tuticorin Electric Supply Co., Ltd. (E)	14-9-56	4-10 p.m.
Mangalore Electric Supply Co., Ltd. (E)	14-9-56	4-20 p.m.
Fussimbhat Tea Co., Ltd.	19-9-56	12-30 p.m.
Dehri Rihats Light Rly. Co., Ltd.	21-9-56	11-30 p.m.
National Carbon Co. (India) Ltd.	21-9-56	3-50 p.m.
New India Investment Corp., Ltd.	24-9-56	4 p.m.
Gielle Tea Co., Ltd.	26-9-56	12-30 p.m.
Imperial Tobacco Co. of India, Ltd.	27-9-56	9 a.m.
Dhalekhat Tea Co., Ltd.	27-9-56	9 a.m.
Reliance Jute Mills Co., Ltd.	27-9-56	11-30 a.m.
Sijua (Jherria) Electric Supply Co., Ltd.	27-9-56	3-30 p.m.
Capital (Private) Ltd.	28-9-56	10 a.m.
W. H Targett & Co., Ltd.	28-9-56	10-05 a.m.
Eagle Rolling Mills, Ltd.	28-9-56	10-40 a.m.
Kumardhabi Fireclay & Silica Works Ltd.	28-9-56	11 a.m.
Bally Jute Co., Ltd.	28-9-56	12-30 p.m.
Howrah Mills Co., Ltd. (Jute)	28-9-56	noon
Mirzapur Electric Supply Co., Ltd.	28-9-56	10-30 a.m.
Karanpura Collieries, Ltd.	29-9-56	11-45 a.m.
Orissa Cement, Ltd.	29-9-56	3-30 p.m.
Rameshwara Jute Mills, Ltd.	1-10-56	3-30 p.m.

H indicates that Share capital is half paid. O, C. and Dd. indicate Ordinary, Contributory and Deferred Shares respectively. P next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Reserve & other Funds	Cash and investments	NAMES	Accounts closed	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up or Share	Latest Market Quotations as available until		
							1952	1954	1955		5-9-56	28-8-56	4 year ago
Rs.	Rs.	Rs.			Rs.	Rs.				Rs.	Rs.	Rs.	

T=Dividend Taxable

* Excluding taxation

†† In Pakistan Currency

† Per share.

† Guaranteed.

Paid-up Capital Ordinary	No. of Looms	Net block Account	Reserve & other Funds & Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent			S. & B. Rs.	Latest Market Quotations as available until		
										1954	1955	1956		5-9-56	28-5-56	A year ago
Rs.		Rs.	Rs.	Rs.				Rs.	Rs.			Rs.	Rs.	Rs.	Rs.	
60,00,00	879	49,39,057	54,00,000	7,28,672	Agarpara P	3-9	79	5,38,054	2,42,027	3-5	2 1/2-3 1/2	3 1/2-5	10	12	12 1/2	14
5,00,000	446	14,71,561	10,25,000	1,77,488	Alexandra P	6-12	165	71,584	1,38,329	NIL-2 1/2	2 1/2-5	5-10	100	20	200	240
30,00,000	1,264	23,85,758	6,25,000	4,78,623	Alliance P	6-12	165	-2,73,565	23,103	NIL-5	5-6	6-11	100	122	122	171
49,20,700	2,561	85,08,335	72,00,000	43,22,952	Anglo-India P	3-9	63	10,19,776	1,23,973	7 1/2-5	2-5	3-4 1/2	100	185	188	238
40,00,000	810	84,76,481	42,34,285	14,01,911	Auckland P	3-9	21	1,54,490	9,783	7 1/2-5	1-2	6-4	100	125	115	152
20,00,000	959	31,77,922	22,90,000	1,76,694	Bally P	3-9	128	-1,22,429	15,350	4-11 1/2	3 1/2-5	5-11 1/2	100	148	148	190
4,275,000	1,889	5,540,086	6,62,23,627	2,139,032	Barnagore P	3	126	2,24,258	264,854	20	15	15	100	159	159	204
28,00,000	620	42,34,111	30,32,123	1,27,730	Beldargue P	6-12	2	4,12,422	1,005	7 1/2-7 1/2	3-5	5-2 1/2	100	161	161	18
45,08,000	768	65,78,648	35,45,000	99,83,500	Bengal P	6-12	23	13,31,280	2,65,100	12 1/2	11 1/2	11 1/2	10	161	161	18
91,26,000	1,373	1,08,77,751	2,17,48,383	1,52,39,779	Bhira P	3	22	21,44,042	4,37,393	30	10	10-10 1/2	100	144	144	202
36,00,000	991	40,31,627	27,37,926	2,54,559	Budge Budge P	4-10	2	3,27,992	2,271	6-4	4-5	5-2 1/2	10	9 1/2	9 1/2	14
7,47,380	502	12,59,648	4,17,958	1,73,320	Calcutta P	6-12	62	51,976	1,48,461	---	---	4-2 1/2	100	202	203	273
18,00,000	616	45,64,476	30,46,234	66,335	Caledonian P	5-11	2	-2,84,150	6,248	6-6	1-5	4-6	100	165	167	198
59,16,400	1,400	1,14,95,514	93,04,343	3,08,573	Champdany P	3-9	341	3,67,348	63,800	6	6-8	6-4	100	193 1/2	193 1/2	302
15,95,000	530	24,74,480	28,39,282	3,29,387	Chavot P	5-11	2	-1,42,859	5,59,078	12 1/2-5	5-6 1/2	7 1/2-6 1/2	100	14	14	15
30,15,000	500	17,02,643	31,00,000	28,21,035	Chitavalaisah P	6-12	165	5,59,078	18,647	---	---	---	100	15	15	103
16,00,000	969	13,80,489	25,12,433	1,35,556	Clive P	3-9	318	1,51,574	1,89,471	1-3	1-1 1/2	3-1	100	103	103	151
31,49,200	768	74,95,515	61,22,363	29,76,658	Dalhousie P	6-12	3	1,12,039	1,996	5-5	5-5	5-5	100	196	196	283
28,00,000	779	28,56,589	44,74,179	28,28,825	Delta P	5-11	2	-51,192	15,912	10-10	10-10	10-10				

† 1956.

• **Gross Stock**

BOMBAY COTTON MILLS

O. Po. C. and Dd. indicate Ordinary Preferred Ordinary Contributory and Deferred Shares respectively. P. next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Number of		Net Block Account	Reserve & Other Funds	Cash & Securities	NAMES OF MILLS	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per Share			Paid-up per Share	Latest Market Quotations as available (units)		
	Spindles	Looms									1951	1954	1955		4-9-56	28-8-56	4 year ago
33,00,000	48,552	1,016	78,85,647	23,92,600	13,11,543	Ahmedabad Advance P	6	269	2,94,748	4,408	10	5	2	100	215	220	145
50,00,000	48,254	896	20,17,010	19,98,860	10,78,394	Apollo	12	228	1,49,501	-2,24,486	Nil	Nil	..	100	231	3 5/64	218
40,00,000	41,135	980	56,44,089	24,00,000	84,93,977	Beharilal Ramcharan	12	350	45,646	Nil	..	..	..	100	549	541	541
2,50,98,000	2,03,942	4,911	4,92,50,220	6,29,32,051	3,63,58,662	Bombay Dyeing etc	3	199	54,80,350	73,129	9	8	10	250	653	696	501
10,00,000	35,052	948	8,49,113	25,75,750	71,44,109	Bradbury P.	3	262	11,48,439	80,375	40	..	..	50	190	190	204
20,00,000	28,948	496	26,33,370	6,93,986	58,709	Broach Fine Counts	3	43	13,78,997	11,47,692	..	..	..	250	..	..	..
1,09,42,800	1,18,296	2,760	84,77,147	2,30,98,826	32,49,545	Century	12	22	30,09,708	63,956	22	22	22	100	566	605	424
46,87,500	1,15,188	2,062	91,53,966	56,73,074	27,90,255	Central India P.	6	269	39,632	3,703	5	2	3	100	101	164	128
49,00,000	44,592	594	47,63,561	1,00,50,66	58,370	Colaba Land & Mill	12	344	-12,83,292	33,88,439	Nil	..	..	100	118	118	118
26,00,000	24,916	719	37,34,829	32,52,34	1,01,653	Coorla	12	262	2,92,576	1,07,563	7	..	..	50	91	91	90
16,00,000	43,512	..	13,26,022	26,53,587	18,49,456	Dawn	12	260	9,18,679	30,168	7	7	..	200	325	325	265
34,00,000	49,164	920	4,87,007	6,87,007	27,00,000	Edward Textiles	12	39	19,96,991	49,379	..	..	..	50	50	50	42
25,00,000	33,948	784	24,22,107	1,00,000	33,29,43	Elphinstone P.	12	341	61,75,097	85,682	17	..	..	100	255	382	264
40,00,000	45,072	784	22,83,234	28,21,476	43,47,258	Finlay	12	36	12,85,523	85,195	4	..	..	100	244	250	222
39,04,700	77,966	..	19,78,309	43,25,176	23,64,706	Gokak	6	156	5,20,791	1,801	..	..	..	100	225	..	..
12,00,000	71,672	1,387	61,31,506	2,46,297	52,000	Hind Mills Ltd P.	6	305	4,27,854	5,195	..	..	..	1,000	382	3,82	3,82
12,00,000	40,856	1,116	64,14,595	68,13,239	10,75,932	Hindustan	3	..	..	..	..	..	..	..	..	..	..
2,00,00,000	2,48,870	6,498	4,41,45,022	3,84,70,706	31,82,629	India United	12	15	1,32,22,197	5,89,816	..	..	..	10	123	14	11
50,00,000	..	..	..	..	..	..	..	..	..	..	..	..	..	10	123	2	1
9,00,000	47,824	1,202	75,60,490	61,57,161	4,26,274	Indian	8	305	..	..	..	..	..	1,000	3,830	3,830	3,830
50,00,000	50,074	1,426	48,56,928	57,98,513	..	Indore Malwa United	12	103	..	47,407	..	..	..	100	95	95	95
6,66,000	22,664	459	6,64,300	48,64,818	27,00,000	Khandesh	12	122	1,96,715	63,148	6	..	..	1,000	..	..	..
84,000	..	..	..	..	..	..	..	..	..	..	..	..	..	250	..	..	..
29,92,500	55,260	1,514	50,33,012	49,54,66	24,68,047	Khatav Mankanji P.	6	149	4,92,850	22,865	10	..	..	100	227	227	211
1,00,00,000	1,11,464	1,846	88,73,299	1,34,00,000	8,16,143	Kohinoor	12	146	31,21,795	33,980	20	18	18	100	365	397	323
32,00,000	51,972	1,213	35,78,446	77,40,640	9,87,456	Lakshmi P.	12	44	13,97,807	14,744	15	13	17	250	650	650	550
29,59,700	36,416	551	39,80,598	19,59,091	12,15,175	Minerva	12	126	1,98,449	16,588	7	5	6	100	183	190	138
94,91,850	52,408	1,020	74,24,442	15,31,227	9,17,444	Model Mills Nagpur	6	78	4,77,626	27,241	3	..	..	250	183	190	138
50,56,000	1,665	53,42,444	32,62,600	67,504	..	Morarjee Goudaldas	6	104	12,50,550	26,751	12	14	14	100	273	273	234
24,83,500	48,794	500	35,34,062	50,34,257	15,47,280	Myr & Mfg P	3	261	189,482	23,708	20	17	12	50	133	136	110
24,00,000	45,944	432	23,52,760	7,45,700	10,79,306	New City of Bombay	12	42	15,67,753	8,456	..	..	..	100	149	149	140
30,00,000	46,884	1,029	22,77,093	25,72,444	27,32,508	New Great Eastern F	12	42	12,48,697	153	..	..	..	100	252	260	172
49,94,100	24,708	469	51,34,024	35,02,826	25,25,426	Jernantshahi	10	273	12,88,408	1,79,408	..	..	..	100	160	163	131
48,00,000	54,244	728	53,94,222	30,22,895	1,54,21,528	Phoenix	12	119	21,027	27,380	..	..	..	100	160	163	131
5,00,000	3,520	277	89,277	41,35,66	3,28,231	Sassoon & Alliance Silk	12	257	21,3043	8,507	..	..	..	10	143	142	142
60,240,000	60,240	1,288	47,75,324	60,49,474	45,94,67	Sassoon Spinning	12	339	22,21,698	10,145	12	..	..	10	15	15	160
16,00,000	1,11,360	2,234	11,46,629	1,51,25,293	38,22,524	Sholapur	3	183	24,07,995	1,95,119	..	..	..	50	209	217	165
42,00,000	34,840	1,276	15,03,540	19,48,699	18,69,266	Simplex	3	47	18,98,596	5,39,330	..	..	..	100	231	247	246
60,00,000	66,068	1,644	33,20,221	39,06,251	18,83,493	Sree Nivas Cotton P	12	247	20,80,610	1,56,612	14	..	..	100	210	217	210
1,00,00,000	65,040	1,300	1,24,92,659	94,75,000	56,68,495	Swadeshi	12	269	15,47,509	67,611	16	8	12	100	253	272	272
32,00,000	31,456	528	45,34,406	56,58,670	12,465	Swan	12	341	..	..	..	..	..	100	450	487	361
24,78,958	48,248	1,806	11,08,972	57,21,006	17,34,476	Vata	12	269	8,25,350	43,485	6	10	16	65	369	612	565
35,00,000	54,280	1,495	59,56,889	36,84,372	6,72,046	Vishnu P.	12	14	7,77,492	23,125	4	8	..	100	190	191	191
12,00,000	45,508	1,308	62,07,441	12,11,933	31,81,227	Western India	3	305	52,10,885	8,027	..	..	..	1,000	387	3,875	3,875

TEA COMPANIES

TEA COMPANIES

Paid-up Capital Ordinary	Net other Account	Reserve & other Funds	Accrue under Tax	Yuttur and Average Price per lb realised for crop				Estimate other Lbs	NAMES	Accounts Debit	Variance Agents	Net credits including taxation	Dividends per cent			Paid up Share	Market quotations as available	Latest quotations 28-8-56																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																												
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Ra	Ra	Ra		Lbs	As P	Lbs	As P	Lbs				Ra	1962	1963	1964	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra	Ra

† 1955.

TEA COMPANIES

O. Po and Dd indicate Ordinary Preferred Ordinary and Deferred Shares, respectively. P next to the name of the company indicates that the Company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Acreage under Tea	Output and Average Price per lb realised for crop				Estimate	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Dividends per cent			Paid-up Share	Latest Market Quota- tions as available until			
				1953	As P.	1954	As P.						1952	1953	1954		5-9-56	28-8-56	1 year ago	
Rs	Rs	Rs		Lbs	As P.	Lbs	As P.	Lbs				Rs			Rs					
CACHAR																				
3,00,000	3,40,887	1,75,000	862	2,71,440	30-1	2,89,040	39-11	..	Arcuttipore	12	88	1,72,877	NU	NU	NU	10	12	12	12	
4,00,000	6,26,259	49,878	465	..	..	..	..	..	Baitakhal	12	35	43,007	NU	..	..	10	102	102	144	
10,00,000	17,71,849	313,800	1,390	4,01,322	41-1	8,90,263	40-10	8,19,040	Central Cachar	12	128	5,98,904	NU	NU	71	100	100	100	140	
2,00,000	37,753	..	194	3,80,734	3-4	1,00,450	4-2/5	6,87,760	Chandypore	12	128	66,346	NU	NU	111	116	116	123		
7,00,000	6,99,137	11,300	649	3,74,498	27-11	5,91,320	38-6	4,40,000	Eastern Cachar	12	202	2,48,284	NU	NU	111	116	116	123		
12,00,000	18,43,015	1,50,000	1,155	4,44,166	27-5	17,59,926	35-0	16,00,000	Itanikihra	12	202	1,32,256	NU	25	40	16	191	291	111	
4,50,000	4,97,000	1,65,222	586	..	..	..	..	..	Kallinuggar Khoreal	12	313	91,071	NU	NU	15	100	102	110	135	
3,00,000	2,40,000	2,51,784	591	4,44,010	31-1	4,40,507	4-8	1,20,000	Kunchupore	12	3	3,31,927	NU	NU	271	142	142	201	201	
3,00,000	3,25,000	2,50,000	1,350	4,44,010	31-1	4,40,507	4-8	1,20,000	North Western Cachar	12	63	2,21,673	NU	NU	20	100	264	264	264	
7,00,000	1,00,329	..	186.5	3,54,004	29-5	..	..	..	Pathemara P.	12	202	1,64,444	NU	..	..	15	15	211	211	
1,84,000	1,90,357	1,18,592	618	4,54,160	29-1	3,04,720	36-6 4/5	3,84,000	Roopacherra	12	165	4,33,780	NU	NU	10	10	22	22	211	
2,00,000	5,25,000	4,28,514	688	5,29,410	31-8	6,76,800	11-11	5,60,300	Rungamattie	12	93	5,75,715	NU	NU	20	35	50	104	104	144
4,00,000	6,88,316	3,52,313	662	4,74,400	28-7 4	4,49,336	36-7 1/2	4,20,000	Soni River P.	12	14	3,73,677	NU	NU	121	191	191	241		
3,75,000	5,02,307	4,31,250	1,050	..	..	4,63,320	..	3,12,000	Tilka	12	95	5,22,670	NU	NU	20	10	12	10		
DARJEELING																				
3,99,750	6,89,413	4,157	502	1,19,351	33-9	1,14,311	29-11	1,44,000	Bloomfield	12	101	73,268	NU	NU	NU	10	31	31	41	
2,79,900	7,26,911	1,25,000	467	1,06,606	42-3 4	1,14,174	62-0	1,60,000	Champong	12	279	1,34,209	NU	NU	20	10	17	20		
3,75,900	3,75,900	3,11,928	991	..	..	..	..	..	Darjeeling Tea Chinchona	12	139	1,15,595	NU	71	40	100	175	175	290	
2,00,000	1,74,363	1,62,639	488	1,04,560	39-10	1,35,760	52-5	1,23,000	Diharam	12	200	1,03,183	NU	NU	21	100	190	315		
5,00,000	5,13,506	4,53,585	500	2,45,013	37-0	2,94,204	49-11 4	2,68,300	Gietle P.	12	74	3,24,074	NU	NU	25	10	311	311	351	
3,00,000	6,25,000	10,770	1,049	5,84,322	34-3	6,53,740	58-31	6,64,000	Langpa P.	12	279	8,25,171	NU	NU	20	30	304	304		
10,32,000	5,57,576	11,18	761	4,38,233	34-3	5,28,515	18-3 4	3,60,000	Longview	12	85	8,04,823	NU	12	20	12	12	161		
4,00,000	5,67,134	5,00,000	816	4,09,521	42-4	..	..	..	Margaret's Hope	12	165	1,53,361	NU	71	40	10	161	161	221	
1,59,000	1,75,390	1,10,239	463	1,63,524	42-1	1,82,080	62-4	1,84,000	Mim	12	4	2,10,300	NU	..	..	296	296	377		
2,99,900	3,40,000	3,00,000	689	3,72,742	34-3 4	4,30,016	33-4 4	4,40,000	Nagar Farm	12	279	5,44,268	NU	20	50	10	271	291	331	
3,00,000	1,50,000	1,07,500	305	1,63,571	..	1,81,153	..	1,80,000	Okayti P.	12	63	1,95,358	NU	NU	371	100	600	560		
2,30,000	3,02,868	1,61,118	776	..	..	..	..	..	Pashok	12	139	852	NU	10	30	10	28	28	16	
3,00,000	4,85,000	4,73,387	500	1,47,596	35-9	1,68,697	54-5	1,76,000	Poobong	12	63	1,73,613	NU	21	15	15	15	15	15	
2,05,000	1,20,500	2,68,427	570	1,03,418	38-5 4	1,58,740	30-8	1,60,000	Pumming P.	12	14	2,02,628	NU	NU	10	10	15	15	15	
1,40,000	1,40,000	1,77,000	341	1,72,12	40-1	1,80,720	38-0	..	Runglee Rungliot	12	63	2,83,196	NU	171	50	100	408	450		
3,00,000	2,60,300	71,302	389	1,64,492	39-1	1,77,704	33-3	1,60,000	Seeyok	12	63	1,99,421	NU	21	15	10	151	151	191	
6,25,000	5,99,413	1,459	747	1,63,189	44-4 5	2,03,005	47-0	1,10,000	Singal	12	113	45,341	NU	NU	113	100	381	381	65	
9,00,000	9,27,323	1,46,857	983	2,36,381	35-8 4	2,64,000	30-4 4	2,30,000	Sinatom P.	12	101	2,87,270	NU	NU	5	10	511	511	91	
3,00,000	2,89,060	3,90,000	354	2,67,892	40-0 4	2,89,738	50-3 4	2,80,000	Soom	12	279	4,43,350	NU	30	50	10	351	351	30	
6,25,000	1,06,947	5,74,585	382	3,30,160	37-5 4	3,76,000	54-5	3,90,000	Sungma	12	165	5,50,250	NU	NU	71	10	121	121	121	
3,20,000	4,86,000	9,62,401	7184	3,64,018	38-2	4,40,947	18-3 4	4,00,000	Teesta Valley	12	14	5,54,651	NU	15	40	10	391	391	401	
6,01,350	10,96,000	2,90,000	1,666	6,68,593	35-6	7,11,945	50-5 4	7,76,000	Tukvar	12	279	3,99,993	NU	NU	10	10	121	121	191	
DUARS																				
15,00,000	17,66,862	34,25,000	2,540	29,22,880	32-4 4	30,81,680	51-2	32,00,000	Banarhat P.	12	2	51,07,307	171	45	120	100	334	332	735	
6,00,000	20,53,853	13,70,000	1,105	14,98,569	32-3	13,91,320	43-1	13,71,200	Baradighi	12	128	13,94,614	5	30	65	10	491	491	671	
9,00,000	5,05,410	11,03,942	1,112	13,97,521	30-9	..	..	..	Bhatkawa	12	165	3,45,451	NU	30	..	..	171	171	243	
9,00,000	9,00,000	6,50,000	1,343.9	12,02,308	35-2	11,96,886	52-8	12,80,000	Birpara P.	12	63	12,07,487	NU	NU	20	100	201	201	259	
6,00,000	6,00,000	3,50,000	802	3,53,625	35-2	5,04,104	45-10	5,20,000	Caron	12	63	4,07,337	NU	221	25	100	322	322	618	
6,00,000	6,91,678	5,50,000	903	10,82,807	31-11	10,68,486	47-0	11,60,000	Choonabhatti P.	12	4	3,98,498	NU	25	50	201	201	259		
3,00,000	2,16,472	2,50,000	300	4,41,78	32-6	4,01,294	43-8	4,48,000	Ellenbarrie	12	63	3,28,025	NU	15	100	272	272	378		
1,20,000	1,70,317	4,00,000	265	2,14,324	49-1	2,24,800	49-1	2,20,000	Enzo	12	3	3,49,363	NU	110	100	577	577	645		
3,50,000	1,11,776	3,00,000	447	4,59,446	28-9	4,75,941	39-9	5,20,000	Ethelbari	12	354	4,64,619	NU	NU	50	10	291	291	341	
5,00,000	1,38,424	5,00,000	1,253.6	3,11,849	34-7	7,62,721	47-1	..	Gairkhat	12	88	10,21,301	NU	20	70	100	236	236	433	
10,00,000	17,49,550	22,55,503	1,022	12,20,107	27-11	12,26,096	47-11	..	Gopalpur	12	99	1,93,197	NU	15	24-121	25	195	198	406	
24,00,000	20,80,441	14,48,782	4,927	32,32,173	31-2	30,88,842	47-11	31,20,000	Hantapara P.	12	63	39,71,808	21	25	60	100	322	322	471	
22,00,000	32,36,429	60,63,333	4,282.5	90,85,268	42-4	90,85,268	42-4	92,00,000	Hasmara P.	12	63	46,06,927	NU	25	60	10	322	322	46	
8,25,000	4,40,000	1,47,213	1,452	18,54,361	47-2 4	16,97,368	42-6	17,20,000	Huidibari	12	74	19,89,593	NU	221	30	10	322	322	46	
3,50,000	4,50,251	4,65,000	607	3,46,724	42-6	4,86,406	34-3	5,00,000	Jaybirpara	12	3	7,17,491	NU	25	65	10	21	21	491	
9,00,000	6,75,000	7,12,233	937	3,39,383	35-6	1,46,814	39-4	10,00,000	Killcot	12	63	10,39,757	NU	20	411	10	261	261	241	
2,00,000	4,12,000	3,50,000	620	3,05,241	42-6	4,73,831	45-7	..	Manabarrie	12	217	5,69,183	NU	10	65	100	793	793	800	
9,50,000	9,60,000	12,20,223	1,125	10,53,498	43-10	1,6														

MISCELLANEOUS COMPANIES—Contd.

O, Po, C and Dd indicate Ordinary, Preferred Ordinary, Contributory and Deferred Shares respectively. P next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
								1953	1954	1955		Rs.	Rs.	A year ago
Rs.	Rs.	Rs.	Rs.			Rs.	Rs.				Rs.	Rs.	Rs.	
SUGAR BREWERIES, ETC.														
11,00,000	6,45,722	3,75,000	10,90,564	New Savan Sugar and Gur	5	140	95,437	52,205	..	..	..	10	61 1/2	71 1/2
9,00,000	1,28,559	17,64,369	58,734	Purabpur Sugar P.	10	25	5,08,340	8,871	..	..	..	10	15 1/2	15 1/2
15,59,820	26,52,127	35,00,000	4,80,500	Ramnagar Cane & Sugar P.	8	1	18,11,504	20,350	20	15	20	10	27 1/2	26 1/2
19,99,600	25,62,553	39,88,218	13,92,915	Raza Sugar	10	92	10,78,193	3,144	10	..	..	10	..	..
8,00,000	4,42,169	6,54,762	1,85,115	Ryam Sugar P.	6	25	1,43,798	24,340	5	5	..	10	20 1/2	20 1/2
11,90,000	15,94,681	18,37,529	98,312	Samastipur Central Sugar	6	25	79,022	8,477	5	5	Nil	10	13 1/2	14 1/2
20,00,000	72,62,286	36,66,708	1,63,144	Shree Krishna Gyanodaya Sugar P.	7	335	12,99,571	34,046	15	15	17 1/2	10	13 1/2	18 1/2
7,94,500	13,54,858	11,65,175	11,16,368	Shree Sitaram Sugar	6	140	1,90,957	7,991	Nil	Nil	15	10	15 1/2	15 1/2
9,99,950	14,54,274	1,54,301	1,42,696	Sitalpore Sugar	6	94	1,39,515	1,39,515	Nil	Nil	Nil	10	4 1/2	4 1/2
16,00,000	6,07,804	7,99,778	4,22,572	United Provinces	9	341	4,23,880	39,061	5	12 1/2	..	10	21 1/2	21 1/2
6,00,000	38,92,308	21,57,559	3,50,336	Upper Ganges Sugar P.	6	227	10,24,525	82,931	25	25	25	10	93 1/2	93 1/2
14,00,000A	14,24,740	23,74,426	10,72,924	Upper India Sugar	4	302	16,80,986	86,393	..	15	20	100AC 124BC	280 1/2	280 1/2
7,00,000B													28 1/2	28 1/2
MISCELLANEOUS														
8,00,000	2,20,232	1,56,200	9,53,526A	A Firpo (Restaurateurs)	10	85	84,518	4,475	..	..	..	10	4 1/2	4 1/2
1,50,00,000	1,40,80,594	6,21,715	51,361	Air India Ltd.	12	269	6,02,785	14,30,401	Nil	..	..	100	..	..
2,00,00,000	2,58,39,656	68,01,534	50,022	Air India International Ltd.	12	322	10,51,340	30,205	Nil	..	..	100	..	..
47,50,000C	1,31,03,534	15,00,000	5,97,941	Aluminium Corp. P.	3	132	12,82,024	32,582	Nil	Nil	Nil	100	12 1/2	11 1/2
20,00,000	42,43,917	14,50,000	53,36,059	Anderson Wright, Ltd. P.	12	1	4,94,322	24,401	6	7 1/2	..	100	6 1/2	6 1/2
30,00,000	10,11,675	37,63,719	14,41,315	Angelo Bros.	8	268	11,84,131	3,43,961	124	124	..	10	24 1/2	24 1/2
30,00,000	17,54,434	27,66,265	54,634	Assam Match	12	274	8,35,902	1,18,395	12	12 1/2	10	20	18 1/2	19 1/2
13,99,998	21,25,615	23,00,285	64,182	Assam Saw Mills & Timber	9	21	97,045	5,14,537	Nil	Nil	Nil	3	4 1/2	5 1/2
20,00,000	61,51,597	23,00,090	61,84,007	Associated Hotels of India P.	8	204	8,82,993	32,683	2	2	4	10	11 1/2	10 1/2
80,01,400	33,50,000	1,09,53,000	1,12,08,422	Balmer Lawrie & Co.	12	304	32,12,152	5,03,129	20	13	12 1/2	100	172	172
12,00,000	2,65,000	8,24,890	1,80,023	Bararee Coke	3-9	128	2,16,123	22,708	7-7	7 1/2	7 1/2	100	19 1/2	19 1/2
6,00,000	76,414	30,72,417	1,40,79,333	Bengal Timber Trading P.	6	128	6,43,164	1,19,103	..	..	..	100	44	44
50,00,000	19,59,059	19,59,059	19,59,059	Bharat Airways Ltd.	8	22	3,19,589	3,19,229	..	..	..	10	5 1/2	5 1/2
20,00,000	76,85,085	31,11,814	62,81,006	Birds Investments P.	9	160	5,69,372	1,15,707	12 1/2	12 1/2	12 1/2	10	17 1/2	18 1/2
45,97,020	13,11,814	2,04,476	1,02,21,271	Britannia Biscuit P.	3	50	8,14,261	1,79,277	5	10	10-10	10	15 1/2	15 1/2
22,50,000	19,98,796	41,18,773	38,98,773	British Aluminium Corporation P.	12	6	27,75,295	1,65,955	..	..	..	7 1/2	10 1/2	11 1/2
3,25,00,000	59,89,738	1,18,60,524	2,50,83,650	British India Corporation P.	12	33	30,23,938	27,36,584	10	11	Nil	5	10 1/2	10 1/2
32,50,000A														
32,50,000B	2,10,569	5,83,876	1,16,62,849	Calcutta Gas Co. (Propri.) Ltd. P.	9	235	6,87,704	22,169	5	5	6	10A	7 1/2	7 1/2
5,00,000	5,92,780	2,40,684	1,02,576	Calcutta Silk Manufacturing P.	3-9	213	45,711	22,586	..	..	..	10	4 1/2	4 1/2
90,00,000	17,68,710	67,71,168	2,49,58,018	Duncan Brothers & Co. Ltd.	12	169	48,24,539	4,28,060	10	12	..	100	135	130
1,60,00,000	2,94,69,046	3,14,66,174	4,04,79,333	Dunlop Rubber Co. (India) P.	12	96	96,72,154	11,71,885	15	15	15	100	29 1/2	29 1/2
75,00,000	13,79,557	4,33,826	1,48,29,522	Eastern Investments Ltd. P.	12	21	12,83,240	3,06,138	9	9	9	100	145	139 1/2
7,50,000	12,02,139	16,59,676	25,63,120	F & C Oster (India) Ltd. P.	3	84	4,26,249	5,26,954	5	..	..	100	10 1/2	10 1/2
14,00,000	14,92,000	10,02,000	11,384	Ganges Rope	3-9	19	89,571	27,194	10-10	7 1/2-7 1/2	7 1/2-7 1/2	100	186	186
2,25,000	41,18,813	42,00,000	1,09,15,528	Generals Investments Trust P.	2-8	21	45,701	8,851	24-24	24-24	24-24	75	43	43
65,00,000	27,68,049	5,00,324	12,84,357	Gillanders Arbuthnot & Co. Ltd. P.	3	105	29,71,809	1,51,360	7	7 1/2	7 1/2	10	14 1/2	14 1/2
20,00,000	27,68,049	5,00,324	12,84,357	Gladstone Lyle & Co. Ltd. P.	12	209	7,02,792	34,555	..	..	..	10	..	..
40,00,000	31,71,333	7,81,000	98,384	Godfrey Phillips (India) Ltd. P.	12	310	19,01,201	11,96,811	17 1/2	10	20	10	25 1/2	25 1/2
30,00,000	32,90,010	17,22,203	6,22,424	Great Eastern Hotel	3	225	5,30,579	16,373	..	..	..	250	239	239
10,00,000	17,38,764	1,61,173	9,221	Hindusthan Ice & Cold Storage	9	..	43,377	24,274	..	..	..	5	1 1/2	1 1/2
35,20,000	31,95,729	19,00,000	19,72,453	Hoare Miller & Co. Ltd.	12	294	91,339	67,868	Nil	Nil	..	10	6 1/2	6 1/2
1,60,00,000	7,42,66,399	7,88,86,788	5,50,32,187	Imperial Tobacco	3	325	3,66,59,515	24,94,274	4 1/2	6	8-8	10	15 1/2	15 1/2
1,50,00,000	2,41,97,583	53,33,999	10,13,114	Indian Aluminium Co. Ltd. P.	12	293	26,79,662	14,18,074	Nil	Nil	9	10	24 1/2	24 1/2
1,52,99,220	98,54,740	1,62,50,000	3,90,322	Indian Cable P.	3	34	77,23,781	28,98,462	10	10	12 1/2	10	34 1/2	34 1/2
83,75,000C												10PO	8 1/2	8 1/2
1,25,00,000	22,07,260	2,21,280	11,69,467	Indian National Airways	12	93	36,302	12,62,971	..	..	..	100	6 1/2	6 1/2
8,27,970	6,57,319	8,08,000	8,08,202	Indian Rubber Manufacturers P.	3	173	4,07,268	1,36,845	..	..	..	100	6 1/2	6 1/2
20,00,000	4,64,735	18,15,467	10,40,705	Indian Wood Products	9	88	17,28,038	2,76,619	25	27 1/2	30	10	17 1/2	16 1/2
5,00,000	15,962	235,590	10,40,705	Investments and Finance P.	2-8	21	1,07,254	7,890	21-21	21-21	21-21	100	65	65
2,40,000		4,46,244	3,20,757	Ivan Jones Ltd.	9	194	1,39,321	36,496	..	..	..	2	21 1/2	21 1/2
5,87,500C														
1,17,50,000D	2,23,827	2,97,161	6,66,683	James Wright P.	12	281	62,875	5,299	6	5	..	50	4 1/2	4 1/2
2,00,00,000	31,23,999	55,00,000	3,73,43,977	Jardine Henderson Ltd. P.	3	39	41,68,361	4,70,107	7 1/2	7 1/2	7 1/2	100	99	99
6,34,00,000	31,23,999	55,00,000	3,73,43,977	Jardine Henderson Ltd. P.	3	39	41,68,361	4,70,107	7 1/2	7 1/2	7 1/2	100	99	99
66,00,000D	31,23,999	55,00,000	3,73,43,977	Jardine Henderson Ltd. P.	3	39	41,68,361	4,70,107	7 1/2	7 1/2	7 1/2	100	99	99
1,50,00,000	31,23,999	55,00,000	3,73,43,977	Jardine Henderson Ltd. P.	3	39	41,68,361	4,70,107	7 1/2	7 1/2	7 1/2	100	99	99
1,37,53,000	82,21,000	44,53,211	3,30,53,381	Macneill & Barry Ltd. P.	3	334	37,93,029	6,21,756	7 1/2	7 1/2	7 1/2	100	..	..
40,00,000C	36,41,510	54,56,063	1,85,74,341	Martin Burn Ltd. P.	9	309	71,18,708	2,03,456	13	13 1/2	18 1/2	10	23 1/2	23 1/2
5,00,00,000	37,19,459	72,01,906	2,34,00,554	McLeod & Co. P.	12	282	25,04,502	1,87,834	10	17	..	1000	240	240
1,15,00,000	1,10,37,201	69,74,249	7,33,589	Metal Box Co. of India Ltd. P.	3	167	62,82,608	16,24,249	10	10	21-10 1/2	10	29 1/2	29 1/2
20,00,000	19,89,407	74,12,035	11,31,121	National Insulated Cable P.	3	7	39,26,600	2,22,282	10	10	..	10	25 1/2	25 1/2
10,00,000	31,74,413	40,40,000	2,67,563	National Rolling & Steel Ropes	6	7	18,65,549	31,724	5 1/2	..	15	10	11 1/2	11 1/2
79,97,000	61,97,293	78,53,576	23,37,295	National Tobacco P.	12	79	12,06,160	9,						

BOMBAY MISCELLANEOUS COMPANIES

O. P. F. D. G. and R indicate Ordinary Preferred Ordinary Founders' Deferred Guarantee and Rebate Shares respectively P next to the names of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent.	Paid-up per Share	Latest Market Quotations as available until	A year ago
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1953	1954	1955	Rs.
CEMENT												
12,67,59,333	16,16,27,689	6,15,51,096	3,90,26,918	Associated Cement	7	53	4,71,77,960	5,62,770	91	64	10	100
ELECTRIC LTG POWER												
6,99,95,600	11,08,94,307	69,91,218	20,82,140	Ahmedabad Electricity	9	146	35,75,580	188	64	64	5	100
2,92,83,500	4,16,62,358	52,34,507	65,30,599	Andhra Valley Power Supply P	6	267	46,19,171	25,735	74	74	74	1,000
1,74,99,700	2,14,85,122	39,32,485	5,79,834	Bombay Suburban Elec. Sup.	3	146	19,21,739	45	1	2	1-74	100
38,08,200	17,49,053	4,75,323	14,87,557	Poona Electric Supply P	12	228	3,86,015	21,171	74	74	74	100
2,34,45,225	3,37,65,356	63,82,045	58,39,875	Tata Hydro-Elec. Power sup P	6	267	37,75,587	27,952	74	74	74	1,000
5,02,75,750	8,99,37,405	1,41,56,578	1,29,22,349	Tata Power P.	6	267	77,32,951	27,952	74	74	74	1,000
ENGINEERING & METAL												
83,42,200	17,06,292	44,16,374	1,54,08,311	Alcock Asndown	12	268	8,79,666	1,35,820	10	124	100	3464
6,00,000	4,43,904	59,338	4,43,904	Just's Engineering	3	115	62,291	1,598	15	15	5-5*	96
40,00,000	11,26,513	10,00,000	9,74,664	Larsen & Toubro P.	3	351	14,60,736	28,740	10	10	10-10*	100
40,95,100	81,25,753	2,02,500	49,333	Machinery Mfgs. Corp. Ltd P	3	330	2,02,006	64,876	NH	NH	NH	100A
1,10,00,000	15,00,978	16,66,194	7,06,260	McKenzie's	7	283	1,49,085	64,938	..	..	..	100
2,50,000	5,834	1,00,53,052	1,79,52,042	Premier Construction P.	12	284	3,55,178	59,102	20	25 5/6	28 1/3	300
1,31,250F	4,80,59,980	26,78,952	44,49,499	Tata Locomotive & Eng. P.	3	69	3,303	50,350	NH	NH	NH	100
4,18,72,400	32,44,07,755	16,83,05,536	12,34,83,510	Tata Iron & Steel P.	3	269	9,26,44,872	4,04,945	28	14	14-14*	750
INSURANCE COMPANIES												
20,00,000	..	23,84,913	95,96,033	British India General	12	297	4,24,629	1,18,606	..	..	..	10
5,15,000	..	11,04,94,687	8,95,48,481	Empire of India Life	12	253	..	..	..	..	..	100
8,46,120	..	36,33,999	46,38,803	Indian Mercantile	12	75	..	1,13,109	..	..	..	20
18,74,940	25,01,134	2,88,61,155	2,61,49,442	Jupiter General P.	12	55	38,351	4,65,316	NH	NH	..	15
1,08,91,590	..	1,68,81,793	27,25,18,952	New India	12	179	43,58,653	71,250	134	162 2/3	..	15
6,00,000	..	67,83,74,430	65,48,53,420	Oriental Life	12	298	..	..	..	..	..	200
15,99,270	..	29,41,860	59,86,789	Vulcan	12	255	6,05,803	2,81,242	10	10	..	154
MISCELLANEOUS												
90,79,065	31,95,468	3,97,409	12,61,996	Air Service of India	6	336	-15,61,405	-37,22,790	..	..	..	15
47,97,250	21,34,989	35,75,182	78,89,034	Belapur Sugar	9	42	33,89,000	61,389	..	..	..	50
50,00,000	2,20,64,303	4,12,86,155	2,67,47,639	Bombay Burmah Trading	5	285	47,93,172	61,990	..	16	21	125
42,00,000	1,21,04,053	31,74,431	31,14,908	Bombay Steam Navigation P.	6	256	4,54,215	30,135	..	..	..	25
99,99,250	3,085	19,47,386	1,28,40,992	Industrial Investment Trust	12	299	5,81,909	2,83,136	..	44	44	100
11,99,900	13,82,957	7,34,127	14,05,223	Kemp (Chemists)	3	87	68,232	16,942	10	6	..	200
1,57,71,400	5,74,05,779	1,81,13,445	2,99,042	National Rayon Corp.	12	352	63,19,604	4,72,076	9	10	..	100
9,39,98,069	18,36,63,413	7,710,16,957	12,46,31,677	Scindia Steam Navigation	6	198	32,72,555	22,72,555	5	24	24	100
1,00,000	27,45,058	97,30,000	11,27,000	Shivrajpur Synd. (Manganese)	11	146	35,49,059	21,661	70	80	100	100
1,39,95,000	1,96,71,944	13,51,214	4,14,939	Tata Chemicals P.	6	269	13,55,026	57,597	NH	NH	..	100
70,07,475	75,25,991	34,08,586	22,83,813	Tata Oil P.	3	269	3,00,461	11,453	7	9	8-12*	25
2,75,00,000	1,46,45,903	2,43,20,936	1,50,49,201	Western India Match	12	274	74,05,281	5,61,984	11	11	11	100

*1956

†Liquid Assets

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Block Account	Reserve & other Funds	NAMES	Accounts closed	Managing Agents	Net Earnings	Carry forward	Dividends per cent.	Paid-up per Share	Latest Market Quotations as available until	A year ago
Rs.	Rs.	Rs.				Rs.	Rs.	1953	1954	1955	Rs.
CALCUTTA											
17,24,000	20,82,356	2,00,804	Ahmedpur Kutwa S.S.G.	3	165	-29,367	..	24	24	24	100
21,69,300	33,40,889	6,00,702	Arrah Sasaram D. B. G.	3-9	32	2,57,676	33,735	3-3	3-3	3-3	100
34,00,000	41,30,202	3,11,049	Bankura Damodar River S.S.G.	3	165	46,807	..	24	24	24	100
19,00,000	29,09,643	4,91,171	Baraset Basirhat D.B.G.	3-9	331	18,844	1,18,863	..	..	..	100
17,90,000	2,20,877	2,20,877	Burdwan Kutwa S.S.G.	3	165	78,839	..	4	24	24	100
31,00,000	35,46,011	..	Chaparmukh Shilghat S.S.G.	3-9	32	62,824	10,849	129-129	13-13	11-11	100
4,75,000	3,20,040	4,75,000	Cherra Chhatra Ropeway	3	88	7,071	9,917	12	5	..	100
2,47,650	2,75,015	65,226	Darjeeling Ropeway	3	101	18,097	4,549	14	24	24	100
22,50,000	60,65,477	12,50,000	Dehri-Rohas	3	335	5,10,808	26,755	67	71	..	100
11,49,700	20,10,843	1,68,143	Futwah Islampur S.S.G.	3-9	32	5,917	98-98	99-1	1-1	10	100
46,00,000	50,82,188	17,87,954	Howrah Amta D.R.G. (P)	3-9	32	1,18,351	90,009	3-3	3-3	3-3	100
6,00,000	13,87,138	4,43,410	Howrah Sheekhala D.B.G.	3-9	32	28,627	20,122	3-3	3-3	3-3	100
19,50,000	27,95,689	2,47,139	Kalighat Falta S.S.G.	3	165	-1,99,473	..	24	24	24	100
6,91,100	15,16,175	10,551	Katakhal-Lala Bazar S.S.G.	3	165	31,257	..	44	5	..	100
15,00,000	62,56,929	28,77,041	Shabdara Delhi Saharanpur	3-9	32	6,26,073	17,25,546	6-6	6-6	6-6	100
1,75,000	5,41,779	2,04,841	Tezpur Balpara Tramway P	3-9	165	-43,574	5,944	..	..	..	100

Managing Agents Managing Directors and Secretaries with their Respective address.—(Contd.)

320 F. W. J. Penn—United Breweries Ltd., Bangalore-1.	329 Sri G. D. Bhagat—15 Shro Chakur Lane, Calcutta.	339 M. G. Investment Corp., Ltd.—127, Mahatma Gandhi Road Fort Bombay.	348 Sahu Jain Ltd.—11, Clive Row Calcutta.
331 F. O. Williams—14, Old Court House St., Calcutta.	330 Mahindra & Mahindra Ltd.—Gateway Building, Apollo Bunder Bombay.	340 K. O. Chertyan—Travancore.	349 Chandmull Batla—7, Canning Street, Calcutta.
332 Messrs Tata Sons Ltd.—New India Assurance Buildings, Mahatma Gandhi Rd. Fort Bombay-1.	331 N. L. Roy & Sons—Canning St., Calcutta.	341 James Finlay & Co., Ltd.—2, Netaji Subhas Road, Calcutta.	350 K. & Agarwal—Empire House, Hornby Road Fort Bombay.
333 Anderson Wright & Co.—7, Wellesley Place, Calcutta.	332 M. Paspattil, 21, Ravelin Street, Fort Bombay.	342 U. N. Chatterjee—2, Royal Exchange Place, Calcutta.	351 E. & P. (Management), Ltd.—J. K. Building, Doull Road, Ballard Estate Bombay.
334 Bathgate & Co.—17/19, Old Court House St., Calcutta.	333 Jaipuria Bros., Ltd.—33, Netaji Subhas Road, Calcutta.	343 Eastern Smelting & Refining Co., Ltd.—10, Clive Row Calcutta.	352 C. G. Mahant—Ewart House, Bruce Street Fort Bombay.
335 John Rutherford Blakie—Virginia House, 37, Chowringhee Calcutta.	334 S. Latimer—2, Fairlie Place, Calcutta.	344 V. J. Pillai—Victoria Bunder Colaba.	353 N. K. Jha—14, Netaji Subhas Road, Calcutta.
336 Beriwalla Bros.—33 Netaji Subhas Rd., Calcutta.	335 Sahu Jain Ltd.—Daimianagar.	345 The National Tea Corporation—130, Cotton Street, Calcutta.	354 C. G. Kanai—P. S. Mission Row Calcutta.
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A WARNING FOR THE ECONOMY

THE RESERVE BANK FEARS FOR STABILITY

THE latest annual report of the directors of the Reserve Bank of India, covering the year ended June 1956 and issued this week, reflects an undercurrent of anxiety somewhat more marked than in its predecessor. The doubts appear to be centred on its main theme—whether India can in the next few years combine economic expansion with financial stability. Over the past five years, says the report, she has been able to do so “in a substantial measure”. It points out that development outlays have been increasing, industrial and agricultural production have risen, there has been a balance in the external payments position as a whole, and an improved flow of savings has strengthened the capital market. All this has been achieved while the economy has maintained a fair degree of price stability. But the achievements spring from circumstances which are partly fortuitous and partly created. An important one has been the rising level of world economic activity, on which a not-too-diversified economy like India's depends heavily. Internally, no less important has been the high level of agricultural, especially foodgrains, production since 1953-54. Already, by that year, foodgrains output had exceeded the first plan target substantially, though it has declined somewhat since. This has been accompanied by a steady rise in industrial production, reflecting the stabilisation and consolidation of the economy. Meanwhile, development outlays, although they have increased steadily each year since 1951-52, seem regularly to have fallen considerably short of the planned targets. Even in the last two years of the first plan, when the Government sharply accelerated its investment expenditure, deficits proved smaller than budget expectations. (The Reserve Bank calculates that over the five years, 1951-56, the combined deficits of Central and State Governments were slightly less than Rs. 400 crores.) Loans and small savings yielded more than the planners had originally expected, while the payments deficit was smaller because less food and machinery was imported.

The broad conclusion to be drawn from this record seems to be that among the main factors making for economic stability during the first plan were: one, production, both agricultural and industrial, was high; two, Government budgetary deficits were smaller than expected; and three, borrowing was successful. Because of this, the payments deficit was much smaller than planned. These are also the factors which will be of crucial significance to the success of the second plan. Stressing the importance of economic stability, the Reserve Bank report underlines “the need for a careful and continuous assessment of the current economic situation with a view to appropriate adjustments in the pace and pattern of planned development, and in fiscal and monetary policies, from time to time”. It pleads, in other words, for prompt and easy flexibility in implementing the plan; and the fact that this requirement is appreciated in some official circles does not detract from the value of the strong emphasis given it by the country's foremost banking institution. On the contrary, the value is greatly enhanced in the light of the recent sharp increase in prices; the Reserve Bank pinpoints a major factor responsible for this year's price increases when it says that “recently the rise in money supply has tended to outpace the rise in production levels and economic activity.”

*

The Reserve Bank seems, as might be expected, to share the hopes of many about the fulfilment of the second five year plan, but what are more important are the qualifications with which it hedges those hopes. It says that if the targets of additional taxation and borrowing are achieved and the volume of deficit financing mentioned “remains as the outside limit”, there may not be a serious threat to financial stability, provided production, agricultural and industrial, expands at a satisfactory rate. First importance is attached to the need to produce more food and other essential

articles like cloth. It is pointed out that during the first plan, production targets for both food and cloth have been far exceeded, but even so the quantities have been fully absorbed and there has been no glut of either commodity on the market. The report says unequivocally that food targets should be higher than the plan suggests, but this increase must be achieved without increasing further the overall size of the plan. In other words, a bigger allocation for food cultivation is necessary, but the money must come by trimming down allotments for other, less urgent requirements. The Reserve Bank report is less direct in its advocacy of the need to increase cloth production. This is unfortunate, for the importance of cheap and plentiful cloth is nearly as great as that of cheap and plentiful food. If authoritative banking opinion were to be forthright in its support of immediate and rapid expansion in the organised textile industry, it would greatly strengthen the case of those who today have to suffer the retrogressive ideology of the Ambar Charkha and handloom advocates.

*

With the extent of food expansion an uncertain element, and cloth increase at present virtually banned by ideological whimsy, thoughts turn inevitably to the prospects for expansion in other productive sectors; in the circumstances these must come to occupy increasing importance as disinflationary influences. Here the Reserve Bank report omits to mention one important factor suggesting extreme caution in assessing prospects. This is that much of the expansion in industrial output achieved over the last three or four years is due to the fact that there has been a great deal of idle capacity in the country. Thus, not only has the expansion been achieved with a relatively small investment outlay; it has also been brought about much more rapidly than might henceforth be expected. No doubt there are still substantial industries in the economy, such as jute manufacture, foundries and re-rolling mills, which have idle capacity that should increasingly return to use as demand and raw material supplies improve. But, by and large, it is probably justifiable to expect

CALCUTTA, THE SICK CITY

STATISTICAL information, for which the public's appetite is perhaps exaggerated by some planners, comes to laymen with a strange impact. To take the recent socio-economic survey produced by the Departments of Economics and Statistics of the University of Calcutta, it confirms what has long been felt by them—imprecisely but not necessarily less vividly. And yet, the report has been the subject of editorial comment in the daily Press. The public has been told what it already knew, little more. But the report made a difference. Vague apprehensions have been given shape. It is now easier to make a case against the Government; one will be able to know what one is talking about. Inadequately unperceived, there may be yet another incidental effect of statistics on human affairs. Figures sometimes tend to de-personalise what is intensely personal. When a report says, as the one under review does, that in Calcutta a mother has on average 3.79 children, the layman is, first, apt to wonder about the fraction, then to laugh, and finally to dismiss the whole thing as a bad job. His reaction to the observation that although Bengalis form 66.5 percent of the population in the city they constitute 77.5 percent of the unemployed is likely to be emotional and uninformed, for it may not be readily obvious to everyone that the unemployed in other States are unlikely to stay at home until they get jobs in Calcutta while the Bengali does not go outside his State or city unless, again, he has been offered employment elsewhere. It is, therefore, necessary

that the results of industrial expansion plans, though more impressive in quantitative terms, are likely to take longer to materialise. To that extent, their disinflationary impact will take longer to show. This is the more so now that the emphasis has shifted sharply towards basic and heavy industries and away from those supplying consumer needs. The intention here is not to criticise the fact of the shift in emphasis, but only to suggest one of its possible repercussions. The case of the cotton textile industry illustrates this aspect of the present situation well. Impressive increases in cloth output have taken place in the past few years, with hardly any increase in production capacity, because the industry has been able to use more intensively the manufacturing resources which were formerly idle or under-employed. Now it is working pretty near capacity; if it is to expand production, it will have to make large investments which may not yield an increase in output for some months, perhaps years.

Exaggerated ideas have come to prevail on the ability of industries to finance expansion, and the Reserve Bank unfortunately seems to share them. Like the earlier *Report on Currency and Finance*, the present directors' survey seems to interpret the past year's performance of the capital and new issues market in rather flattering terms. The fact is that such improvement in investment as there may have been, is inadequate in relation to the needs of private industry under the second plan. The Reserve Bank rightly enough urges paying “the utmost attention to stimulating the flow of capital, foreign as well as domestic, into industry”; but in the same breath suggests something which would tend to do the opposite—when it implies that the distribution of profits should be conditioned by the needs of the private sector for replacement, modernisation and expansion. Distribution is always so conditioned in well-run industries, when they see that there is some purpose in replacing, modernising and expanding. But when they see no purpose in doing so, there is no reason why they should distribute less than they would normally. It is for the Government to help create the investment confidence which will not only encourage a larger proportion of earnings to be retained in some enterprises, but also a larger proportion of outside savings to be attracted. At present, these savings are not coming forward in sufficient amounts—certainly not sufficient to meet the large claims of Central and State Governments as well as those of private industry. To put moral or physical pressure on the distribution policies of industries would damage investment prospects further. Inflation or not, that is the last thing an economy can afford if it is to offer promise of continuing expansion.

for experts to interpret their findings unless they are to mislead the average reader of the daily Press.

CURRENT COIN

Calcutta. War and partition have left most resources far behind requirements. But the lag between the two cannot begin to be explained before it has been made clear that, even if existing services were maintained, there would be an absolute shortage in many items because of the rapid rise in population. It is as though a large number of unexpected guests arrived when there was not enough food and sleeping room for the hosts themselves. It has been unhappy Calcutta's lot to receive such guests since 15th August, 1947, and they continue to arrive at the rate of about 30,000 a month. No wonder that about 36 percent of the people "may be said to be living below the poverty line." Each earner is reported to be supporting 3.7 dependents on average. The position must be worse than the figure may suggest, because the additional burden has fallen mainly on Bengalis whose participation in the economic life of the city is negligible at the higher levels. Only 2.2 percent of the household, it is said, enjoy a monthly income of Rs. 750 or above; a further breakdown of the figure might show that of these lucky households not a few are non-Bengali.

The occupational pattern of the people probably suggests a certain lack of balance in preferring some jobs to others, generally indicating that the spirit of adventure is lacking. But a community's mental make-up is largely a product of its living conditions, and the survey provides enough facts to show that not all the fault may be the Bengali temperament's. More than 42 percent of the households have only 30 sq. ft. of room space a head, and single-member households have an average of about one-eighth of a room to live in. There is no water-tap in 35 percent of the households; 70 percent have no bathroom, 14 percent no latrine and 74 percent no kitchen. The figures may not be flawless, but the general picture is certainly not of a city fit for heroes to live in. A sense of insecurity is the inevitable reward of living in such conditions, which makes it easy to understand why among the educated classes there is a preference for "white-collar" jobs. The 17 percent who have gone in for what are called trading occupations have added to their manifestly insecure existence a further measure of hazard which is inherent in independent business.

The detailed figures on employment—on unemployment to be more accurate—are less easy to understand. Among those who have passed at least matric the percentage of the unemployed is said to be 17.4 against only 3.5 percent among the illiterate; this is not necessarily a reflection on the kind of education purveyed, although there is much amiss there. About 63 percent of persons between 15 and 24 who are seeking jobs are understood to be unemployed, followed by 11.5 percent in the next age group, 25 to 34. The sudden drop from 63 to 11.5 is not explained by the report, and it is possible that for many the search for a job at 15 was not wholly serious. The second age group, 25 to 34, is of the greatest significance, and if eleven and a half persons out of every hundred are offering their service to the community which is obliged to turn them away, there is clearly cause for concern. These frustrated men and women are unlikely to understand the significance of the frequent call of the national leaders to dedicate themselves to the mighty adventure of building a new India. They seem to be ready enough to offer themselves; it is the country which is unprepared to take them.

The popular reactions to statistical surveys has already been referred to. It is possible that, for all their usefulness at the expert level, they do yet another disservice to planners and the planned alike. The majority reacts almost exclusively in terms of emotion, rendered more uncontrollable by a semblance of scientific justification. The minority—the experts—may on the other hand begin to deal with figures, instead of with human beings. But a third possible result is deflection of attention from the overall problem to some incidental issue, from the general to the particular. While it is perfectly true that popular feeling, and even some politicians' effusiveness, could do with a little more of the concrete, the experts will still do well to mind the general. It is possible, for instance, that after reading about the shocking housing conditions in the city some well-meaning Minister will order the immediate construction of skyscrapers, and another, not to be outdone, may go for the creation of a million jobs. Both houses and jobs are needed, but the planner is well advised to keep his gaze fixed on the central problem—which is a rapid advance on all sectors of the economic front. Not as though that is a simple matter; in fact that is the toughest question; but it is on an answer to this that the answer to all else depends. There is a tendency to run away from the central issue, and hence this word of caution against getting carried away by details—heart-breaking details, but details still. The sick city of Calcutta suffers from many diseases; skin affections, which socio-economic surveys expose most vividly, are not the most serious of them. There is something the matter with its heart, and not everything is all right with the belly. These cured, the ugly rashes will disappear of their own accord.

Expansion of Indian Copper.—In his address to shareholders at the 32nd annual general meeting of the Indian Copper Corporation (published on a later page of this issue of Capital), the chairman, Mr. J. F. E. d'A. Willis, was able to announce a record year for the company. The chief reason for this excellent result, Mr. Willis said, was the high world prices for copper. These have since declined from the peak reached last year, but the fall has lately been arrested by the worsening international situation and labour difficulties in the Rhodesian copper belt. Mr. Willis warned shareholders that due to the recent rapid decline in the world prices of copper the result of the current year "although so far satisfactory, are unlikely to approach those for 1955." The ore reserves of the Corporation are now standing at 3,330,090 short tons compared with 3,369,286 short tons at the end of the previous year. This Mr. Willis maintained, is satisfactory in the circumstances of restricted lateral development. He pointed out that good progress has been made with development in depth and this should eventually provide extensive lateral development resulting in a substantial increase in the ore reserves. An extensive programme of prospecting and development is now in hand, under which it is expected the output of the mines will be considerably increased. The corporation hopes that, provided the results of the present exploration are satisfactory, by the end of the second five year plan, it will have substantially contributed towards replacing India's imports of copper. Mr. Willis noted with satisfaction that the Government of India's recent industrial policy statement provided that existing industries in Schedule A, which include copper, will be permitted to remain in the private sector and that their expansion has not been proscribed.

Indian Aluminium Labour Pact.—The Indian Aluminium Co. Ltd. signed a few days ago, with its Belur Works Employees Union, a comprehensive five year agreement aimed at ensuring industrial peace through collective bargaining. In many respects, it is a model of what such agreements should be. A distinctive feature is the way it links wage and bonus rates to production. In fact, it is stated that for the first time in this country, a union has joined the management in declaring that "the payment of bonus on company's earnings or profits is not considered a sound or satisfactory principle by either party.... Bonus will only be related to and paid on plant efficiency and output." There are two types of bonus. One is the monthly production bonus, which is based on the month's overall plant efficiency and recovery. The other is the annual productivity bonus, which is based on the total output during the bonus year. The general scheme of the agreement thus is that workers get paid according to their contribution to output, and the incentive is always there for them to do better. The worth of the work each category of employee does is scientifically evaluated, and then fixed by a job evaluation committee on which both management and labour are represented. Joint evaluation in this manner is expected greatly to reduce the scope for disputes, and the agreement has enough flexibility to cope with cases where the worth of the work done by a particular employee is liable to major change. Standard rates of production and labour strength at different operating centres have been fixed, and on the basis of the former, employees will get handsome allowances. Both the management and the union have specified their general obligations, duties and responsibilities in other ways too. The union agrees not to support indiscipline; grievances will be considered according to a specified procedure. Nor will it initiate or sanction strikes, stoppages and slow-downs. The Company, on its part, will not declare any lock-outs.

Tea Trade Trends.—World tea consumption fell in 1955 while production increased. India lost part of its markets in the U.S.A., Canada, Iran and the Irish Republic to Ceylon. These were among the notable events in 1955 concerning the Indian tea industry to which Mr. J. P. Shah referred in his presidential address at the sixteenth annual general meeting of the Calcutta Tea Merchants Association, held last week in Calcutta. Mr. Shah regretted that the International Tea Agreement which expired in March 1955 and which had been a useful instrument of trade stability, has not yet been renewed, a fact which contains a special warning to India of intensified competition by its rivals. He urged that a thorough examination of the causes of India's loss in 1955 be promptly made. Higher internal consumption could be of substantial help to the trade in times of falling exports, and he noted the happy trend of increase in the domestic off-take of Indian tea during the past year, but "in the existing relationship of internal and external demand," assistance to the market in the shape of buying by internal traders could only be of a temporary character. The trend of average

tea prices during 1955 suggested just this. During the year, the Calcutta export market opened at Rs. 2-2 3/4 a lb on an average, but it closed substantially lower at Rs. 1-10-0, despite the support from the internal buyers during the early part of the year. This is not minimising the importance of an expanding internal market, and Mr. Shah complained about the many levies on the home tea trade which work against internal consumption rising progressively to higher levels. But as the structure of the trade is now, the industry must devote all its energy to preserving its export markets. The export figures of the first few months of the current year suggest a happy trend of recovery. "The main instrument of stability of the trade," Mr. Shah pointed out, "must be production of good quality teas in quantities sufficient to meet the available demand." This should be backed by efficient propaganda in the main marketing centres including the U. K. Arrangements should also be made to provide sufficient modern and permanent warehousing accommodation in Calcutta to cope with the expansion of the tea auction centre.

Ore Export Trade.—Arguments against State trading in ore exports have been put forward on behalf of the private sector from time to time, but few are as logically convincing as those of the Committee of the All-India Mineral Convention which has recently submitted a memorandum on the subject to the Union Minister for Commerce and Industry. The memorandum contains arguments and facts which it will be difficult for the Government to refute on strictly economic grounds, though it may be able to find political reasons to support its case. But economic action based only on political grounds is unlikely to promote the apportioned economic ends. The Committee's memorandum says precisely the same thing. It is not clear how the mere substitution of State trading for private interests can increase foreign exchange earnings, if the quantity and value of exports remain more or less the same. Nor has it been exactly proved how the private traders have failed or where exactly the private trading mechanism has fallen short of the requirements of the trade. On the other hand, says the memorandum, any industry or trade which has a splendid record of contribution to the foreign exchange earnings of the country and to the promotion of employment through keeping thousands of small mining enterprises alive, "is entitled to some credit." Giving the figures for iron and manganese exports, which show a steady rise from 353,554 tons in 1944-48 to 1,568,000 tons in 1953-54, in response to a rising demand abroad, the memorandum says that this should be a positive proof of the private trade's ability to look after the country's export interests. The falls which have occurred subsequently are largely due to factors, such as the decrease of U.S. stockpiling demand, and the entry into the manganese ore export trade of new countries including Russia and South Africa, which are entirely beyond trade's control. The Government's Press note of 22nd June admits this. Correspondingly, foreign exchange earnings rose from Rs. 1.8 crores in 1948-49 to Rs. 21.76 crores in 1951-52 and to Rs. 24.24 crores in 1953-54. The subsequent decreases are due to the falling trend in ore exports. The prime internal cause for this setback has been the inadequacy of rail transport which again is not the responsibility of the trade. These facts apart, there is an important economic reason why the existing private trade mechanism should not be disturbed, and that is the existence of a multitude of small mining enterprises scattered all over the country which depend entirely on private traders for their working capital. It is unlikely that these interests will be supported to any appreciable extent by the State body, and if these enterprises die, a substantial source of rural employment will have gone with them. In the year 1953 when the trade enjoyed an unusually prosperous year, as many as 110,869 persons found employment in the mines. After thus stating the case for the private sector, the Committee goes on to make some constructive suggestions as to how both State trading and the private channel can function side by side usefully without the one encroaching on the sphere of the other. It suggests that the State body develop new mining areas and promote new markets, in the manner of all new commercial concerns. There is considerable scope for additional enterprise in the field, and only by doing this can State trading really fulfil its proclaimed purpose of increasing ore export trade and thus earn more foreign exchange for the country.

Volta's Second Birthday.—Volta Ltd. celebrated its second anniversary recently. In addition to inheriting the diverse agency business of Volkart Brothers, Volta, in this short period of time, has succeeded in introducing an altogether new industry to this country. With the production of the one-ton "Crystal" room air-conditioner, India became a manufacturer of air-conditioning units for the first time ever. An even greater achievement was the fact that all the component parts, with the exception of the motor compressor unit, were also manufactured within the country while the com-

plete unit was specially designed for Indian conditions. For instance, sheet metal iron which American manufacturers use for certain parts is unsuitable for the Indian climate. Instead, these parts in the Crystal are made from non-ferrous metals. Manufacture, therefore, amounted to a great deal more than mere assembly. Many technical difficulties had to be overcome. Special purpose machines for the manufacture of the component parts were not available either from domestic sources or from abroad. These, including the pipe bending, coil expanding and tin stamping equipment, were designed and manufactured locally. Dies and punches, in addition to jigs and fixtures, posed another problem. These were principally required to fabricate the special purpose machine without which India's air-conditioning industry could not have come into existence. Die making is a precision job and requires a high degree of technical skill. All the initial problems were solved and the required accuracy of 1/1000th of an inch was achieved. In due course, the motor compressor unit, the only imported component, will also be manufactured within the country.

Conditions for I.F.C. Loans.—The International Finance Corporation, constituted recently with the support of several Governments as an international investment agency "to aid productive private enterprise," has published a booklet setting forth the conditions under which it will lend its funds. Unlike the World Bank of which it is an affiliate, the Corporation will not "seek or accept a government guarantee of repayment of any of its investments," though the companies seeking finance from the Corporation must be located in a member country, including dependent territories. "Nor will I.F.C. seek, or require the enterprise to seek," the booklet further declares, "formal governmental approval of any proposed financing, except such as may be required by law." But before deciding to invest in an enterprise, existing or new, the Corporation will naturally wish to obtain detailed information about the enterprise concerned—its nature, capital structure, the quality of its managerial personnel (I.F.C. makes this a special point of emphasis), the operations of the company and the purpose for which finance is sought. "The Corporation will engage in financing operations in association with private investors", and will expect them to put up more than half the capital required. In the early stages of its operation, I.F.C. will have available for investment only its paid-in capital which is held in the form of U.S. dollars [of the total authorised capital of \$ (U.S.) 100 million, the subscriptions paid so far by 32 Governments including India total \$ (U.S.) 78.4 million]. The size of its own investment has been fixed at \$ (U.S.) 100,000, or its equivalent, as the minimum. An upper limit has not been fixed, though "as a matter of general policy", the Corporation will prefer to make a substantial number of "moderate-sized investments rather than to invest larger amounts in a relatively few individual projects." The enterprises eligible for I.F.C. loans (it is not authorised to invest in capital stock or shares) should be predominantly industrial, contributing to the economic development of the country concerned, and must be privately-owned. Investment by public funds in a private concern is in itself no disqualification, unless the Government shares in the control of management. It does not have a policy of uniform interest rates. "The interest rate will be negotiated in each case in the light of all relevant factors, including the risks involved and the nature and extent of any rights to participation in profits and to conversion or subscription to stock." Security is not essential for loans, but it may be demanded in appropriate cases. From the point of view of the under-developed countries, a happy feature of the objectives of the Corporation is that its loan policy will be largely guided with the idea of aiding private enterprise in the "less developed areas" of the world, and it will not usually invest in developed economies.

Better Prospects in U.S. Economy.—The seasonal revival of business activity which usually gathers speed after Labour Day promises to be intensified this year by the after-effects of the steel strike, reports the First National City Bank of New York in its September newsletter. Where the strike caused slow-downs, industry is now busy catching up. Prices and incomes are rising, and in general, optimism is more pronounced than it was earlier this year. The recent tightening of credit has not touched off a wave of pessimism as it did in the spring; instead, many regard these moves as a confirmation that good times lie ahead—times so good that they require restraint to keep them from getting out of hand. One reason for this feeling of optimism is the ease with which most of the economy rode out the steel strike. Total employment set a new record in July, and, on a seasonally adjusted basis, so did retail sales and construction activity. Despite the strike, overall industrial output dipped only 3 1/2 percent. Fortunately most steel-consuming firms had sufficient stock on hand to maintain production during July; manufacturers of machinery and most other producers' equipment and durable consumer goods increased their rates of output on a seasonally adjusted basis. The

speedy resumption of steelmaking and the continuing heavy retail demand promise a boost in overall production in August and September. The steel industry's recovery has been as rapid as repairs and wildcat strikes permit; by the end of August its operations were back to 96.5 percent of capacity. Retail sales in August appear to have held close to the record levels of the preceding three months, and government officials predict that August employment figures will show another new peak. Inevitably, the strike intensified the difficulty which certain industries were having in obtaining the types of steel needed. Heavy goods lines generally are plagued with unbalanced steel stocks and uncertain delivery schedules. It will be many months before this situation is cleared up, particularly in structural steel. Total civilian employment rose to 66,655,000 persons in July, the greatest number in the nation's history. Altogether, 152,000 more people had jobs than in June and 1,660,000 more than in July 1955. The Census Bureau includes in these employment totals all persons who have jobs but who currently are not working because of vacation, illness, or strikes. However, even if the striking steelworkers had been excluded, employment would still have been a million or more above last year's level. Some persons view with concern the fact that unemployment still totalled 2,833,000 persons in July, equivalent to 4.1 percent of the civilian labour force, and was 362,000 greater than in July 1955. A closer look at the figures, however, shows that the growth of unemployment is a misleading indicator of economic trends. Actually, the increase in employment during the past year has been 300,900 greater than the overall growth in the population of working age, although normally only part of this added population would enter the labour force. During the last 12 months, the civilian labour

Contents	
Public Administration in India ..	350
U.K. Vehicle Industries ..	352
Survey of Calcutta ..	345
Communist Farm Techniques ..	359
Country Craft in Coastal Trade ..	362
Food Prices in Madras ..	361
U.K. Economic Troubles ..	361
The Basic Cost of Materials ..	366
Without Prejudice 348 City Cable ..	358
Ditcher's Diary 349 Plantation Topics ..	363
Money 353 Commodity Markets ..	364
Stocks and Shares 355 Calcutta Markets ..	364
Books 357 Jute ..	365

force has increased by more than 2 million, nearly triple the usual annual increase. Over and above population growth, the prospect of high wages and plentiful jobs has attracted into the labour force since July 1955 about 360,000 teenagers and 369,000 women 20 years of age and over. Most, but not all, of these added job-seekers have succeeded in finding work, but nearly 90 percent of the net increase in unemployment has come from these two groups.

EDUCATION IN INDIA

REIS and Raynet has an excellent article on the subject of our schools and colleges in its issue of the 5th instant. It is not enamoured of the present system of education, which it seems to consider is destroying the solid nature of that which was formerly imparted. It says that in India the relations between preceptors and pupils before the establishment of schools and colleges on the modern plan were always satisfactory. The system of education was different. The pupils when they left their professors were not called upon to govern men. Most of them were averse to entering active life. They tried, however, in their own simple ways to serve the society of which they were members; they were distinguished by many sterling virtues; they were good neighbours, good fathers, good sons, good brothers, and good husbands. As Reis and Raynet truly says, these teachers have become extinct and a new race has appeared. We are in the midst of a period of transition and the minds of the students are being moulded from a Western standpoint. Instead of fitting the pupil for a contented life in the ancient grove, the modern system seeks to destroy ancient traditions and to make a potter's or a blacksmith's or a washerman's child, as good as a Brahmin's or a Kayasth's. We have already pointed out in these columns that the inevitable result of such education is to make the people discontented and unhappy. The great ambition now is to secure an appointment under Government, for knowledge is valued not for its own sake but for the money it may bring in. We are glad to see thoughtful writers in the Indian Press drawing attention to this subject. To our minds the system of education in India is radically wrong, and its fruits are to be seen in the discontent around us.

FROM

CAPITAL

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THE SCOPE FOR TRIBUNAL ADJUDICATION

HIGH COURT STOPS REFERENCE ABOUT INDIVIDUAL EMPLOYEE

(FROM OUR LEGAL CORRESPONDENT)

THIS decision of the Patna High Court is a useful reminder to employers of labour, welfare officers and those concerned with the administration of the Industrial Disputes Act on two points. There is a tendency on the part of employers and workmen alike to assume that once a matter has been referred by the appropriate Government to an industrial tribunal as a dispute for adjudication by the tribunal, the latter body can and must proceed with its investigation and eventually make its award. While this assumption is generally and substantially accurate, it is not completely so. It would be more strictly correct to say that the tribunal must proceed unless lawfully restrained from so doing. In a proper case it can be so restrained. And the restraining agent is the High Court. That is the first point for consideration: which, in this particular case, is coupled with the second question as to what are the rights under the Act of an individual workman to have a grievance against the management, a grievance that is exclusively his own and not shared by his fellow workmen, investigated by a tribunal and made the subject matter of an award? It is not at all an easy question to answer. Although it may be that not a single one of the other workmen has himself suffered from the alleged grievance of which the complaining workman says he has been the victim, they may consider themselves as a body interested in the result and may, through their workers' union, take the matter up. But what if they do not? What if the aggrieved workman, disdaining the aid of his fellows and the union, or having been refused such aid by them, starts the ball rolling himself? Well, generally speaking, he will come a cropper. The principle on which the answer depends is laid down in a 1953 decision of the Patna High Court¹ and depends on the meaning and proper understanding of the expression "industrial dispute".

"Industrial dispute", as referred to and defined in Section 2(k), must be construed to mean not a dispute between an individual workman and the management, but a dispute which, though it may originate in an action concerning an individual workman, has developed into a dispute in which

the majority of the workmen in the establishment are interested.....(and) if Section 2(k) of the Industrial Disputes Act is to apply, there must be a dispute between a body of employees in the collective sense and the management.....a dispute would not by itself constitute an industrial dispute falling within the scope of Section 2(k) Industrial Disputes Act....."

That seems plain enough guidance. But the Government on occasions does refer to a tribunal a dispute between a solitary employee and the management. What is the management's remedy in that event? It is an expensive but salutary one—to apply to the appropriate High Court for an Order directed to the tribunal, prohibiting the latter from proceeding with or taking any steps in the reference, notwithstanding the Government's specific instructions to the tribunal to investigate and make an award on the so-called "dispute".

The latest case on the subject is informative and instructive. The facts were shortly these. Mr. Manna Lall was working as sales clerk in the sugar sales department of the South Bihar Sugar Mills, Bihta. He was suspended with effect from 31st March, 1952, on account—so it was alleged—of his having acted dishonestly and fraudulently in connection with the mills' business. It was alleged that he so acted in the discharge of his duties. It is not necessary to go into the details of the allegations made against the sales clerk (we copy under protest the horrible noun-verb which has come into use in recent years) charge-sheeted for an offence under Section 408, Penal Code. He was acquitted. We will stop there for a moment. You may think that the acquittal, the sales clerk having been judicially found "not guilty" of the offence alleged, would operate automatically as a bar to any future punitive disciplinary action of a civil character by the employer against the employee, in relation to the same alleged offence. That is not so. "It is well to remember that a civil court is never bound by a decision of a criminal court even when the same matter is agitated by the same parties." In spite of the acquittal, the management was perfectly entitled to proceed with its own investigation. And it did, with the result that, being satisfied upon materials in its possession that the clerk was guilty of unauthorised, fraudulent and dishonest acts in connection with its business, and that he was further guilty of neglect in the performance of his duties, it served upon him a notice to show cause, detailing therein the various charges against him, as to why he should not be properly dealt with, and to submit his explanations, if any. He

did submit his explanations. They were found to be unsatisfactory and a further opportunity was given him by letter to explain the charges against him. His reply was found to be vague and, as in the opinion of the management his conduct amounted to a major misconduct within the meaning of the Certified Standing Orders, Mr. Manna Lall was informed by a letter dated 27th March, 1954, that with effect from 31st March, 1952, his services were being dispensed with. As to his dues, the clerk demanded Rs. 3,559 from the mill. According to the management, his dues were Rs. 296-8-3 only. This sum was sent to him and duly received by him on 21st April, 1954.

That was in April and the management thought that the whole matter was at an end. But nearly seven months later, at the instance of the dismissed clerk, the Deputy Commissioner of Labour intervened, inspected the relevant papers, and had various discussions with the management on the basis of the possibility of a compassionate payment. The clerk was present on his own behalf at the inspection, but during all the discussions no one was present on behalf of the South Bihar Sugar Mills Workers' Union. The discussions, the management claimed, all proceeded on the basis that the dismissal of the clerk was fully justified and legal and the only question mooted was that of a compassionate payment. The management refused to make any.

With this background, the management was surprised when it received a notice from the chairman of the Industrial Tribunal informing it that the State of Bihar, by notification dated 18th January, 1955, had referred to him for adjudication the question of the justifiability, or otherwise, of the dismissal of Mr. Manna Lall, and directing the company to file a written statement. At no point of time, whether before or after the clerk's dismissal, had the South Bihar Sugar Mills Workers' Union, anyone on its behalf, or any other body of workmen, taken up the cause of the dismissed employee. No dispute at the instance of the Union had arisen or was ever raised by it, nor was any demand ever made by the Union on his behalf, either to the management or to the Government. In this view of the matter, the High Court held that the dispute, if any, remained an individual dispute; and the Workers' Union not having deemed it fit and proper to espouse the workman's cause, there was no "industrial dispute" under Section 2(k) of the Act to which reference was made earlier in this note.

The State Government having made its reference to the Tribunal and the High Court, it seems, could not quash the reference. But the High Court could restrain the Tribunal from taking any steps towards implementing the reference. Said Sinha J.: "I am definitely of the opinion that this Tribunal is not legally vested with jurisdiction and it must therefore be the duty of this court to prevent that Tribunal from usurping jurisdiction, and the Tribunal must refrain from continuing the proceeding which is, as held above, without jurisdiction..... I direct that a writ in the nature of prohibition or order under article 226 of the Constitution be issued directing opposite party 2 (i.e., the Tribunal) to forbear from proceeding with or taking any steps in Reference No. 2 of 1955, pending before him." Rai J. concurred.

It is always a pleasure to see a young and junior practitioner justly praised. It means so much to him. Therefore we rescue from the comparative obscurity of the Law Reporter, Sinha J.'s concluding observation: "I do not like to part with this case without observing that Mr. (Ranen) Roy, who has lately been enrolled as an advocate of this court, has argued the matter with ability and fairness".

[A.I.R. 1956 (August) (Patna). 274.]

¹ New India Assurance Co. Ltd. v. Central Government Industrial Tribunal, 1953. Pat 321. A.I.R. V.40.
² Ibid. p.323.
³ Ibid. p.379.

DIVISION OF WORK BETWEEN UNION MINISTRIES

The board division of responsibility between the Ministry of Heavy Industries and the Ministry of Commerce and Consumer Industries, into which the Ministry of Commerce and Industry has been now split up, is as follows: The Ministry of Heavy Industries will be generally responsible for industrial policy as a whole. The administration of the Industries (Development and Regulation) Act will be the concern of this Ministry and all applications under the Act, whether for substantial expansion or for setting up new undertakings, should be addressed to this Ministry. The Ministry of Heavy Industries will be responsible also for all producer goods industries including iron and steel and non-ferrous metals; chemicals and pharmaceuticals, machine building industries including machine tools, engineering industries, cement and automobiles. The Ministry of Commerce and Consumer Industries will deal with all subjects relating to foreign trade and commerce and import and export control. On the industries side, this Ministry will be responsible for small-scale industries and the handloom industry, all textile industries, production of consumer goods by light engineering industries such as bicycles, sewing machines, cutlery, domestic electrical appliances, wood-screws, bolts and nuts, and for all other common consumer items including soaps and other toilet articles, matches, leather and rubber manufactures, glassware and crockery, paints and varnishes and plastic goods. The Ministry of Commerce and Consumer Industries will also be in charge of the plantation industries, namely, tea, coffee and rubber.

I SHOULD have known the remarks I made about Scottish country dancing a fortnight ago would not go unchallenged. It is, of course, difficult for a Sassenach to appreciate the fanatical regard in which this vigorous cult is held by its devotees. Careful and sympathetic observation of the practice is apt only to increase the mystery, in addition to evoking a profound relief that the traditional Terpsichorean caperings of one's own native land require nothing like the same energy. Indeed, how anybody who indulges in this violent pastime has strength left to defend it beats me. I can appreciate that the ditcher who wrote in to rem. me that I had missed his favourite sport of bowls from the list of waistline-reducers I suggested, had the breath to dictate his protest. But how a Scottish country dancing addict can find any after his exertions will probably remain as much a question without an answer as the one which will always puzzle those born south of the border—why didn't Hadrian build his wall higher? I have the greatest admiration for most things Scottish, not least for the traditional refreshment. But for the country dancing I have only profound incredulity. In the Highlands, of course, it is necessary to be vigorous to keep from dying of the cold and damp. One has only to watch the more sedate measures traditionally trod a few hundred miles farther south to appreciate the effect climate can have on these habits. But in Calcutta, it is an entirely different proposition. It has been my lot, on nights when the slightest movement has invited a torrent of perspiration, to watch Scots in full national costume perform, with the maximum of energy and dedication, such convolutions as would kill a normal person. Being a gentle soul, I always find the sight of so much human suffering quite insupportable and it is only my fascination and admiration for exhibitions of determination and endurance which keep me from bolting for the door. Nothing, I repeat nothing, would induce me to try it for myself.

The latest issue of Progress, Unilever's lavishly-produced quarterly review, contains an article of considerable practical interest to a country such as India which is setting out on uncharted economic seas. Professor Roy Harrod, Oxford economist and biographer of the late Lord Keynes, examines the new balance within the British economy and declares that power is now so diffused that "one cannot place sovereignty at a single point." The great party machines, the Cabinet, the civil service, the trades unions and "the poor old City which occasionally has to be appeased just a little" are all real sources of power, and the outcome, constituting what is actually decided and done, is a compromise. But now the nationalised industries have come upon the scene and are radically affecting this delicate balance of economic forces. These nationalised industries already claim about half Britain's industrial investment. But, says Professor Harrod, "they are not broken in; they have not yet been forced to compromise; the issue with them has not yet been joined; they have proceeded largely according to their own will and pleasure." The point is of real significance here because the cult of nationalisation is already acquiring fanatical proportions in some quarters. Professor Harrod argues that the United Kingdom cannot have a coherent investment policy such as would be needed to cope with inflation and deflation, and also permit the nationalised industries to follow their own dictates. He blames the high spending of local authorities and the nationalised industries—particularly the latter—for the somewhat tardy results of the 1955 credit squeeze. His conclusion is that

A DITCHER'S DIARY

the British economy and its planning agencies have not yet "digested" the nationalised industries and he regards this as the chief unsolved problem of Britain's post-war planning. There is certainly a warning in this for India.

I was surprised to learn that the Government's views on retaining the death sentence have been approved by all States except one. There seems something incongruous about capital punishment in a country whose religions and traditions have always emphasised humanitarian ideals; after all, these still constitute the main case against it. But it does seem to me that ideas about the death penalty are beginning to change. I do not think that is the reason why the House of Lords rejected Britain's abolition Bill; the explanation there is that the Law Lords, and the "Backwoodsmen" whom obstruction and prejudice turned out for the occasion, have traditionally opposed liberal experiments of any kind. What I mean is that the old arguments against capital punishment, that it does not discourage murder and that it represents society's lust for vengeance, and that it represents justice, although still true, are being swamped by the general fear that without it there will be no defence against the more "modern" type of vice crime. I still number myself among the abolitionists, but I am prepared to admit that gangsterism, armed robbery, dope peddling, adulteration of drugs, white slavery and kidnapping are quite different from an ordinary every-day case of murder. It is not that most of these crimes are any more prevalent now than they have always been. It is simply that they are conducted by people who are educated and intelligent enough to know what they are doing and because modern conditions permit them to be better organised and therefore more deadly. There has, I am afraid, been a good deal of reaction throughout the world from the liberal humanitarianism of the early part of the century; perhaps two brutal wars have had something to do with that. But most thinking people are prepared to admit that there can be worse crimes than straight-forward murder and that even with murder itself, there can be extenuating circumstances which complicate the issue. The answer might be to restrict the scope of capital punishment for murder and extend it for other serious crimes. It would mean establishing a scale of degrees for murder. But that should not be too difficult here. India has always been more flexible on this point than, for instance, has the United Kingdom.

I suppose most middle-class fathers with a grown-up daughter have, at some time or another, faced the problem whether, in the light of the girl's probable early entry into the holy bonds of matrimony, to go to the expense of giving her an academic or professional training. In the days when taxation and living costs were lower than they are now, the decision was perhaps less important—especially for the expatriate working in the East and trying to scrape a few coppers together for his declining years. The matter has come to mind because I see that a large London departmental store, which used to train women graduates for highly-paid jobs, is now limiting its scheme to male entrants. It has found, so it maintains, that the length of service subsequently given by women does not justify the elaborate training. An important industrial chemical concern is employing

more than 3,500 science graduates and doctors, but only 121 are women. It has found that the working life of a woman graduate rarely exceeds five years. Women who get married shortly after completing their training represent a high proportion of "wastage". In any case, they may have kept young men out of positions which they could have occupied for a working lifetime. The other aspect of the matter is, of course, that higher education in the United Kingdom is today increasingly subsidised by the State which can hardly regard its payments on behalf of young women destined for early marriages as a good long-term investment. This is obvious enough when it is realised that the number of applications greatly exceeds the places available at universities and the British Government is now contributing to them about £30 million annually in one form or another. As yet the problem has hardly arisen in India, but it will someday because female education permeates all sections of society. It would certainly be unreasonable to exclude any brilliant young woman from higher education. But those young married women graduates who argue that it is sufficient if they pass the benefits of their education on through their children have barely begun to answer the question which their abandoned professional careers really poses.

It must have been irritating for the Port Commissioners to be handed resignations by twenty-four Assistant Harbour Masters. It was not a pleasant prospect for Calcutta's trade and industry either. Dock labour troubles of various kinds are too familiar here for there to be any doubts about the damage they can do. But I am wondering if that really justified the attitude the Central Government chose to take. It was not a strike; after what happened in Bombay last year it is not surprising that other methods were chosen. Even if it had been, there seems no good reason why senior staff should not be as free to withdraw their labour in what they consider their legitimate interests as the ordinary worker insists on being. And I have yet to hear the workers threatened with a hanging. It seems to be established as a principle nowadays that large numbers, strong organisation and belligerent behaviour are a fair justification for not invoking the law whereas their opposites must qualify for all the rigours it allows. What justice there is in that escapes me, and it is justice which, so we are always being told, will inspire labour policy in a socialistic pattern of society. Although I do not know the full extent of the grievances involved, I am glad to find that the Assistant Harbour Masters have swallowed them in the nation's interest and have returned to their posts. But if they had not chosen to do so, I cannot see that there would have been any more justification for forcing them than is usually admitted in the case of the ordinary dock labourer. The trouble with our attitude towards these issues is that it is too easy to reconcile feelings with expediency. It is rare in labour matters nowadays that a sense of fairness takes precedence over honest-to-goodness convenience. My guess is that in future we will see more of this kind of action from senior employees. It may be foreign to their temperament and sense of responsibility. But society has only itself to blame if they have learned from their lower-paid but better organised colleagues that it is often the only thing which can guarantee their grievances a sympathetic hearing.

THE DITCHER.

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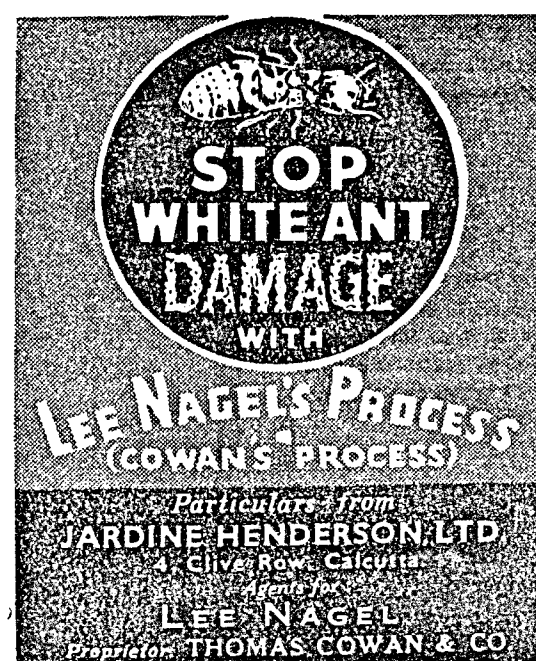
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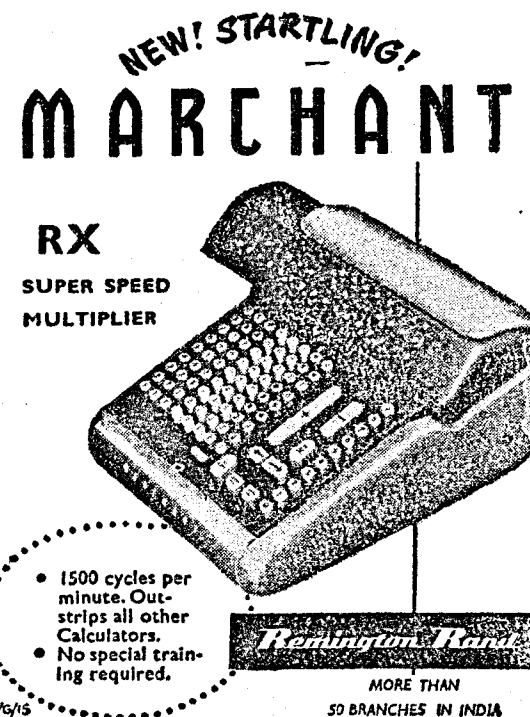
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PUBLIC ADMINISTRATION IN INDIA

CRITICISMS AND SUGGESTIONS OF DR. APPELEY

(FROM A SPECIAL CORRESPONDENT)

THE second report of Dr. Paul H. Appleby on the Indian administrative machinery, which was laid before Parliament three weeks ago, does not contain any new or novel suggestions; it closely follows the type of recommendations made some years ago by Mr. A. D. Gorwala, but it is much more incisive than the first one he submitted in 1952. Anxious for the creation of conditions which are in his opinion essential for the success of the second five year plan, Dr. Appleby has criticised in very strong terms some of the existing official practices which hamper initiative, and hence progress, at every stage. He has laid bare the utter inadequacy of the system under which the Government now operates and has entered a well-reasoned plea for more decentralisation of official functions so that interference from higher officials is kept at a minimum.

This interference, according to Dr. Appleby, is of three principal kinds—(a) interference by an unimaginative audit organisation, (b) interference by the higher hierarchy of officials and (c) interference by Parliament. "The specific decisions by the Government departments," he points out "are reviewed by too many persons in too many organs of the Government in too detailed, too repetitive and too negative terms.... By a curious proliferation of the conceptions of parliamentary responsibility and cabinet responsibility and by reliance on excessive procedures of cross reference, there has been built an extraordinary evasion of individual responsibility and a system whereby everybody is responsible for everything before

anything is done.....Each process of review is unbelievably petty and frustrating."

Audit Objections

Two points have been made out in Dr. Appleby's analysis of interference by the audit organisation. First, officers of the Finance Ministry and of the office of the Comptroller and Auditor-General, he says, look at administrative problems from the cool retreat of an ivory tower. They frequently raise issues which are irrelevant or, at best, unimportant or trivial in relation to the total expenditure involved. Instances are not wanting that if an administrative department really wishes to incur some wasteful expenditure, it can do so, in spite of the "watchdog of Finance" sitting at its doorstep. The anxiety of the audit organisation to scrutinise every item of the proposed expenditure, and its refusal to accord sanction until it has been so scrutinised, however, penalises the honest and the scrupulous executive. Not only that; the latter feels inclined to "play for safety", which means that he hesitates to take a decision.

His second point is that a disproportionately large emphasis is placed by audit officers on minor or inconsequential matters while examining the activities of Government departments. Instead of making a broad examination of how the sanctioned funds have been spent, and of arriving at a finding whether the results achieved are proportional to the total expenditure incurred, one comes across in practically every audit report (these are duly submitted to the Public Accounts Committee of the appropriate legislature) a formidable list of petty infringement of the rules of the so-called financial propriety. In the discussions that follow, whether in the Public Accounts Committee or in the general assembly of the legislature, mountains are made of these molehills of infringement. This "increases the timidity of public servants at all

levels, making them unwilling to take responsibility for decisions, forcing decisions to be made by a cumbersome process of reference and counter-reference in which everybody finally shares dimly in the making of every decision, not enough is got done, and what gets done is done too slowly."

This system of financial control paves the way for interference by the higher hierarchy of officials. The so-called "Secretariat" sits unduly long over proposals submitted by the "Directorate" (which is the real executive body), and it is a familiar phenomenon to see files being shunted backwards and forwards between the two organisations, on the ground that "Finance" cannot, or would not, agree to some minor item in the proposals. Moreover, the very fact that the "Secretariat" is "above the Directorate" tempts the officers in the former organisation to throw their weight about and to interfere in matters which should be left to the latter. Behind this is the theory that it is the Secretariat which constitutes the Government; the Directorate is a mere agent.

Interference by Parliament

Finally, the question of interference by Parliament. Apart from the intrusions which are resorted to in connection with the examination of audit reports, there is an almost congenital suspicion in the minds of the legislators about the honesty and efficiency of Government officials. This suspicion is voiced in interpellations inside legislatures, in public speeches and in private discussions. Such interference is often justified on grounds of democracy and good government. Not infrequently, the lapses of a few are magnified into valid arguments for Parliament acting "as the keeper of the nation's conscience."

Nobody who has anything to do with the Government would dispute the general thesis of Dr. Appleby, namely, that the execution of development programmes is unduly delayed (and sometimes even prevented) by the curious system of checks and balances inside the administrative machinery. The system has clearly outlasted its usefulness. It requires a thorough overhaul, now that the avowed objective of the State is to promote rapid development in the quickest possible time. The successful establishment of a welfare State demands greater "production" (the term is used in a very broad sense) no less than better "distribution".

There is a strong case for the delegation of authority to officers at various levels. One may not agree entirely with Dr. Appleby that the Comptroller and Auditor-General is today "a primary cause of a widespread and paralysing unwillingness to decide and to act", but it should be possible so to remodel the administrative machinery as to make particular officers or Directorates responsible for the successful implementation of specified programmes within specified periods. They should, therefore, be given the widest possible discretion to act (within the framework of the Government's general policy) and be provided with the requisite funds, to be spent as they deem fit in the execution of the programmes. Their performance should be evaluated, whether by audit or by Parliament, only at the end of the specified periods, and entirely by the results achieved.

It is not denied that, under this arrangement, mistakes would sometimes be made; even the public funds may be occasionally misspent. But against these risks, one should consider the benefit which would accrue to the country by the quick implementation of programmes and projects. This is absolutely essential for the operation of public industrial and commercial enterprises which must have greater autonomy, and the principle of "judging by results" should be applied to them more faithfully than has been done so far.

Public Enterprises

Slowly, the Government appears to be realising the need for renouncing some of its powers in the matter of day-to-day administration of public enterprises. The present pattern of organisation of these enterprises is a proof of this realisation, though not much in the direction has been done. Another visiting expert, Professor J. K. Galbraith, remarked a few months ago that "the need for such delegation (of powers) has not yet been fully accepted in India". In spite of the fact that the pattern of management follows the joint-stock model of private enterprise, the principle is often modified in practice. "The high public officials on the Boards of the new corporations tend to become a channel for approving and checking management decision. In the end, the public official tends to become a link in a chain of command running from the management of the corporation, so-called, to the Minister. The corporate form thus becomes merely a façade for an autonomy that has ceased to exist."

Unfortunately, this is still the case. Both Parliament and the Secretariat are paying mere lip service to the principle of power delegation. There may have been historical reasons for being over-watchful, but that attitude is out of date and the administrative machinery must be adapted to the changed requirements of the present day. Secondly, the very fact that the country does not have any great fund of administrative and managerial talent emphasises the need for greater delegation at all levels, for only in this way can the most effective use be made of the country's limited administrative manpower.

INDIAN COPPER CORPORATION LIMITED

CHAIRMAN MR. J. F. E. d'A. WILLIS'S SPEECH

Addressing the Thirty-second Annual General Meeting of the above Company held at the Royal Exchange Hall, Royal Exchange, Calcutta, on Wednesday, the 12th September, 1956, at 11-30 A.M., the Chairman Mr. J. F. E. d'A. Willis, O.B.E., said:—

The results achieved, as you will observe from the Profit and Loss Account, far exceed those for the previous year which have hitherto constituted a record in the annals of the Corporation and are directly attributable to the consistent rise in the world price of copper. The maintenance of a high production standard and satisfactory despatches also played an important part in achieving these results. Although these high world prices for copper continued into early 1956, there has since been a rapid decline to approximately two-thirds of the peak reached.

ACCOUNTS.—Before proceeding to a detailed survey of the accounts, I would draw your attention to a change which has been made this year in the grouping of the Fixed Assets in the Balance Sheet. On this occasion those items which are allowed for statutory depreciation have been amalgamated, while Mining Rights and Permanent Works, on which depreciation is not allowed at present, continue to be shown separately.

The profit for the year, before providing for taxation, depreciation and reserves amounted to £1,474,804 as compared with £898,382 in 1954. Provision for taxation at £,083,046 includes £47,424 for taxation on the dividend and bonus for the year 1954 paid in 1955, and on the interim dividend for 1955 paid in February 1956, together with a provision of £47,424 for taxation on the proposed final dividend and bonus for the year 1955.

Full provision has been made for depreciation and £200,000 has been allocated to General Reserve as against £150,000 last year. Although the liquid resources of the Corporation are at present satisfactory, further heavy capital expenditure is anticipated during the next few years in order to develop the mine.

After making these provisions there remains a sum of £416,758 to which has to be added £111,715 brought forward from last year, giving a total of £528,473. Out of this your Directors are pleased to be able to recommend the payment of a final dividend of 10% and a bonus of 25%, both free of income tax which, together with the interim dividend of 10%, absorbs £411,390 leaving £117,083 to be carried forward to next year.

With the rapid decline in the world price of copper, the results for the current year, although so far satisfactory, are unlikely to approach those for 1955.

In order that the Issued Capital of the Company might be brought more into line with the Capital employed in the business, an application for the capitalisation of a portion of the reserves of the Company was submitted to the Government of India and Her Majesty's Treasury, United Kingdom. An issue of one unit of stock for each two units held has since been sanctioned.

COPPER LEASES AND OPERATING RESULTS.—A detailed review of the year's operations is given in your General Manager's Report, which may be seen during office hours at the Company's Head Office. The production of refined copper at 7,281 long tons was a record in the Corporation's history. Despatches were good and operating costs satisfactory, although slightly higher than the previous year.

DEVELOPMENT.—Lateral development was again restricted, but development in depth continued satisfactorily.

ORE RESERVES.—Although the estimated reserves now stand at 3,330,090 short tons as compared with 2,369,286 short tons at the end of the previous year, this is considered satisfactory in the circumstances of restricted lateral development. Good progress is being made with the development in depth, which should eventually provide extensive lateral development, resulting in a substantial increase in ore reserves.

SALES.—In spite of the high price of copper the demand was good and prices increased accordingly. The demand for brass sheets, however, remained steady with a less spectacular rise in price. The average selling prices of the Company's products during the year, as compared to the previous year, were as follows:—

	1955	1954
Copper Ingots	£309	£233 per ton
Rolled Brass	£245	£230 " "
Yellow Metal Circles	£266	£241 " "
Rolled Copper	£337	£288 " "

KYANITE.—The export of this ore continued to be unrestricted, which permitted larger despatches amounting to 19,234 tons as compared to 12,012 tons in the previous year. The demand in world markets was satisfactory and the export price maintained at approximately £20 per ton F.O.B. Calcutta.

The civil suit brought by the Bihar Government against the Corporation for alleged breaches and forfeiture of the lease, claiming Rupees One Crore damages, together with the civil suit brought by the Company against the Bihar Government for specific performance to renew their lease which expired on the 31st January, 1955, were made analogous and came up for hearing in the Subordinate Judge's Court, Patna during August, 1955. The hearing of the case was completed in early February, 1956 and judgment

prepared and is already well advanced. This expansion programme is aimed at increasing considerably the present output of the Mines and whilst no immediate results can be anticipated, it is hoped, provided the results of the present exploration are satisfactory, that by the end of the present Plan your Company will have substantially contributed towards making India less dependent on imports of this important metal.

During the year under review considerable development in depth has been effected in the existing Mosaboni Mine, utilising the newly constructed Circular Shaft to which my predecessor referred in his address last year. Development in depth on the scale at present envisaged will permit of extensive lateral development, but only to the extent as will counteract the diminution of ore reserves at the adjoining Badia Mine whose life is limited. Any expansion in output, therefore, must be derived from other areas and it is with this in mind that prospecting on an extensive scale is in progress to the north of the present working area.

With the Government of India's recent industrial policy announcement, it is satisfactory to note that existing industries in Schedule A, which includes copper, will be permitted to remain in the Private Sector and that this does not preclude their expansion.

STAFF.—A very high standard of efficiency has again been maintained both at the Mines and the Works and our thanks are due to all members of the Staff for the excellent service they have rendered to the Corporation.



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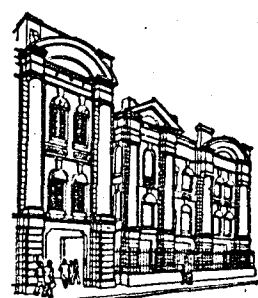
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THE STRUCTURE OF BRITISH VEHICLE INDUSTRIES

NEW DEVELOPMENTS IN AIRCRAFT, AUTOMOBILES AND SHIPBUILDING

(This is the fourth of a series of articles written by our New Delhi correspondent on the basis of a recent tour of Europe).

A COMPLETE motor car or an aeroplane, contrary to the general belief in India, is not manufactured under any one roof in Britain or elsewhere in Europe, but a large number of industries are concerned in the process. In Britain, they come under a general name of the vehicle industries which include shipbuilding, motor vehicles, aircraft and the railway locomotive-building industries. In size and value, the vehicle industries are topped by the automobile industry, which consists of the manufacture of cars and commercial vehicles other than tractors.

On the production side, some of the new assembly plants in Britain, electrically-controlled and using the minimum of labour, may stand comparison with similar plants anywhere in the world for efficiency and reliability. The industry is located mainly in the Midlands, in London and in south-east England, but is represented in most regions. The motor vehicle producers may be divided into four main groups: (1) the "Big Five", which control between them 12 establishments producing over 90 percent of the output of cars and light vehicles; (2) specialist producers of cars; (3) specialist producers of cars and commercial vehicles; and (4) manufacturers of commercial vehicles excluding the "Big Five" and specialist producers. The largest firm in the first category, the British Motor Corporation, was formed by a merger of the Austin and Nuffield Companies in 1952, with the object of obtaining economies and standardisation. With assets totalling £91 million, the British Motor Corporation is the fourth largest motor manufacturing group in the world, representing some 37 percent of the British output of cars and commercial vehicles. Capital expansion plans involving more than £120 million over the next five years were announced by the leading manufacturers in October, 1954.

The principal trade association in the industry is the Society of Motor Manufacturers and Traders (S.M.M.T.), founded in 1902, which holds in London a motor exhibition annually and a commercial motor exhibition every two years. Research is carried out in Lindley, Warwickshire, by the Motor Industry Research Association, an autonomous body founded in 1946 and partly financed by the Department of Scientific and Industrial Research, but mainly by the industry and the S.M.M.T.; and also by D.S.I.R.'s Mechanical Engineering Research Laboratory in East Kilbride, Scotland.

Shipbuilding Industry

Shipbuilding is essentially an assembly industry, even for the ships it builds and repairs: it also

manufactures a very wide range of products for other industries. The U. K. economy is well adapted to meet this industry's requirements. In addition to the highly developed steel industry, it contains a wide variety of other industries capable of supplying the numerous components required. The shipbuilding industry consists of three types of establishments: (1) shipbuilding yards concentrating on the production of new ships; (2) shipbuilding yards which, in addition to new work, also undertake ship repairs and conversions; and (3) ship-repairing establishments. Some new shipbuilding establishments have their own marine-engine building shops. The number of firms engaged in shipbuilding is very large. About half the total output of new ships is, however, concentrated in the hands of about a dozen firms.

Over three-quarters of the total tonnage of ships built in U. K. yards come from the four main areas; namely, (1) the banks of the river Clyde in Scotland (where the *Queen Mary* and *Queen Elizabeth* were built in the interwar years); (2) the north-east coast of England—along the lower reaches of the rivers Tyne, Wear and Tees, and at West Hartlepool; (3) the north-west coast of England—on the river Mersey and at Barrow-in-Furness; and (4) Belfast, in Northern Ireland, where the largest individual shipyard is situated, and where the *Southern Cross* was launched in 1954.

In each of these areas there is capacity for building warships and all types of merchant ships from large passenger liners and tankers to small sea-going ships such as coasters and cross-Channel steamers. Ships are also built in the Southampton area, in the Isle of Wight and along the estuaries of the rivers Forth and Tay, while smaller craft—such as fishing vessels, yachts and barges—are built at numerous places along the coast. Repair yards and dry docks are situated in all the great ports, and there are important repair facilities in all the main shipbuilding areas. Some of the principal trends in U.K. shipbuilding during recent years are summarised below:

(a). Since the war, electric welding has become widely adopted as the standard method of construction, and the prefabrication of large sections of the ship has become a normal practice.

(b). Steel has been the chief construction material for shipbuilding since the end of the nineteenth century. A beginning has, however, been made in the use of aluminium alloys for superstructures. At the same time, plastics and bonded plastics and alloys are being employed increasingly in place of wood in interior construction.

(c). Oil has rapidly replaced coal as a source of power for ships. The amount of coal-fired tonnage in the U.K. merchant fleet has fallen to less than 1½ million tons—7½ percent of the total.

(d). The steam engine is giving way to the internal combustion engine as the normal method of propulsion. In particular, diesels are being used extensively for the smaller trawler and coaster vessels, medium-sized cargo vessels and liners, and oil tankers (except the largest). In addition to diesel developments, U.K. scientists, engineers and shipbuilders have carried out some pioneer work

on the practical application of other systems of propulsion, namely gas turbines. In 1952 the first crossing of the Atlantic by a gas turbine vessel was made by the U.K. tanker *Auris*. For the larger oil tankers, cargo vessels and passenger liners, steam turbine engines with higher steam pressures and automatic feed control systems continue to predominate.

(e). Demand has tended to favour medium-sized ships rather than giant vessels. Important postwar launchings have included the *Southern Cross*—a 20,000-ton one-class passenger liner with engines aft and no cargo space, and the *Vezilla*—a 31,000 d.w. ton steam turbine oil tanker, built under an oil company's £25 million tanker construction programme.

(f). A higher proportion of output has consisted of specialised tonnage. The chief example is oil tankers: between 1947 and 1953 their share of total U.K. production rose from 12 percent to 58 percent. Other examples are whaling vessels, dredgers, ore-carrying vessels, refrigerator ships and bulk sugar carriers.

Newer Aircraft

Confining the U.K. aircraft industry to those establishments which are engaged wholly or mainly in the manufacture and repair of complete aircraft (including gliders, airships and balloons) frames, engines of all types, propellers, undercarriages, and other parts and accessories (except electrical equipment), and which employed more than 10 persons, on the average, during the years, the censuses of production of 1935 and 1951 show that there were 215 such establishments in 1951 compared with 57 in 1935. Total membership of the Society of British Aircraft Constructors is at present about 550, but this includes manufacturers of materials, equipment and components excluded from the census definitions.

The market for gas turbine airliners may be divided into the very long-range market in which the principal aircraft, with which the U.K. industry expects to have to compete, are the U.S. *Boeing 707* and the *Douglas D.C. 8*, and the medium-long-range market. The chief U.K. competitor in the first market is expected to be the newly announced *Bristol 187*. This is expected to carry 130 passengers at a cruising speed of 500 m.p.h., and to be 20 percent to 30 percent more economical on runs ranging between 1,000 and 7,000 miles than the two U.S. types with which it is expected to compete. It will also have the advantage that it will be capable of operating with full load from every class 1 airport in the world all the year round. It will be powered by Bristol *EB 25* turbo-prop engines, and is scheduled to appear in the early 1960s. According to Bristol's chairman, it should be capable of flying London-San Francisco non-stop, and to Australia with two stops. There is a possibility that when the project is further advanced, joint production by the Bristol Company and the Canadian *Canair* and Canadian divisions of the U.S. General Dynamics Corporation, may be considered.

For somewhat shorter ranges, Britain is developing a whole bevy of competitors: the *Viscount*, which has already proved an outstanding success and the latest version of which, the *810-840*, due for delivery in 1958, should remain competitive for at least 10 years; the *Comet*, the more powerful longer-ranged version of which, the *Comet IV*, at present being developed, should restore this aircraft to the outstanding position from which accidents associated with its advanced nature had temporarily removed it; the *Britannia*, a later version of which is likely to be the first aircraft in the world capable of flying London-New York non-stop; and the newly announced *Vickers Vanguard*, considerably larger than the *Viscount*.

Feeder Planes

U.K. aircraft manufacturers are making determined attempts to solve one of the biggest of the current feeder airline problems—the replacement of the *D.C.3*. Many of the world's airlines operating short to medium routes are using *D.C.3*'s, some of which have now flown more than 40,000 hours. Above all its other qualities, the *D.C.3* or its military variant, the *Dakota*, has been available at artificially low prices, going down after the second world war to only a few thousand pounds sterling. Operators nowadays do not want merely another *D.C.3*; they want something better and more specialised, an aircraft that will fulfil their own particular requirements more exactly. Some of the more important airline companies have found that the best *D.C.3* replacement is the *Viscount*. As every operator has his own idea of precisely what form the replacement should take, successors to the *D.C.3* must assume many guises.

Appreciably larger than the *D.C.3*, there is the *Herald* for which deliveries are promised in 1957. Already orders for 33 of these 44-seater, high-wing monoplanes have been placed. Its ample power (four *Alvis Leonides* Major engines of 870 h.p. each), good performance and pressurised cabin should appeal particularly to overseas operators who have to contend with high terrain and high temperature, both factors which lengthen the take-off run. It can also be swiftly adapted to freight carrying. The *Aviation Traders' Accountant* approximates more closely to the *D.C.3* in size. It is designed to carry a similar load (up to 36 passengers or freight) from restricted spaces with the added advantage of cabin pressurisation, a tricycle undercarriage and twin turbo-prop engines (the well established *Rolls-Royce Darts*). Smaller than the *Herald*, its provisional price is also lower, and deliveries are expected to begin in 1957 from a new factory in Southend.

Finance in India and Abroad

ECONOMIC TRENDS IN INDIA

ANNUAL REPORT OF RESERVE BANK DIRECTORS

THE continuous rise in industrial production has been one of the heartening features of the Indian economy in recent years, and it may be expected that the process will be assisted forward with the broadening of the industrial base under the second five year plan," observes the Central Board of Directors of the Reserve Bank of India, in its annual report for the year ended 30th June, 1956. The report says that the expansionary effect on money supply of deficit financing of the order of Rs. 1,200 crores, proposed for the plan outlay in the public sector during the period of the second plan, and of the increase in bank credit and in the Reserve Bank's lending operations, will be only partly neutralised by the withdrawal of sterling balances. If, however, production, particularly of foodgrains and other essential articles, expands at a satisfactory rate, and the targets of taxation and borrowing are achieved, there may not be a serious threat to financial stability. Referring to the large requirements for imports of machinery and equipment during the second plan period, the report points to the urgency of export promotion. A policy of maintaining buffer stocks, assisted by the warehousing programme, says the report, should help to moderate fluctuations in agricultural prices. In this context, the procurement of larger supplies of agricultural commodities from abroad will acquire added significance.

The following are some of the highlights of the report. Money supply with the public (excluding State Governments' deposits with the Reserve Bank) during the year under review increased by Rs. 214 crores, or by 10.8 percent, to Rs. 2,191 crores. This was mainly due to deficit financing by the Government and the rise in bank credit. Exchange banks showed greater interest in the bill market scheme, partly because of the higher cost of borrowing abroad. Steps were taken to ensure a closer surveillance of bank credit for financing trade in important commodities, shares and debentures. On 17th May, 1956, the Reserve Bank asked banks to refrain from excessive lending against commodities and from assisting the speculative hoarding of stocks.

Market Borrowings

Aggregate net market borrowings during the first plan period exceeded the plan target of Rs. 115 crores by Rs. 62 crores. The net absorption of securities by the market during the first plan period, taking into account sales of securities from cash balance investment accounts and by the Reserve Bank from its portfolio, has been even larger, being of the order of Rs. 250 crores. Total collections of small savings, at Rs. 235 crores, have also exceeded the original plan estimate by Rs. 10 crores. The capital market maintained the distinct improvement noticed last year. The gilt-edged market displayed remarkable stability and strength throughout the year. The equities market also remained buoyant during the greater part of the year. There was brisk activity in the new issues market; while precise and complete data on capital issues for the private sector are not available, the total of new issues of Rs. 1 crore and over each was about Rs. 20 crores during 1955-56, as compared with about Rs. 16 crores in the previous year.

The overall balance of payments for the year July 1955-June 1956 may show a deficit on current account of Rs. 20 crores, after taking into account receipts of official grants, as against a surplus of Rs. 23 crores in the preceding year. Foreign trade was higher by about 6 percent than in the previous year.

According to the report, the year under review, which marked the close of the first five year plan, was characterised by a further rise in development expenditure and industrial production, expanding money supply and bank credit, successful Government borrowing and a buoyant capital market and also a continuous rise in prices. The principal economic indicators over the past five years broadly show that India has been able to combine in a substantial measure economic development with financial stability. Among the main features of this phase of economic growth may be mentioned the increasing outlays of the plan, the gains in industrial and agricultural production, the balance in the external payments position as a whole, and a better flow of savings which imparted strength to the capital market. Judicious monetary and credit policies pursued during this period also contributed to the total result. The report, however, points to the need for "a careful and continuous assessment of the current economic situation with a view to appropriate adjustments in the pace and pattern of planned development and in fiscal and monetary policies from time to time".

Trends in Production

Industrial production during 1955-56, on the basis of data for the first ten months, recorded a rise of 8 percent over the corresponding period of the previous year with almost all major groups of industries in the public as well as private sectors sharing in the rise. The aggregate levels of agricultural production have remained relatively stationary since 1953-54, when a record level of agricultural output was attained. The revised foodgrains target of 81.5 million tons by 1960-61, accepted at the recent Conference of State Agriculture Ministers, represents a 25 percent increase over the current level of 65 million tons, as against a 15 percent prescribed in the second plan. If such

an appreciable increase should be attained, it would make a significant contribution to stability in the economy against the inflationary repercussions of deficit financing.

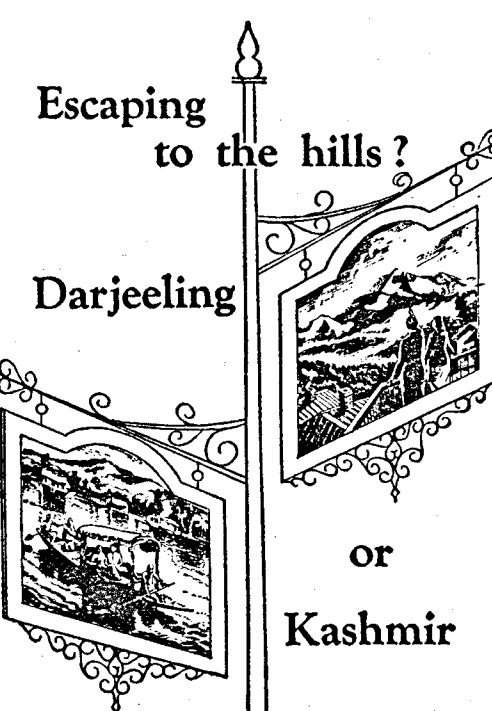
Rising Prices

Prices rose almost continuously during the year with the general index of wholesale prices recording a rise of 10.7 percent, as against a net decline of 10 percent in the previous year. The price rise was not, however, general or uniform; it was mostly confined to agricultural commodities and semi-manufactures, the prices of industrial products remaining relatively steady. Since agricultural commodities and semi-manufactures were precisely the groups that experienced sharp declines in the previous year, the rise in prices during the year could be considered partly as a corrective to the previous fall. However, the continued price rise is attributable mainly to the decline in agricultural output, especially of foodgrains in 1955-56, larger exports of certain raw materials and increase in demand resulting from the large increase in investment expenditure and rise in incomes. As for the longer-term prospect, while the increase in developmental outlay, met in part by deficit financing, may be expected to exert an upward pressure on prices, increased agricultural and industrial output will be an important counter-vailing factor. In this context, the procurement of larger supplies of agricultural commodities from abroad will acquire added significance.

Expanding Money Supply

Money supply with the public (excluding State Governments' deposits with the Reserve Bank) increased by Rs. 214 crores during the year under review, or by 10.8 percent, to a total of Rs. 2,191 crores. The net rise over the entire first plan period (April 1951-March 1956) was Rs. 206 crores. The increase in money supply during 1955-56, of which currency accounted for about four-fifths, was mainly due to deficit financing by the Government and the rise in bank credit. The rise in money supply has to be viewed in relation to the expansionary trends in production, industrial and agricultural, the general level of economic activity and the steady extension of the boundaries of the money economy. However, recently the rise in money supply has tended to outpace the rise in production levels and economic activity.

Bank credit during the year recorded a sharp rise and contributed to a large expansion of money

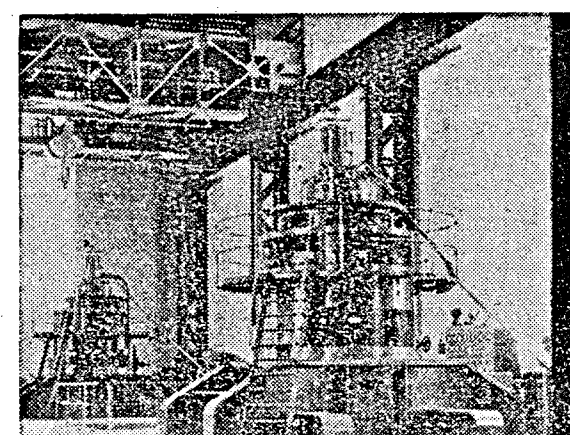


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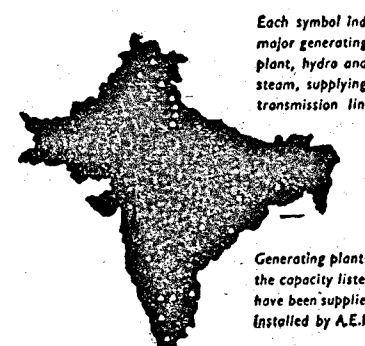
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• Pykara, Mettur,	2,15,450 KW
• Papanasam and Moyar	
• Mysore (Jog)	48,000 KW
• Travancore	22,500 KW
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• Bahadrapur, Bhol,	40,600 KW
• Sumera & Muhammadpur	
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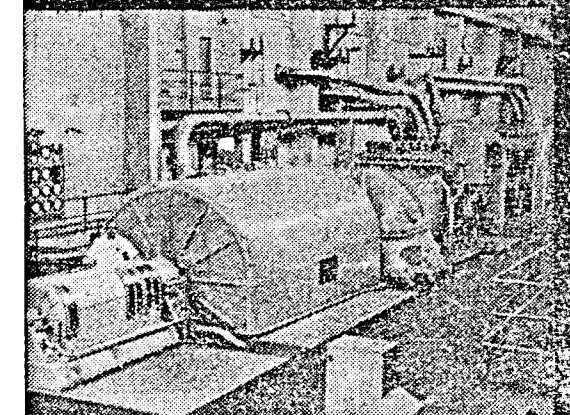
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supply. While scheduled bank credit increased by Rs. 149 crores over the year to Rs. 739 crores, as compared with a rise of Rs. 60 crores in 1954-55, the net deposit liabilities of scheduled banks increased much less than bank credit during the year, by Rs. 98 crores. The small rise of Rs. 38 crores in bank's resources in the busy season of 1955-56, as against a credit expansion of Rs. 180 crores, led to larger borrowing from the Reserve Bank, which increased by Rs. 67 crores, of which Rs. 46 crores were under the bill market scheme. Borrowings from the Reserve Bank outstanding at the end of the year were Rs. 53 crores, or Rs. 36 crores higher than a year before.

Government Finances

During 1951-56, the combined deficit of the Central and State Governments, as measured by the actual net addition to the Treasury bill holdings of the Reserve Bank and the draft on Government cash balances, would have been somewhat less than Rs. 400 crores. Plan outlays rose from Rs. 259 crores in 1951-52 to about Rs. 600 crores in 1955-56. The aggregate tax revenue of Central and State Governments was Rs. 635 crores in 1950-51 (pre-plan base year) and formed 6.5 percent of the national income; in 1955-56 aggregate tax revenue was of the order of Rs. 735 crores, which may constitute a slightly higher proportion of national income than in 1950-51. The projected level of plan outlays in the public sector under the second plan, averaging Rs. 960 crores a year, would involve a considerable increase in the tax effort of the Central and State Governments, and the fullest mobilisation of private savings through various borrowing schemes. Aggregate net market borrowings during the first plan period have exceeded the plan target of Rs. 115 crores by Rs. 62 crores. The net absorption of securities by the market during the five years of the first plan, taking into account sales of securities effected in recent years from the cash balance investment accounts of Central and State Governments and by the Reserve Bank from its portfolio, has been even larger, being of the order of Rs. 250 crores. Total small savings collections, at Rs. 225 crores, have also shown an improvement of Rs. 10 crores over the original plan estimate. The estimated net borrowings from the public during the five years, 1956-61, placed at Rs. 1,200 crores, comprising broadly Rs. 700 crores from market loans and Rs. 500 crores in small savings, would doubtless be facilitated by the substantial measure of the proposed deficit financing. However, since all the plan estimates are based on the assumption of constant (1955-56) prices, the borrowing programme, like the taxation programme, should be more appropriately considered apart from the influence of budgetary deficits. The technique of market borrowings for the Central and State Governments is being continuously reoriented to fit in, on the one hand, with the greatly increased requirements of developmental expenditure and, on the other, with the changing conditions of the market. During the year under review, therefore, it was decided to revert, after the expedient tried in 1954-55 of a combined Central and State "tap loan", to the normal practice of first issuing a Central loan and then the loans of the various State Governments. Accordingly, the 31 percent National Plan Bonds—Second Series—1955, for the Central Government, were floated on 1st July, 1955, at an issue price of Rs. 98-8 giving a redemption yield of 3.68 percent, were followed by two successive issues of 4 percent State loans, 1957, in August. The technique of issuing a number of separate loans, was further developed in the Central loans issued in July 1956. The Government offered loans of three maturities, i.e., six, 11 and 18 years.

Balance of Payments

The overall balance of payments for the year, July 1955-June 1956, may show a deficit on current account of the order of Rs. 20 crores, after taking into account receipt of official grant, as against a surplus of Rs. 23 crores in the preceding year. During the first plan period, the payments position on current account showed a net deficit of Rs. 27 crores, taking into account receipt of official grants aggregating Rs. 96 crores. Withdrawals from sterling balances during the first plan period have been about Rs. 140 crores, as against Rs. 290 crores originally envisaged. In view of the large requirements for imports of machinery and equipment during the second plan period, besides a draft of Rs. 200 crores on sterling balances, external assistance has been assumed at as high a level as Rs. 800 crores. Under the circumstances, the urgency of export promotion cannot be over-emphasised.

The second plan starts with the advantage of the accumulated experience and the overall stability achieved during the first plan period. An important aspect of the total problem will be to step up effectively investment and savings, output and employment, without unduly affecting price stability. Total investment in the economy, estimated to have been around Rs. 3,100 crores during the first plan period, more or less equally divided between the public and private sectors, is planned to rise to Rs. 6,200 crores during the second plan, of which public investment would form approximately 60 percent. The expansionary effect on money supply of deficit financing of the order of Rs. 1,200 crores envisaged in respect of plan outlay in the public sector during the period of the second plan and of the increase in bank credit and in the Reserve Bank's lending operations, would be only partly neutralised by the withdrawal of sterling balances. There may not, however, be a serious threat to financial stability, provided production, particularly of foodgrains and other essential articles, expands at a satisfactory rate and the targets of taxation and borrowing are achieved.

The establishment of the State Bank of India & China has declared an interim dividend of 7½ percent, actual, subject to income tax.

With mutual understanding, commonness of purpose and co-ordination of action between the Government of India, the Reserve Bank and the State Bank, there is little doubt that the latter can complement the functions of the Reserve Bank in an essential sphere, and emerge as a powerful instrument of public policy, including that of planned development, while at the same time maintaining the highest standards of commercial banking.

THE CALCUTTA MONEY MARKET

EASIER TREND PREVAILS

Wednesday, 12th September.

CONDITIONS in the money market are now distinctly easier and it is suspected in banking circles that the lowest point of the slack season has now probably arrived. A good deal of the advances made to the sugar industry are back with the banks, while the requirements of the jute industry and those on account of grain and seeds are much reduced. The interbank market has been tight during this week, but unaccountably easier today. It is suspected that the present tightness has been caused by the impending income-tax payments which are due for settlement this week-end. The call rate remains unchanged at 3½ percent.

The bill market has been quiet. A few gunny documents have come to hand, but tea bills are in short supply. Demand for remittance has been normal. Sterling is reported to be a little stronger on general expectations of settlement of the Suez Canal issue. There has been a certain amount of short-covering in New York.

Bullion was firm on good support though top gains were pared at the close on profit-taking. Silver declined from the previous week's level of Rs. 174-1 to Rs. 173-13, quoted today. The rate for ready delivery was quoted at Rs. 174-1. The London price was unchanged at 78½d. The price of foreign silver in New York remained the same at 90½ cents.

Gold was easier in sympathy with silver and the price fell from Rs. 103-9 to Rs. 103-6. The sovereign at Rs. 67-12 showed a loss of 2 annas.

During the week ended 7th September, 1956 Government of India Treasury bills for Rs. 29,70,00,000 were sold in favour of the Reserve Bank of India.

A rise of Rs. 15.67 crores to Rs. 1,440.18 crores in notes in circulation was the notable feature of the return of the Reserve Bank of India for the week ended 7th September, 1956. The total note issue was Rs. 72 lakhs lower at Rs. 1,456.43 crores. Notes held in the Banking Department consequently fell by Rs. 16.38 crores to Rs. 16.25 crores. Foreign securities declined by Rs. 9.94 crores to Rs. 596.74 crores, presumably due to a transfer to the Banking Department, in which foreign balances held abroad increased by Rs. 9.28 crores to Rs. 34.22 crores. Deposits of the Government of India declined by Rs. 6.91 crores to Rs. 58.86 crores, but other Government accounts were Rs. 13.82 crores higher at Rs. 16.73 crores, following State loan subscriptions. Balances of commercial banks at Rs. 56.16 crores showed a decline of Rs. 40 lakhs. Investments rose by Rs. 1.69 crores to Rs. 51.81 crores. Other loans and advances increased from Rs. 52.16 crores to Rs. 74.51 crores, of which advances to scheduled banks against usance bills totalled Rs. 24.49 crores (Rs. 22 crores). These advances amounted to Rs. 238.47 crores since 1st January, 1956. Ways and means advances stood at Rs. 5.32 crores against Rs. 8.06 crores.

The return of the State Bank of India for the week ended 31st August, 1956, shows a rise of Rs. 2.43 crores in total deposits to Rs. 229.07 crores. Investments in Government securities and other authorised investments remain unchanged at Rs. 94.73 crores and Rs. 11.45 crores, respectively. Advances, including loans, cash credit and overdrafts, and bills discounted and purchased, have increased by Rs. 45 lakhs to Rs. 124.22 crores. Cash and balances are, in consequence, shown at Rs. 18.06 crores, or Rs. 31 lakhs less.

The statement of the position of scheduled banks for the week ended 31st August, 1956, discloses Demand and Time liabilities at Rs. 654.74 crores (Rs. 17.03 crores on account of borrowings from banks) and Rs. 461.32 crores (Rs. 2.90 crores), compared with Rs. 654.47 crores (Rs. 17.01 crores) and Rs. 461.90 crores (Rs. 3 crores), respectively, in the previous week. Cash and balances with the Reserve Bank have increased by Rs. 5 lakhs and Rs. 95 lakhs to Rs. 37.58 crores and Rs. 51.67 crores, respectively. There is a drop of Rs. 60 lakhs in investments to Rs. 361.42 crores. Advances and bills discounted, at Rs. 735.14 crores, show a decrease of Rs. 87 lakhs. The ratios to total liabilities of cash and balances and of advances and discounts are, in consequence, shown at 8 percent and 65.9 percent, against 7.9 percent and 65.9 percent.

The CHARTERED BANK OF INDIA, AUSTRALIA & CHINA has declared an interim dividend of 7½ percent, actual, subject to income tax.

RESERVE BANK

ISSUE DEPARTMENT (In 000's of Rupees)			
	7-9-56	31-8-56	9-9-55
Liabilities—			
Notes in Banking Dept.	16,25,09	32,63,47	13,41,40
Notes in Circulation	14,40,18,34	14,24,51,15	13,01,65,37
Total Notes issued	14,56,43,43	14,57,14,62	13,15,06,57

Assets—			
A Gold Coin and Bullion	40,01,71	40,01,71	40,01,71
Foreign Securities	5,96,73,19	6,06,67,54	6,71,81,40
Total of A	6,36,75,50	6,46,69,25	7,11,43,31
B Rupee Coin	1,16,02,67	1,16,73,87	1,09,32,26
Rupee Securities	7,63,65,36	6,93,71,56	4,93,01,40
Total	14,56,43,43	14,57,14,62	13,15,06,57

BANKING DEPARTMENT			
Liabilities—			
Capital Paid-up	5,00,00	5,00,00	5,00,00
Reserve Fund	5,00,00	5,00,00	5,00,00
National Agricultural Credit (Long term) Fund	15,00,00	15,00,00	—
National Agricultural Credit (Stabilisation) Fund	1,00,00	1,00,00	—

Deposits—			
(a) Central Govt.	58,85,79	65,76,52	58,47,03
2 Other Govts.	16,72,50	2,90,75	13,92,78
(b) Banks	56,15,66	56,35,99	48,20,09
(c) Others	18,61,28	12,26,58	16,37,11
Bills Payable	10,26,44	6,32,58	4,82,42
Other Liabilities	14,02,67	13,55,55	14,45,49
Total	2,00,04,34	1,83,58,31	1,66,42,12

Assets—			
Notes	16,25,09	32,63,47	13,41,40
Rupee Coin	6,70	11,34	3,97
Subsidiary Coin	8,37	7,89	7,10
Bills Discounted Int.	—	—	64,30
Govt. of India Treasury Bills	6,14,73	3,66,55	12,84,80
Balances held abroad	34,21,96	24,93,63	49,22,78
Loans to Govt.	5,32,35	8,06,35	37,00
Other Loans etc.	74,50,79	62,16,14	29,30,33
Investments	51,80,96	50,12,20	48,77,27
Other Assets	11,63,49	11,60,60	11,52,97
Total	2,00,04,34	1,83,58,31	1,66,42,12

SCHEDULED BANKS

(In 000's of Rupees)			
	31-8-56	24-8-56	2-9-55
Demand Liabilities—			
(a) Borrowings from Banks	17,02,76	17,00,88	8,14,43
(b) Others	6,37,71,19	6,37,46,12	5,93,66,50

Time Liabilities—			
(a) Borrowings from Banks	2,89,35	2,96,55	2,94,60
(b) Others	4,58,41,96	4,58,96,89	4,06,84,29
Borrowings from State Bank Demand Liabilities	7,25,46	6,34,49	10,41,43
Time Liabilities	37,58,06	37,53,06	33,18,09
Balances with the Reserve Banks	51,66,56	50,72,31	56,76,22
Balances with other banks	22,39,02	23,64,93	15,96,53
Money at calls and short notice	3,61,41,61	3,62,01,72	3,79,44,68
State Govt. Securities	5,87,66,69	5,91,81,30	5,05,01,27
Advances	1,01,57,00	98,16,49	67,69,72
Inland Bills purchased and discounted	45,86,73	46,03,11	41,46,07

CLEARING HOUSE RETURNS

Week ended	Rs. (thousands)	Calcutta	Bombay
7-9-56	69,97,75	56,44,07	37,00
31-8-56	54,65,48	61,68,31	24,76
24-8-56	54,74,23	36,96,18	—

STATE BANK OF PAKISTAN

ISSUE DEPARTMENT (In 000's of Rupees)			
	week ended	week ended	week ended
Liabilities—	24-8-56	17-8-56	
Notes in Banking Department	12,03,15	9,95,90	
Notes in Circulation	2,60,52,27	2,82,76,87	
Total Notes issued	2,92,55,42	2,92,66,77	

Assets—			
A Gold Coin and Bullion	11,33,41	11,33,41	
Foreign Securities	96,68,25	96,68,25	
Government of India Securities	6,68,25	16,68,25	
India Notes representing assets receivable from the Reserve Bank of India	43,02,58	43,02,58	
B Rupee Coin	6,32,16	6,43,51	
Govt. of Pakistan Securities	1,12,64,94	1,12,64,94	
Held with Reserve Bank of India pending transfer to Pakistan	19,02	19,02	
Gold Coin and Bullion	4,40,63	4,40,63	
Sterling Securities	1,00,96	1,00,96	
Govt. of India Securities	22,51	22,51	
Rupee Coin	2,92,55,42	2,92,66,77	

BANKING DEPARTMENT			
Capital Paid-up	5,00,00	5,00,00	
Reserve Fund	5,00,00	5,00,00	
Deposits—			
(a) Central Government	31,40,47	30,30,44	
(b) Provincial Government	10,79,73	9,23,58	
(c) Banks	20,73,21	20,73,21	
(d) Others	3,37,55	4,94,66	
Bills Payable	1,18,64	8,66,50	
Other Liabilities	79,53,39	79,28,56	

Assets—			
Notes	12,03,15	9,95,90	
Rupee Coin	—	—	
(a) Pakistan	10	9	
Subsidiary Coin	—	—	
(a) Pakistan	16	16	
(b) India	—	—	
Bills Purchased and Discounted—			
(a) Interest	—	—	
(b) Govt. Treasury Bills	1,13,77	83,18	
Loans and Advances to Govt.	—	—	
Provincial Govt. Debtor Balances	4,43,75	4,77,75	
Other Loans and Advances	5,83,05	5,69,98	
Investments	6,41,41	12,51,50	
Other Assets	—	—	
Total	10,95,39	79,28,56	

Stocks and Shares

MARKET BETTER AFTER SHAKE-OUT

INVESTMENT SHARES STEADY: ALL STATE

LOANS FULLY SUBSCRIBED

Wednesday Evening.

THE share market is in a more cheerful mood after last week-end's shake-out. The Finance Minister's threat that increased excise duties might be imposed on cloth if prices did not come down, helped the bears depress the main speculative issues. The West Bengal Chief Minister's efforts to raise subscriptions for the State loan has also taken a good deal of money from the market. Prices have now recovered some of the ground they lost and Indian Irons, which were at one time quoted down to Rs. 34-14 are now back to Rs. 35-10. The feeling in the market is better, but the undertone remains uncertain. Operators are also anxious about the new Finance Minister's apparent determination to use excise duties wherever these are necessary to keep a check on inflation.

Investment shares have been better during the past week. Jute shares have benefited from the publication of a more promising set of jute goods stock figures. Coals have been steady but tea scrip quotations have tended to shade following the announcement that the end-August crop is running at about 12.75 million pounds greater than during the same period last year. Engineering shares have been fully steady and the feeling in this section has benefited from the fact that the two counters in the Mundhra group, Jessops and Richardson & Cruddas, have been marked up on interested buying. Miscellaneous share prices have been well held. The Government securities market has remained easy. The new State loans have now all been subscribed, but it is rumoured that some had a struggle to find buyers. The reduced market activities of the life insurance companies have been badly felt with these State loans.

Details of the week's trading follow:

Sellers continued to predominate in the gilt-edged market and prices were marked down further. Three percent Conversion Loan improved by two annas to Rs. 75-7, but closed easier at Rs. 75-8. In short-dated loans, 3% Loan 1957 was unchanged at Rs. 99-12 as was 3% 1958 at Rs. 99-9. In the medium-dated group, 3% 1959-61 was on offer at Rs. 98 and both 3% 1963-65 and 1964 were again marked back by two annas to Rs. 94-10 and Rs. 94-11 respectively; 2½% 1960 changed hands at around Rs. 96-6 but 2½% 1962 was marked down to Rs. 93-14. National Plan issues were weak with 3½% 1961 on offer at Rs. 99-2 and 3½% 1964 at Rs. 98-8; 3½% 1965 was taken lower to Rs. 98-6 and 3½% 1967 had sellers at around Rs. 98-7. Among long-dated issues 3% 1966-68 shed two annas at Rs. 93-2 and 3% 1970-75 again recorded a sharp fall to Rs. 89-10; 3½% 1974 turned sellers at Rs. 98-7-5. State loans continued depressed and once again practically no business was reported.

Very little business was reported in preference shares during the week. In the miscellaneous group, Alkali & Chemical were done at Rs. 104, Bowreah were marked at Rs. 106-8, Calcutta Electric at Rs. 11-8 and Godfrey Phillips at Rs. 68-12. There were buyers of Indian Aluminium at Rs. 82 and Indian Iron & Steel at Rs. 108. Rohtas Industries "B" were placed at Rs. 64-8 and New Victoria Cotton at Rs. 5-10. Only two transactions were reported in jute preference shares, namely, in Lansdowne at Rs. 80 and New Central at Rs. 105-8.

In the banking section, Allahabad Bank contributory were offered at Rs. 104 and Hind Bank were marked at Rs. 38. United Commercial were unchanged at Rs. 57-8 and Punjab National at Rs. 56.

No transactions were reported in railway shares during the week. Cotton shares were depressed with Dunbar losing further ground to Rs. 275. Elgins were marked back to Rs. 27-8 and Kesoram to Rs. 18. Cawnpore Textiles were unchanged at Rs. 8-14 as were Bengal Nagpur at Rs. 9-10.

In the coal section, there was a large turnover in Burrakur which fluctuated between Rs. 15-5 and Rs. 16-6; tonight's closing quotation is Rs. 15-11. Bengal were unchanged at Rs. 536 as were Amalgamated at Rs. 23 and Equitable at Rs. 30-8. Borra improved from Rs. 24-4 to Rs. 24-8 as did Central India from Rs. 7-6 to Rs. 7-9. Western Bengal were marked at Rs. 6-9 ex-dividend. New Manbhoom were required for at the higher rate of Rs. 11 against last week's opening price of Rs. 10-3. Katras Jherria improved from Rs. 61 to Rs. 62 while New Beerboom were marked back from Rs. 19-12 to Rs. 19-8. Standard were fairly steady at around Rs. 23-12. Seepore met with some enquiry and improved from Rs. 29-8 to Rs. 29-14 as did East Indian from Rs. 31-14 to Rs. 32-6. Karanpura Collieries were well maintained at Rs. 118.

Following the sharp reduction in jute goods stocks at the end of August by 15,800 tons, there was an upward movement in the prices of finished goods which was reflected, in turn, in higher jute share prices. Here is a chart showing representative price movements.

	Opening	Closing
6-9-56	184	185
Rs.	14	19
Anglo-India		
Chitavalas		

Howrah	24 c.d.	24 14 x.d.
India	142	146
Kinnison	179	180
National	24 12	25 13
Northbrook	27	28

Electric supply shares were featureless though there was a slight increase in the volume of business. Benares were taken at Rs. 17-12 while Calcutta were easier at Rs. 13-10 and Patna at Rs. 11-12. Agra were unchanged at Rs. 158 and United Provinces were crossed at Rs. 155-8.

Prices of sugar shares showed little variation. Balrampur were marked at Rs. 7-9 and Belund were shaded at Rs. 12-4 as were Carew at Rs. 9-2. Dyer Meakin Breweries were crossed at Rs. 6 and Durbhanga were marked back to Rs. 22-9.

Weaker advices from Bombay following the Finance Minister's threat to impose additional excise duties if cloth prices did not come down as a result of the latest measures adopted, had a bearish effect on the Calcutta market. The bears were quick to take advantage of the situation and Indian Irons were hammered down at one stage to Rs. 34-14 against the opening price of Rs. 36-2; covering at the close brought a recovery to Rs. 35-10. Beathwaite & Co., ceased to Rs. 30 as did Burn & Co. to Rs. 358 and Bharti Steel to Rs. 19-2. Indian Standard Wagon were better at Rs. 205 as were Textile Machinery at Rs. 23-11. National Iron & Steel provided the outstanding feature and rose sharply from Rs. 7-13 to Rs. 8-11. Jessops and Richardson & Cruddas were better at Rs. 35-3 and Rs. 25-7 respectively.

In paper, India Paper Pulp reacted to Rs. 25-4 as did Titagur to Rs. 40-2 and Shree Gopal to Rs. 17-12. Orient Paper, after being sold down to Rs. 39-6, recovered at the close to Rs. 39-15.

In cement, Assam Bengal were fairly steady at Rs. 7-4 while Sone Valley were easier at Rs. 8-12. Dalmia Cement were fractionally higher at Rs. 15-2.

In insurance, Indian Trade & General changed hands at Rs. 25, Ruby General at Rs. 5-14 and Triton at the previous quotation of Rs. 160.

The only share dealt in in the shipping section was India Steamship at around Rs. 9-11.

Among miscellaneous industrials, Aluminium Corporation were at one time taken to Rs. 12-12, but closed lower at Rs. 12-7, while Indian Aluminium were unchanged at Rs. 24-14. Assam Match were crossed at Rs. 20-4 and Assam Saws were depressed at Rs. 4-9. Bengal Flour provided a good feature, improving further from Rs. 30 to Rs. 32. Alkali & Chemical Corporation were well maintained at Rs. 22-13 as were Cal

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during the period under report. Shipments to Japan fell from 48,811 tons to 20,745 tons due partly to lower raisings and partly to shortage of railway transport. Raisings of manganese ore fell way transport. Shipments of manganese ore fell from 38,720 tons to 29,107 tons. Sales increased from 16,959 tons to 29,107 tons. The directors say that the State Trading Corporation is bound to have a deleterious effect on the company's future. When the Corporation was originally set up, the Government announced that the intention was to conduct trading on a Government-to-Government basis, mainly with communist countries. This intention was soon abandoned however. The State Trading Corporation having been allotted 33 1/3% of the total export quota of ores for the six months ending 31st December, 1956, it is now engaging in ordinary trading and exporting, reports from abroad indicate the unsettling effect this incursion has had on buyers, and in the long run appears detrimental to the interests of the country as a whole.

We publish below the results of the JARDINE HENDERSON group of jute mills for the half year ended last March. The loss of the HOWAN MILLS COMPANY was reduced from Rs. 5.21 lakhs to Rs. 98,491. Bringing in Rs. 11,463, and transferring Rs. 4 lakhs from reserves, there is a balance of Rs. 6,12,973, of which depreciation absorbs Rs. 3 lakhs. The ordinary dividend has been maintained at 4 annas a share, leaving Rs. 57,035 to be carried forward. The directors say that for modernisation the hessian machinery has been erected and is expected to be in full production by the end of August. All sacking units have been received and satisfactory progress is being made with the erection of the new machinery.

The loss of the RELIANCE JUTE MILLS COMPANY has increased from Rs. 4.78 lakhs to Rs. 6.63 lakhs. There is again no dividend, and the debit balance has risen to Rs. 11,72,341. As for the modernisation scheme, the directors comment that the application to the National Industrial Development Corporation for a loan of Rs. 25,00,000, having been accepted in principle, is still under consideration and the final decision is awaited.

The BALY JUTE COMPANY made a profit of Rs. 58,526, against a loss of Rs. 26,512. Bringing in Rs. 15,350 and transferring Rs. 1 lakh from general reserve, there is a balance of Rs. 1,85,303, of which depreciation gets Rs. 50,000. There is again no ordinary dividend. The carry-forward is Rs. 65,302.

The profit of the MOTHOLA COMPANY has declined by Rs. 2.65 lakhs to Rs. 1.43 lakhs. Bringing in Rs. 53,033, there is a balance of Rs. 1,95,963. Reserve absorbs Rs. 50,400 (Rs. 2.75 lakhs). The dividend has been cut from 65% to 50%, including an interim of 10%. The carry-forward is Rs. 70,946. The crop increased by 280 maunds to 6,996 maunds but the average sale price fell from 51.68 annas a lb. to 36.24 annas a lb.

The balance of the KARANPURA COLLIERIES amounted to Rs. 1,47,527 for the year ended last February, after providing Rs. 1.40 lakhs (Rs. 1.04 lakhs) for depreciation, Rs. 32,016 (Rs. 43,500) for taxation, Rs. 47,200 (nil) for tax continuing year, and bringing in Rs. 2,661. The ordinary dividend has been doubled to 5%, leaving a carry-forward of Rs. 6,965. Raisings improved from 131,679 tons to 150,031 tons, and despatches from 133,566 tons to 148,818 tons.

Messrs. Tata Industries Private Ltd., managing agents for the TATA IRON AND STEEL CO. LTD. report that the total approximate production of iron and steel at the steel works in Jamshedpur during August, 1956 was: pig iron 97,800 tons; steel ingots 88,000 tons; semi for sale 18,100 tons; and finished steel 47,900 tons.

BOMBAY PRICES RECOVER ON REPLACEMENT BUYING

MARKET TECHNICALLY IMPROVED

Wednesday Evening.

THERE was a serious setback on the Bombay stock market last week and equity prices tumbled on a broad front due to heavy selling pressure induced by the increased cloth excise duty. Sentiment deteriorated further on fears that the Government would probably introduce some kind of price control if prices were found to increase as a result of increased levies. Suggestions of additional taxation measures to mop up surplus profits of industries were considered additional dampers.

Towards the close, however, some replacement buying helped the recovery of a portion of previous losses, but the undertone continued hesitant. Operators were in a difficult position to take a view considering that the Suez situation had taken a worse turn. In the meantime, reports of companies' working continue to be promising in view of the rapid economic development.

Tata Steels declined to Rs. 196.8, as did Indian Iron to Rs. 35-10 in sympathy. Alcock Ashdown were lowered to Rs. 337.8 and Premier Construction lost at Rs. 104.8. Tata Locomotive declined to Rs. 169 on selling pressure. Larsen and Toubro were on offer around Rs. 18.6.

The mill section was dotted with widespread losses and popular concerns suffered the heaviest falls. Bombay Dyeing dropped sharply to Rs. 637.8 and Century were down to Rs. 557.8. Swadeshi declined to Rs. 251.8 and Kohinoor changed hands substantially lower at Rs. 361. Apollo weakened considerably to Rs. 213.6.

Miscellaneous industrials experienced precipitous declines in sympathy with the general trend. Tata Chemicals touched a bottom of Rs. 19.8, though some replacement buying was seen towards the close. Scindia Steam were neglected at Rs. 19.1, while India Steamship evoked interest around Rs. 9-12 on interested support. Cement and sugar shares showed moderate declines. Associated Cements were taken at Rs. 203.4, as were Digvijay at Rs. 197. Belapur Sugar were transacted at Rs. 249.8 and Walchandnagar Industries came to hand at Rs. 268.2. National Rayon slumped to Rs. 261.8 on long liquidation. Bombay Burmah declined substantially to Rs. 737.8 and B.B. Petrol lost at Rs. 312. Mining shares saw a predominance of sellers, with Sivrajpur Syndicate declining to Rs. 84. Indian Copper, however, steadied to Rs. 7.3, at the close on hardening metal prices. Tata Oil were available at Rs. 55.

Turnover was restricted in banking shares, with Bank of India coming to hand at Rs. 171.8. Central Bank were done at Rs. 52. Insurance shares showed losses on balance, and New India were taken at Rs. 46.8, while Oriental made Rs. 3,650.

THE WEEK'S TRANSACTIONS

(In the following list of stocks and shares in which transactions have taken place during the past week the figures indicate Opening Quotations. Highest for the week. Lowest for the week. Closing Quotations—Quotation for the Corresponding Closing Date a Year Ago, the last named being shown in parenthesis and will not be given where such a quotation is not available.)

GOVERNMENT SECURITIES
2½ U. P. Zemindary Bond (Collected)—Rs. 41.4—41.4—41.4—41.4.
3% Loan (1966)—Rs. 75.6—75.8—75.6—75.8.
3% " (1970-75)—Rs. 89.14—89.14—89.14—89.14.
3% " (1963-68)—Rs. 94.10—94.10—94.10—94.10.
3% " (1961)—Rs. 99.2—99.3—99.2—99.3.
3½% " (1964)—Rs. 98.9—98.10—98.9—98.10.
3½% " (1974)—Rs. 98.8—98.9—98.8—98.9.
3½% " (1965)—Rs. 98.7—98.7—98.7—98.7.
4% " (1960-70)—Rs. 100.13—100.13—100.13—100.13.
4% West Bengal (1963)—Rs. 100.2—100.3—100.2—100.3.

BANKS
Allahabad (Conty.)—Rs. 164—164—164—164—(178).
Hindustan Commercial—Rs. 14.6—14.6—14.6—14.6—(10.6).
Hind.—Rs. 38—38.4—38—38—(28.4).
United Bank of India ('D' Share)—Rs. 4.9—4.9—4.7—4.8—(5.3).
United Commercial—Rs. 57.4—57.8—57.4—57.8—(47.8).

RAILWAY
Dehri Rohtas—Rs. 13.8—13.8—13.4—13.4—(14.10).

COTTONS
Bengal Nagpur—Rs. 9.6—9.6—9.5—9.5—(9.10).
Cawnpore—Rs. 8.14—8.14—8.13—8.13—(8.8).
Dunbar—Rs. 27.7—27.7—27.4—27.5—(2.47).
Elgin—Rs. 27.6—27.14—27.6—27.6—(8.8).
Jayshree—Rs. 7.4—7.4—7.3—7.4—(7.4).
Kesoram—Rs. 18.10—18.12—18—18.2—(16.2).
New Victoria—Rs. 2.9—2.9—2.7—2.9—(1.9).
Do. (Pref.)—5.8—5.11—5.8—5.9—(3.5).
Swadeshi (Pref.)—Rs. 89.12—90.4—89.12—90.4—(86.8).
Sutlej—Rs. 110—110—110—110.

COALS
Amalgamated—Rs. 22.15—23—22.15—23—(24.6).
Bharat Collieries—Rs. 7.6—7.6—7.6—7.6—(8.5).
Do. (Pref.)—Rs. 55.8—55.8—55.8—55.8—(18.5).
Burrakur—Rs. 14.12—16.8—14.12—15.12—(14.8).
Bengal—Rs. 536—536—534—536—(540).
Bhaigora—Rs. 6.3—6.5—6.3—6.5—(7.10).
Borra (Pref.)—Rs. 106.8—106.8—106.8—106.8—(119).
Do. (Ord.)—Rs. 24.6—24.6—24.6—24.6—(30).
Central India—Rs. 7.7—7.9—7.7—7.9—(7.9).
Dhemo Main—Rs. 7.12—8—7.12—8—(9.13).
East Indian—Rs. 32.2—32.5—31.14—32.5—(30.4).
Equitable—Rs. 30.6—30.6—30.6—30.6—(32).
Guzdar Kajora—Rs. 2.14—2.14—2.14—2.14—(4.15).
Katras Jheriah—Rs. 60.14—62—60.14—62—(53.2).
Kuardi—Rs. 4.7—4.7—4.7—4.7—(7).
New Manbhumi—Rs. 11—12.2—11—12.2—(10.4).
Nazira—Rs. 7—7—7—7—(6.15).
Pench Valley—Rs. 21.11—21.11—21.11—21.11—(24.3).
Rewa—Rs. 23—23—22.15—22.15—(19.8).
Raneegunge—Rs. 13—13.1—12.13—12.13—(12).
Seebpore—Rs. 29.10—30—29.10—30—(27.12).
South Karanpura—Rs. 9.8—9.12—9.8—9.9—(12.10).
Standard—Rs. 23.4—23.4—23.4—23.4—(20.14).
Talehar—Rs. 3.3—3.5—3.2—3.4—(3.10).
Western Bengal—Rs. 6.14—7.1—6.6—6.10 x.d.—(7.2).
West Jamuria—Rs. 11—11—11—11—(14.9).

JUTES
Agarpara—Rs. 11.11—11.11—11.9—11.10—(14.2).
Anglo-India (Pref.)—Rs. 106.12—107—106.12—107—(119).
Alliance—Rs. 138—138—138—138—(171).
Do. (2nd Pref.)—Rs. 81—81—81—81—(76).
Do. (Ord.)—Rs. 125—126—125—126—(152).
Bijla—Rs. 17.14—18.1—17.14—18—(19.2).
Chitavalash—Rs. 14.10—14.10—14.10—14.10—(15.7).
Champdany—Rs. 157—157—157—157—(188).
Dalhousie (Pref.)—Rs. 102—102—102—102—(114.8).
Empire—Rs. 19—19—19—19—(24.14).
Ganges—Rs. 72—72—72—72—(97).
Gondalpara—Rs. 890—890—890—890—(1525).
Gourepore—Rs. 242—242—242—242—(319).
Do. (Pref.)—Rs. 92.8—92.8—92.8—92.8—(103.8).
Howrah—Rs. 23.13—25.1 x.d.—23.12—25.1 x.d.—(30.2).
Hooghly—Rs. 25—25—25—25—(43.6).
India—Rs. 143.8—144—142—144—(165).
Kamarhaty (Pref.)—Rs. 91—91—91—91—(105).
Do. (B' Ord.)—Rs. 131.8—131.8—131.8—131.8—(130).
Kinross—Rs. 178.8—183—179.8—181—(222).
Khardah—Rs. 150—150—150—150—(203).

Lansdowne—Rs. 105—106—105—106—(160).
Lawrence (5½% Pref.)—Rs. 80—80—80—80—(91.8).
Do. (7% Pref.)—Rs. 104.8—104.8—104—104—(116).
Megna—Rs. 86.8—87.8—86.8—87.8—(104).
National—Rs. 24.10—25.14—24.10—25.13—(34.5).
Nellimarla—Rs. 12.15—13—12.7—12.7—(13.2).
New Central—Rs. 16.9—16.13—16.5—16.10.
Do. (Pref.)—Rs. 106—106—105.8—105.8—(114).
Northbrook—Rs. 27.4—27.8—27.4—27.8—(25.10).
Naskarpara—Rs. 16—16—15.11—15.11—(19.6).
Nuddea—Rs. 40.12—41.4—40.12—41.4—(53.8).
Presidency—Rs. 5.10—5.13—5.10—5.13—(7.3).
Reliance—Rs. 10.4—10.4—10.2—10.2—(14.4).
Union—Rs. 160—161—160—161—(220).

MININGS
Burma Mines—Rs. 3.3—3.4—3.1—3.2—(1.14).
Consolidated Tin—Rs. 2.7—2.9—2.5—2.7—(2.12).
Christine Mica (Pref.)—Rs. 58—58—58—58—(65.8).
Indian Copper—Rs. 6.12—6.14—6.11—6.14—(5.11).
Karanpura Development—Rs. 21—21.2—20.15—20.15—(19).
Metal Corporation—Rs. 11.5—11.6—11.2—11.6—(8.8).
Do. (Defd.)—Rs. 1.13—1.15—1.10—1.12—(2.8).
Orissa Minerals—Rs. 26.2—26.2—25.12—26—(26.15).
Tavoy Tin—As. 14—15—13—14—(As. 12).

CEMENTS
Assam Bengal—Rs. 7.3—7.6—7.2—7.6—(7.5).
Do. (Defd.)—Rs. 1.13—1.15—1.10—1.12—(2.8).
Ashoka—Rs. 12.7—12.7—12.4—12.4—(15.7).
Bengal Potteries—Rs. 3.9—3.9—3.7—3.8—(3.8).
Dalmia (Bharat)—Rs. 15.1—15.3—14.15—15.0—(16.2).
Do. (2.8 Paid)—Rs. 6.3—6.3—5.14—5.15—(4.4).
Do. (2nd Pref.)—Rs. 39.4—39.4—39.4—39.4—(36).
Do. (Defd.)—Rs. 5.8—5.8—5.8—5.8—(3.4).
Do. (Pref.)—Rs. 101—101—101—101—(98).
Orissa—Rs. 14.1—14.1—13.14—14.
Sone Valley—Rs. 8.11—8.13—8.10—8.12—(8.8).

CHEMICALS
Alkali & Chemical—Rs. 22.15—22.15—22.10—22.14—(19.12).
Do. (Pref.)—Rs. 104—104.3—104—104.3—(109.9).
Bengal Chemical—Rs. 109—100—100—100—(101).
Bathgate & Co.—Rs. 1.15—2—1.14—2—(1.15).

ELECTRICS
Benares—Rs. 17.10—18.6—17.6—17.12—(9.3).
Bisalpur—Rs. 8.11—8.11—8.11—8.11—(9).
Calcutta—Rs. 13.12—13.12—13.8—13.8—(15.7).
Do. (Pref.)—Rs. 11.8—11.8—11.7—11.8—(12.10).
Jubbulpore—Rs. 14.4—14.8—14.4—14.8—(15.3).
Patna—Rs. 11.14—11.15—11.8—11.8—(13.1).
United Provinces—Rs. 155.8—155.8—155.8—155.8—(160).

ENGINEERINGS
Braithwaite & Co.—Rs. 30.4—30.4—30—30—(27.7).
Britannia Engineering (Old)—Rs. 18—18—18—18—(41.12).
Do. (New)—Rs. 15—15—15—15—(15).
Burn & Co.—Rs. 361—361—358—359—(294).
Bharla Electric Steel—Rs. 18.4—18.4—18.2—18.2—(15.4).
Britannia Building & Iron (Pref.)—Rs. 100—100—100—100—(100).
Hooghly Docking—Rs. 140—140—140—140—(127).
Indian Galvanizing—Rs. 21.8—21.8—21.8—21.8—(24.8).
Indian Iron—Rs. 36.3—36.4—35.2—35.10—(38.1).
Do. (Pref.)—Rs. 108.8—109—108—108—(110.8).
Indian Malleable Casting (Defd.)—Rs. 4.2—4.2—4.1—4.1—(4.1).
Indian Standard Wagon—Rs. 204—204—203—203—(139).
Jesop & Co.—Rs. 23.12—33.7—33.12—33.7—(53.14).
Kumardhubi—Rs. 9.12—9.15—9.15—9.15—(12.2).
Marshall's—Rs. 6.4—6.4—6.4—6.4—(7.6).
National Iron & Steel—Rs. 7.12—8.14—7.12—8.10—(6.13).
Richardson & Cruddas—Rs. 25—25.8—24.12—25.8.
Saran Engineering—Rs. 7.6—7.8—7.6—7.8—(7.4).
Textile Machinery—Rs. 23.9—23.13—23.4—23.11—(26.14).

INSURANCE
Ruby General—Rs. 5.14—5.15—5.14—5.15—(8.2).

FLOUR MILL
Bengal—Rs. 30.6—32.2—30.3—31.2—(34.14).

MISCELLANEOUS
Aluminium Corporation—Rs. 12.10—12.12—12.8—12.10—(7.11).

Do. (Defd.)—Rs. 6.2—6.2—5.14—5.14—(2.3).
Associated Hotels—Rs. 11.8—11.12—11.5—11.5—(5).
Assam Match—Rs. 20.4—20.4—20.4—20.4—(19.12).
Anglo Brothers—Rs. 23.4—23.8—23.4—23.8—(22.3).
B. I. Corporation—Rs. 10.4—10.9—10.1—10.7—(9.1).
Do. (Pref.)—Rs. 124—124.8—124—124.8—(137).
Bharat Commerce & Industry—Rs. 4.12—4.14—4.11—4.12.
Bararee Coke—Rs. 19.6—19.6—19.6—19.6—(21.8).
Balmor Lawrie—Rs. 172—172—172—172—(165).
Calcutta Gas—Rs. 7.4—7.4—7.4—7.4—(7.5).
Calcutta Tramways—Rs. 18.12—19.1—18.10—18.10—(18.9).
Clive Row Investment—Rs. 11.6—11.6—11.1—11.3.
Dunlop Rubber—Rs. 30—30—29.7—29.7—(39.2).
Duncan Brothers—Rs. 140—140—140—140—(40).
Eastern Investment—Rs. 146—147—146—147—(168).
Electric Construction Equipment—Rs. 13.8—13.10—13.8—13.10—(13.10).
F. & C. Osler (Pref.)—Rs. 51.8—53—51.8—53.
Godfrey Phillips (Pref.)—Rs. 68.12—68.12—68.12—68.12—(64.12).
Hoare Miller—Rs. 5.15—6.5—5.14—5.15—(7.3).
Indian Cables—Rs. 34.12—34.14—34.10—34.14—(29.12).
Imperial Tobacco—Rs. 15.11—15.13—15.11—15.13—(13.15).
Indian Aluminium—Rs. 24.14—25.1—24.11—24.12.
Do. (Pref.)—Rs. 84.8—85—82—82—(75).
Indian Wood Products—Rs. 40.2—40.10—40.2—40.8—(41).
Ivan Jones—Rs. 3—3—3—3—(3.5).
Indian Rubber Manufacturing—Rs. 17.4—17.8—17.4—17.8—(12.11).

Jardine Henderson—Rs. 98—98—97—97—(119).
Martin Burn—Rs. 24—24.7—23.12—24.7—(25.3).
Metal Box—Rs. 29.4—29.9—29.4—29.8—(24.3).
Macfarlane & Co.—Rs. 2.14—2.15—2.14—2.15—(3.2).
National Carbon—Rs. 29.4—29.5—29—29—(29).
National Rolling—Rs. 11.7—11.8—11.3—11.5—(16).
National Tobacco—Rs. 13.4—13.4—13.2—13.4—(10.9).
National Insulated Cable—Rs. 25.10—25.10—25.4—25.6—(18.2).
Osler Electric Lamp—Rs. 4.9—4.12—4.9—4.12.
Robtas Industries—Rs. 22.8—22.13—22.8—22.13—(22.5).
Do. (B' Pref.)—Rs. 62—62—64—64—(68).
Shaw Wallace—Rs. 13.10—13.12—13.8—13.8—(14.11).
Straw Products—Rs. 19—20—19—20.
Sodepur Glass Works—Rs. 2.14—3.2—2.14—3.1.
Wallford Transport—Rs. 2.5—2.6—2.4—2.6—(2.1).
Western Stockholders Investment—As. 14—Re. 1—As. 14—15.

OIL SHARES
British Burma Petroleum—Rs. 3.14—4—3.12—3.14—(4.9).
Indo-Burma Petroleum—Rs. 40.4—40.10—40.4—40.10.

PAPER MILLS

India Paper Pulp—Rs. 25—25.9—24.15—25.5—(23.4).
Orient—Rs. 40—40.2—39.6—39.15—(30.3).
Shree Gopal—Rs. 19—19.6—17.14—18—(16.10).
Do. (Pref.)—Rs. 119—119.8—119—119.8—(126.8).
Star—Rs. 11—11.10—11—11.0—(14.5).
Titagur—Rs. 40.12—40.12—40.2—40.4—(45.2).

SHIPPINGS

Calcutta Landing—Rs. 15.13—15.13—15.14—15.14—(13.10).
India Steamship—Rs. 9.11—9.12—9.10—9.12—(7.7).

SAW MILL

Assam Saws—Rs. 4.9—4.10—4.8—4.10—(5.4).

REAL PROPERTY

New India Building and Land Improvement Society—As. 9—9—9.

SUGAR SHARES

Balrampur—Rs. 7.9—7.9—7.9—7.9—(11.9).
Belsund—Rs. 12.6—12.7—12.4—12.4—(11.12).
Carew & Co.—Rs. 9.4—9.5—9.1—9.2—(12.7).
Dyer Meakin Breweries—Rs. 5.15—6.5—5.14—5.14—(6).
Darbhanga—Rs. 22.10—22.10—22.9—22.10.
Rammughar Cane—Rs. 27.12—27.14—27.4—27.9—(26.14).
Samatpur—Rs. 13—13—13—13—(14.11).
Shri Krishna Gyanoday—Rs. 12.11—12.13—12.11—12.13—(19).
Shree Sitaram—Rs. 15—15—15—15—(14.6).

TEA SHARES

Baghmari—Rs. 25.1—25.1—23.6—23.6—(28).
Belgachi—Rs. 68—68—68—68—(37.1).
Brooke Bond—Rs. 20.14—21.2—20.12—20.12—(30).
Brahmaputra—Rs. 8—8—8—8—(8.3).
East India—Rs. 23.9—24—23.8—24—(32.10).
Gangaram—Rs. 172—172—167—169—(431).
Gielie—Rs. 27—27.4—27—27.4—(47).
Hansqua—Rs. 24.8—24.10—23.12—23.13—(30.12).
Hantapara—Rs. 189—190—187—187—(374).
Hasimara—Rs. 31.15—32.2—31.15—32.2—(46.8).
Huldburi—Rs. 22—22—22—22—(26.8).
Jaybirpara—Rs. 19.10—20.2—19.10—20.2—(49.8).
Jayshree—Rs. 11.14—12—11.11—11.11.
Kotamullai—Rs. 28—28—28—28—(28).
Kaiti—Rs. 6.15—7—6.15—7—(9.4).
Loobah—Rs. 5.8—5.11—5.9—5.11—(8.14).
Methoni—Rs. 22—22—21.15

Our City Cable

LETHARGIC CONDITIONS IN STOCK MARKETS

SELECTIVE SUPPORT FOR INDUSTRIALS

London, 12th September.

BOTH interest and the volume of business have continued at a very low level in the London stock markets over the past week. With sentiment completely dominated by the Suez Canal crisis, there has been a general reluctance to extend commitments, but there has also been an unwillingness to part with good-class shares so that, on the whole, no great movement in prices has been seen. However, when news was received that the Suez talks had ended without success, the markets took a decided turn for the worse on Monday as jobbers marked prices down to discourage selling. This was followed by an equally rapid recovery in the afternoon when it became known that the Egyptian Government had proposed the setting up of a negotiating body representing all users of the Suez Canal. New York failed to respond to this news however, and the London markets have once more relapsed into their previous lethargic conditions. Oil shares have continued extremely sensitive, and with dealers always endeavouring to keep their books level, it has taken little to move prices sharply in either direction. In the space of a few minutes, sharp losses have been turned into considerable gains. The gilt-edged market's overall trend has been towards lower levels, and on Monday, War Loan 3½ percent was again down to its lowest level ever of £68½. Despite dullness of gilt-edged securities, the £5 million New Zealand Loan attracted full subscription and now commands a premium of £½ but other Dominion and colonial issues have tended to ease. The spurt in industrials at the opening of the new account proved short-lived, although certain of the leaders have found support, especially American favourites including Rolls Royce, Hawkers and British Aluminium. Hudsons Bay however have fallen back somewhat. There has been little to assist gold shares and prices have tended to weaken. The visit of the South African Finance Minister to the United States will be followed with more than the usual interest in view of his statement that unless a higher price for gold is forthcoming certain mines are likely to close. Coppers have come under the influence of labour troubles in the copper

belt, but prices have held reasonably steady while other base metals have held well. Movements in rubbers and teas have been restricted.

The Money Market

The credit situation moved against expectations in the money market last week. Discount houses secured the majority of £290 million worth of the Treasury bills which had been offered at the previous tender and planned to take up most of about £60 million of the Trinidad Oil money released on Wednesday. But after very easy conditions early in the week—notably on Monday—the position deteriorated on Wednesday in spite of the Trinidad Oil money release, as some banks were low in funds and the overall supply of credit was insufficient to meet the market's requirements. Conditions remained difficult for the rest of the week. Applications for £290 million worth of 91-day Treasury bills totalled £220,000,000, and were allotted at an average rate of 10½ 4½d. compared with 10½ 6¼d in the previous week. Offerings this week comprise £290 million worth of 91-day bills. The Bank of England return for the week ended 5th September shows that notes in circulation were about £7 million lower at around £1,900 million, and bankers' deposits were about £13 million lower at around £265 million.

Activity on Wall Street

The U.S. Government obligations continued to decline with some touching new lows for the year, and a few coming very near their record lows set during the 1953 bond market slumps. Turnover, however, remained light with the decline reflecting the lack of investment demand. Investment quality corporates displayed a steady undertone with buying centring in new issues. Convertibles worked higher in sympathy with the recent sharp recovery in the stock market. Steels were in the forefront, while gains of a couple of points or more were made. Rails were mixed. In the foreign section, Australians accounted for a good part of the limited activity. Prices moved narrowly either way. Japanese issues were mostly fractionally lower. Germans were mixed, while Italians showed little change.

U.S. Federal Reserve Return

The U.S. Federal Reserve return for the week ended 5th September shows that gold stock rose by \$26 million to \$21,863 million. Foreign deposits rose by \$82 million to \$444 million, while foreign investments rose by \$41 million to \$3,694 million. The Federal Reserve bought \$135 million worth of bills, and \$34 million worth of bills under repurchase agreements. Total discounts and advances rose by \$218 million to \$688 million, while the aggregate excess reserves of member banks rose to \$287 million. The daily average excess reserves of member banks fell by \$49 million to \$448 million, while their daily average borrowings fell by \$139 million to \$796 million. Business loans of the New York city banks rose by \$195 million to \$10,585 million, compared with a fall of \$97 million to \$8,302 million in the corresponding period of a year ago.

Hongkong Gold Firm

The Hongkong gold market was dominated by the Suez developments and the depreciation of sterling against the dollar. After its early softness, the market firmed as the Suez talks reached a stalemate, and no gold arrived from Macao during the period. However, the fact that the carry-over charge still favoured sellers acted as a brake on the advance. The market reached a high of \$(H) 266½ on Saturday, but closed ½ of a point lower. Britain's gold and dollar reserve figures did not affect the market as a decline had been expected. The market is likely to continue firm. The official offtake was 2,710 taels and the unofficial 16,400 taels. Forward contracts were done at \$(U.S.) 37.83 an ounce, c.i.f. Macao. Carry-over charges were 290 cents per 10 taels in favour of sellers.

Indian Manganese Ore Exports

The Indian Government's recent action of imposing export duties on manganese ore of over 38 percent manganese content, has had few repercussions in the open market for Indian 46 to 48 percent ferro-grade manganese ore, according to trade sources. It is believed that no new contracts have been entered into since the new duty was imposed. It is not yet known whether the producers intend to absorb part of the export duty of Rs. 30 a ton applicable to 46 to 48 percent ore, or whether the whole of the duty will be passed on. Trade sources are unwilling to quote until the situation is clearer, but they are inclined to think that the prices are likely to go up eventually.

Steel from Powdered Ore and Coal

A new method of making steel from powdered ore and coal was described by Sir Charles Godeve, Director of the British Iron and Steel Research Association, in the course of his presidential address to the chemistry section of the annual meeting of the British Association for the Advancement of Science in Sheffield recently. It had been the desire of steel-makers for many generations, he said, to develop a direct steel-making process—one which converts ore to low-carbon steel directly. His Association was actively engaged in developing the new process under the name "Cyclosteel". This was still in the early stages, but it had got off to a promising start, and in the preparatory stages they had already made small quantities of very crude steel.

New Delhi

RELEVANCE OF COMMUNIST TECHNIQUES TO INDIAN CONDITIONS

AGRICULTURE UNDER THE CHINESE DICTATORS

(FROM OUR NEW DELHI CORRESPONDENT)

ACCORDING to a recent analysis, the number of outgoings from India in the form of delegations, cultural or otherwise, has shown a large increase. Two delegations recently visited Communist China. Among their members were the Deputy Minister, Mr. M. V. Krishnappa, and the Secretary of the Ministry of Food and Agriculture, Mr. P. N. Thapar. Both have given their impressions of China. The first point which calls for explanation is the value of such delegations to Communist countries. Earlier, a delegation went to Russia and submitted a report. Mr. Krishnappa, in his brief statement, expresses his appreciation of Chinese farmers, "who are better organised and better instructed. I saw the whole nation working very hard to increase production and thereby improve its standard of life. I was specially impressed by the way the Chinese have completely eliminated the natural enemies of crops, such as monkeys, rats, stray cattle, sparrows and other birds. These have either been eaten up or destroyed." Mr. P. N. Thapar, similarly, says that "the Chinese have always been better cultivators. In recent years there has been a marked improvement."

Chinese Methods

The plain issue is whether India is prepared to adopt Chinese methods. Mr. Thapar lays considerable stress on the price incentive for the cultivator. "In China, agriculture has received substantial and steady impetus from the fact that both prices and markets for agricultural products have been guaranteed by the State. Herein there is a lesson for India. We have been evading this most important responsibility under the fear that the problem of stabilising prices is too big for our resources and that even the U.S.A. is finding it difficult. Unlike the U.S.A., and like China, our surpluses are marginal, temporary and manageable. If China can solve the problem, there is every hope that we should also be able to do so."

Mr. Thapar's views are supported by the first progress report on the grow-more-food campaign, in which it was stated that "the cultivators, with their native shrewdness, have not been slow in adopting measures to step up production in a period which was marked by comparatively high prices for foodgrains. It can be safely assumed that, to the extent that prevailing conditions permitted and their resources warranted, they so adjusted their cropping programme as to maximise the production of food crops." Referring to jute, the report said that although the Government had guaranteed minimum prices to jute growers, the higher prices of paddy were too strong for the guarantee to combat the tendency of falling acreage.

Sugarcane is another example of how higher prices have led to bigger acreage. The issue therefore is, why spend enormous amounts of money in grow-more-food campaigns if agricultural production can be regulated by price manipulations? Secondly, what has the Government of India done to yield this powerful weapon, having known its potentialities as early as 1945? Thirdly, what is the price-level which provides an adequate incentive to the cultivator continuously to step up production?

Authoritarian Methods

It would be interesting to know whether Mr. Thapar is prepared to adopt Chinese methods to eradicate hoarding and black-marketing from India. In China, according to the delegation of which Mr. Thapar was a member, the Gestapo system is so thoroughly organised that a doctor in a village who charges a few annas more than the prescribed fees is promptly examined by the police and warned. Against this, Mr. Thapar's Ministry was ineffective in its warning to sugar manufacturers when sugar prices were rising rapidly two years ago. Mr. Krishnappa says that in China stray cattle were eaten up. In some parts of India, there is a ban on the slaughter of even useless cattle.

These delegations do perhaps serve some useful purpose, but it is futile to compare conditions when the real basis for comparison is lacking. The Congress rulers of India claim that industrialisation without tears is possible. Russia and China do not think so. India has thrown away the whip. China and Russia have been making effective use of it. In fact, the whip is an integral instrument of Communist ideology. The question often asked here these days is whether India, after these pilgrimages to Moscow and Peking, is planning to adopt a middle-of-the-road policy—merely a cracking of the whip, for the present. Coming months will furnish the answer.

Cloth Excise Duty

Parliament adopted the Central Excises and Salt (Amendment) Bill last week. In fact, the Bill provided the occasion for the first trial of strength between the new Finance Minister, Mr. T. T. Krishnamachari, and a band of M.P.s who strongly

criticised the new cloth excise duty. Messrs. Gulzarilal Nanda, Khandubhai Desai and Shriman Narayan, who are responsible for pegging the production of mill-made cloth, watched the fray with interest. The following figures show variations in the demand for cloth, its availability and prices. This table takes into account the production of cloth by all sectors of the textile industry—the mills, powerlooms and handlooms. The availability has been calculated after deducting exports (and during the war years, defence requirements).

Year	Availability of cloth (in million yards)	Population (in millions)	Availability per capita (in yards)
1939-40	6,074	384	15.75
1940-41	6,029	389	15.75
1941-42	5,608	394	14.25
1942-43	3,967	399	10.00
1943-44	5,470	404	13.50
1944-45	5,379	409	13.12
1945-46	5,051	414	12.20
1946-47	4,828	419	11.50
1947-48	4,762	424	11.25
1948	5,279	432	15.1
1949	4,911	347	13.9
1950	3,478	352	9.7
1951	4,238	367	11.7
1952	5,275	362	14.4
1953	5,566	367	15.0
1954	5,586	372	15.0
1955	5,980	377	15.9

Description	Category	Rs. As. P.
1. Drill, Bleached	Coarse	0 13 3
2. Drill, Bleached and Mercerised	Coarse	1 7 6
3. Long cloth	Medium	1 1 0
4. Dhori (10 yds.)	Medium	1 14 0
5. Saree (10 yds.)	Medium	7 0 0
6. Long cloth	Fine	1 0 9
7. Dhori	Superfine	18 0 0
8. Voiles	Superfine	1 4 6

There has been a steady increase in the consumption of cloth since 1951. Development schemes taken up under the first five year plan and the general increase in the standard of living have accelerated demand. In 1955, per capita consumption was nearly 15.9 yards. For the seven months January-July 1956, the total availability of cloth, after deducting exports, was 3,710 million yards. This gives a per capita figure for the year of about 16.8 yards. Thus, the increase over 1955 is as much as 0.9 yards a head. Production has also increased and mill output in the first seven months of the year was 3,056 million yards. The July figure was an all-time record at 478 million yards. But production has not kept pace with the increase in demand and there has been a steady decline in stocks held by mills, as is shown below (figures are in bales):

Year	Average production of cloth a month.	Stocks of cloth with mills at year-end
1952	255,000	278,580
1953	271,000	336,377
1954	278,000	302,022
1955	283,000	171,689

Since January 1956, although average production was 291,000 bales a month, the inadequacy of stocks has been especially marked as the following figures show:

Month	Production	Stocks
January 1956	...	144,366
February	...	115,154
March	...	143,511
April	...	126,857
May	...	112,312
June	...	132,460
July	...	138,367
18th August	...	148,673

Production in July was 318,000 bales, but stocks at present are only 148,673 bales, or less than two weeks' output. In normal times, the mills carry about five or six weeks' production. The cloth

Description	Category	Rs. As. P.
1. Drill, Bleached	Coarse	0 11 8
2. Drill, Bleached and Mercerised	Coarse	1 1 5
3. Long cloth	Medium	1 0 8
4. Dhori (10 yds.)	Medium	8 12 0
5. Saree (10 yds.)	Medium	7 0 0
6. Long cloth	Fine	1 0 2
7. Dhori	Superfine	16 2 0
8. Voiles	Superfine	1 5 6

output of the handloom industry has increased from 1,200 million yards in 1952 to 1,480 million yards in 1955. The figure for the first six months of 1956 is already 802 million yards and indicates an increasing rate of production. The total figures of production in the five apex co-operative societies in Madras, Andhra, Hyderabad, Uttar Pradesh and Bihar are as follows:

Period	Production (in million yards)
July-September, 1955	36.3
October-December, 1955	41.3
January-March, 1956	55.2

Demand has kept pace with production. Sales in these five co-operatives increased over this period from 34 million yards to 52 million yards.

Trends Since Decontrol

Cloth prices were decontrolled about the middle of 1953. The average prices of cloth, calculated in annas a lb. of yarn woven, for the different periods have been as follows:

	Coarse	Medium	Fine	Superfine
August 1953	37.4	39.74	80.00	143.07
January 1954	39.6	48.38	69.88	128.98
January 1955	37.95	43.32	65.60	127.95

Since January 1956, the rise in prices has been particularly steep:

1956	Coarse	Medium	Fine	Superfine
January	39.60	46.13	65.60	142.37
April	45.50	58.88	75.67	158.30
August	47.06	66.95	83.00	166.00
Increase since January 1956	7.46	20.82	17.4	23.63

For some representative varieties of cloth, the figures are as follows. It is emphasised that these represent wholesale, not retail, prices.

Description	Category	Wholesale price now ruling in market
January 1956	August 1956	Increase.
Rs. As. P.	Rs. As. P.	Rs. As. P.
0 13 3	0 14 3	+ 0 1 0
1 7 6	1 8 3	+ 0 0 9
1 1 0	1 2 6	+ 0 1 6
7 14 0	8 12 0	+ 0 14 0
7 0 0	8 0 0	+ 1 0 0
1 0 9	1 2 6	+ 0 1 9
18 0 0	19 4 0	+ 1 4 0
1 4 6	1 7 6	+ 0 3 0

Fair Prices for Cloth

The price of cloth depends on various factors, the price of cotton being the most important. When prices were controlled, the Tariff Board worked out an appropriate formula under which the fair ex-mill price of cloth was calculated. This formula took into account the cost of cotton, the manufacturing cost, and a return of 6 percent on the gross block to the millowner. To this was added a margin of up to about 15 percent for retail sales. For certain areas like Assam, involving higher costs of transport and freight, a margin of up to 20 percent was allowed. The fair wholesaler's margin out of this was normally considered to be about 3 percent. A comparison is given below as to what would be the wholesale prices calculated on the Tariff Board formula, and those actually prevailing at present. These show the extra profits now being made over and above what may be considered as fair selling prices.

As a result of the increase in demand and the high profits being made by the industry and the trade, there has been a diversion of cloth from foreign to internal markets. Actual exports of mill-made cloth in 1955 have declined by more than 100 million yards as shown below, with a consequent fall in foreign exchange earnings.

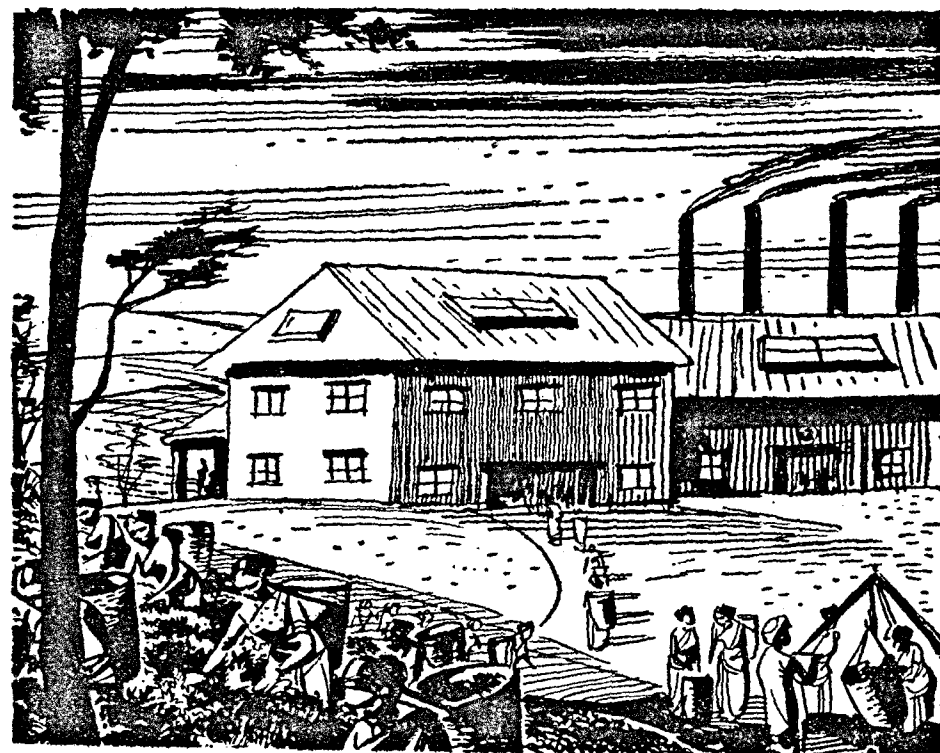
Year	Million yards	Foreign exchange earned
1954	810	Rs. 66.9 crores
1955	693	Rs. 57.43 crores

The decline in exports has continued this year. In the first six months of 1956, 362 million yards were sent abroad, but in the corresponding period of 1955, the quantity was only 342 million yards. In the second five year plan, a cloth export target of 1,000 million yards has been proposed. Lobby circles have in this context been discussing Tatas'

Fair wholesale price on the basis of Tariff Board formula			Wholesale price now ruling in the market August 1956			Extra margin available to the industry and trade		
Rs.	As.	P.	Rs.	As.	P.	+	0	2
...	0	11	8	0	14	3	+	0
...	1	1	5	1	8	3	+	0
...	1	0	8	1	2	6	+	0
...	8	0	10	8	12	0	+	0
...	7	0	6	8	0	0	+	0
...	1	0	2	1	2	6	+	0
...	16	2	0	19	4	0	+	0
...	1	5	6	1	7	6	+	0

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decision on contributing to political funds. One view here is that similar decisions by other industrial units would promote economic stability by reducing the political pressure for party funds.

Russians to Aid Coal Plans

The Russian Embassy has been requested to arrange for the visit of a team of Russian experts to help plan open-cast and underground mines in the Korba region. The team is expected to be ready to visit India in October. The possibilities of obtaining coal mining machinery from abroad, such as from the U.S.A., Britain, Russia and Germany, are being investigated. Twenty-five drills have recently been purchased by the Government and are being investigated. Tenders for 40 drills have been invited from foreign firms in India or their agents here. It is expected that they will be received within the next three months. In consultation with the Commerce and Industry Ministries, the possibility of setting up capacity for the manufacture of coal-mining machinery in India is being explored. The Russians have offered assistance in starting the manufacture of coal-mining machinery and equipment. Their Embassy here has been requested to supplement the Russian team which has already arrived in India at the instance of the Ministries of Commerce and Industry to advise on the establishment of capacity for the manufacture of heavy machinery, by the deputation of one or two experts from Russia to study suitable means of establishing the manufacture of coal-mining equipment in India.

The production target for coal at the end of the second plan has been fixed at 60 million tons, representing an increase of 22 million tons over the level reached in 1955 (38 million tons). The field-wise distribution of this additional production as planned at present is:

Field	Public Sector	Private Sector	Total
(million tons)			
Baniganj	—	5.70	5.7
Jharia	—	3.25	3.25
Karapura	2.5	0.55	3.05
Kathara	4.5	—	0.5
Korba	0.0	—	4.0
Central India (Jhilmili, Bismarapur and Korea)	3.0	0.5	3.5
Singareni	1.5	—	1.5
Other Collieries	0.5	—	0.5
	12	10	22

Mining in Korba

Korba is the first field which has been taken up for detailed investigation. In order to enable the Chief Mining Engineer to prepare for drilling, etc., where it is proposed to open coal mines, notifications have been issued under the Land Acquisition Act over areas covering about 50 square miles. As a result of the drilling done so far by the Chief Mining Engineer, it is reported, reserves totalling 70.3 million tons of the thick seam (inferior grade) group and 12 million tons of the thin seam (better grade) group have been proved. The thick seam will be worked by open-cut methods to produce about 2 million tons a year. Three quarriable areas have been selected. One of them will be worked by manual labour to start with. The other two, to be opened a little later, will be worked by machines. The thin group will have to be worked by underground mining methods. A pilot quarry which will be worked manually has been sanctioned at an estimated cost of Rs. 14 lakhs. The coal raised from it will be used to burn bricks for the construction of buildings in the locality and also to carry out tests. The purchase of open-cut machinery, estimated to cost Rs. 110 crores, has been sanctioned. Most of it has already been ordered.

A proposal to work the thin (Ghordewa) seam by a pair of inclines at an estimated cost of Rs. 25 lakhs, to produce 20,000 tons of coal, is awaiting the approval of the Government. This seam contains good quality coal which is intended for supply to the Bhilai steel plant. The Madhya Pradesh Government has handed over possession of the areas required for opening these mines, and also the mining leases. A railway line for the development of the field has already been constructed and the line is now open for goods traffic. To meet the requirements of power at the initial stages, two diesel generators have been purchased at an approximate cost of Rs. 2 lakhs. One of these has already arrived at the site and the second one has been despatched from Delhi. Two second-hand diesel generators, purchased from the Director-General of Supplies and Disposals, have been despatched to Korba. The Chief Mining Engineer has estimated that 8,000 miners quarters will be required there—600 in 1956-57, 2,000 in 1957-58, 1,400 in 1958-59, 2,000 in 1959-60, and 2,000 in 1960-61.

The Jhilmili-Bismarapur Area

In Jhilmili-Bismarapur, a notification for the acquisition of land under the Land Acquisition Act, covering an area of about 20 square miles, has been issued. The Railway Board has asked the South-Eastern Railway to submit an estimate for the survey of new lines. It is expected to start the actual survey in the coming working season, from October.

In Karapura, notifications for the acquisition of land under the Land Acquisition Act have been issued covering an area of about 90 square miles. Drilling has been in progress for some time. Encouraging results have been obtained from certain areas, the most important of which is Gidi. According to the Chief Mining Engineer, it will be possible

to plan quarries and inclines to give a monthly production of 20,000 tons a month in nine or 12 months.

In Kathara, an area covering 7 square miles has been notified for acquisition under the Land Acquisition Act. It has already been prospected by Anderson Wright and Co. A proposal was received from Tatas to acquire and work this area. This has not been agreed to, as it is reserved for working by the Government.

Developing Singareni Collieries

The Central Government has agreed to give the Hyderabad Government financial assistance to the extent of Rs. 4 crores for the development of the Singareni collieries. A request was made to the State Government that the Centre should be allowed to participate in the capital as well as the management of the collieries. Hyderabad has not agreed to this proposal, but has suggested that the Centre may appoint a director on the board of management. The question of the Central Government's participation in finance and management has again been taken up with the Hyderabad Government.

Setting Up of Washeries

It was decided that all metallurgical coal should be washed and the objective should be achieved in stages after considering the practical problems and actual needs which may arise from time to time. The Government has already placed an order with Eastern Equipment and Sales Ltd. (offering Japanese equipment from Daiichi Bhussan Kaisha) for the supply and installation of a coal washery plant, at a cost of about Rs. 1.66 crores, in the Kargali-Bokato collieries. It will wash the coal produced in these State collieries for supply to the steel plants in Rourkela and Bhilai. The washery has to be installed and be in operation by 1st January, 1958. To meet the requirements of washed coal of all the existing and projected steel plants, private collieries were given the choice to set up washeries. But as the response from the private sector is not considered very encouraging, it is now proposed to set up two central washeries in the public sector in Dugda and Patherdih, in the Jharia field. The Iron and Steel Ministry has decided to establish a coal washing plant as part of the Durgapur steel project.

Most of the areas in which it is proposed to set up new collieries are covered by mining leases and prospecting licences. It is therefore proposed to undertake legislation which will enable the Central Government to acquire lease rights from private lessees in unworked areas. State Governments' rights in minerals will remain intact and the Central Government will be working the mines as their lessees.

Training Technical Personnel

In order to provide technical personnel for the development schemes, the Government has sanctioned the opening of four training centres in Kargali, Giridih, Talcher and Kurasia, at a cost of Rs. 28 lakhs. Two of these training centres, in Giridih and Kargali, may be opened by October. Essential items of equipment and furniture, costing about Rs. 25,000, are being ordered. To ensure that properly trained personnel will be available for managerial posts, it has been decided to increase with immediate effect the rate of admissions in the Dhanbad School of Mines from 55 to 110 a year (90 for mining engineering and 20 for geology). It is also proposed to increase the rate of admissions to the Banaras Hindu University. The Ministry of Education is considering a proposal to develop facilities for post-graduate training in mining engineering.

Progress of Steel-Making Plans

The Secretary of the Iron and Steel Ministry, Mr. S. Bhoothalingam, has been away in Britain and Western Germany for finalising the deals for setting up steel plants in Durgapur and Rourkela. He returned to New Delhi this week. The three new steel plants in the public sector are scheduled to go into production as given below:

	Scheduled date of production	Estimated cost
Rourkela	September, 1958	Rs. 128 crores
Bhilai	October, 1958	Rs. 110 crores
Durgapur	June, 1959	Rs. 115 crores
		Rs. 353 crores

The original estimate for the Durgapur project was Rs. 116 crores, including Rs. 67 crores in sterling, Rs. 49 crores in Indian rupees, and Rs. 9 crores to cover shipping charges and the cost of erecting the plant, which was to be paid partly in rupees and partly in sterling. This estimate has now gone up by about Rs. 20 crores, partly because of additions to the plant and partly because of price rises. Of this, Rs. 13 crores represents expenditure in sterling and Rs. 7 crores in Indian rupees. The original estimates for the Rourkela project have gone up by Rs. 7 crores and those for Bhilai by about Rs. 23 crores.

Side by side, steps have been taken to train personnel for the plants. According to estimates, 540 engineering graduates and 5,000 skilled workers for each plant, or 1,620 engineering graduates and 15,000 skilled workers for all three, will be required. Eighty Indians will be sent to Russia for training in 1956, 515 in 1957, and 125 in 1958. Similar training facilities have been offered by the British and the German interests collaborating in the Durgapur and Rourkela projects.

Saving of Coking Coal

A plan has been worked out under which the consumption of coking coal on the Indian railways will be progressively reduced. By 1st April, 1957, it is proposed, 1,700,000 tons of coking coal will be

replaced by non-coking coal, reducing the consumption of coking coal to 3,000,000 tons a year. By 1st April, 1958, a further quantity of 1,500,000 tons of coking coal will be replaced by non-coking coal. By 1st April, 1959, the entire railway consumption of coking coal will be stopped and substituted by non-coking coal. It may be added that 60 percent of the locomotives on the Indian railways are of the earlier type and are expected to remain in service for at least 15 years more, using coking coal.

Intensive trials have disclosed the working ratio of diesel oil and rail-borne coal engines at 10:1. The diesel engine uses oil at the rate of Rs. 315 a ton as against Rs. 30 a ton for the rail-borne coal engine. In the coming year, therefore, the switch-over will be from the steam engine to the electric engine, wherever power is available. In the second plan period, the change-over from coal to electricity is to take place over 800 route miles. Diesel engines will be used over routes having fresh water difficulty or where line capacity has to be built. Some 1,300 route miles have been earmarked for haulage by diesel engines.

Merger of Banks

In connection with the integration of certain banks with the State Bank of India, it is now found that the Bank of Baroda does not fulfil the criterion for integration, as fixed by the Rural Credit Enquiry Committee. The status of the Bank of Mysore also seems undecided. The matter is being examined.

Glider Manufacture in India

A licence under the Industries (Development and Regulation) Act, 1951, was granted in May, 1956 to Aeronautical Services Ltd., Calcutta, for the manufacture of gliders. The firm also applied for permission to manufacture helicopters and radio-controlled target aircraft. According to the Industrial Policy Resolution, the State is exclusively responsible for the manufacture of aircraft except where, in the national interest, it considers it necessary to secure the co-operation of private enterprise. Therefore, no licence was granted to the firm for the manufacture of helicopters and target aircraft. The firm has put forward certain revised proposals now, which are under the Government's consideration.

Heavy Electricals (Private) Limited

A private limited company, entirely owned by the Government of India, has been registered in Gwalior, to take over the control and management of the Government's heavy electrical equipment project. The company will be known as the Heavy Electricals (Private) Limited. Its authorised capital is Rs. 30 crores. The State-owned factory, which will be located in Bhopal, is being designed to manufacture hydraulic turbines and generators, transformers, static capacitors, circuit breakers, switchboards and control desks, traction motors, A.C. industrial motors of 200 h.p. and above, and other items.

Iron Foundry Consultant

The Government of India has appointed Mr. J. Blakiestone as its consultant for the iron foundry and forge project.

Earnings of Dock Workers

Comparative figures are now available of the earnings of dock labour working under the piece-rate system in Bombay. The earnings of a fundal in 20 ships, before the system was introduced, were Rs. 175 in March, 1956 as compared with Rs. 237 for 26 ships in April, 1956 and Rs. 252 for 28 ships in May, 1956. The average earnings of the morpia worker were Rs. 117 in February, Rs. 163 in March and Rs. 169 in April. The average earnings of the mazdoor in 'A' category were Rs. 98 in February, Rs. 138 in March and Rs. 148 in April. The average earnings in 'B' category of the mazdoor were Rs. 84 in February, Rs. 118 in March and Rs. 132 in April. The piece-rate system was introduced in March, 1956.

The changes in cargo handling for the months of April and May, 1956 were as follows:

In April:		
Piece-rate cargo	(+) 53 percent.	
Non-piece-rate cargo	(-) 7 percent.	
Average for the two types cargoes	(+) 32 percent.	
In May:		
Piece-rate cargo	(+) 63 percent.	
Non-piece-rate cargo	(-) 30 percent.	
Average for the two types	(+) 22 percent.	

Finance Ministry Changes

Within a week of assuming office, as Union Finance Minister, Mr. T. T. Krishnamachari has reorganised part of his Ministry. He has bifurcated the Company Law Department, merging its Capital with the Department of Economic Affairs, issue Control, Stock Exchange and Industrial Finance Corporation sections. The Company Law Department will deal mainly with the administration of company law.

Inter-State Sales Tax

The Government of India's proposals on the levy of inter-State sales tax have been finalised. Legislation has been drafted, and it is expected that it will be brought before Parliament during its next session commencing on 12th November. Two minor points, however, are still being discussed. The Central Ministry of Food wants all foodgrains to be included within the scope of the Bill. This is being opposed by the States. The Ministry of Commerce, likewise, suggests bringing all exportable commodities within the scope of the legislation. But its proposal, on examination, is regarded as impracticable. The Cabinet's decision on both issues is expected soon.

London

CRITICAL DAYS AHEAD FOR U.K. ECONOMY

DISTURBING IMPLICATIONS OF HIGHER WAGE CLAIMS

(FROM OUR LONDON CORRESPONDENT)

CRITICAL days lie ahead for the British economy. The City's apparent optimism as to the outcome of the Menzies committee's discussions with President Nasser of Egypt on the future of the Suez Canal has given way to a realisation that no easy solution of the problem of reconciling the divergent viewpoints of the two sides is in sight. The recall of both Houses of Parliament suggests that at least a temporary deadlock has been reached. This does not mean, however, that no solution is possible. Indeed, keeping in mind that Arab economic interests are as vitally affected as are those of the western countries—to say nothing of the interests of Egypt's Asian supporters—some compromise seems inevitable. The short-term view of the Suez Canal situation is serious without being critical; but in the long-term it is a lot less dangerous than certain other developments of the past week.

As a threat to this country's economic recovery, for instance, it is not nearly so important as are the possible repercussions of the unanimous rejection of the Chancellor of the Exchequer's appeal for wage restraint by the Trades Union Congress. By virtue of the moderation and sense of responsibility displayed by many trade union leaders in the past, the T.U.C. has come to occupy a special place in the councils of the nation as the mouthpiece of a large and important section of the community. The present Government, no less than its predecessor, has accorded it that privilege. Can this continue after last week's "demonstration" merely because some of the speakers sought to minimise the dangers inherent in the resolution? For all the cautionary warnings against irresponsibility, the T.U.C. has in effect decided to defy the Government because it happens to disagree with it and because its advice on how the country ought to be run has not been accepted in full. It has given members the signal for a free-for-all wages scramble—which was already in being, anyhow—but in the process would appear to have sacrificed, or at least jeopardised, its claims to be uninfluenced by purely political considerations. It can hardly expect capitulation on the part of the Government, or special consideration at the hands of the employers in the changed circumstances.

Drop in Gold Reserves

The T.U.C. delegates had quite forgotten on Wednesday of last week the more responsible approach of the meeting to the question of automation the day before, and it completely ignored all the facts and figures just released on the labour position as well as the warning of the latest gold and dollar reserve figures. In July the latter turned out to be better than expected, in August they were distinctly bad, though the shock had been partly tempered by Mr. Macmillan's reference in advance to "quite a substantial fall". The first setback this year amounted to \$129 million to leave the reserves at \$2,276 million. U.S. defence aid was substantially lower at \$4 million (\$16 million in July) and there were outgoings of \$51 million against the July deficit with E.P.U. plus a further \$3 million to the creditors of the United Kingdom continues to be reasonably good, and the fact that the deficit with E.P.U. during August was £16 million against £24 million in July indicates that it is not deteriorating. This month's figures will also take credit for the payment of \$181 million for the Trinidad Oil Company—a welcome addition seeing that it exactly offsets the interest payments on the dollar loans due to be paid in December.

Unemployment and Earnings

The Ministry of Labour figures which the T.U.C. delegates overlooked included the latest employment statistics, as at 13th August, and the six-monthly survey of earnings and working hours up to April of this year. The number of people at work in Britain rose by 10,000 in July, but this was seasonal and the increases were in distribution and miscellaneous services; the manufacturing industries showed a fall of more than 20,000 and building of about 10,000. The total in civil employment at the end of the month was 23,040,000. There were 267,000 unemployed in July, of whom 319,000 were wholly unemployed. The increase between 10th July and 13th August was 28,000, and over the 12 months to 13th August, it amounted to 67,000, or 1.2 percent of the employed population, against 1.1 percent in July and 0.9 percent in August, 1955. On the other hand, the average weekly earnings of seven million manual workers in the last pay week in April

were the highest on record. The figure was £9 17s 9d, against £9 7s 2d in October last and £2 13s 3d in October, 1938. The average earnings of men only were £11 15s 4d, against £11 2s 11d in October last and £3 9s in October, 1938. The increase between October, 1955, and April of this year was 6 percent, and it was 271 percent compared with October, 1938. The figures cover all the manufacturing industries and a number of the principal non-manufacturing industries and include bonuses and overtime payments, but do not take into account deductions of income-tax and insurance contributions. Although earnings increased, hours worked decreased in the six months. Average hours worked in April were 46.7 a week compared with 46.9 in October, 1955, and 46.5 in October, 1938.

Cloth Imports

The two resolutions submitted by the cotton unions to the two biggest labour gatherings of the year—the Trades Union Congress last week and the Labour Party conference next month—not only emphasise the common ground between both sides of the industry, but should be of great value in enlisting public sympathy for Lancashire's case for protection against cheap cotton cloth imports. The one addressed to the T.U.C., moved by Sir Alfred Roberts, expressed concern about the serious effects on trade and employment of imports from overseas and instructed the General Council of the T.U.C. to press for Government action to protect the industry. Sir Alfred told delegates of the growing unemployment in the mills and emphasised that in the view of both workers and employers this was due to Indian and Hongkong goods being allowed to enter the country without restriction. He underlined the unity of the industry further by explaining that great efforts were being made to increase its efficiency but that these would be almost useless unless it could count on some measure of stability and safety from competition it could never hope to meet. The resolution to be submitted to the Labour Party conference at Blackpool follows a similar line. "This conference," it runs, "appreciates the importance of the cotton textile industry in the national economy, deplors the attitude of Her Majesty's Government towards its problems, which arise mainly through external influences, compliments the Parliamentary party for action taken in April on its behalf, and requests the National Executive Committee to adopt measures to safeguard the industry against 'unfair competition.'" This will not doubt be passed also.

Triangular Deal Problem Solved

One of the difficulties created by the triangular textile deals with Burma and Indonesia is that exporters have been left to make their own arrangements for dealing with the imports of American raw cotton which they receive in payment for their goods. Obviously traders who are not accustomed to handling raw cotton imports do not relish having to undertake this additional responsibility. The Manchester Chamber of Commerce has now made arrangements with importers of raw cotton which will relieve exporters under the Burma scheme from having to do this for themselves. A central pool has been set up through which they can be covered at the time when they ship their goods by the normal channels. A similar arrangement is being worked on in the case of the Indonesian deal and is on the point of being signed.

B.O.A.C. Looks Back and Forward

The annual report and accounts of British Overseas Airways Corporation show a gross profit in the year ended 31st March of £1,295,525—a drop of about 4 percent on the figure for 1954-55. The net surplus after charging interest on capital was only £117,831, against £261,687 the year before. However, the accumulated deficit which the Corporation has incurred in the past has now been cleared. This was done by adjustments in the accounts and coincides with the end of the statutory period during which Exchequer grants may be made to the Corporation. The halving of the net surplus is explained by the fact that the Corporation is still suffering from the disruption of its plans to re-equip with Comets. Last year the gap was partly filled by other aircraft and passenger capacity was increased by 21.1 percent to a total of 260 million ton-miles. This was, however, 9 percent below what had been planned, and in any case the aircraft which were obtained to fill the void were not good enough in passenger appeal to maintain the Corporation's share of the traffic.

The report shows that the overall load factor fell from 63.7 percent to 61.7 percent. The number of passengers carried rose by 32 percent to 386,000, but passenger revenues only went up by 20 percent. The overriding necessity is to get more modern aircraft into service, and the new chairman, Mr. Gerard D'Erlanger, has made it quite clear that the Corporation's future as a profit-making undertaking depends on this. In the immediate future the Britannia and the Douglas DC-7 (the "Seven Seas") should help in regaining business, but it will be a year or two before the new aircraft start paying off. The year's accounts in any case will carry the burden of the heavy expenditure incurred on their introduction and the inevitably costly business of operating no less than five different types, these two plus Stratocruisers, Argonauts and Constellations. Further problems lie ahead. The Corporation must now plan for the "jet age". On the Far East routes B.O.A.C. thinks that the advanced versions of the Comet may be most suitable, but this will not do for the vital transatlantic flight. A technical mission is now in the United States studying the relative merits of the Boeing and Douglas jet aircraft as a possible alternative.

Madras

NO IMMEDIATE PROSPECT OF LOWER FOOD PRICES

RURAL CONTRIBUTION TO MADRAS LOAN SUBSTANTIAL

(FROM OUR MADRAS CORRESPONDENT)

FOLLOWING the steady rise in rice prices, especially in Andhra, the chances of further aid from the Centre have increased. The promise of more fair-price shops for the deficit areas in the south has been reinforced by Mr. Krishnappa's declaration last week that the Central Government would release its stocks to force prices down. Mr. A. P. Jain hopes to bring about a crash in grain prices soon, but it is clear that the markets in the south are not going to react suddenly to his threats.

The encouragement to new grain dealers by offering Government stocks at Rs. 16 a maund may not lead to a decline in prices, since it is clear that the insufficiency of stocks, particularly in Andhra, is due to the recent floods and other factors. The changes in sales tax have also helped push up prices. It is only in the city of Madras that food prices have fallen in the past fortnight. In the districts, prices have been extremely firm because of the small supplies reaching millers. The previous appeals to landlords to sell their grain promptly have yielded little result. The marriage season has also increased the demand for rice.

The restoration of controls on prices and movements is ruled out in official declarations, so it is evident that imports from abroad will be the best brake on prices. This year so far, official sales have produced little result; the rise in the prices of pulses and other essential articles continues to occur as traders work for a bigger margin of profit. The increase in transport, handling and other charges is also a contributory factor: the threat of trouble in the ports encourages speculation. The new trade pact with Burma may however produce a change of the bullish view, especially when the Finance Minister has indicated that higher taxes are certain. The efforts of the States to increase food output is hampered by the fact that in irrigated areas, there has been an increasing preference for sugarcane, plantain and other money crops. Its profitability apart, the diversion of land to cash crops is looked upon as one way of circumventing agrarian reform laws. Private companies are being formed to operate large holdings as plantations that will be exempt from the law. The promise of more fertilisers and cheaper electricity for farmers may not counter the trend towards estate farming, with the landlord in the background.

Madras State Loan

The success of the latest Madras State Loan has been a surprise. Official efforts to secure rural savings have not gone in vain. The quota targets set for the districts have been reached, and even if some may dispose of their securities soon, it is clear that the discount on the issue was unnecessary. Last year, it was thought that Madras could place its 4 percent loans at par this year, but it was not followed in practice. The success of other State loans including those of T.C. and Hyderabad does not disprove the contention that 12-year loans at 4 percent are more acceptable to institutional investors than shorter-dated Central loans. The pattern of distribution may be due to the health of the banking system. In spite of higher interest rates prevailing in the south over a long period, it is clear that banking facilities have helped enlarge public subscriptions to the State securities. Instalment purchase of Government securities is helped by the arrangements between banks and their clients, to the advantage of the Government.

Transfer of State Territories

The arrangements for the transfer of territories are being completed. The loss of Malabar to Madras means a saving; the inclusion in it of the Tamil areas of Travancore-Cochin will be a valuable gain of the State. The argument over endowments in the Tamil taluks of Travancore has apparently ended. The contention that more must be paid out of the sum of Rs. 45 lakhs earmarked for the temples in T.C. State has not been pressed, and Madras may be content with the application of its law to temple administration. But Madras may gain, in a measure, from the orthodox standards adopted in Travancore. Temple revenues might increase in consequence. The gifts made to a single temple in Tamilnad runs to Rs. 10 lakhs in a year, and if the transferred temples prove as popular, their revenues might make them wholly independent of the State contribution. The temples might not also suffer a sudden change in administration, as the tradition of State control is older in Travancore. That, too, may influence the Madras standards of temple administration.

Life Insurance in Madras

The Madras branch of the State Insurance Corporation expects to complete new business of Rs. 5 crores in four months. Assurances to agents have been given and the proposed retrenchment is described as "provisional." In the first few days of its working, proposals for Rs. 29.38 lakhs were received, and the subordinate branches have been asked to help agents in securing more business.

The start is hopeful, but Madras has been familiar with life insurance for four decades and even in rural areas, life policies have been made familiar to well-to-do cultivators by agents. As the Cor-salaried staff have received assurances, the Corporation may be able to do more through them, but prompt settlement of claims is regarded as the key to further progress. There has been no indication of this yet. Some release of office accommodation in big towns is expected, but that is of little interest to the policyholder. How the Corporation's work will affect certain banks which had ties with life insurance is not discussed, but the printed circulars to policyholders to pay premiums through the State Bank seems to be a device to get more business for the latter. The joint stock banks may not immediately suffer, but the State monopoly of provident fund business threatens them.

Competition Among Banks

The growing competition among banks for business has led to a rise in the interest rate on fixed deposits. Higher charges on loans have led to a rise in the rates for deposits held in savings accounts. Scheduled banks cannot ignore the rates paid by the non-scheduled banks which offer 4 percent on savings; since the latter obtain 9 percent on secured advances, the mofussil banks with modest resources are still able to obtain regular deposits as they are not faced with high establishment costs and can manage to give better terms to their clients. The variations in interest rates between the urban and the mofussil areas persist, and the district co-operative banks are obliged to accept them as their own resources are limited. The advent of many big banks has made no difference to the trader or borrower in small towns, and even the opening of new State Bank offices is not likely to create a new situation. The restrictions on credit imposed this year have had their own effect on interest rates, but time deposits are likely to increase in view of the better terms available to regular savers. The pattern of savings which might change because of the high bullion prices may also help banks. Investment in jewellery is dwindling steadily, which process is furthered by the current increase in crimes, particularly burglaries.

Good Days for Film Industry

Awards for local films, though unofficial, have quickened public interest in the show business. The S. I. Film Chamber of Commerce, in its seventeenth annual report, comments on the new Copyright Bill, censorship problems, the compulsory exhibition of official news reels, and the fetention of the tax on shows in Andhra as well as in Madras. The rules for the licensing of cinemas in Madras have been revised and authority is centralised. Power cuts certainly hit the cinemas this year, but the production side has looked up. Attendance at cinemas has also risen. South Indian studios have raised their production, though the percentage of "hits" have scarcely increased. A vault for the storage of films is maintained by the Chamber, which gets royalties from music played on the radio, especially Radio Ceylon, which has a growing public here. The S. I. Film Chamber claims that tax relief for the industry, "which is an art, is overdue. A uniform levy of entertainment tax may not help much. Versions in two languages or even more is the rule, but the difficulty is the dependence on foreign models. Complaints about imitations of foreign films, including music and dances, are still common; the studios are not able to discover fresh talent. This year, the trade has received a concession in the form of extended licence for touring cinemas that depend on the rural masses and charge low prices. The second runs for most local pictures are done by touring talkies which are run with a modest capital by a self-employed manager. The Madras Government has recently allowed film producers the run of reserve forests for a fee of Rs. 1,000 for a fortnight's "shooting" which can be extended by the payment of an extra fee. The opening of new theatres in small towns, like the long run of popular pictures at several places, proves that the exhibitors are doing well, which also is helping producers. They have been turning away from mythology, but the sociological strain is not yet quite pronounced.

Bombay

IMPORTANCE OF COUNTRY CRAFT TO COASTAL TRADE

CLOTH CONSUMERS WILL BEAR EXCISE LEVY BURDEN

(FROM OUR BOMBAY CORRESPONDENT)

THE Government of India's decision to revise orders concerning the bonds to be executed by the owners and masters of vessels plying on the west coast of India has been widely welcomed in the shipping circles here. This is in response to an appeal by the Bombay Commission Agents Association and the Indian West Coast Sailing Shipowners Association against the orders issued by the Central Excise Collector and the Additional Collector of Customs, Bombay, on 28th May, 1956. These orders stipulated that the owner or master of a country craft would have to execute a bond of Rs. 50,000, and by a further order under the Sea Customs Act, it was notified that a separate bond would have to be executed for each voyage. The intention was to check certain malpractices which have crept into this trade. The two Associations frankly admitted that the charges levelled against a section of the coastal shipping trade were correct, but contended that the measures adopted were too severe which would penalise the innocent and the guilty alike.

The Central Government, by its order, has reduced the maximum amount of the bond to Rs. 15,000 and has further ordered that the bond executed would be of a permanent nature and applicable to all voyages of the craft concerned. Where a permanent bond is not executed, a owner or master can execute a temporary bond of the value of the goods carried abroad in one trip. A grave crisis has been averted from the point of view of the owners and masters, but the severity of the original measures reflects the seriousness of the situation and should serve to remind owners and masters of country craft that they, too, have a responsibility to see that the malpractices are checked. A tightening up and the rigid enforcement of Association rules could greatly help.

Illicit Trade

A serious charge brought against country craft owners and masters is that they have consistently helped to thwart the economic blockade of Goa by conducting an unauthorised export-import trade between the two countries. Neither of the two Associations has made any attempt to refute this charge. The fact that a large variety of foreign consumer goods, which are prohibited for import are openly on sale in the Bombay market is ample evidence of the existence of a flourishing smuggling trade. Another common custom is unlawfully to jetison cargo on the pretext of weathering rough seas and then save it for sale in the black market. Although these practices are criminal enough to justify severe punitive measures, it is doubtful whether these evils can be eradicated by threats of deterrent punishment alone. The fact is that a large number of country craft owners and masters continually face conditions which amount to economic distress. This is particularly true of those who operate from the Ratnagiri and Kolaba districts of Bombay. There are between 800 and 1,000 sailing vessels registered in these two districts and they ply between scores of ports scattered all over the coastline from Bombay to Vengurla. They only operate for about eight to nine months in a year and must, therefore, make sufficient money to maintain themselves during the months of their unemployment. About 10,000 seamen are employed on country craft. With their large families, it is estimated, about 100,000 people depend on this industry. The per capita income must therefore be deplorably low. In addition, owners have to incur heavy expenditure in renovating their vessels during the monsoon period in preparation for the new season. This constitutes a heavy drain on their resources. It is their economic condition which largely forces them to resort to illicit trade and other undesirable practices to supplement their income.

The country craft industry serves a real need, because steamer cargo vessels and ships cannot touch these ports due to the numerous creeks which dot the coastal line. With no railway facilities and little road transport, which the hilly character of the land and lack of bridges across rivers make it difficult to develop, most of the trade is conducted by country craft. A thorough investigation into this trade is therefore called for, and at the same time practical measures would have to be devised to remove some of the present disabilities and hardships of owners and masters. There is no reason why this industry should not flourish and be a valuable asset to the State, provided it is put on a sound basis.

Cause of Cloth Price Rises

In a statement issued here, Mr. C. L. Ghevala, secretary of the "Forum of Free Enterprise", said that the recent additions to excise duty on all varieties of mill cloth could at least be described as an expedient. It can hardly meet the situation which has been brought about by the Government's policies. He pointed out that the industrial community had repeatedly warned the Government that a rigid implementation of the restrictive policy against the mill sector would result in an acute shortage of cloth, with its inevitable consequence of a sharp rise in prices. He pointed out that at a time when production by the organised sector is deliberately restricted, the impact of the new duties would fall on the consumer. It was doubtful, he said, whether the ostensible object of mopping up increased profits would be achieved.

The real remedy, according to him, lies in increasing production within the shortest possible time. He opined that the present situation is symptomatic of an economic condition which seems directly from a basic flaw in the structure of the second five year plan. When the plan was in its draft form, industrial interests had pointed out the wrong character of the strategy which seeks to emphasise the development of heavy industries while depending on home and cottage industries for meeting the increased demand for consumer goods. In conclusion, Mr. Ghevala observed, "In an under-developed economy where a large mass of people are already subject to chronic shortages, to seek to enforce a restrictive mentality and to exhort the people to tighten their belts can hardly generate the necessary enthusiasm for a rapid planned economic development. Unless this flaw in the strategy of the plan involving the virtual stagnation and freezing of large-scale mechanised consumer goods industries is remedied and suitable adjustments made between the rôle of the mechanised large-scale production and the village industries sector in the structure of the plan, the situation is likely to worsen and will have adverse repercussions on the economy of the country as a whole."

Cotton Mill Profits

Meanwhile, addressing the annual general meeting of the Bradbury Mills Ltd., Mr. Ramnivas Ruia, the chairman, denied that the mill industry was making excessive profits. On the other hand, he pointed out that mills producing coarse and medium-count cloth were actually making less profit than last year because of the rising costs of production and increasing labour charges. He invited the Government to draw up a schedule of prices for various varieties which, in the Government's view, would be fair. The Finance Minister has already announced his intention of circulating such a "fair price" list for the guidance of consumers, but it is difficult to see what useful purpose this will serve. Such a list is not likely to affect prices simply because it has the sanction of the Government behind it. The normal laws of demand and supply are not likely to be suspended by wishful thinking. It is freely admitted by all concerned that there is a scarcity of cloth and the rising prices are a natural result of the scarcity. The Bombay cloth market continues to be active and fresh business enquiries have been received from Delhi, Kanpur and Calcutta. It is still not clear whether the Bombay mills will voluntarily accept a part of the burden of the enhanced excise duty. In this connection the Madras Piecegoods Merchants Association has appealed to the Bombay Millowners' Association to ask its members to reduce their ex-mill prices so as to offset at least a part of the increased duty.

Plantation Topics

CALCUTTA TEA AUCTIONS IN AUGUST

DISCRIMINATING BUYING CONTINUES

ALL good liquoring teas continued to receive strong support, but buyers showed keen discrimination and whenever quality showed a decline prices were appreciably lower, say Messrs. Carritt Moran & Co. in their monthly tea market review. This was particularly noticeable in the case of C.T.C. broken grades, but the very best fannings of this description continued to receive high prices. Fannings of useful size, particularly those of clean black appearance, were a strong feature throughout the month and low medium and plain tippy teas and prices showed a marked decline in the last two sales. Darjeelings were keenly competed for and realised very high prices in Sale Nos. 9 and 10, but demand was very much quieter in the last two sales, and the most flavoury kinds declined by Re. 1 in Sale No. 11 and a further Re. 1 in Sale No. 12.

Darjeeling Leaf appearance continued to be of a high standard and cup quality generally was above average. Many useful flavoury invoices were available and a few really fine teas were catalogued. A very attractive selection of second flush of Assam teas was included in the first two sales of the month and tippy teas were in plentiful supply. Although quality showed a decline in the latter half of the month, the outturn from this district was of a very satisfactory standard. Although a number of Doorars estates appear to be making a determined effort to maintain as useful a standard of leaf and liquor as is possible at this time of the year, the majority of the offerings were of a typical rains standards with stalk and fibre becoming more noticeable, particularly in the lower grades. Cachar Leaf appearance generally was fairly black and, with a few exceptions, commendably free from stalk and fibre. While the majority of the liquors were rather plain in character, a few sweet coloury teas were available.

		Quotations			
		1956-57		1955-56	
		Rs.	As. P.	Rs.	As. P.
Sale No. 9	Plain B.P.	1	8 9	2	4 0
Sale No. 10	" "	1	10 0	2	0 6
Sale No. 11	" "	1	9 0	2	1 0
Sale No. 12	" "	1	9 9	2	1 0

Internal Market

During the month of August, four Leaf sales were held and offerings amounted to 4,298 packages. The selection was of a poor standard and consisted mainly of stalky and fibrous grades. In the first Sale, the market was irregular but prices over the next two Sales fully firm. An easier tendency was found in the final Sale of the month. Approximately 61,260 packages of Dust were on offer during the month. In the opening Sale, there was a good demand, the grainy C.T.C. Assams with good liquors in particular being a very strong feature and advanced by as much as 4 to 8 annas. All other descriptions shared in the advance and were 1 to 1½ annas dearer to buy, but poor liquoring teas were irregular. In the following Sale there was again a strong and active demand; Middle East types advancing by up to 8 annas, but C.T.C. Assam showed an easier tendency apart from the leafy types which were dearer. All other offerings were also 1 to 3 annas dearer to buy. In the next two sales, there was a good demand for all descriptions which showed advances, other than for C.T.C. Assams which declined by about 4 annas in each sale.

Quotations										
				1956			1955			
				Rs. As. P.			Rs. As. P.			
Sale No.	9	Clean	Common	Dust	1	7	6	2	3	0
Sale No.	10	"	"	"	1	9	9	2	3	0
Sale No.	11	"	"	"	1	12	0	2	3	0
Sale No.	12	"	"	"	1	12	3	2	3	6

Export sales up to No. 12 totalled 374,273 chests at an average price of Rs. 2-9-7 as against 412,416 chests at an average price of Rs. 2-9-2 during the corresponding period of the 1955-56 season. Internal sales stand at 6,229 chests of leaf and 111,115 chests of Dust (Rs. 1-8-9 and Rs. 2-2-7) as against 16,946 chests and 107,241 chests (Rs. 1-9-4 and Rs. 2-5-11) in the same period of the previous year.

Throughout the month the price of Export Quota has generally continued at the slightly lower level prevailing at the end of the preceding month. At the beginning of the month business was transacted at prices which fell from 25 pies to 20 pies a lb. Thereafter prices rose gradually, and some business was transacted at 30 pies a lb. Prices declined steadily after this, however, and at the close, a fairly large amount of quota changed hands at between 24 and 26 pies a lb.

It is anticipated that a second interim allotment of export quota will be announced shortly as the initial allotment this season was only 40 percent of a garden's best crop figure, as compared with last year's initial allotment figure of 50 percent.

The estimated North India crop to the end of July, 1956 was 205,640,781 lbs., as compared with

194,933,223 lbs. to the same date last year. The average figure at this date for the three years 1953-1955 was 192,015,757 lbs.

The Government of India has issued a notification fixing the price of tea for the purpose of determining the export duty at Rs. 2-11-5 a lb. as against Rs. 2-8-5 a lb. in force from 1st August, 1956. The export duty, therefore still remains unchanged at 6 annas a lb.

Arrivals (in chests) in Calcutta warehouses during the period 24th July, 1956 to 23rd August, 1956 with the corresponding figures in parentheses, were as follows: By steamer 434,996 (391,235), by rail 89,191 (90,761) and by air 18,446 (27,298), making a total of 542,633 (509,294). Since the beginning of the season, 1st April 1956 to 23rd August, 1956 arrivals have been by steamer 815,663 (826,267), by rail 230,330 (217,179) and by air 50,653 (72,050), making a total of 1,096,646 (1,115,496) chests.

PLAN TO RAISE INDIAN COFFEE OUTPUT

SCHEME TO AID PRODUCERS

FURTHER details of the Coffee Board's development plan which the Government of India has sanctioned, are now available. Under the plan, the following types of aid will be given to planters: (1) monetary aid, (2) supply of approved seed for planting, (3) establishment of depots at certain centres for the supply of fertilisers and plant protection chemicals, (4) organisation of co-operative pulping and spraying units and (5) technical assistance and advice by the Research Department of the Board.

A sum of Rs. 2,47,17,500 will be available for granting loans, spread over a period of five years. The loan will be of two kinds: one for intensive cultivation and the other for opening new areas under coffee, including rehabilitation of abandoned areas. Loans for intensive cultivation will be given to estates in the five to 50-acre group in Arabica and five to 25-acre group in Robusta. For the latter group, the loan amount will be Rs. 500 and Rs. 375 an acre for Arabica and Robusta respectively, spread over five years. For the former group (Arabica), it will be Rs. 750 an acre spread over five years. Loans for opening new areas will be given at the rate of Rs. 1,000 an acre for Arabica and Rs. 750 an acre for Robusta spread over five years. Extension of area is however subject to certain specified limitations based on the existing holding. Loans will be granted according to the terms and conditions drawn up by the Board. Interest will be charged on all loans at 6½ percent a year. The Board will begin to collect the interest charges from the second year of the loan, and the principal will be payable from the sixth or seventh year. Estates between 50 to 100 acres will receive assistance by way of accelerated "Pool" payments. This facility will be available to those in the 25 to 50-acre group, provided they do not apply for any loan. Estates of 100 acres and above are not entitled to any financial aid, as they are expected to be in a position to raise necessary credit from banks and other sources. Estates below five acres have not been brought into this scheme because of serious administrative difficulties. They can however group their holdings on a co-operative basis to qualify themselves for aid.

PRODUCTION TARGETS IN COFFEE DEVELOPMENT PLAN

In reply to the criticisms made in a certain section of the Press that the target fixed in the coffee plan has not been made public, the Coffee Board says in a Press note that the target set in the plan has appeared in the Press on various occasions. When the plan was drawn up, the estimated average production was taken at 26,000 tons (18,000 tons Arabica and 8,000 tons Robusta), on which basis the targets were fixed as follows:

	Arabica	Robusta	Total	Expected Increase (tons)
(1) At the end of 1st five-year period	21,900	13,700	35,600	9,690
(2) At the end of 2nd five-year period	27,700	19,520	47,200	21,200
(3) At the end of 3rd five-year period	37,700	21,520	59,200	33,220

The plan envisages an increase of 9,690 tons, 21,220 tons 33,220 tons respectively at the end of each of the five-year periods as shown in the above table. Under the programme of financial aid, it is estimated that during the first five years, 44,800 acres (Arabica 31,000 acres and Robusta 13,800 acres) will come under intensive cultivation, and the area to be brought under new cultivation will be 16,700 acres (Arabica 14,000 acres and Robusta 2,700 acres). It is also expected that during this period, by voluntary effort, an additional 95,000 acres of coffee will come under intensive cultivation and about 7,000 acres more will be planted with new coffee. So the sum total of the area which is estimated to be brought under intensive cultivation will be 139,800 and under new coffee 23,700 acres. The loan aid for extension of acreage by opening new areas is for the present limited to existing coffee-growers only.

LONDON TEA SALES

AT last week's London tea sale, the 56,261 packages on offer realised an average price of 4s 7.74d a lb. against 4s 6.31d in the previous sale and 4s 7.67d a year ago. Plain old season's broken pekoe was quoted at 10½d 2s a lb nominal, against 2s 9d in the previous week. Prices obtained by some of the companies are given below:

	No. of packages	Average per lb
Assam Doorars	581	4/11½
Attaree Khat	457	6/1½
Central Province	720	4/9½
Cons. Tea and Lands	701	4/7½
Doorars	1,183	3/11½
East India	228	6/11½
Jetinga Valley	210	3/3
Jhanzie	138	7/10
Jokai	330	8/10½
Jorehaut	492	10/7½
Kanan Devan	2,316	4/0½
Lunuvu	1,092	5/4½
Majuli	358	6/10½
Ouvah	330	7/7½
Rajawalla	1,132	5/7
Scottish Assam	1,192	7/7½
Scot. Tea and Lands	318	7/3½
Southern India	528	2/10½
Standard	426	8/1½
Tea Corporation	378	4/7½
Tingri	377	7/1
Travancore	1,272	2/10½
United Planters	684	5/10½

U.K. Tea Stocks

U. K. tea stocks in London and provincial warehouses for the week ended 31st August, totalled 115,288,030 lb against 116,687,820 lbs in the previous week. The total amount landed on the same date was 8,744,010 lbs.

COLOMBO RUBBER PRICES

The following prices have been issued by the Rubber Board of India from the weekly market report published by the Colombo Brokers Association:

	Closing prices on 13-8-56 (Rs. a lb.)	Average for the period (Rs. a lb.)
Sheet:		
No. 1	1.41	1.41
No. 2	1.38	1.38
No. 3	1.35	1.35
No. 4	1.11	1.11
No. 5	1.06	1.06
Sheet Cuttings	1	1.05
do.	2	1.00
Crape:		
Water White	—	—
R.M.A. No. 1X	1.39/40	1.39½
R.M.A. No. 1	1.38/39	1.39
Crape No. 2	1.34	1.34
Crape No. 3	1.22½	1.22½
Scrap Cripes:		
Sc. Crape No. 1	.85	.86
Sc. Crape No. 2	.80/84	.83
Sc. Crape No. 3	.75/80	.78
Flat Bark	.72/74	.73½
Sc. Crape 3X	.80½	.80½

To arrive at f.o.b. Colombo prices add 53.45 cents a lb for rubber other than scrap crape and 31.45 cents for scrap crape to the above market prices.



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Commodity Markets

WHOLESALE PRICE INDEX
SLIGHTLY HIGHER

THE official wholesale price index (base: year ended August, 1939=100) stood at 421.4 during the week ended 25th August, 1956, compared with 421.1 for the previous week. The index was higher by 2.1 percent and 17.9 percent respectively when compared with the corresponding weeks of last month and a year ago. The average for the month of August, 1956 worked out to 418.6 as against 409.2 (revised) for July, 1956 and 357.2 for August, 1955. The index for Food Articles declined by 0.5 percent to 399.1 as a result of a fall in the prices of tea (-13%), gur in Muzaffarnagar (-5%) and gram in Hapur (-2%) in spite of a rise in the prices of rice in Calcutta and wheat (+2% each) and salt (+1%). Prices of rapeseed (-6%), linseed in Calcutta (+3%), castorseed in Madras, raw silk, gingellyseed, copra and iron ore (+2% each) and raw jute (+1%) moved up, while those of linseed in Bombay and lac (-1% each), groundnuts and manganese ore (average export price) (-3% each) and castorseed in Bombay (-2%) exhibited declines. Consequently, the index for Industrial Raw Materials moved up by 0.1 percent to 505.6. The index for Semi-Manufactures rose by 0.4 percent to 411.1. Items which witnessed significant variations were: Mustard oil in Patna (+11%) and in Kanpur (+3%), sheepskins (+5%), groundnut cake (+3%), coconut oil in Cochin and castor oil (+2% each), goatskins (-5%) buffalo hides (-4%), gingelly oil (-3%) and cowhides, groundnut oil, linseed oil and zinc (-2% each). Higher prices of jute manufactures (+2%) and glass and chemicals (+1% each) and a slight increase in the prices of cotton manufactures were responsible for an advance of 0.4 percent to 399.7 in the index for Manufactures. The index for the Miscellaneous group advanced by 0.1 percent to 565.0 because of a rise in chillies (+5%); the price of betelnuts (-2%), however, showed a fall.

INDEX NUMBERS BY GROUPS AND SUB-GROUPS
(Base: Year ended August 1939=100)

Groups and Sub-Groups	25-8-56	18-8-56	21-7-56	27-8-55
I. Food Articles:	399.1	401.1	397.8 (R)	318.5
Cereals	512	505	489 (R)	386
Pulses	406	410	384 (R)	267
Others	255	264	257	236
II Industrial Raw				
Materials:	505.6	505.1	498.8 (R)	404.7
Fibres	477	475	475	414
Oilseeds	581	582	545	380
Minerals	513	515	537 (R)	422
Others	423	426	420	410
III Semi-Manufactures:	411.1	409.5	397.5 (R)	325.3
Mineral oils	208	208	208	201
Vegetable oils	615	606	550 (R)	371
Cotton yarn	503	498*	482	407
Metals	329	329	327	257
Oilcakes	487	479	446	332
Others	361	361	361	330
IV Manufactures:	399.7	398.0	386.0	370.6
Textiles	425	422	419	406
Jute	407	398	386	416
Cotton	432*	430*	430*	474*
Rayon and silk	470*	470*	470*	474*
Woolen	266	266	266	378
Metal products	398	398	398	352
Others	294	293	291	286
V Miscellaneous:	565.0	564.6	562.0	502.4
All Commodities:	421.4	431.1	412.7 (R)	357.3

R=Revised. * = Estimated.

Groups and Sub-Groups	Monthly Average	August, 1956	July, 1956	August, 1955
I. Food Articles:	397.4	380.6 (R)	317.5	
Cereals	505	485 (R)	378	
Pulses	398	378	281	
Others	259	248	239	
II Industrial Raw				
Materials:	500.5	492.3 (R)	404.4	
Fibres	474	477	413	
Oilseeds	569	534	383	
Minerals	509	516 (R)	417	
Others	424	420	419	
III Semi-Manu-				
factures:	406.4	395.2 (R)	326.1	
Leather	381	395	338	
Mineral oils	208	208	201	
Vegetable oils	590	545 (R)	382	
Cotton yarn	495	477	406	
Metals	329	327	257	
Oilcakes	474	433	331	
Others	361	362	329	
IV Manufactures:	397.7	385.7	371.2	
Textiles	421	419	407	
Jute	395	387	423	
Cotton	431*	430*	402*	
Rayon and silk	470*	461*	474*	
Woolen	266	264	278	
Metal products	398	398	352	
Others	293	291	286	
V Miscellaneous:	565.0	560.4	563.1	
All Commodities:	418.6	409.2 (R)	357.2	

* = Estimated. R = Revised.

IRON AND MANGANESE ORE EXPORT
QUOTAS REVISED

In response to the representation that the export policy for iron and manganese ores should be announced on an annual basis in order to enable mineowners and shippers to plan their mining, contracting and booking of freight, the Government has decided that the quotas granted under the existing policy, announced in the Press notes of 27th July and 3rd August, 1956, should be doubled and the period of validity of the doubled quotas should be extended up to 30th June, 1957. Quota-holders are advised to approach the Export Control authorities at the ports to get their quota slips duly endorsed. Export Trade Control Officers at the ports have also been instructed to permit the mineowners and shippers to select either of the two basic periods, July-December, 1955, or January-June, 1956, whichever is more advantageous to them. Firms will not be required to choose the same basic period for all the ports. The question of extending to mineowners, who made no shipments on their own account in the past, facilities for moving ores to the ports in areas in which the transport situation is not too tight is being considered by the Government, and an announcement on the subject is expected.

By a notification, the Government has decided to impose, with effect from 31st August, export duty on manganese ore at the following rates: Manganese ore with manganese content over 38 percent, but not exceeding 40 percent Rs. 10 a ton; manganese ore with manganese content above 40 percent, but not exceeding 44 percent Rs. 20 a ton; manganese ore with manganese content exceeding 44 percent Rs. 30 a ton. Manganese ore with manganese content 38 percent or below will be exempt from duty.

Calcutta Markets

GOOD GENERAL DEMAND AT
TEA EXPORT SALE

AT Sale No. 14, held on 10th and 11th September, offerings at the Export auction consisted of 47,500 packages for which there was a good general demand. The very few really good C.T.C. Assams on offer were keenly competed for and were rather dearer, but the remaining C.T.C. offerings which were generally of an ordinary rains description were 2 to 4 annas easier. Non-wither Doors were a strong feature and were dearer while Clean Commons and Low Mediums were well supported and the Commonest sorts were generally a little dearer. B.O.P.'s and O.F.s. met with a fair demand but at 2 to 4 annas below last rates while Medium Brckens declined by 1 to 2 annas. Clean Black Fannings from all districts were a very strong feature of the Sale and were 2 to 4 annas dearer. Whole Leaf grades met with a fair demand, while the planer Darjeelings were fully firm and sometimes dearer. Tippy teas were very irregular.

Quotations	1956	1955
Clean Black Pekoe	1 14 0	2 3 6
Plain B.P.	1 14 0 to 1 9 6	1 14 0
Medium Assam B.P.	1 14 0 to 2 0 0	2 2 0 to 2 3 0
Best C.T.C. Assam B.P.	3 0 0 to 3 4 0	3 3 0 to 3 4 0
At the Internal Sale, Dust offerings consisted of 17,700 packages for which there was a good and general demand with clean black leaf types once again a very strong feature. The very best C.T.C. Assams were keenly competed for and sold well, but the remaining C.T.C.'s declined by 2 to 4 annas. All other descriptions received good support and were generally fully firm to dearer.		

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FREIGHT RATES RISE DUE
TO SUEZ CRISIS

WITH tension growing in the Suez Canal crisis, the markets are going steadily in favour of owners and an expansion in business last week was likewise marked by an increase in the rates in some directions. The most notable activity was in the Mormugao-Japan ore trade where no fewer than eight vessels were booked up to December with top rates of 53s 6d a d.w. ton being paid to two Liberties giving Colombo and Karachi delivery respectively. With the amount of tonnage fixed to this area to carry grain, fertilisers and steel, it is significant that increased rates for outward voyages are being conceded. Another interesting fixture was that of a 6,500 tonner from Port Sulphur to India at 200s. Bremen-Calcutta paid 135s f.i.o. for bagged fertilisers while West Australia-India wheat was concluded at 140s for October and 137s 6d for December. An interesting fixture was that of 9,000 tons of pig iron from Manchester

to Japan at \$ (U.S.) 22. Usually it is the U.K. that imports pig iron.

SUGAR MARKET FALLS

During the week ended 12th September, sugar sales in the Calcutta market averaged 3,000 bags daily. Arrivals a day were 4,500 bags and stocks totalled 130,000 bags. Rates for ready sugar ex-Kantapur delivery were Rs. 31-7 to Rs. 31-13 a maund for ordinary grain and Rs. 32-14 a maund for big grain. Ex-mill rates ruled at Rs. 28 to Rs. 28-8 a maund for ordinary grain. The market closed lower, the rates having fallen by annas 2 to annas 3 a maund.

LINSEED QUIETER

Quiet conditions have prevailed in the market during the past week, although the tendency was slightly better at the close. Little business has been done with buyers, and sellers have acted rather cautiously. Crushers were depressed because of the poor linseed oil offtake, while sellers were not anxious to discount their prices on account of the fairly steady trends still prevailing in the centres. The oil section was dull: a few local buyers have been in evidence at lower rates, but with no parity between seeds and oil prices very little business has resulted. Latest quotations were as follows: Ready-September Rs. 23-40 a maund.

HIDES AND SKINS STEADY

The market continued steady. Stocks were less than in the previous week.

Bazaar Sales

(Between 4th September and 10th September, 1956)
Cowhides: Wet salted (Ord.) 1,000 pcs. on the basis of 10 annas to 11 annas; Wet salted (Ord.) 18,000 pcs. on the basis of Rs. 6-8 to Rs. 9-4; Wet salted (Slaughtered) 21,500 pcs. on the basis of Rs. 12-8 to Rs. 21.

Goatskins: Wet salted (Daissee, Killed) 31,500 pcs. on basis of Rs. 225 to Rs. 240 and Rs. 330 to Rs. 340 Assam-Dinajpur-Murshidabad 20,900 pcs. on the basis of Rs. 205 to Rs. 245; Purneah-Kissenganj 1,750 pcs. on the basis of Rs. 200; Patna (Ord.) 2,050 pcs. on the basis of Rs. 165; Muzafferpore 5,500 pcs. on the basis of Rs. 215 to Rs. 325.

Bazaar Stocks

(10th September, 1956)

Cowhides: Wet salted 1,66,000 pcs.
Goatskins: Wet salted (Daissee, Killed) 2,000 pcs.; Assam-Dinajpur-Murshidabad 77,500 pcs.; Muzafferpore - Patna - Pakur - Purneah - Kissenganj 83,600 pcs.

SHELLAC MARKET STEADY

During the week ended 11th September, the market was quiet at the beginning, and steady at the end. The range of quotations was as follows:

Pure Buttonlac	Rs. 135 value, 136 done and buyers, 136 buyers.
Lemon No. 1 Shellac	Rs. 137 buyers, 137 done, 136 buyers.
Lemon No. 2 Shellac	Rs. 134/132 buyers, 133 done and buyers, 132-8 buyers.
F. O. Std. 1 Shellac	Rs. 130-8, 129-3 buyers, 130 done.
Pure TN Shellac	Rs. 126, 125, 126 basis done and buyers.
4% I.T.N. Shellac	Rs. 118-8, 119, 117-8, 118-8 buyers.
No. 1 Kusmi Seedlac	Rs. 127-8, 126, 126-4 value.
No. 2 Kusmi Seedlac	Rs. 123-3, 122-8, 123 value.
Fine Bysaky Seedlac (Manbhumi)	Rs. 120, 118 buyers, 120 done and buyers.
Fine Bysaky Seedlac (C.P.)	Rs. 118, 116, 117-8 buyers.
Ordinary Bysaky Seedlac (C.P.) under 5%.	Rs. 114-8, 112-8, 113-8 buyers.
Ordinary Bysaky Seedlac (C.P.)	Rs. 109-4, 108-8, 109 buyers.
Kibzoolac	Rs. 44, 42, 43 buyers.

Shipments during September until the 8th were 9,609 packages comprising shellac 6,436 packages, seedlac 2,480 packages, buttonlac 144 packages and others 549 packages.

BIG INCREASE IN U.K. TEA IMPORTS

India accounted for over 55 percent of the 315,376,000 lbs. of tea Britain imported in the first seven months of this year. This total represented an increase of over 24,000,000 lbs. over that for the same period in 1955. The value of these worldwide imports, however, dropped by £14,250,000 to £64,387,000, although this figure was still over £7,500,000 more than that for the first seven months of 1954. In July of this year, Britain's imports of tea from both India and Pakistan were nearly doubled compared with those in July of last year. India sent 20,875,000 lbs., worth £3,753,000, compared with 10,551,000 lbs. to the value of £1,919,000, and Pakistan 1,141,000 lbs. (£160,000), compared with 577,000 lbs. (£94,000). In the seven months, India sent 178,626,000 lbs. (£35,802,000), compared with 155,161,000 lbs. (£45,012). The 14,173,000 lbs. of tea, worth £3,320,000, that Ceylon sent Britain in July compared with the 14,450,000 lbs. sent in July last year, for which Britain paid £2,784,000. In the first seven months of this year, Ceylon sent 78,996,000 lbs. (£19,733,000), compared with the 72,980,000 lbs. (£19,089,000) sent in the same period last year. Of the 315,000,000 lbs. of tea Britain imported from all sources to the end of July this year, all but 20,000,000 lbs. came from the Commonwealth.

Jute

WIDE FLUCTUATIONS IN GUNNY MARKETS

I. J. M. A. STOCK FIGURES HELP
PUSH UP HESSIAN

THE Calcutta jute goods market experienced mixed fortunes during the past week, and prices moved through a very wide range. At the opening, a slump developed, but a series of bullish factors produced enough confidence for the initial losses to be made up later, and new high levels in hessian were recorded before the close. Not the least of these bullish factors was the I.J.M.A. jute goods stock figures. These showed a drop of 15,800 tons over July and were the first concrete indication of the effect of the recent sealing of looms. This, however, could account for only a portion of the fall, and the balance was due to the best shipping month for some time, during which several extra steamers were placed to take up the backlog caused mainly by the go-slow tactics of loading crews. The improvement in the market towards the end of the week was the direct result of overseas enquiries. For some time, foreign buyers had been reluctant to pay high prices for Indian goods, and tended to delay orders so as to bring about a reduction. They reckoned without the speculative element, however, and prices were kept up by operators who manipulated the market to suit their own ends. Overseas consumers were at last forced to move, and mills sold heavily during the week to both pucca foreign buyers and local shipper interests. Events in Pakistan also induced buyers to enter the market. For a very long time, consumers of heavy goods have been able to buy sacking from Pakistan at a cheaper rate than from Calcutta. Now unconfirmed reports indicate that the Pakistan authorities, without promulgating any official ordinance, have made it known to manufacturers that the bulk of their sacking production will be required for internal consumption, and that this must be satisfied before permission is granted to export. Not only has this brought buyers back to India, but has strengthened local markets and created some much-needed confidence. At the close, the market is very steady, and it is reported that mills have sold fairly large quantities for forward shipment at the higher levels.

Raw jute, after a quiet opening, staged a gradual recovery. Business was on a much smaller scale, but it had a great effect. This was due to the current policy among buyers of taking up small quantities almost every day. It has caused a bullish sentiment, and combined with the improved goods market, has led to sellers reducing the quantity of jute on offer. Earlier in the week, their policy was the exact opposite as markets showed signs of falling away. Then they were keen sellers, and were willing to sell large quantities at a discount. A recent feature of the market is the growing practice among mills of supporting jute fatka operations by purchasing jute under ready bills of lading that have been taken delivery of by operators under fatka transactions. Large quantities of jute are arriving in Calcutta in this way, and one or two large groups have taken up bulk supplies. No risk is involved in this, but there does not appear to be any guarantee of marks or assortment, and one consignment may consist of several sellers' jute.

THE JUTE MARKETS

Manufactured Goods: At the opening of the jute goods market last Thursday, conditions were very depressed due to the general lack of interest from both home and overseas. Heavy goods prices slumped by over Re. 1 and ready B Twills dropped to Rs. 111-4 and January-March shipment to Rs. 111-10 a 100 bags. Hessian also lost ground and 40in. 100z. fell back 2 or 4 annas for ready shipment to rule at Rs. 41-15 and forward shipment at Rs. 41-6 a 100 yards. No mill business was reported and heavy selling in the fatka market kept prices low throughout the day. Some small overseas interest on Friday caused a slight rise at the opening and narrow fluctuations were prompted by speculative activities. Towards the evening, however, both sections improved rapidly on the report that mills' stocks of jute goods had shown a marked decrease. By Saturday morning, B Twills had moved up to Rs. 111-12 and 40in. 100z. to Rs. 42-8. Heavy shipper covering over the week-end forced up prices still further, and Monday's opening showed an increase of 12 annas or Re. 1 in heavy goods and 4 or 6 annas in hessian. Rumours of large foreign enquiries kept the market steady throughout the day, and mills took advantage of the rise to sell fairly large quantities for all deliveries. Local covering and fatka transactions also boosted the market, and by Tuesday morning B Twills had risen to Rs. 113-6 for September shipment and Rs. 113-4 for January-March shipment, while 40in. 100z. hessian recorded a new high at Rs. 43-9 for September and Rs. 42-2 for January-March.

At the close, the market was steady and opening quotations on Wednesday morning were as follows:

	Sept.	Oct.-Dec.	Jan.-March.
40in. 80z.	Rs. 35-12	Rs. 35-4	Rs. 34-6
40in. 100z.	43-9	43-5	42-2
B Twills	113-2	113-12	113-12
Heavy Cees (Plain)	113-8	113-12	113-12
A Twills	127-8	128-8	128-8
Liverpools	127-8	128-8	128-8
Cornacks	114	114-12	114

Raw Jute: At the opening last week, the fibre markets were quiet and quotations on Thursday morning showed a drop of 8 annas a maund. Dhubri-Northern jute was Rs. 28-8 a maund. Mills were not interested at this stage, and with the goods market showing signs of declining, sellers became easier and put large quantities on offer, usually at a discount. On Friday, prices dropped a further 8 annas and small business was done at the lower levels, mainly for quick delivery jute. Rates remained at this level, although business was reported at a discount. Mills' policy at this stage appeared to be to take up small quantities each day. Over the week-end, the gunny market improved. Mills, taking advantage of the rise, sold heavily and covered in jute, so prices on Monday morning reverted to Rs. 28-8 a maund basis Bottoms. Good business was done during the day in ready bills of lading and also in low quality jute for shipment. This succeeded in pushing rates up to the week's opening level of Rs. 29, at which price mills again bought on Tuesday.

Business during the week was confined mainly to ready bills of lading for Dhubri-Northern and Assam jute at prices ranging from Rs. 28-8 to Rs. 29-8 a maund basis Bottoms. Shipment jute was also done in these varieties at Rs. 28 to Rs. 28-8 a maund. Low quality jute from Forbesganj, Purnea and Jungli areas came in for some interest, and business passed at Rs. 27-4 to Rs. 28-8 a maund, according to district, for September-October shipment. Murshidabad Tossa was also done at Rs. 28 to Rs. 28-8 a maund basis Bottoms for one month's and September-October shipment. Small lots of Bimli changed hands at Rs. 27 for F.A.Q. for September-October shipment.

At the close, the market was unchanged and opening quotations on Wednesday morning were as follows:

Indian Jute (New Crop):	Landed at Mills Rs. a and basis Bottoms.	Shipment. Sept.-Oct.
Lower Assam	29	"
Northern	29	"
Murshidabad White	28	"
Daissee White	29	"
Daissee	29-8	"
Daissee Mesta	27	"
Local Northern	29	"
Bimli	27-8	"
Pakistan Jute (New Crop):	Rs. a md.	Shipment. Sept.-Oct.
Jat	31-8	"
District	31	"
Northern	30-8	"
Pucca:	Rs. a bale	Shipment. Sept.-Oct.
Mill Firsts 2/3	185	"
Export Firsts 2/3	170	"
Export Lightnings	155	"
Jat Cuttings	130	"

Business in the local Cossipore markets was dull towards the close, although mill representatives were still fairly active. Imports improved towards the end of the week, and a total of about 800 wagons arrived at the sidings. Stocks are still fairly low, and quotations were based on Kishenganj at Rs. 28-8 a maund. Quick delivery jute was at a Re. 1 premium.

Mofussil: Upcountry markets are very firm on account of heavy covering business. Imports are still small and in most areas rates continue to lead Calcutta by about 8 annas a maund. Business is heavy for mid-September shipment and early jute is in short supply. The transport situation is still difficult at the railway agencies, but those districts served by steamers are having no difficulty in getting jute away. Quotations in Dhubri at the close were based on Rs. 25 a maund basis Bottoms.

Raw Jute Consumption

The consumption of raw jute by mills reporting to the I.J.M.A. in August, 1956, amounted to 522,350 bales for a 203.5-hour working month. This was 26,250 bales less than the previous month, which had only 200.5 working hours. The total consumption for July and August is now 1,070,950 bales, as against 964,860 bales in the corresponding period of last season. In August 1955, consumption was 474,560 bales for a 200.5-hour working month.

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I.J.M.A. PRODUCTION FIGURES FOR AUGUST

The Indian Jute Mills Association reports the total production of jute goods during the month of August as follows:

Description	Quantity
1. Twist and Yarn	
(a) For Sale	1,567 tons
(b) All others including that used in sewing bags	1,082 "
2. Canvas	136 "
3. Gunny Bags (Tonnage exclude sewing twist)	
(a) Hessian	4,485 tons
(b) Sacking	46,073 tons
4. Gunny Cloth	
(a) Hessian	30,806 tons
(b) Sacking	1,221 tons
5. Other manufactures (including ropes)	3,301 tons
6. Total production (above figures combined)	99,569 tons
(a) All kinds	11,280 lakh yds.
(b) Hessian (both bags and cloth)	13,492 lakh yds.
(c) Sacking (both bags and cloth)	11,573 "
(d) Canvas (both bags and cloth)	3.4 "
Summary	
(00,000 Yds.)	(000 Tons)
Aug. July Aug. Aug. July Aug.	Aug. July Aug.
1956 1956 1955 1956 1956 1955	1956 195

November-December, with B Twills offered at 169s 6d, 170s and 170s 9d for respective positions of shipment, all f.o.b. Calcutta.

GUNNY SHIPMENT STATISTICS

The following figures include coastal shipment relating to manufactured jute goods for shipment from the port of Calcutta. These are gross figures based on shipping bills presented:

	Hessian	Cloth	Total
	(Tons)	(Tons)	(Tons)
1st to 5th September 1956	571.2	8,695.3	9,266.5
1st to 5th August 1956	1,065.3	10,330.8	11,396.1
1st to 5th July 1956	664.8	8,406.1	9,070.9
	Sacking		
1st to 5th September 1956	7,304.2	224.9	7,529.1
1st to 5th August 1956	7,714.1	932.5	8,646.6
1st to 5th July 1956	8,156.1	766.0	8,922.1

SOUTH EASTERN RAILWAY TENDERS.

The Controller of Stores, Garden Reach, Calcutta-23 invites the following tenders:

(1) Tender No. CS14/56/516 GS(56) for supply of:

(a) Carriage Roofing 2-ply 3'-0" wide = 4,500 Rft.

(b) Underlay 3'-0" wide = 4,500 Rft

(c) Compound carriage roofing for hot application. = 37½ cwt.

(d) Nails for fixing (a) and (b) flat Head 1" = 30 lbs.

(e) Compound carriage flooring red with crystals. = 30 tons.

(f) Screws Sheridised superior rust resisting CSK. Hd. 1½" No. 10. = 160 Gross.

(2) Tender No. CS15/56/517CS(56) for supply of 329 Nos. Sheet plywood 3-ply 8'-0" x 4'-0" x 3/16" thick synthetic resinbonded moisture-proof to ISI Specs. 303-1951 Grade MPFI.

(3) Tender No. CS16/56/518CS(56) for supply of:

(a) Pan Lavatory stainless steel highly polished to IRS Drg. CI850. = 156 Nos.

(b) Bowls wash hand stainless steel highly polished to IRS Drg. CA1674 = 208 Nos.

Tender forms are obtainable from his office (B Section) on remittance of Rs. 2/- per copy tender (not refundable) by Money Order to him direct in case of outside firms and on production of Cash Receipt from the Chief Cashier Garden Reach by local firms. Closing date of all tenders is 28-9-56 at 12 Noon.

Engineering and Transport

THE BASIC COST OF MATERIALS

VITAL IMPORTANCE OF ATOMIC ENERGY TO U.K.

THE Economic Commission for Europe has lately investigated the use of such materials as aluminium and plastics as substitutes for steel. It has concluded that consumption of these materials will increase much more than consumption of steel in the next few years, in relation to current consumption, but that consumption of steel will nonetheless expand impressively. The discovery of large reserves of bauxite in Queensland has suggested possibilities of a big increase in production of aluminium, in addition to the new production planned in Canada, the Gold Coast, and elsewhere. But Australia has no great potentialities for supplying to the ore-bearing region of Queensland the quantity of electricity needed to maintain a big aluminium industry. If the best estimates of the quantity and the quality of the ore are realised, an important new source of supply will be available to the aluminium industries of other countries.

The interest that this discovery has aroused is fresh evidence of the anxiety that many people feel when they contemplate the gradual exhaustion of reserves of minerals. Already the richest ores available to the aluminium industry have been used, and the rising price of the metal reflects the use of poorer ores as well as the general rise in costs. Aluminium is still a comparatively new metal, and it is at present affected less than most minerals by this deterioration of quality. But a tenfold increase in annual consumption since pre-war years and a further prospective increase (as estimated by E.C.E.) of two-thirds by 1960 imply a fast-developing shortage of the better ores. Fortunately, industrial technique progresses. Some 50 years ago, it was impracticable to smelt copper ore containing less than 10 percent of the metal; now a content of less than 1 percent is adequate for smelting. Improvement of techniques moderates the rise in production costs. But it does not stop that rise. Prices can, and do, decline almost continuously for many months; yet the long-term tendency of prices of materials such as metals and coal (and the rule will apply in due course to oil) is always upward, because their sources are becoming more remote and less prolific.

Exploration in Antarctica

How remote these sources could become, we were reminded by Sir Raymond Priestley in his presidential address to the British Association for the Advancement of Science at the end of August. He was speaking (on the basis of personal experience) on Antarctica, where there must be huge reserves of minerals to be explored and exploited. Sir Raymond does not believe that the task is impossible in the era of nuclear power, but he perceives that it would require finance on at least a national scale. He envisages the whole enterprise going underground, after the ore is located—engine-rooms, hoisting gear, mineral-dressing plants, all operated in the underground conditions below the reach of the natural climate. New communities, with new ways of living, will be needed to exploit these resources. The whole project, so conceived, is quite different from the projects to which we are becoming accustomed even in undeveloped regions—and, of course, vastly more expensive. On the other hand, the mention of nuclear power suggests that tasks that are now only visionary can become practical possibilities. An alternative approach to the problem is by way of substitution. The Economic Commission for Europe emphasised the development of plastics, replacing more traditional materials—or, at least, absorbing some of the demand that would require greatly increased quantities of traditional materials. Here again nuclear science plays a part; radioisotopes can reduce considerably the cost of manufacturing some plastics.

Optimism of Mr. Colin Clark

At the British Liberal Summer School held a few weeks ago at Cambridge, Mr. Colin Clark, the Oxford economist, attacked the idea that the world's resources were inadequate to satisfy the needs of an expanding population. This idea, he said, was due to ignorance of the simplest facts of geography and agriculture and of the rapid replacement of scarce materials by substitutes. He quoted Dr. Dudley Stamp, professor of geography at the University of London, who told the World Population Conference in 1954 that the world was using only one-third of its cultivable land and that even that one-third was capable of greatly increased output. In reply to Mr. Clark, Lord Boyd-Orr, another authority on the world's food, said that a reasonable standard of living could be provided

for everybody only if politicians would "set aside their politics" and nations would combine to develop the world's resources. He suggested, as a start a reduction of 10 percent in the world's expenditure on armament, totalling about £40,000 million a year; one-half, say, of the £4,000 million thus made available could be applied to a world-wide development plan, beginning with the production of food. Mr. Ritchie Calder, science correspondent of the London News Chronicle, also emphasised the burden of military preparation, from the viewpoint of Britain, and especially of Britain's power. Lack of fuel and power in the next 20 years or so, he said, could cause the decline of Britain "not to a second or third-rate power but to a tenth-rate power", but the atomic-energy programme, which could greatly expand because "at least 60 percent of our rare atomic manpower and most of our atomic fuel is being devoted to weapon-research" Optimistic estimates such as Mr. Clark's can be dangerous if they lull us into a feeling of complacency. What is in question is not the potential output of the world, but the output that is practicable at economic costs. Manufacture of substitutes in developed countries may delay scarcities for many years, and at the same time delay development of undeveloped countries. But huge tasks of development must be performed sooner or later, and they will need some such international plan as Lord Boyd-Orr has envisaged. That 45 nations are co-operating in the International Geophysical Year Book 1957-58, exploring the world as a whole at a cost of some £100 million, is a promising augury for worldwide development.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	Hour I.S.T.
Mysore Spg. & Mfg. Co. Ltd.	13-9-56	4-30 p.m.
Salem Erode Electricity Distribution Co. Ltd. (E)	14-9-56	4 p.m.
Tinnevely-Tuticorin Electric Supply Co. Ltd. (E)	14-9-56	4-10 p.m.
Mangalore Electric Supply Co. Ltd. (E)	14-9-56	4-20 p.m.
Pussimbling Tea Co. Ltd.	19-9-56	12-30 p.m.
Dehri Rohtas Light Ry. Co. Ltd.	21-9-56	11-30 p.m.
National Carbon Co. (India) Ltd.	21-9-56	3-50 p.m.
New India Investment Corp. Ltd.	24-9-56	4 p.m.
Ghelle Tea Co. Ltd.	26-9-56	12-30 p.m.
Imperial Tobacco Co. of India, Ltd.	27-9-56	9 a.m.
Dhulakhat Tea Co. Ltd.	27-9-56	9 a.m.
Reliance Jute Mills Co. Ltd.	27-9-56	11-30 a.m.
Sijua (Jherriah) Electric Supply Co. Ltd.	27-9-56	3-30 p.m.
Capital (Private) Ltd.	28-9-56	10 a.m.
W. H. Targett & Co. Ltd.	28-9-56	10-05 a.m.
Eagle Rolling Mills, Ltd.	28-9-56	10-40 a.m.
Kumardhubi Fireclay & Silica Works Ltd.	28-9-56	11 a.m.
Bally Jute Co. Ltd.	28-9-56	12-30 p.m.
Howrah Mills Co. Ltd. (Jute)	28-9-56	Noon.
Mirzapur Electric Supply Co. Ltd.	28-9-56	4 p.m.
Joinkotlee Tea Co. Ltd.	28-9-56	4 p.m.
Mothola Co. Ltd. (Tea)	28-9-56	4-5 p.m.
Karapura Collieries, Ltd.	29-9-56	10-30 a.m.
Orissa Cement, Ltd.	29-9-56	11-45 a.m.
Loimabore Spg. & Wvg. Co. Ltd.	29-9-56	3 p.m.
Rameshwara Jute Mills, Ltd.	1-10-56	3-30 p.m.
Orissa Minerals Development Co. Ltd.	4-10-56	10-30 a.m.
Bisra Stone Lime Co. Ltd.	4-10-56	11-15 a.m.
Champdany Jute Co. Ltd.	4-10-56	Noon.
Klimson Jute Mills Co. Ltd.	5-10-56	10 a.m.
Naihati Jute Mills Co. Ltd.	5-10-56	10-10 a.m.
Lawrence Jute Co. Ltd.	5-10-56	10-20 a.m.
Union Jute Co. Ltd.	5-10-56	10-30 a.m.
Standard Jute Co. Ltd.	5-10-56	10-45 a.m.
Auckland Jute Co. Ltd.	5-10-56	10-55 a.m.
Northbrook Jute Co. Ltd.	5-10-56	11-05 a.m.
Dalhousie Jute Co. Ltd.	5-10-56	11-15 a.m.
Lansdowne Jute Co. Ltd.	5-10-56	11-30 a.m.
Teesta Valley Tea Co. Ltd.	5-10-56	12-15 p.m.
Dhomo Main Collieries, Ltd.	5-10-56	2-30 p.m.
Hurdiladih Coal Co. Ltd.	5-10-56	2-45 p.m.
East Jammur Coal Co. Ltd.	5-10-56	3 p.m.
West Jammur Coal Co. Ltd.	5-10-56	3-15 p.m.
Calcutta Jute Mfg. Co. Ltd.	8-10-56	3 p.m.
Tezporo Tea Co. Ltd.	8-10-56	4 p.m.
Ganges Mfg. Co. Ltd. (Jute)	9-10-56	10-30 a.m.
Gouropore Co. Ltd. (Jute)	9-10-56	11 a.m.
Nuddea Mills Co. Ltd. (Jute)	9-10-56	11-30 a.m.
Ganges Rope Co. Ltd.	9-10-56	Noon.
Calcutta Tramways Co., Ltd.*	9-10-56	Noon
Jaipur Udyog Ltd.	24-10-56	4-30 p.m.

(E) Extraordinary General Meeting.

* Meeting will be held in London.

DIVIDENDS DECLARED OR PROPOSED.—Poobong Tea Co. Ltd.—Nil. Reliance Jute Mills Co. Ltd.—Nil. Howrah Mills Co. Ltd.—2½ p.c. (o). Orissa Minerals Development Co. Ltd.—10 p.c. (o). Mothola Co. Ltd.—40 p.c. (o). Belgachhi Tea Co. Ltd.—100 p.c. Bally Jute Co. Ltd.—Nil (o). Western Bengal Coalfields, Ltd.—5 p.c. (o). Nil. Runglee Rungliot Tea Co. Ltd.—20 p.c. Nagaisuree Tea Co. Ltd.—7½ p.c. Rungamtee Tea Co. Ltd.—20 p.c. Singtom Tea Co. (1946), Ltd.—Two Annas per share (o). Bathgate & Co. Ltd.—Nil. Rameshwara Jute Mills, Ltd.—Nil. Clive Buildings (Calcutta), Ltd.—Rs. 6 per share. Mirzapur Electric Supply Co. Ltd.—Annas 8 per share. Bisra Stone Lime Co. Ltd.—8½ p.c. Sijua (Jherriah) Electric Supply Co. Ltd.—7½ p.c. (o). Karapura Collieries, Ltd.—5 p.c. (o). Banarhat Tea Co. Ltd.—Rs. 25 per share (o). Dhulakhat Tea Co. Ltd.—20 p.c. (o). Bengal-Nagpur Coal Co. Ltd.—Nil (o). Champdany Jute Co. Ltd.—2 p.c. Malhati Tea Syndicate Ltd.—Rs. 2 per share. Bijoynagar Tea Co. Ltd.—Rs. 4 per share.

O.—Ordinary Dividend. In.—Interim Dividend. P.—Preference Dividend. L.—Less Income Tax. P.O.—Preferred Ordinary Dividend. F.—Final Dividend. D.—Deferred Dividend. Cn.—Cumulative. † Less Tax at 8s 6d in the £.

COMPANY AND PUBLIC NOTICES

THE GOUROPORE COMPANY, LIMITED. NOTICE.

NOTICE is hereby given that an Annual General Meeting of the Members of the Company will be held at the Registered Office of the Company, No. 2, Fairlie Place, Calcutta, on Tuesday, the 9th October, 1956, at 11-00 A.M. for the following purposes:—

AGENDA

- To receive and consider the Directors' and Auditors' Reports and the Profit and Loss Account for the half-year ended 31st March, 1956, and the Balance Sheet as at that date.
- To declare Dividends.
- To elect Directors.
- To appoint Auditors and to fix their remuneration.

As Special Business:

(a) To consider and, if thought fit, to pass, with or without modification, the following Resolution which will be proposed as a Special Resolution:—

"RESOLVED that the Articles of Association of the Company be altered in manner following:—

(a) In the first line of Article 82 the word "twice" shall be deleted and the word "once" be substituted therefor.

(b) In the first line of Article 181 the word "twice" shall be deleted and the word "once" be substituted therefor.

(ii) To consider and, if thought fit, to pass, with or without modification the following Resolution which will be proposed as an Ordinary Resolution:—

"RESOLVED that the Board of Directors be and is hereby permitted with effect from the commencement of the Companies Act, 1956, to borrow moneys from time to time for carrying on the business of the Company notwithstanding that the moneys to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) will exceed the aggregate of the paid-up Capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose".

The Share Transfer Books of the Company will be closed from 30th September to 9th October, 1956, both days inclusive.

By Order of the Board,

MACNEILL & BARRY LTD.,

A. H. FORSTER,

Secretary,

Managing Agents.

Fairlie Place, Calcutta, 24th September, 1956.

A member of the Company who is entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself. A proxy need not be a member of the Company.

Explanatory Statement

Item No. 5(i). Articles 82 and 181 of the

Articles of Association of the Company provide that twice in every year, the books shall be examined and the correctness of the Balance Sheet and Profit and Loss Account ascertained by Auditors, and that the same shall be laid before General Meetings which shall be held twice in every calendar year. In accordance with these requirements of the Articles, the accounts have been closed half-yearly and a Profit and Loss Account in respect of each half-yearly period ending on the 30th September and the 31st March in each year and the Balance Sheet at each date has been laid before the Company in General Meeting. Under the provisions of the Companies Act, 1956, each such half-yearly period will be a financial year and as a result the usual half-yearly General Meetings will each be deemed to be an "annual general meeting" within the meaning of the Act. In consequence (inter alia) the Directors liable to retire by rotation and the Auditors will retire half-yearly. Your Directors, having carefully considered the matter and the difficulties attending the preparation of the accounts in conformity with the provisions of the Act, the additional work and expense which will be involved in adding an Annual General Meeting in each half-year, recommend that the accounts be closed once only on the 31st March to be laid before the Company at an Annual General Meeting in each calendar year, and that

the Articles be amended to give effect to such recommendation.

Neither the Directors nor the Managing Agents will derive any benefit in respect of their remuneration by reason of this change and interim dividends may, subject to trading results, be declared by your Directors under Article 162.

(2) Item No. 5(ii). By the provisions of Section

293(i)(d) of the Companies Act, 1956, the Directors without the consent of the company in general meeting cannot borrow monies in excess of this statutory limit being the aggregate of the paid-up capital of the company and its free reserves. An authority is therefore required for the Directors to borrow for the purposes of the Company in excess of this statutory limit but subject always to Article 65 of the Articles of Association of the Company. The presently proposed resolution will, in effect, restore the position which prevailed prior to the 1st April, 1956.

THE NUDEA MILLS COMPANY, LIMITED. NOTICE.

NOTICE is hereby given that an Annual general meeting of the Members of the above Company will be held at the Registered Office of the Company, No. 2, Fairlie Place, Calcutta, on Tuesday, the 9th October, 1956, at 11-30 A.M. for the following purposes:—

AGENDA.

- To receive and consider the Directors' and Auditors' Reports and the Profit and Loss Account for the half-year ended 31st March, 1956, and the Balance Sheet as at that date.
- To elect Directors.
- To appoint Auditors and fix their remuneration.
- As Special Business:

To consider and, if thought fit, to pass, with or without modification, the following Resolution which will be proposed as an Ordinary Resolution:—

"RESOLVED that the Board of Directors be and is hereby permitted with effect from the commencement of the Companies Act, 1956, to borrow moneys from time to time for carrying on the business of the Company notwithstanding that the moneys to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) will exceed the aggregate of the paid-up Capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose".

The Share Transfer Books of the Company will be closed from 30th September to 9th October, 1956, both days inclusive.

By Order of the Board,

MACNEILL & BARRY LTD.,

A. H. FORSTER,

Secretary,

Managing Agents.

2, Fairlie Place, Calcutta, 6th September, 1956.

A member of the Company who is entitled to attend and vote may appoint a proxy to attend and vote instead of himself. A proxy need not be a member of the Company.

Explanatory Statement

Item No. 4. By the provisions of Section

293(i)(d) of the Companies Act, 1956, the Directors without the consent of the company in general meeting cannot borrow monies in excess of the aggregate of the paid-up capital of the company and its free reserves. An authority is therefore required for your Directors to borrow for the purposes of the Company in excess of this statutory limit. The Resolution is intended to provide that authority and to restore the position which prevailed under Article 65 prior to 1st April, 1956.

The Asahi Glass Co. Ltd. of Tokyo, Japan, is pleased to announce that by an arrangement with the Industrial Finance Corporation it has incorporated an Indian Public Company called "The Indo-Asahi Glass Co. Ltd." for the purpose of taking over the assets of the Sodopore Glass Works Ltd.

Asahi Glass Co. Ltd. are arranging to ship from Japan to India special equipment for the modernisation of the original plant and have also arranged to supply first class Glass Technologists.

It is hoped that the plant will go into production at Bhurkunda early in 1957.

THE GANGES ROPE COMPANY, LIMITED. NOTICE.

NOTICE is hereby given that an Annual general Meeting of the Members of the above Company will be held at the Registered Office of the Company, No. 2, Fairlie Place, Calcutta, on Tuesday, the 9th October, 1956, at 12-00 Noon for the following purposes:—

AGENDA.

- To receive and consider the Directors' and Auditors' Reports and the Profit and Loss Account for the half-year ended 31st March, 1956, and the Balance Sheet as at that date.
- To declare a Dividend.
- To elect a Director.
- To appoint Auditors and fix their remuneration.
- As Special Business:

To consider and, if thought fit, to pass, with or without modification, the following Resolution which will be proposed as an Ordinary Resolution:—

"RESOLVED that the Board of Directors be and is hereby permitted with effect from the commencement of the Companies Act, 1956, to borrow moneys from time to time for carrying on the business of the Company notwithstanding that the moneys to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) will exceed the aggregate of the paid-up Capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose".

The Share Transfer Books of the Company will be closed from 30th September to 9th October, 1956, both days inclusive.

By Order of the Board,

MACNEILL & BARRY LTD.,

A. H. FORSTER,

Secretary,

Managing Agents.

2, Fairlie Place, Calcutta, 6th September, 1956.

Note. A member of the Company who is entitled to attend and vote may appoint a proxy to attend and vote instead of himself. A proxy need not be a member of the Company.

Explanatory Statement

Item No. 5. By the provisions of Section

293(i)(d) of the Companies Act, 1956, the Directors without the consent of the company in general meeting cannot borrow monies in excess of the aggregate of the paid-up capital of the company and its free reserves. An authority is therefore required for your Directors to borrow for the purposes of the Company in excess of this statutory limit. The Resolution is intended to provide that authority and to restore the position which prevailed under Article 65 prior to 1st April, 1956.

THE CHAMPDANY JUTE COMPANY, LIMITED.

NOTICE is hereby given that an Annual General Meeting (being the Sixty-sixth Ordinary General Meeting of the Company) will be held at the Registered Office of the Company, 2, Netaji Subhas Road, Calcutta, on

THE GANGES MANUFACTURING COMPANY, LIMITED.

NOTICE.

NOTICE is hereby given that a general meeting of the Members of the above Company, being an Annual General Meeting within the meaning of the Companies Act, 1956, will be held at the Registered Office of the Company, No. 2, Fairlie Place, Calcutta, on Tuesday, the 9th October, 1956, at 10-30 A.M. for the following purposes:—

AGENDA

1. To receive and consider the Directors' and Auditors' Reports and the Profit and Loss Account for the half-year ended 31st March, 1956, and the Balance Sheet as at that date.
2. To elect Directors.
3. To appoint Auditors and fix their remuneration.
4. As Special Business:

To consider and, if thought fit, to pass, with or without amendment, the following Resolution:—

"RESOLVED that the Board of Directors be and is hereby permitted with effect from the commencement of the Companies Act, 1956, to borrow moneys from time to time for carrying on the business of the Company notwithstanding that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) will exceed the aggregate of the paid-up Capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose".

The Share Transfer Books of the Company will be closed from 30th September to 9th October, 1956, both days inclusive.

By Order of the Board,
MACNEILL & BARRY LTD.,
A. H. FORSTER,
Secretary,
Managing Agents.

2, Fairlie Place,
Calcutta, 6th September, 1956.

Note. A member of the Company who is entitled to attend and vote may appoint a proxy to attend and vote instead of himself. A proxy need not be a member of the Company.

Explanatory Statement

Item No. 4. By the provisions of Section 293(1) (d) of the Companies Act, 1956, the Directors without the consent of the company in general meeting cannot borrow monies in excess of the aggregate of the paid-up capital of the company and its free reserves. An authority is therefore required for your Directors to borrow for the purposes of the Company in excess of this statutory limit. The Resolution is intended to provide that authority and to restore the position which prevailed under Article 65 prior to 1st April, 1956.

MARTIN BURN LIMITED.

NOTICE is hereby given that the Board of Directors of this Company has sanctioned payment of the Dividend on the Preference Share Capital of the Company at the rate of 5% per annum for the half-year ending 30th September, 1956. The Preference Share Registers will be closed from the 24th September to the 30th September, 1956, both days inclusive. Payment will be made on or after 10th October, 1956, to those Preference Shareholders whose names appear on the Company's Registers on the 30th September, 1956, or in accordance with their instructions.

By Order of the Board,
L. K. SEN CHOWDHRY,
Acting Secretary.

12, Mission Row,
Calcutta,
10th September, 1956.

MARTIN BURN LIMITED.

Convertible Notes.

NOTICE is hereby given that interest for the half-year ending 30th September, 1956, will be paid on or after that date to those holders of Convertible Notes whose names appear on the Company's Register on the 30th September, 1956, or in accordance with their instructions.

L. K. SEN CHOWDHRY,
Acting Secretary.

12, Mission Row,
Calcutta,
10th September, 1956.

THE HURRILADIH COAL COMPANY, LIMITED.

NOTICE.

NOTICE is hereby given that an Annual General Meeting of the Members of the Company will be held at the Registered Office of the Company, No. 2, Fairlie Place, Calcutta, on Friday, the 5th October, 1956, at 2-45 P.M. for the following purposes:—

1. To receive and consider the Directors' and Auditors' Reports, the Profit and Loss Account for the half-year ended 31st December, 1955, and the Balance Sheet as at that date.
2. To declare a Dividend.
3. To elect a Director.
4. To appoint Auditors and to fix their remuneration.
5. As Special Business:

To consider and, if thought fit, to pass, with or without amendment, the following Resolution:—

(As an Ordinary Resolution), "RESOLVED that the Board of Directors be and is hereby authorised with effect from the commencement of the Companies Act, 1956, to borrow moneys from time to time for carrying on the business of the Company notwithstanding that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) will exceed the aggregate of the paid-up Capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose".

The Share Transfer Books of the Company will be closed from 28th September to 5th October, 1956, both days inclusive.

By Order of the Board,
MACNEILL & BARRY LTD.,
A. H. FORSTER,
Secretary,
Managing Agents.

2, Fairlie Place,
Calcutta, 7th September, 1956.

Note. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member.

EXPLANATORY STATEMENT

Item No. 5. By the provisions of Section 293 (1) (d) of the Companies Act, 1956, the Directors without the consent of the company in general meeting cannot borrow monies in excess of the aggregate of the paid-up capital of the company and its free reserves. An authority is therefore required for your Directors to borrow for the purposes of the Company in excess of this statutory limit. The Resolution is intended to provide that authority and to restore the position which prevailed under Article 65 prior to 1st April, 1956.

THE COIMBATORE SPINNING & WEAVING COMPANY, LIMITED.

POST BOX NO. 24, COIMBATORE.

NOTICE

NOTICE is hereby given that the 68th Annual General Meeting of the Shareholders of the Company will be held at its Registered Office, at Palmgrove Road, Coimbatore on Saturday the 29th September, 1956, at 3 p.m. for the purpose of transacting the usual business, viz:—

- (i) To receive and adopt the Directors' and Auditors' Reports, the audited Balance Sheet as at 31st December, 1955, the Profit & Loss Account and the Profit & Loss Appropriation Account for the year ending 31st December, 1955.
- (ii) To declare a Dividend.
- (iii) To appoint an Auditor or Auditors for the current year, viz. 1956 and to fix his or their remuneration.
- (iv) To elect Directors

and for the purpose of passing certain special and ordinary resolutions required under the Companies Act, 1956 in respect of which the necessary notice has been given in the agenda sent to the Shareholders.

Note:—(1) A member entitled to attend and vote at the meeting is entitled to appoint a Proxy. The Proxy need not be a member under the Companies Act, 1956.

(2) The Share transfer book of the Company will be closed from 19th September, 1956 to 29th September, 1956, both days inclusive.

By Order of the Board,
For THE COIMBATORE SPINNING & WEAVING CO., LTD.,
For R. G. S. NAIDU & CO.,
Sd/ V. GOPAL NAIDU,
Partner,
Agents & Secretaries.

Coimbatore,
3rd September, 1956.

THE WEST JAMURIA COAL COMPANY, LIMITED.

NOTICE.

NOTICE is hereby given that an Annual General Meeting of the Members of the Company will be held at the Registered Office of the Company, No. 2, Fairlie Place, Calcutta, on Friday, the 5th October, 1956, at 3-15 P.M. for the following purposes:—

1. To receive and consider the Directors' and Auditors' Reports, the Profit and Loss Account for the half-year ended 31st December, 1955, and the Balance Sheet as at that date.
2. To elect a Director.
3. To appoint Auditors and to fix their remuneration.
4. As Special Business:

To consider and, if thought fit, to pass, with or without amendment, the following Resolution:—

(As an Ordinary Resolution), "RESOLVED that the Board of Directors be and is hereby authorised with effect from the commencement of the Companies Act, 1956, to borrow moneys from time to time for carrying on the business of the Company notwithstanding that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) will exceed the aggregate of the paid-up Capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose".

The Share Transfer Books of the Company will be closed from 28th September to 5th October, 1956, both days inclusive.

By Order of the Board,
MACNEILL & BARRY LTD.,
A. H. FORSTER,
Secretary,
Managing Agents.

2, Fairlie Place,
Calcutta, 7th September, 1956.

Note. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member.

EXPLANATORY STATEMENT

Item No. 4. By the provisions of Section 293 (1) (d) of the Companies Act, 1956, the Directors without the consent of the company in general meeting cannot borrow monies in excess of the aggregate of the paid-up capital of the company and its free reserves. An authority is therefore required for your Directors to borrow for the purposes of the Company in excess of this statutory limit. The Resolution is intended to provide that authority and to restore the position which prevailed under Article 65 prior to 1st April, 1956.

THE MOTHOLA COMPANY, LIMITED.

NOTICE is hereby given that the Eighty-second Annual Ordinary General Meeting of the Company will be held at the Registered Office, No. 21, Strand Road, Calcutta on Friday the 28th September, 1956 at 4-5 P.M. for the following purposes:—

- (1) To receive the Report of the Directors and to pass the Audited Accounts for the year ended 31st December, 1955.
- (2) To declare a Dividend.
- (3) To elect a Director; Mr. C. D. Wilson retires by rotation but, being eligible, offers himself for re-election.
- (4) To elect Auditors for the current year and to fix their remuneration.
- (5) To transact any other ordinary business of the Company.

The Share Transfer Books of the Company will be closed from the 15th September to the 28th September, 1956, both days inclusive.

By Order of the Board,
KETTLEWELL BULLEN & CO., LTD.,
Managing Agents.

Calcutta, 4th September, 1956.

N.B.—A member of the Company who is entitled to attend and vote may appoint a proxy to attend and vote instead of himself. A proxy need not be a member of the Company.

THE ALKALI & CHEMICAL CORPORATION OF INDIA, LTD.

NOTICE

THE Preference Share Registers of the Company will be closed from the 21st September, 1956 to the 1st October, 1956, both days inclusive.

By Order of the Board,
IMPERIAL CHEMICAL INDUSTRIES (INDIA) PRIVATE LTD.,
Secretaries.

Calcutta,
4th September, 1956.

THE EQUITABLE COAL COMPANY LIMITED.

NOTICE.

NOTICE is hereby given that an Annual General Meeting of the Members of the Company will be held at the Registered Office of the Company, No. 2, Fairlie Place, Calcutta, on Friday, the 5th October, 1956, at 3-00 P.M. for the following purposes:—

1. To receive and consider the Directors' and Auditors' Reports, the Profit and Loss Account for the half-year ended 31st December, 1955, and the Balance Sheet as at that date.
2. To declare Dividends.
3. To elect Directors.
4. To appoint Auditors and to fix their remuneration.
5. As Special Business:

To consider and, if thought fit, to pass, with or without amendment, the following Resolution:—

(As an Ordinary Resolution), "RESOLVED that the Board of Directors be and is hereby authorised with effect from the commencement of the Companies Act, 1956, to borrow moneys from time to time for carrying on the business of the Company notwithstanding that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) will exceed the aggregate of the paid-up Capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose".

The Share Transfer Books of the Company will be closed from 28th September to 5th October, 1956, both days inclusive.

By Order of the Board,
MACNEILL & BARRY LTD.,
A. H. FORSTER,
Secretary,
Managing Agents.

2, Fairlie Place,
Calcutta, 7th September, 1956.

Note. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member.

EXPLANATORY STATEMENT

Item No. 5. By the provisions of Section 293 (1) (d) of the Companies Act, 1956, the Directors without the consent of the company in general meeting cannot borrow monies in excess of the aggregate of the paid-up capital of the company and its free reserves. An authority is therefore required for your Directors to borrow for the purposes of the Company in excess of this statutory limit. The Resolution is intended to provide that authority and to restore the position which prevailed under Article 65 prior to 1st April, 1956.

TEESTA VALLEY TEA COMPANY, LIMITED.

THE Annual General Meeting of Shareholders of the above Company will be held at the Registered Office of the Company, No. 6, Church Lane, Calcutta, on Friday, the 5th October, 1956, at 12-15 P.M., to receive the Directors' Report, pass the Accounts for Season 1955, declare a Dividend and elect a Director and an Auditor.

The Share Transfer Books and Register of Members of the Company will be closed from the 22nd September to the 5th October, 1956, both days inclusive.

By Order of the Directors,
DAVENPORT & CO., PRIVATE LTD.,
Secretaries.

Note:—A member entitled to attend and vote at this Meeting is entitled to appoint a proxy, who need not be a member of the Company, to attend and vote in his stead.

GILLANDERS ARBUTHNOT & CO., LTD.

NOTICE is hereby given that the Preference Share Register of Members of the Company will be closed from the 24th September to the 1st October, 1956, both days inclusive, for payment on the latter date of an Interim Dividend on the Preference Shares of the Company @ Rs. 2/8/- per Share, less Income Tax, on account of the year ending the 31st March, 1957.

Dividend Warrants will be sent only to Registered Shareholders or to their Mandatees.

By Order of the Board,
J. F. E. d'A. WILLIS,
Managing Director.

Clive Buildings,
Netaji Subhas Road,
Calcutta,
4th September, 1956.

THE CALCUTTA JUTE MANUFACTURING CO. LTD.

NOTICE is hereby given that the Fiftieth Ordinary General Meeting of the shareholders will be held at the registered office of the company, "Stephen House", fourth floor, No. 4, Dalhousie Square East, Calcutta, at 3 p.m. on Monday, the 8th October, 1956, for the purpose of receiving the Report of the Directors and the Managing Agents, passing the audited accounts for the half-year ended 31st December, 1955, declaring the dividend on Preference shares, electing a Director and appointing Auditors.

The Transfer Register of the company will be closed from 28th September, 1956 to 8th October, 1956, both days inclusive.

By Order of the Board,
DAYARAM & SONS,
Managing Agents.

"Stephen House" 4th floor,
4, Dalhousie Square East,
Calcutta.

The 27th August, 1956.

Note:—(1) A member entitled to attend and vote is entitled to appoint a proxy to attend and vote in his stead. Such proxy need not be a member of the company.

(2) The dividend, if sanctioned, will be paid to those shareholders so entitled whose names appear in the company's books on the 8th October, 1956, or to their mandatees.

THE JOONKTOLLEE TEA COMPANY, LIMITED.

NOTICE is hereby given that the Eighty-second Annual Ordinary General Meeting of the Company will be held at the Registered Office, No. 21, Strand Road, Calcutta on Friday the 28th September, 1956 at 4-0 P.M. for the following purposes:—

- (1) To receive the Report of the Directors and to pass the Audited Accounts for the year ended 31st December, 1955.
- (2) To declare a Dividend.
- (3) To elect a Director; Mr. C. D. Wilson retires by rotation but, being eligible, offers himself for re-election.
- (4) To elect Auditors for the current year and to fix their remuneration.
- (5) To transact any other ordinary business of the Company.

The Share Transfer Books of the Company will be closed from the 15th September to the 28th September, 1956, both days inclusive.

By Order of the Board,
KETTLEWELL BULLEN & CO., LTD.,
Managing Agents.

Calcutta, 4th September, 1956.

N.B.—A member of the Company who is entitled to attend and vote may appoint a proxy to attend and vote instead of himself. A proxy need not be a member of the Company.

TEZPORE TEA COMPANY, LIMITED.

NOTICE is hereby given that the Thirty-eighth Annual General Meeting of the Members will be held at the Registered Office of the Company, No. 4, Bankshall Street, Calcutta, on Monday, the 8th October, 1956, at 4 P.M., for the following purposes:—

- (1) To receive and adopt the Directors' Report and the Audited Accounts for the year ended 31st December, 1955.
- (2) To declare Dividends.
- (3) To elect a Director.
- (4) To appoint Auditors and to fix their Remuneration.

The Transfer Register will be closed from the 27th September, 1956 to 8th October, 1956, both days inclusive.

N.B.—A Member entitled to attend and vote at the Meeting is entitled to appoint a Proxy who need not be a Shareholder of the Company. If it is desired to use a Proxy, the same should be completed in the manner described by Section 176(5) of the Companies' Act, 1956, and delivered at the Registered Office of the Company at least 48 hours before the time fixed for the Meeting.

By Order of the Board,
SHAW WALLACE & COMPANY LTD.,
Managing Agents.

Calcutta, 12th September, 1956.

THE DHEMO MAIN COLLIERIES, LIMITED.

NOTICE.

NOTICE is hereby given that an Annual General Meeting of the Members of the Company will be held at the Registered Office of the Company, No. 2, Fairlie Place, Calcutta, on Friday, the 5th October, 1956, at 2-30 P.M. for the following purposes:—

1. To receive and consider the Directors' and Auditors' Reports, the Profit and Loss Account for the half-year ended 31st December, 1955, and the Balance Sheet as at that date.
2. To elect a Director.
3. To appoint Auditors and to fix their remuneration.
4. As Special Business:

To consider and, if thought fit, to pass, with or without amendment, the following Resolution:—

(As an Ordinary Resolution), "RESOLVED that the Board of Directors be and is hereby authorised with effect from the commencement of the Companies Act, 1956, to borrow moneys from time to time for carrying on the business of the Company notwithstanding that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) will exceed the aggregate of the paid-up Capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose".

The Share Transfer Books of the Company will be closed from 28th September to 5th October, 1956, both days inclusive.

By Order of the Board,
MACNEILL & BARRY LTD.,
A. H. FORSTER,
Secretary,
Managing Agents.

2, Fairlie Place,
Calcutta, 7th September, 1956.

Note. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member.

EXPLANATORY STATEMENT

Item No. 4. By the provisions of Section 293 (1) (d) of the Companies Act, 1956, the Directors without the consent of the company in general meeting cannot borrow monies in excess of the aggregate of the paid-up capital of the company and its free reserves. An authority is therefore required for your Directors to borrow for the purposes of the Company in excess of this statutory limit. The Resolution is intended to provide that authority and to restore the position which prevailed under Article 65 prior to 1st April, 1956.

THE BARNAGORE JUTE FACTORY COMPANY, LIMITED.

(Incorporated in England)

LIABILITY OF MEMBERS LIMITED. DIVIDEND.

THE following Final Dividend has been recommended for the year ended 31st March, 1956, payable on the 12th October, 1956:—

On the Preference Shares 2½% (Two Shillings and six pence per share) less U.K. Income Tax of eight shillings and six pence in the £ Sterling.

Payment of any Dividend declared will be made only to those members whose names are registered in the Books of the Company on the 28th September, 1956 or to their Mandatees.

Dividend Warrants to Members on the Calcutta Register will be made payable in Calcutta.

No applications for Warrants will be necessary. Claims on behalf of holders of shares on blank transfer will not be entertained.

The Preference Share Transfer Books will be closed from the 15th September, 1956 to 28th September, 1956, both days inclusive.

By Order of the Board,
JARDINE HENDERSON, LIMITED,
D. FORDWOOD,
Secretary,
Agents.

4, Clive Row,
Calcutta, 6th September, 1956.

ANALYTICAL

Consulting and Technical Chemists
Soil, Water (including Bacteriological), Minerals,
Oils, Fertilizers, Shellac, Foods and Drugs—Gold
and Silver assays.
Sampling by arrangement.

R. V. BRIGGS & CO. PRIVATE LTD.

16, Old Court House Street,
West End Watch Co., Top Floor

JOINT STOCK COMPANIES PREFERENCE SHARES

Dividends are cumulative and shares carry a preferential claim on the property for the payment of capital and on the profits for dividend except in case of companies marked otherwise. Months against names of companies indicate approximately times of payment of dividends.

Year of Issue	NAMES	Amount Issued in 000's Rs.	Rate per cent	Paid-up per Share Rs.	Market Quotations 12-9-56 Rs.	A year ago Rs.	Year of Issue	NAMES	Amount Issued in 000's Rs.	Rate per cent	Paid-up per Share Rs.	Market Quotations 12-9-56 Rs.	A year ago Rs.
BANK.													
1901	Allahabad Bank (May Nov.)	15,000	6	100	120	132	1920	Birds Investments (Dec.)	24,000	5 1/2	100	79	80 1/2
COAL.													
1905	Bengal Nagpur (Feb. Aug.)	11,250	7	100	105	118	1895-99	Bombay Steam Navigation (July)	15,000	8 1/2	100	15 1/2	15
1896-97	Borra (June Dec.)	4,000	6 1/2	100	106 1/2	119	1903-99	Britannia Biscuit (Feb. Aug.)	15,000	8 1/2	100	15 1/2	15
1901-20	Burrakur (June Dec.)	22,980	7	100	109	127	1903-99	British Ceylon Corporation (14) (Apr. Mar.)	7,500	6	100	9 1/2	11 1/2
1946	Burrakur (June Dec.)	4,500	6 1/2	100	109	127	1903-99	British India Corporation (Feb. Aug.)	81,000	6	100	124 1/2	137
1895	Equitable (May Nov.)	4,500	6 1/2	100	109	127	1903-99	Burn Eng (1st & 2nd) (Feb. Aug.)	13,000	7	100	138	142
1931	Khas Kajora (Mar. Sept.)	1,930	6	100	104	117	1903-99	Burn Engineering (Feb. Aug.)	15,000	6	100	116	122 1/2
1920	New Beerhoom (Jan. July)	2,000	7	100	104	117	1903-99	Calcutta Electric Supply (Mar. Sept.)	1,900	6	100	11 1/2	12 1/2
1895-99	Ondal (June Dec.)	2,000	6 1/2	100	110	113	1903-99	Calcutta Silk Manufacturing (July Jan.)	2,000	6	100	55	60
COTTON MILLS.													
1905	Ahmedabad Advance (Apr. Oct.)	10,000	5	100	110	110	1905-24	Calcutta Tramways (Jan. July)	2,250	5 1/2	100	9 1/2	8 1/2
1884	Bangalore (Jan. July)	6,000	6	100	125	128 1/2	1905-24	Carew & Co. (January)	8,000	6 1/2	100	101	105
1938	Basanti (Oct.)	5,000	6 1/2	100	8	8	1905-24	Cawnpore Sugar Works (Feb. Aug.)	10,000	8	100	127	143
1896	Bengal-Nagpur (Apr. Oct.)	3,000	7	100	116	119	1905-24	Chheshien Mica Industries Ltd.	30,000	5 1/2	100	58	65 1/2
1900	Bowrah "B" (6) (1) (Apr. Oct.)	6,000	8	100	126	135	1905-24	Dacca Electric Supply (July)	6,000	6	100	101	98
1919	Bradbury "B" (Jan. Dec.)	14,750	7	250	324 1/2	324 1/2	1905-24	Dalmia Cement (Bharat)	3,500	6	100	101	98
1920	Buckingham & Carnatic (Jan. July)	21,300	7 1/2	100	144	133 1/2	1905-24	Delhi Flour Mills (Oct.)	90	7 1/2	100	133	133
1928	Cambodia (July)	1,000	7	100	122 1/2	125	1905-24	Deshgarh Power Supply "A" (Jan.)	16,000	5	100	102	107
1912	Central India (Apr. Oct.)	5,000	5	500	531 1/2	531 1/2	1905-24	Deshgarh Power Supply "B" (Jan.)	15,000	5	100	93	91 1/2
	Delhi Cloth & General (Oct.)	20,000	4 1/2	25	20	20	1905-24	Duncan Brothers & Co. Ltd.	45,000	4	100	62	71 1/2
1912	Elgin (May Nov.)	11,000	8	100	135 1/2	143	1905-24	Dunlop Rubber "First" (Jan. July)	30,000	6	100	125	126
1943	Elgin "B"	4,200	5	100	91	91	1905-24	Dunlop Rubber "Second" (Apr.)	40,000	6 1/2	100	94	100 1/2
1919	Elphinstone (May Nov.)	25,000	7 1/2	100	134	87 1/2	1905-24	East India Distilleries (Jan. July)	2,200	7	100	17 1/2	17 1/2
1918	Kooram (June Dec.)	10,000	7	100	130	123	1905-24	Eastern Investments Ltd. (Apr.)	2,500	5 1/2	100	10	10
1925	Khatu Mankani (Nov.)	10,000	6	100	88	88	1905-24	General Investment & Trust (Feb. Aug.)	1,000	5	100	75	77 1/2
1937	Kothari (Nov.)	12,000	6	100	101	101	1905-24	General Investment & Trust (Feb. Aug.)	1,000	6 1/2	100	65	70
1900	Muir (Feb. Aug.)	30,000	6	100	87	89	1905-24	Gillanders Arbuthnot (Apr. Oct.)	2,500	5 1/2	100	65	66
1913	New Great Eastern (Mar.)	3,000	5 1/2	200	185	185	1905-24	Gladstone Lyall & Co. Ltd.	15,000	5 1/2	100	68 1/2	64 1/2
1928	New Victoria (Apr. Oct.)	2,000	6	5	5 1/2	5 1/2	1905-24	Godfrey Phillips India Ltd.	30,000	5 1/2	100	68 1/2	66
1933	Palani Andavar (Mar.)	2,000	7	50	58 1/2	58 1/2	1905-24	Gwalior Sugar (Redeemable) (Dec.)	6,750	7	100	68	66
1935	Swadeshi (Bombay) (May)	15,000	5	100	115	115	1905-24	Gwalior Sugar (Dec.)	5,000	7	100	68	66
1927	Swadeshi (Cawnpore) (Mar.)	35,000	6	100	90 1/2	86 1/2	1905-24	Humayun Properties Ltd. (Nov.)	12,000	6	100	10	10
1931	Vasanta (Apr. Oct.)	3,000	6 1/2	100	113	120	1905-24	Indo Aluminium (Mar. Sept.)	40,000	5 1/2	100	82	75
1908	Vishnu (Apr.)	16,000	7	500	550	550	1905-24	Indo Burma Petroleum (Jan. July)	50,000	7 1/2	100	107 1/2	107
1927	Agarpara (Jan. July)	10,000	7	100	107	116 1/2	1905-24	Indian General Navy & Railways	2,244	6	100	85	82
1905	Alexandra (Feb. Aug.)	9,000	7	100	97 1/2	106	1905-24	Indian Cable Co. (Nov.)	12,880	6	100	33 1/2	27
1896	Alliance (Mar. Sept.)	15,000	6	97	107	113	1905-24	Indian Standard Wagon (Aug. or Sept.)	1,966	7	100	140	139
1917	Anglo-India (May Nov.)	40,000	7	100	97	107	1905-24	Indian Iron & Steel	2,695 1/2	5	100	108	110 1/2
1908	Auckland (July Jan.)	10,000	5 1/2	100	90	95	1905-24	Investment and Finance (Feb. Aug.)	2,000	6 1/2	100	75	77 1/2
1945	Auckland (July Jan.)	15,000	4 1/2	100	81	76	1905-24	Investment and Finance (Feb. Aug.)	2,000	6 1/2	100	65	70
1918	Bally (Jan. July)	20,000	7	100	105	115	1905-24	James Wright (Jan. July)	1,300	6	50	41	40
1896	Barnagore (Oct. Dec.)	2,200	5 1/2	100	42	46	1905-24	Jardine Henderson Ltd.	50,000	5 1/2	100	69 1/2	82
1906	Belvedere (Jan. July)	7,000	7	100	111	121	1905-24	Jessop & Co.	10,000	5	100	101	105 1/2
1940	Bengal (June Dec.)	10,000	5 1/2	100	79 1/2	82	1905-24	Jupiter General Insurance (Sept.)	4,990	6 1/2	100	10	10
1919	Birla (June Dec.)	23,540	7 1/2	100	101	102	1905-24	Kumardhubi Engineering (June)	12,000	5	100	103 1/2	107
1896	Budge Budge (May Nov.)	9,000	7	100	111	120	1905-24	Do. Fireclay & Silica (June)	2,000	7	100	116	116 1/2
1934	Calcutta (Jan. July)	6,000	6 1/2	100	78	90	1905-24	Martin Burn Ltd.	30,000	5	100	105	107 1/2
1919	Caledonian (June Dec.)	10,000	7	100	109	118	1905-24	McLeod & Co.	10,000	5 1/2	100	69	73
1919	Cheviot (Jan. Dec.)	10,000	7	100	111	123	1905-24	McLeod & Co.	10,000	5 1/2	100	75	83 1/2
1928	Chitavalah (Mar. Dec.)	5,000	7	100	110	116	1905-24	Mettur Chemical & Industrial (Sept.)	20,000	6	100	99	88 1/2
1900	Clive (First) (May Dec.)	8,000	6	100	91	92	1905-24	Metal Box Co. of India Ltd.	30,000	6 1/2	100	96	97
1905	Clive "A" (Second) (May Dec.)	8,000	7	100	98	105	1905-24	Midnapore Zemindary (Feb.)	8,750	5	100	92	92
1903-12	Dalhousie (July Jan.)	15,000	7	100	102	114 1/2	1905-24	Mysore Chemical Mfg. (Sept.)	2,000	5	100	9 1/2	8 1/2
1897	Delta (June Dec.)	5,000	5	100	105	94	1905-24	National Insulated Cable	10,000	5 1/2	100	79	80 1/2
1912	Empire (Jan. July)	10,000	7	100	109	116	1905-24	National Tobacco (June Dec.)	25,000	5	100	70	71
1890-98	Fort Gloster (Jan. July)	14,000	7	100	81	85	1905-24	National Tobacco (Jan. Dec.)	20,000	4 1/2	100	48	56
1948	Fort Gloster (2nd)	7,000	7	100	115	123 1/2	1905-24	Northern India Oil (Jan. July)	2,000	6	100	48	56
1911	Fort William (May Nov.)	7,000	7	100	115	123 1/2	1905-24	Poona Electric Supply Co. Ltd. (June Dec.)	4,000	7	100	103 1/2	103 1/2
1916	Ganges (June Dec.)	6,000	8	100	101	130	1905-24	Premier Construction "First" (Apr.)	10,000	6 1/2	100	104	104
1895-04	Gouropore (June Dec.)	25,500	6	100	92 1/2	103 1/2	1905-24	Premier Construction "Second" (Apr.)	15,000	6 1/2	100	99 1/2	107 1/2
1935	Hastings (Aug. Feb.)	25,000	6	100	100	108	1905-24	Purbapore (Sugar) (Oct.)	6,000	10	100	16 1/2	16 1/2
1913	Howrah (July)	11,000	10	100	13 1/2	15 1/2	1905-24	Ramnagar Cane & Sugar (Aug.)	4,000	6	100	99 1/2	105 1/2
1890	Howrah "A" (Jan. July)	7,750	7	100	104	115	1905-24	Rohas Industries (April)	20,000	7	100	124	135
1919	Hukumchand (Jan. Dec.)	40,000	7	100	108 1/2	114 1/2	1905-24	Rohas Industries "B" (Apr.)	85,000	4 1/2	100	64	69
1898-04	Kamarrath (Apr. Oct.)	16,000	6	100	91	105	1905-24	Shaw Wallace & Co. Ltd.	75,000	6 1/2	100	78 1/2	85
1900	Kankarath (Jan. July)	2,000	6	100	102	105	1905-24	Shree Gopal Paper	7,500	6	100	119 1/2	126 1/2
1935	Kedarnath (Jan. July)	10,000	7	100	95	95	1905-24	Shree Krishna Gyanodaya Sugar "A" (Oct.)	6,000	6	100	75	80 1/2
1907	Kelvin (Mar. Sept.)	2,000	7	100	95	95	1905-24	Shree Krishna Gyanodaya Sugar "B"	12,000	5	100	70	66 1/2
1895-09	Khardah (May Nov.)	9,000	6	100	103	103	1905-24	Smith Stanistreet (Chemists) (Nov.)	5,000	7	100	161 1/2	161 1/2
1900-13	Kinnison (July Jan.)	15,000	7	100	99	118	1905-24	Son Behar Sugar (Oct.)	23,200	6 1/2	100	91	91
1912	Landsdowne (July Jan.)	15,000	7	100	101	114	1905-24	Spencer & Co. "A" (Provisions) (Jan. July)	23,200	6 1/2	100	91	91
1912	Lawrence "A" (July Jan.)	5,000	7	100	104	116	1905-24	Spencer & Co. "B" (Provisions) (Jan. July)	36,800	8 1/2	100	101	101
1905	Naihati (July Jan.)	7,500	7	100	118	120	1905-24	Star Paper (Apr. Oct.)	10,000	5	100	131	131
1945	Naihati (Jan. Dec.)	10,000	4 1/2	100	76	76	1905-24	Surat Electricity (Apr.)	5,000	6 1/2	100	131	131
1919	Nellimarla (May Nov.)	5,000	7	100	119	126	1905-24	Tata Chemicals (Nov.)	60,000	5	100	117 1/2	117 1/2
1939	Nellimarla (Apr. Oct.)	5,000	6	100	97 1/2	104	1905-24	Tata Hydro Electric Power (Sept. Mar.)	89,200	7	100	121 1/2	121 1/2
1915	New Central (Jan. July)	33,000	7	100	105 1/2	114	1905-24	Tata Iron & Steel (First) (Nov.)	75,000	6 1/2	150	160	160
1908-09	Northbrook (July Jan.)	15,000	6	100	102	102	1905-24	Tata Iron & Steel (Second) (May)	69,800	7 1/2	150	121 1/2	127 1/2
1935	Remeshwara (Jan. July)	7,000	6	100	102	102	1905-24	Tata Power & Light (May Nov.)	85,900	7 1/2	1,275	1,275	1,275
1906-12	Reliance (Jan. July)	20,000	7	100	94 1/2	112	1905-24	Tezpur-Balipara Tram (1) (June Dec.)	11,500	6	100	145	153
1901	Sannagur (Feb. Aug.)	2,150	8	100	104	108	1905-24	Titagarh Paper Mills (Mar. Sept.)	15,000	4 1/2	100	89	89
1920	Soorah (Feb. Aug.)	11,700	7 1/2	100	104	113	1905-24	Titagarh Paper Mills "2nd" (Mar. Sept.)	15,000	4 1/2	100	89	89
1895-01	Standard (July Jan.)	9,000	6	100	104	113	1905-24	Vellore Electric (Sept. Mar.)	1,200	6	100	82 1/2	82 1/2
1901-02	Titagarh (Feb. Aug.)	2,150	6	100	104	113	1905-24	Vizagapatnam Electric Supply (July)	1,000	6 1/2	100	82 1/2	82 1/

COAL COMPANIES

O. P. F. and Dd. indicate Ordinary Preferred-Ordinary. Founders' and Deferred shares respectively. P. next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Manufacturing Agent	Net Profits including taxation		Carry forward	Dividends per cent			Balance per Share	Latest Market Quotations as available until		
							Rs.	Rs.		1953	1954	1955		12-9-56	5-9-56	A year ago
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.					Rs.	Rs.	Rs.	
25,50,000	26,43,478	24,50,000	6,60,570	Amalgamated	3-9	236	6,83,393	26,953		5-5	31-5	61-71	10	23	231	241
1,00,00,000	1,96,15,288	1,40,49,223	18,85,559	Bengal P	4-10	2	26,18,986	7,31,563		81-71	71-71	81-81	200	536	542	540
4,49,350	5,08,193	70,000	2,24,303	Bengal Shatdee	6-12	2	15,149	4,951		11-11	11-11	11-11	10	61	61	61
2,25,000	2,52,838	5,34,591	13,809	Bengal Nagpur P	6-12	2	16,266	57,417		Nil-Nil	Nil-Nil	Nil-Nil	10	16	16	111
15,97,000	14,16,665	6,91,475	13,52,076	Bhalgoran	9	152	8,13,899	39,978		Nil-Nil	Nil-Nil	Nil-Nil	10	61	61	71
40,00,000	68,01,474	20,23,235	32,65,320	Bharat Collieries P	6-12	335	2,52,221	27,433		61	61	61	10	71	61	71
7,15,000	15,63,291	14,29,045	68,704	Bhulanbararee	6-12	106	20,810	1,87,446		Nil-Nil	Nil-Nil	Nil-Nil	10	121	121	131
16,00,000	38,87,275	16,18,636	7,185	Bokare & Ramgur	6-12	315	1,21,936	79,196		15-12	10-10	10-10	10	121	121	131
7,50,000	18,56,889	24,29,026	11,00,066	Borrea P	6-12	106	2,14,682	84,207		15-12	10-10	10-10	10	241	231	30
90,92,280	2,38,29,968	1,75,17,502	25,32,133	Burrakur P	6-12	21	11,90,330	1,15,376		11-21	21-31	31-31	10	151	141	141
49,97,000	35,80,075	750	1,75,992	Central India	3	166	1,33,037	14,019		21	21	21	10	71	71	71
8,00,000	16,67,573	13,30,519	15,752	Central Kurkud P	6-12	323	34,743	82,768		31-31	31-31	31-31	10	121	121	111
6,00,000	1,43,676	7,32,536	1,30,000	Churulia	6-12	106	6,374	2,129		11-11	11-11	11-11	10	21	21	21
16,00,000	23,76,131	1,20,000	35,989	Dhenc Main	6-12	19	70,801	2,43,279		Nil-Nil	Nil-Nil	Nil-Nil	10	8	8	91
2,240,000	1,234,668	2,372,456	2,372,456	East Indian	4	128	2,137,640	259,767		181	181	221	10	321	311	301
29,63,760	1,02,83,132	76,84,250	31,79,507	Equitable P	6-12	19	5,71,573	93,266		10-81	71-71	71-71	10	301	301	32
10,00,000	6,74,708	2,07,486	3,32,973	Ghusick & Muslia	3	307	12,979	24,844		Nil-Nil	Nil-Nil	Nil-Nil	10	15	15	171
6,50,000	5,85,856	33,155	4,95,544	Juzard Kajora	6-12	20	24,150	2,401		71-71	71-10	121-10	10	21	31	41
8,00,000	2,81,843	6,75,000	5,09,694	Huriladhi	6-12	19	2,58,582	65,461		71-71	71-10	121-10	10	22	22	21
3,50,000	6,31,200	5,66,816	1,407	Kalapahari	2-8	2	1,38,130	2,21,237		171-10	Nil-Nil	Nil-Nil	10	201	201	291
15,00,000	31,71,936	24,32,396	25,61,314	Karanpura Development	6-12	21	49,116	17,839		Nil-Nil	Nil-Nil	Nil-Nil	100	201	211	19
5,00,000	25,67,864	2,27,825	75,106	Karanpura Collieries P	2	21	2,23,402	2,661		Nil	Nil	21	100	119	119	1281
20,00,000	10,29,548	16,00,000	11,25,332	Katras Jheriah	1-7	2	5,92,347	1,33,475		20-20	28-28	25-30-35	10	62	601	531
1,38,400	6,75,000	95,000	11,80,294	Khas Kajora P	6-12	326	49,776	1,918		Nil	Nil	Nil	10	91	91	91
5,65,750	10,84,977	85,000	9,599	Mundulpur	6-12	326	79,868	79,868		Nil-Nil	Nil-Nil	Nil-Nil	10	21	21	31
7,48,240	2,62,442	1,50,000	5,04,429	Nazira	10	347	82,501	25,598		Nil	Nil	Nil	10	7	7	61
7,00,000	5,13,418	26,617	61,541	New Bandedpur	3-9	5	59,011	6,071		31-11	31-71	71-11	10	10	10	101
17,76,230	31,15,787	20,01,763	3,78,538	New Beerbhoom P	4-10	2	2,64,716	94,383		5-5	31-31	31-31	10	191	191	201
6,00,000	11,71,307	75,000	40,447	New Manbhoom	3-9	202	25,330	2,233		Nil-Nil	Nil-Nil	Nil-Nil	10	121	101	101
2,50,000	7,69,623	1,75,000	10,12,916	North Damuda	1-7	306	7,954	32,184		Nil	Nil	Nil	10	21	21	21
1,15,000	4,42,488	2,85,193	1,53,246	North West	3-9	2	51,420	15,930		21-11	Nil-Nil	61-71	10	19	19	181
1,57,500													10	71	171	131
7,50,000	1,20,000	12,19,987	23,26,757	Ondal P	6-12	106	22,197	56,646		10-10	5-5	5-5	10	151	151	181
8,44,000	9,21,342	10,00,000	4,30,051	Parasee P	6-12	207	1,08,075	8,018		11-11	31-31	31-31	10	141	141	141
15,75,000	12,40,000	10,00,000	12,61,640	Pench Valley	6-12	206	18,450	33,343		71-81	81-71	71-71	10	211	221	211
2,50,000	2,62,405	7,500	11,536	Pure Stalpur	6-12	5	2,008	18,581		Nil	Nil	Nil	10	6	6	61
23,99,000	37,59,038	19,17,105	39,198	Raneegunge	3-9	79	1,83,814	16,846		Nil-Nil	21-21	21-31	10	121	121	131
13,50,000	7,98,001	9,28,385	14,29,643	Rewa	6-12	236	4,96,775	26,029		10-10	71-61	81-121	10	221	221	191
20,00,000	23,74,261	7,52,027	1,01,427	Samia	12	48	1,80,660	31,543		21-21	71	71	10	14	14	16
2,50,000	1,56,194	1,34,374	11,356	Searsole	1	353	88,009	11,078		25	25	30-15	10	7	7	141
2,80,000	10,92,193	6,36,598	7,87,726	Seebpore P.	6-12	2	2,42,112	49,299		121-121	142-142	11-142	10	30	201	291
8,00,000	23,624	8,59,336	6,32,757	Sendra	6-12	106	4,098	7,503		11-11	Nil-Nil	11-11	10	111	111	111
17,50,000	22,81,985	10,75,016	63,654	South Karanpura	2-8	21	59,079	51,533		11-11	Nil-Nil	11-11	10	91	91	121
8,00,000	1,43,000	13,69,395	21,89,890	Standard	6-12	106	47,444	17,347		10-10	71-71	5-5	10	231	231	201
10,00,000	15,58,085	15,575	3,910	Talcher	9	277	22,689	3,85,056		Nil	Nil	Nil	10	31	31	31
3,50,000	4,66,000	3,53,000	8,176	Union	6-12	279	4,033	44,167		10-71	5-21	21-21	10	141	141	171
49,98,000	30,14,812	21,556	4,20,307	Western Bengal	3	166	3,99,468	37,694		31	31	31	10	61	61	71
7,00,000	32,55,152	1,38,190	40,060	West Jamuria	6-12	19	1,31,849	12,624		Nil-Nil	Nil-Nil	Nil-Nil	10	11	111	141

* 1956.

N = Nominal

COTTON MILLS

Paid-up Capital Ordinary	Number of		Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up per shares	Latest Market Quotations as available until		
	Spindles	Looms									Rs.	Rs.	Rs.		1953	1954	1955	12-9-56	5-9-56	A year ago
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.				Rs.	Rs.			Rs.	Rs.	Rs.	Rs.	
15,00,000	14,108	356	14,62,919	1,73,478	11,90,008	Basanti P	12	49	1,97,268	41,227	21		10	61	61	51	
32,72,340	22,197	505	27,69,876	23,18,909	24,351	Benares P	3-9	120	-1,27,187	-4,79,347			10	11	11	11	
7,11,280	36,000	932	17,17,120	2,20,369	30,842	Bengal Luxmi	3	27	3,66,176	47,818			10	41	41	40	
27,00,000	31,476	624	23,53,000	15,50,000	3,84,224	Bengal Nagpur P	6-12	236	-5,23,389	18,199	21-Nil		10	91	91	91	
15,00,000	38,764	992	31,55,500	1,09,84,251	21,32,642	Birla Cotton	3	22	5,28,332	4,25,221	30	30	10	301	301	301	
6,00,000	42,872	641	37,54,142	22,72,588	1,44,948	Bowen P	6-12	138	84,028	-23,47,373	Nil-Nil	Nil-Nil	100	150	150	390	
30,00,000	22,000	510	8,43,453	29,51,420	1,00,393	Cawnpore Textiles	3	25	6,73,253	36,767	111	10	10	81	9	81	
3,27,32,900	1,01,808	2,762	9,94,63,168	2,74,48,393	2,94,83,803	Delhi Cloth & Genl. P.	6	238	1,81,41,278	82,759	9	9	25	371	371	361	
1,09,563																	
19,00,000	42,944	518	34,12,181	25,71,925	1,53,884	Dunbar	6-12	138	9,92,376	1,37,951	Nil-Nil	Nil-Nil	100	275	303	247	
63,00,000	54,000	1,200	22,44,751	66,33,360	43,06,583	Elgin P	9	25	32,80,464	93,886	15	10	10	271	271	201	
1,20,00,000	59,250	1,872	2,38,99,575	1,60,53,952	47,29,268	Kesoram P	3	22	37,41,719	2,45,435	111	81	20	181	181	161	
6,00,000																	
33,96,288	35,864	864	17,48,143	9,75,679	14,08,655	Mohini P	12	45	9,53,316	5,158			25				
30,00,000	88,000	1,825	47,44,546	15,69,601	92,65,055	Muir P	12	208	-18,77,941	-7,77,290			100	88	88	118	
22,89,852	78,848	1,367	43,25,577	26,00,968	1,45,701	New Victoria P	12	237	-18,83,371	-13,76,473	Nil		210	21	21	11	
3,07,095													100				
19,47,750	23,196	795	22,57,946	18,38,739	2,02,179	Rampooria Cotton	6	4	6,16,936	1,094	61	10	10	151	151	121	
5,00,000													1	21	21		
17,50,000																	
1,57,50,000	1,14,836	2,077	2,83,77,688	2,65,04,931	32,30,412	Swadeshi (Cawnpore) P.	12	333	43,71,838	7,09,029	5	71	100	111	111	9	
													10	121	121	101	
40,50,000	48,754	1,310	91,31,708	1,89,73,217	43,89,979	Bangalore W C Silk P	12	26	56,34,938	2,38,649	25	30	100	580	582	510	
1,78,47,800	1,20,012	2,770	3,20,71,600	1,87,39,278	23,80,514	Buckingham Carnatic P	12	26	1,01,66,075	2,38,445	10	10	100	201	200	168	
20,00,000	28,000		18,03,003	20,32,074	11,26,239	Cambodia P	12	210	1,96,274	27,993	71	Nil	10	141	141	13	
12,00,000	23,864		6,41,058	9,00,000	36,53,502	Coimbatore Cotton	12	188	5,53,750	61,404			100	390	392	321	
20,76,900	72,832	407	19,91,212	12,25,505	17,90,000	Coimbatore Spg & Wvg	6	46	7,52,342	-10,23,340	Nil			113	116	85	
6,50,000	50,640	295	12,25,505	17,90,000	58,77,434	Kaleeswarar	12	139	2,05,780	7,677			100	332	332	295	
24,00,000	30,512	200	32,38,868	16,25,000	7,43,757	Kothari Textile P	6	141	3,25,924	29,382	5	6	10	191	191	141	
23,64,000	48,756		15,01,051	21,70,200	78,050	Lakshmi	12	186	31,41,248	2,209			50	249	250	156	
1,75,02,480	4,65,324		2,15,02,107	41,81,878	1,04,681	Madura	12	108	77,86,509	18,86,813	20	20	15	521	52	481	
12,00,000	21,856		8,43,189	5,85,383	10,32,898	Malabar Spg & Wvg	12	240	-48,44,863	-94,039			200	113	113	115	
60,00,000	24,252	603	20,49,893	69,00,000	11,91,755	Mettur Industries	3	29	48,44,863	45,835	221	35	421	100	485	490	
13,61,780	6,000		14,15,992	8,90,279	1,34,663	Mysore Spun Silk	3	142	1,753	3,988	Nil	Nil	10	61	61	31	
4,00,000	20,127	Nil	8,36,008	3,00,000	24,24,908	Palani Andavar P	12	30	7,39,437	2,687			50	172	172	120	
7,79,700	15,540	416	5,42,118	2,43,421	2,65,911	Sitaram Spg & Wvg	3	164	87,764	3,093			60				
7,00,000	28,104	270	12,99,563	18,23,501	11,71,324	Vasanta P	12	47	16,37,458				100	345	345	243	

TEA COMPANIES

O, Po and Dd indicate Ordinary, Preferred Ordinary and Deferred Shares, respectively. P next to the name of the company indicates that the Company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & Funds	Accounts under Tea	Outturn and Average Price per lb. realized for crop		Estimate 1956	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Dividends per cent			Paid-up Capital Ordinary	Latest Market Quotations as available until				
				1954							1955		1953		1954	1955	12-9-56	5-9-56	A year ago
				Lbs.	As. P.						Lbs.	As. P.							
OACHAR																			
3,00,000	3,40,387	1,75,000	862	2,80,040	39-11	..	Aracitipore	12	38	1,72,877	NH	NH	..	10	12	12	12		
4,00,000	4,26,269	49,878	465	..	..	..	Baitakha	12	35	43,307	..	..	..	10	101	101	124		
10,00,000	17,71,849	8,13,800	1,480	8,90,263	40-10	..	Centra Cachar	12	128	59,004	NH	71	..	100	100	100	136		
2,50,000	2,77,553	NH	794	7,00,450	4-2 1/2	..	Chandypore	12	128	68,346	NH	NH	..	100	116	116	123		
2,00,000	6,99,137	11,000	649	9,31,320	38-6	..	Eastern Cachar	12	202	2,48,284	NH	..	..	10	91	91	111		
12,00,000	18,43,015	11,50,000	2,153	17,59,320	35-4	..	Hatikthira	12	202	1,22,856	25	46	..	16	16	29	29		
4,50,000	2,97,000	1,65,222	588	..	..	..	Kallinour Khoreal	12	313	91,071	NH	15	..	100	102	102	135		
3,00,000	3,25,000	2,50,000	1,350	7,33,257	47-6	..	Kunchunpor	12	33	3,31,927	NH	274	..	100	264	264	264		
7,00,000	8,90,329	NH	489.5	..	..	..	North Western Cachar	12	63	2,21,673	NH	20	..	100	104	104	144		
1,60,000	1,90,357	1,16,592	618	3,04,120	36-4 1/2	..	Pathemara P.	12	202	1,64,444	NH	..	..	10	15	15	21		
5,25,000	5,25,000	6,28,514	688	6,78,800	41-11	..	Rooopacherra	12	165	4,33,780	NH	10	..	10	22	22	224		
4,00,000	5,88,316	5,52,313	682	4,49,338	36-7 1/2	..	Rungamattie	12	63	5,75,715	20	35	..	50	104	104	144		
1,75,000	5,02,207	4,31,250	1,050	4,63,320	..	..	Sonsi River, P.	12	74	3,73,077	NH	121	..	10	191	191	241		
						..	Tilkak	12	95	5,22,970	NH	20	..	10	12	12	10		
DARJEELING																			
3,99,750	6,89,413	4,157	562	1,14,311	29-11	..	Bloomfield	12	101	73,298	NH	NH	..	10	31	31	42		
2,19,000	2,72,581	1,25,000	407.5	1,41,174	82-0	..	Champong	12	279	1,34,369	NH	20	..	10	17	17	20		
3,50,000	3,75,900	3,11,928	691	..	..	..	Darj. Tea Chinchona	12	139	1,15,695	71	40	..	100	175	175	290		
2,00,000	1,74,363	1,62,639	688	1,25,760	52-5	..	Diharam	12	400	1,03,183	NH	21	..	100	190	190	315		
2,00,000	2,13,500	5,53,585	500	2,84,204	49-11	..	Jielle P.	12	19	3,24,074	NH	25	..	10	271	31	47		
7,00,000	6,25,300	2,10,770	1,049	6,53,740	58-31	..	Langfa	12	279	6,25,171	20	30	..	10	301	301	47		
4,02,000	5,57,576	1,116	781	5,26,515	49-8	..	Longview	12	95	8,04,832	10	20	..	10	124	124	162		
4,50,000	5,57,134	3,00,000	816	..	..	..	Margaret's Hope	12	165	1,53,501	71	..	..	10	161	161	224		
1,50,000	1,75,389	3,10,239	453	1,82,080	62-4	..	Mim	12	2	2,10,365	10	40	..	100	296	296	377		
2,39,000	3,40,000	3,30,000	689	4,35,016	52-4	..	Nagri Farm	12	279	5,44,268	20	50	..	10	271	271	338		
4,00,000	1,50,000	1,07,500	505	1,31,153	53-3	..	Nearby T.	12	63	1,93,338	NH	371	..	100	600	600	590		
3,50,000	3,02,668	2,61,118	778	..	..	..	Pashok	12	136	852	10	30	..	10	28	28	24		
3,50,000	3,35,406	4,73,385	500	1,58,697	54-5	..	Poobong	12	63	1,73,613	21	15	..	10	15	15	16		
2,15,000	4,20,500	2,68,427	570	1,58,740	50-8	..	Pumding P.	12	74	2,02,538	NH	10	..	10	14	14	14		
1,40,000	1,40,000	4,77,000	341	1,80,720	52-0	..	Runglee Rungliot	12	63	2,83,196	171	50	..	100	408	408	450		
3,00,000	2,60,300	71,302	389	1,77,704	53-3	..	Seeroot	12	113	1,09,321	21	15	..	10	151	151	20		
6,25,000	3,98,413	1,450	747	2,05,035	47-6	..	Singell	12	101	4,57,341	NH	3	..	10	381	381	65		
9,00,000	9,27,623	1,46,857	693	2,64,300	50-4	..	Singtom, P.	12	279	4,43,350	30	50	..	10	6	51	83		
3,00,000	2,89,060	4,30,000	554	2,89,738	50-3	..	Soom	12	165	5,00,250	NH	71	..	10	33	351	304		
6,25,000	11,06,947	5,74,585	382	3,76,000	54-5	..	Sungma	12	74	5,54,651	15	40	..	10	121	121	121		
3,20,000	1,86,000	9,62,401	7184	4,40,947	48-83	..	Teesta Valley	12	279	3,99,993	NH	10	..	10	121	121	171		
6,01,350	10,96,000	2,90,000	1,666	7,11,945	50-53	..	Tukvar	12	279	3,99,993	NH	10	..	10	121	121	171		
DUARS																			
15,00,000	17,66,862	34,25,000	2,540	30,81,680	51-2	..	Baranahat, P.	12	2	51,07,307	45	120	..	100	334	334	741		
6,00,000	20,53,853	17,70,000	1,105	13,91,320	43-7	..	Banaradi, P.	12	128	13,94,614	30	65	..	10	491	491	674		
9,00,000	8,05,410	11,05,042	1,112	..	..	..	Bhatkawa	12	165	9,45,451	30	..	..	10	391	391	47		
9,00,000	9,00,000	6,50,000	1,349.9	11,96,886	52-5	..	Birpara P.	12	63	12,07,481	NH	20	..	100	171	171	255		
6,00,000	6,00,000	5,33,082	902	6,04,104	52-10	10,82,880	Carron	12	63	4,07,837	221	25	..	100	201	201	268		
6,00,000	6,91,678	10,50,000	903	10,68,480	49-11	11,60,000	Noonabhatti, P.	12	2	3,90,498	25	90	20	..	100	322	322	618	
3,00,000	2,16,475	2,50,000	500	4,01,294	42-8	..	Ellenbarrie	12	63	3,28,255	NH	110	..	10	577	577	645		
1,20,000	1,70,311	2,64,000	265	2,04,280	49-11	..	Engo	12	2	4,49,363	5	110	..	100	577	577	645		
3,00,000	5,11,776	4,00,000	447	4,75,340	39-9	..	Etherbari	12	354	4,64,619	NH	50	..	10	291	291	341		
5,50,000	1,28,424	5,59,500	1,233.6	7,62,720	47-4	12,20,160	Gairkhatu	12	88	10,21,301	20	70	..	100	238	238	391		
10,50,000	17,49,550	22,55,503	1,022	12,26,090	47-11	27-11	Jopalnagar	12	99	1,93,197	16	24	12	25	231	231	321		
24,00,000	20,00,000	14,48,782	4,247	30,88,842	44-1	..	Kantapara P.	12	63	3,93,197	25	60	..	100	321	321	461		
32,00,000	52,36,329	60,63,335	4,236.5	60,63,335	44-11	..	Hastimara P.	12	63	4,97,920	25	60	..	10	321	321	461		
6,25,000	4,40,000	19,79,213	1,452	16,07,368	42-6	..	Huldiabar	12	74	10,99,393	221	30	..	10	321	321	461		
5,50,000	4,30,325	6,85,062	607	4,86,400	54-3	..	Jaybirpara	12	3	7,17,491	25	65	..	10	201	201	491		
9,00,000	8,75,900	1,12,233	927	11,46,819	59-4	..	Kilkoot	12	63	10,39,758	20	411	..	10	261	261	341		
2,00,000	4,12,000	3,50,000	620	4,73,830	45-1	..	Manabarris	12	217	5,69,183	10	65	..	100	793	793	800		
9,00,000	9,60,000	12,80,223	1,125	16,59,338	44-5	..	Nagatourree	12	63	13,28,256	10	65	..	100	250	250	326		
14,00,000	8,91,963	18,45,000	1,163	15,52,400	44-2	16,35,520	New Oodara, P.	12	2	6,83,263	45	100	..	100	304	304	618		
3,20,000	3,96,142	5,80,000	578	8,29,200	49-3	..	Oodlabari	12	202	9,19,256	20	75	25	10	511	511	571		
2,50,000	2,30,000	4,79,541	348	2,56,097	42-0	..	Phaskawa	12	63	2,61,201	10	30	..	100	245	245	245		
6,00,000	6,29,496	5,01,934	764	..	..	..	Rajabhat	12	165	4,69,350	15	..	..	10	201	201	381		
7,65,000	10,03,372	6,43,938	1,635	..	..	..	Rancherra	12	165	4,17,000	NH	30	..	10	211	211	255		
7,48,100	22,28,247	29,20,000	1,766	19,10,000	48-61	..	Rydak	12	128	7,81,128	20	..	..	10	80	80	931		
4,46,000	5,45,381	6,97,500	663	6,01,920	48-4	..	Sarugaon	12	3	10,50,277	121	110	..	10	491	491	42		
TERAI																			
4,50,000	10,63,145	1,64,521	607	3,99,840	44-7	..	Atal	12	101	5,20,393	NH	15	..	10	87	87	14		
2,50,000	1,36,062	5,35,401	450	3,23,610	36-0	..	Belgachi	12	345	1,48,951	30	40	..	10	68	68	374		
8,40,000	4,06,045	1,07,185	1,589.9	13,20,702	48-7	..	Gungaram	12	63	18,94,382	30	60	..	100	169	171	431		
5,00,000	5,11,381	6,15,000	517	4,25,455	47-2	..	Hansuka	12	63	3,39,261	25	25	..	10	231	241	30101</		

MISCELLANEOUS COMPANIES—Contd.

O, Po, C, and Dd indicate Ordinary, Preferred Ordinary, Contributory and Deferred Shares respectively. P. next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary			Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until.		
Ra.	Ra.	Ra.	Ra.	Ra.	Ra.				Ra.	Ra.	1953	1954	1955	Ra.	12-9-56	5-9-56	A year ago
SUGAR BREWERIES, ETC.																	
11,00,000	6,45,722	3,75,000	10,90,564	New Saven Sugar and Gur	5	140	95,437	52,205	10	10	10	10	10	10	61	61	71
9,00,000	1,28,559	17,64,369	58,734	Purtabpur Sugar P.	10	25	5,08,340	6,871	10	10	10	10	10	10	151	151	151
16,59,820	25,52,127	35,00,000	4,84,050	Rannugger Cane & Sugar P.	8	1	18,11,504	20,350	20	15	20	10	10	10	271	271	261
19,99,600	25,62,563	39,88,218	13,92,915	Raza Sugar	10	92	10,78,193	3,144	10	10	10	10	10	10	201	201	201
8,00,000	4,42,169	6,54,762	1,85,115	Ryam Sugar P.	6	25	1,43,798	24,340	5	5	5	10	10	10	201	201	201
11,99,000	15,94,631	18,37,529	98,312	Samastipur Central Sugar	6	25	79,022	8,477	5	5	Nil	10	10	10	13	131	141
20,00,000	72,62,286	36,66,708	1,63,441	Shree Krishna Gyanodaya Sugar P.	7	335	12,99,511	34,046	15	15	171	10	10	10	121	13	151
7,94,500	13,54,858	11,65,175	11,13,383	Shree Sitaram Sugar	6	140	1,90,057	7,991	10	10	10	10	10	10	151	151	141
9,99,950	14,54,274	1,54,304	1,42,696	Sitalpore Sugar	6	94	1,39,515	1,39,515	Nil	Nil	Nil	10	10	10	41	41	61
16,00,000	6,07,804	7,99,778	4,22,572	United Provinces	9	341	4,23,890	39,061	5	121	10	10	10	10	211	211	25
8,00,000	38,92,308	21,57,550	3,60,236	Upper Ganges Sugar P.	6	227	10,24,525	82,931	25	25	25	10	10	10	941	941	70
14,00,000A	14,24,740	23,74,426	10,72,924	Upper India Sugar	4	302	16,80,986	86,393	15	15	20	100AC	100BC	100	281	281	127
1,00,000B															281	281	15
MISCELLANEOUS																	
8,00,000	2,20,232	1,56,200	9,53,561	A Firpo (Restaurateurs)	10	85	84,518	4,475	10	10	10	10	10	10	41	41	711
1,50,00,000	1,40,80,394	8,21,715	51,061	Air India Ltd.	12	269	6,02,785	14,30,401	Nil	10	100	100	100	100	100	100	100
2,00,00,000	2,59,39,656	68,01,534	50,022	Air India International Ltd.	12	322	10,51,340	30,205	Nil	10	100	100	100	100	100	100	100
47,50,000C															100	100	100
2,50,000D	1,31,03,534	15,00,000	5,97,941	Aluminium Corp. P.	3	132	12,82,024	32,582	Nil	Nil	Nil	100	100	100	121	121	121
20,00,000	42,43,917	14,50,000	55,36,059	Anderson Wright, Ltd. P.	12	1	4,94,322	24,401	6	71	10	111	111	10	111	111	111
30,00,000	10,11,675	37,63,779	14,41,315	Angelo Bros.	6	268	11,84,131	3,43,961	121	121	20	201	201	201	201	201	201
30,00,000	75,54,434	1,06,26,634	5,49,634	Assam Match	12	274	8,35,992	1,18,395	121	121	121	10	10	10	231	241	191
13,99,998	21,25,615	28,30,285	64,182	Assam Saw Mills & Timber	8	204	8,82,993	32,683	2	2	Nil	10	10	10	41	41	51
20,00,000	61,61,507	23,00,000	61,84,607	Associated Hotels of India P.	8	204	8,82,993	32,683	2	2	10	111	111	10	111	111	141
80,01,400	33,50,000	1,09,53,000	1,12,08,422	Balmer Lawrie & Co.	12	304	32,12,152	5,03,129	20	13	121	100	172	172	172	165	165
12,00,000	2,65,000	8,24,890	1,80,023	Bararee Coke	3-9	128	2,16,123	22,708	7-7	7-7	7-7	10	101	101	191	211	211
6,00,000	76,414	1,01,111	3,72,414	Bengal Timber Frading P.	6	128	6,45,164	1,19,103	10	10	10	100	44	44	44	43	43
50,00,000	19,53,822	1,01,111	19,59,059	Bharat Airways Ltd.	6	22	3,19,589	3,19,589	10	10	10	10	10	10	51	51	181
20,00,000	7,95,430	7,95,430	62,81,006	Birds Investments P.	9	160	5,89,372	1,15,707	121	121	121	10	10	10	171	171	181
45,97,020	76,85,085	31,11,814	2,09,476	Britannia Biscuit P.	3	50	8,14,261	1,79,277	5	10	10-10	10	10	10	151	151	151
22,50,000	13,98,796	43,18,775	3,38,973	British Ceylon Corporation P.	12	6	27,75,295	1,85,955	10	10	10	71	71	10	101	101	111
9,25,00,000	59,89,738	1,18,60,254	2,50,63,650	British India Corporation P.	12	33	30,23,938	27,36,584	10	11	Nil	5	5	10	101	101	91
22,50,000A															10A	71	71
32,50,000B	2,10,569	5,83,876	1,16,62,849	Calcutta Gas Co. (Propr.) Ltd. P.	9	235	6,87,704	22,189	5	5	6	10B	10B	10	71	71	71
5,00,000	6,92,780	2,40,684	1,02,576	Calcutta Silk Manufacturing P.	3-9	213	45,711	22,586	10	10	10	10	10	10	41	41	5
90,00,000	17,68,710	37,16,188	2,49,58,018	Duncan Brothers & Co. Ltd.	12	169	48,24,539	4,28,060	10	12	10	100	140	140	140	135	140
1,60,00,000	2,94,69,046	3,14,16,174	4,04,78,333	Dunlop Rubber Co. (India) P.	12	96	96,72,154	11,71,685	15	15	15	10	291	291	291	391	391
51,26,000	7,42,669	54,12,212	1,48,28,524	Eastern Investments Ltd. P.	12	96	96,72,154	11,71,685	15	15	15	10	291	291	291	391	391
75,00,000	13,79,357	4,33,826	1,02,21,271	F & C Oiler (India) Ltd. P.	3	84	4,26,249	5,26,954	5	5	5	10	101	101	101	101	101
90,00,000	12,88,300	21,97,641	86,55,360	French Motor Car	3	51	8,97,594	1,26,757	121	121	121	20	211	211	211	19	19
14,00,000	14,92,000	10,02,000	11,384	Ganges Rope	3-9	19	69,571	27,194	10-10	71-71	71-71	100	186	186	186	194	194
2,25,000	34,00,813	42,00,000	1,09,15,528	General Investments Trust P.	2-8	21	45,701	8,851	21-21	21-21	21-21	75	43	43	43	43	43
65,00,000	27,68,049	5,00,324	12,84,357	Gillanders Arbuthnot & Co. Ltd. P.	3	105	29,71,809	1,51,360	71	71	14	10	10	10	141	141	151
20,00,000	31,71,333	7,81,000	98,384	Gladstone Lysal & Co. Ltd. P.	12	209	7,02,702	34,255	10	10	10	10	10	10	241	241	201
40,00,000	31,71,333	7,81,000	98,384	Godfrey Phillips (India) Ltd. P.	12	310	19,01,201	11,96,811	171	10	20	10	10	10	251	251	201
30,00,000	32,90,010	17,22,203	6,22,424	Great Eastern Hotel	3	225	5,30,579	16,373	10	10	10	250	239	239	239	229	229
10,00,000	17,38,764	1,61,173	9,221	Hindustan Ice & Cold Storage	9	11	43,377	24,274	5	5	10	10	10	10	11	11	11
35,20,000	31,95,729	19,00,000	19,72,453	Hoare Miller & Co. Ltd.	12	294	91,339	67,868	Nil	Nil	10	10	10	10	51	6	71
19,16,00,000	7,42,669	7,88,86,788	5,50,32,187	Imperial Tobacco	3	325	3,06,59,515	24,94,274	41	6	8-8	10	101	101	151	151	131
1,60,00,000	2,41,97,583	53,33,999	10,13,114	Indian Aluminium Co., Ltd. P.	12	203	26,79,662	14,18,074	Nil	Nil	10	10	10	10	241	241	291
1,32,89,220	98,54,740	1,62,50,000	3,90,322	Indian Cable P.	3	34	77,23,781	28,98,462	10	10	121	10	10	10	341	341	291
5,00,000C															100	61	61
83,75,000D	22,07,260	2,21,280	11,69,467	Indian National Airways	12	93	36,302	12,62,971	100	100	100	100	100	100	61	61	41
1,25,00,000	6,27,970	5,38,000	17,67,876	Indian Rubber Manufacturers P.	3	173	1,79,618	32,616	5	5	10	10	10	10	171	171	121
6,27,970	20,30,000	4,64,735	18,15,487	Indian Wood Products	9	88	17,28,038	2,76,619	21	271	30	10	10	10	401	401	41
5,00,000	15,362	4,46,244	3,20,757	Investments and Finance P.	2-8	21	1,07,254	7,890	21-21	21-21	21-21	100	65	65	65	65	65
2,40,000				Ivan Jones Ltd.	9	194	1,39,321	36,496	10	10	10	2	2	2	31	21	31
5,87,500C																	
1,17,500D	2,23,827	2,97,161	6,66,685	James Wright P.	12	281	62,875	5,299	6	5	5	50	411	411	411	411	411
2,00,00,000	51,23,900	55,00,000	3,73,43,977	Jardine Henderson Ltd. P.	3	39	41,68,361	4,70,107	71	71	71	100	100	100	97	99	119
6,34,000C															100	211	211
65,000D	3,17,363	6,02,958	3,21,617	Macfarlane & Co.	3	133	14,078	4,849	10	10	10	100	100	100	211	211	31
1																	

BOMBAY MISCELLANEOUS COMPANIES

O. P. F. D. G. and R indicate Ordinary, Preferred Ordinary, Founders', Deferred, Guarantee and Rebate Shares respectively P next to the names of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Cash & Securities	NAMES	Accounts Closed	Managing Agents	Net Profits Including Taxation	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	A year ago
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1953 1954 1955	Rs.	11-9-56 4-9-56	Rs.
CEMENT												
2,67,59,333	16,16,27,689	6,15,51,096	3,90,26,918	Associated Cement	7	53	4,71,77,960	5,62,770	9 8 10	100	200 205 195 1	195 1
ELECTRIC LTD POWER												
6,99,95,600	11,08,94,307	69,91,218	20,82,140	Ahmedabad Electricity	9	146	35,75,580	188	6 6 5	100	97 99 107 1	107 1
2,92,83,500	4,18,62,358	52,34,507	65,30,599	Andhra Valley Power Supply P	6	267	46,19,171	25,735	7 7 7	1,000	1,237 1,242 1,402 1	1,402 1
1,74,99,700	2,14,85,122	39,32,423	5,79,834	Bombay Suburban Elec. Sup.	3	146	19,21,739	45	7 7 7-7	100	108 110 123 1	123 1
38,08,200	14,87,557	4,75,325	14,87,557	Poona Electric Supply P	12	229	3,86,015	21	10 10 10	100	146 146 146 1	146 1
2,34,45,225	3,37,65,356	58,39,877	58,39,877	Tata Hydro Elec. Power sup P	6	267	37,75,587	21,171	7 7 7	100	127 128 147 1	147 1
5,02,78,750	8,98,37,405	1,41,56,578	1,29,22,349	Tata Power P.	6	267	77,32,961	27,952	7 7 7	1,000	1,285 1,297 1,497 1	1,497 1
ENGINEERING & METAL												
83,42,200	17,06,292	44,16,374	1,54,08,311	Alcock Ashdown	12	268	8,79,666	1,35,820	10 12 12	100	337 346 275 1	275 1
6,00,000	29,341	4,43,904	59,338	Jost's Engineering	3	115	62,291	1,598	15 15 5-5	50	96 96 96 1	96 1
40,00,000	11,26,513	10,00,000	9,74,864	Larsen & Toubro P.	3	351	14,60,736	28,740	10 10 10	10	163 163 131 1	131 1
40,95,100	81,25,753	2,02,500	49,333	Machinery Mfgs. Corp. Ltd P	3	330	2,02,006	64,676	Nil Nil Nil	100A	963 963 963 1	963 1
1,10,00,000	15,00,978	16,66,194	7,06,260	McKenzie	7	283	1,49,085	6,939	Nil Nil Nil	300	218 215 163 1	163 1
2,50,000	5,834	1,00,53,052	1,79,32,042	Premier Construction P.	12	284	3,35,178	59,102	20 25 5/6 28 1/3	31F	100 169 174 1	136 1
1,31,250F	4,80,59,980	26,78,952	44,49,499	Tata Locomotive & Eng. P.	3	69	3,303	50,350	Nil Nil Nil	100	169 174 136 1	136 1
4,18,72,400	32,44,07,755	16,63,05,536	12,34,83,510	Tata Iron & Steel P.	3	269	9,26,44,872	4,04,945	28 14 14-14	750	195 199 244 1	244 1
INSURANCE COMPANIES												
20,00,000	23,84,913	95,96,033	95,96,033	British India General	12	297	4,24,629	1,18,006	Nil Nil Nil	10	131 131 131 1	131 1
5,15,000	11,04,94,687	8,95,48,481	8,95,48,481	Empire of India Life	12	253	1,13,109	1,13,109	Nil Nil Nil	100	675 675 675 1	675 1
8,46,120	2,88,61,155	2,61,49,442	2,61,49,442	Jupiter General P.	12	55	38,351	4,65,316	Nil Nil Nil	20	451 451 451 1	451 1
18,74,900	1,68,81,793	27,25,18,952	27,25,18,952	New India	12	179	43,58,653	71,250	16 2/3 16 2/3	15	46 46 49 1	49 1
1,06,81,590	67,83,74,430	63,46,53,420	63,46,53,420	Oriental Life	12	298	6,05,803	2,81,242	10 10	200	3,650 3,650 6,810 1	6,810 1
6,00,000	29,41,860	59,86,789	59,86,789	Vulcan	12	255	6,05,803	2,81,242	10 10	10	151 151 151 1	151 1
15,99,270	3,97,409	12,61,996	12,61,996	Air Service of India	6	336	-15,61,405	-37,22,790	Nil Nil Nil	15	Nil Nil Nil 1	Nil 1
MISCELLANEOUS												
90,79,065	31,95,468	3,97,409	12,61,996	Air Service of India	6	336	-15,61,405	-37,22,790	Nil Nil Nil	15	Nil Nil Nil 1	Nil 1
47,97,250	21,34,989	35,75,182	78,89,034	Belapur Sugar	9	42	53,89,000	61,389	Nil Nil Nil	50	245 249 336 1	336 1
50,00,000	2,20,64,303	4,12,86,155	2,67,27,639	Bombay Burmah Trading	5	285	47,93,172	61,990	16 21 16	125	731 750 558 1	558 1
42,00,000	1,21,04,053	31,74,431	31,74,431	Bombay Steam Navigation P.	6	256	4,54,215	30,135	Nil Nil Nil	50	267 275 205 1	205 1
99,99,250	3,085	19,47,386	1,28,40,992	Industrial Investment Trust	12	299	5,81,909	2,83,136	41 41 41	25	72 72 72 1	72 1
11,99,900	13,82,957	7,24,142	14,05,223	Kemp (Chemists)	3	87	68,232	16,942	10 10 10	200	215 215 215 1	215 1
1,57,71,400	5,74,05,779	1,81,13,445	2,39,042	National Rayon Corp.	12	352	63,19,604	5,72,076	9 10 10	100	213 213 213 1	213 1
9,39,98,069	18,36,63,413	12,46,31,677	7,10,18,957	Scindia Steam Navigation	6	198	32,72,555	22,72,555	5 2 2	20	181 181 181 1	181 1
7,00,000	27,45,055	57,30,000	4,14,939	Shivrajpur Synd (Manganese)	11	146	35,49,059	21,661	70 80 80	10	84 84 84 1	84 1
1,39,95,990	1,96,71,944	13,51,214	4,14,939	Tata Chemicals P.	6	269	13,55,026	57,597	Nil Nil Nil	10	191 191 151 1	151 1
70,07,475	75,25,791	34,08,586	22,83,813	Tata Oil P.	6	269	13,55,026	57,597	Nil Nil Nil	10	191 191 151 1	151 1
2,75,00,000	1,46,45,903	2,43,20,936	1,50,49,201	Western India Match	12	274	74,05,281	5,61,994	11 11 11	100	180 180 180 1	180 1

*1956 †Liquid Assets

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Block Account	Reserve & other Funds	NAMES	Accounts Closed	Managing Agents	Net Earnings	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	A year ago
Rs.	Rs.	Rs.				Rs.	Rs.	1953 1954 1955	Rs.	12-9-56 1-9-56	Rs.
CALCUTTA											
17,24,000	20,62,356	2,00,804	Ahmedpur Kutwa S.S.G.	3	165	-29,367	33,735	2 1/2 2 1/2 2 1/2	100	59 59 56 1	56 1
21,89,300	33,40,889	6,00,702	Arrah Sasaram D B G	3-9	32	2,57,676	33,735	3-3 3-3 3-3	100	72 72 72 1	72 1
34,00,000	41,30,202	3,11,043	Bankura Damodar River S.S.G.	3	165	46,807	..	2 1/2 2 1/2 2 1/2	100	58 58 60 1	60 1
19,00,000	29,09,643	4,91,171	Baraset Basirhat D.B.G.	3-9	331	18,844	1,18,863	.. 4 2 1/2	100	10 10 19 1	19 1
17,80,000	21,78,786	2,20,377	Burdwan Cutwa S.S.G.	3	165	78,839	..	.. 2 1/2 2 1/2	100	58 58 63 1	63 1
31,00,00	35,46,011	..	Chaparmukh Silghat S.S.G.	3-9	32	62,834	10,849	1 1/2-1 1/2 1 1/2	100	53 53 49 1	49 1
4,75,000	3,70,040	4,75,000	Cherra Chhatka Ropeway	3	88	7,071	9,917	12 12 12	5	71 71 71 1	71 1
2,47,650	2,75,015	65,226	Darjeeling Ropeway	3	101	18,097	4,549	1 1/2 2 1/2 2 1/2	10	71 71 31 1	31 1
22,50,000	62,20,813	13,52,000	Dohri-Rohtas	3	335	6,42,311	37,814	6 7 10-12 1/2	10	131 131 141 1	141 1
11,49,700	20,10,843	1,63,140	Futwah Islampur S.S.G.	3-9	32	-33,016	5,917	98-98 99-1 1-1	100	54 54 55 1	55 1
16,00,000	50,82,188	17,87,954	Howrah Amta D.R.G. (P)	3-9	32	1,18,351	90,009	3-3 3-3 3-3	100	59 59 70 1	70 1
6,00,000	13,87,138	4,43,410	Howrah Sheekhala D.B.G.	3-9	32	28,627	20,122	3-3 3-3 3-3	100	37 37 37 1	37 1
19,50,000	27,95,689	2,47,135	Kalighat Falta S.S.G.	3	165	-1,99,473	..	2 1/2 2 1/2 2 1/2	100	59 59 60 1	60 1
8,91,100	15,16,175	10,551	Katakhal-Lala Bazar S.S.G.	3	165	31,257	..	4 5 ..	100	75 75 74 1	74 1
15,00,000	62,56,929	28,77,041	Shahdara Delhi Saharanpur	3-9	32	6,26,073	17,25,546	6-6 6-6 6-6	100	125 125 152 1	152 1
1,75,000	5,41,779	2,04,841	Tezpore Balipara Tramway P	3-9	165	-43,574	5,944	.. ..	100	.. ..	..

Managing Agents Managing Directors and Secretaries with their Respective address.—(Contd.)

320 F. W. J. Penn—United Breweries Ltd., Bangalore-1.	329 Sri G. D. Bhagat—15, Shib Bhakur Lane, Calcutta.	339 M. G. Investment Corp., Ltd.—127, Mahatma Gandhi Road, Fort, Bombay.	348 Sahu Jain Ltd.—11, Clive Row, Calcutta.
321 St. Williams—14, Old Court House, Calcutta.	330 Mahindra & Mahindra Ltd.—Gateway Building, Apollo Bunder, Bombay.	340 K. O. Cheriyan—Travancore, Calcutta.	349 Chandmull Batta—7, Canning Street, Calcutta.
322 Messrs. Tata Sons Ltd.—New India Assurance Buildings, Mahatma Gandhi Rd, Fort, Bombay-1.	331 N. L. Roy & Sons—Canning St., Calcutta.	341 James Finlay & Co. Ltd.—2, Netaji Subhas Road, Calcutta.	350 K. & Agarwal—Empire House, Hornby Road, Fort, Bombay.
323 Anderson Wright & Co.—1, Wellesley Place, Calcutta.	332 M. Paspattil, 21, Ravelin Street, Fort, Bombay.	342 O. N. Chatterjee—2, Royal Exchange Place, Calcutta.	351 E. & V. (Management) Ltd.—J. K. Building, Douglas Road, Ballard Estate, Bombay.
324 Bhatnagar & Co.—17/19, Old Court House, St. Calcutta.	333 Jaipuria Bros. Ltd.—33, Netaji Subhas Road, Calcutta.	343 Eastern Smelting & Refining Co., Ltd.—30, Clive Row, Calcutta.	352 C. G. Mahant—Ewart House, Bruce Street, Fort, Bombay.
325 John Butterfield Blackie—Virginia House, 7, Chowringhee, Calcutta.	334 J. Lalimer—2, Fairlie Place, Calcutta.	344 V. J. Pillai—Victoria Bunder, Calcutta.	353 N. K. Mahipal—14, Netaji Subhas Road, Calcutta.
326 Beriwal Bros.—53, Netaji Subhas Rd., Calcutta.	335 Sahu Jain Ltd.—Daimlanagar, Calcutta.	345 The National Tea Corporation—130, Cotton Road, Calcutta.	354 G. C. Kanol—P-3, Mission Row Extension, Calcutta.
327 Maywar Textiles (Agency) Ltd.—Wandray Road, Fort, Bombay-1.	336 Kusaldas Kilachand—Scindia House, Douglas Road, Bombay.	346 Seshasayee Brothers (Travancore), Ltd.—Elooi factory, Alwaya, Calcutta.	355 G. O. Robertson—14, Strand Road, Calcutta.
328 John Taylor & Sons (India) Ltd.—Myore, Oorgram, South India.	337 Seriwala & Co.—63, Netaji Subhas Road, Calcutta.	347 Associated Commercial Co. Ltd.—161/1, Harrison Road, Calcutta.	

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FIVE PERCENT OF JUTE LOOMS RESEALED

THE FACTS BEHIND THIS WEEK'S MOVE

THIS week, the member mills of the Indian Jute Mills Association sealed 5 percent of their total loomage. Adding this proportion to the 2 1/2 percent sealed in July, the industry is now back where it was at the beginning of the year with a total of 12 1/2 percent of its capacity idle. This reversal of the unsealing policy adopted only eight months ago has been brought about by the behaviour of the industry's stocks of goods. These have risen continuously since November 1955. Their growth has helped to keep goods prices low in relation to raw jute throughout the whole period, and they recently attained a level which threatened to keep prices below costs of production for as far ahead as reasonable estimates of likely demand can reach. It is impossible for the industry to ignore such a situation. A cut in production was the only practicable step to take, short of increasing demand to the full extent required—and that is something quite beyond the industry's powers. The fact cannot be avoided that the mills have been producing more goods than the present level of world offtake justifies. There is no question of demand not having increased this year, although not, of course, as much as was expected when the unsealing took place in January and February. In the seven months ended July, a total of 590,900 tons of jute goods were sold compared with 569,500 tons during the same period in 1955. It is simply that world demand has not increased at the same rate as production and the industry has found itself unable indefinitely to go on manufacturing for stock.

The seriousness of the position can be seen from a few figures. At the end of July, before the 5 percent re-sealing was decided on, the industry's stocks of goods stood at 137,900 tons compared with 81,500 tons in the same month of the previous year. These were more than double what the industry was holding on 1st January, 1956. The usual seasonal reduction in stocks, which begins about May and continues until November or December, had not appeared. From 30th April to 31st July this year gunny stocks increased by 30,000 tons. During the same period in 1955 they fell by 21,900 tons. Up to end-July, the industry produced 665,100 tons of jute goods against 589,100 tons last year, an increase of 76,000 tons. Apart from the unsealing of 7 1/2 percent of total loomage, one important factor contributing to the higher production has been the better performance of recently-installed, up-to-date machinery. Another is the concentration on sacking manufacture, which gives a larger tonnage output than hessian; this is now being modified in the normal course of adjustment to changing demand circumstances. But what could not be corrected without a severe cut in overall output is the fact that buyers have felt themselves justified by the stock position in holding out of the market for a fall in prices. Such a hand-to-mouth method of purchasing has resulted in a persistent tendency for prices to be depressed. The wave of short-covering which followed the latest resealing announcement gives some idea of the speculative bear position which had been built up to the detriment of the industry's profitable working, during the period stocks were shooting up.

*

To the layman, the spectacle of one of India's major industries—and her largest dollar earner—in a state of depression when industrial output is expanding throughout the economy, must appear a strange one. The answer is simple enough. Ninety percent of the jute industry's output goes to export. It is true that internal requirements are increasing. The entire improvement in this year's overall demand up to the end of July was accounted for by a jump of 21,700 tons in home offtake; that of the rest of the world actually fell by 300 tons. But jute is still predominantly an export industry and is likely to remain so for as far ahead as the imagination can stretch. This means that any doctrinaire approach to the question of output based on what is required from the economy as a whole, is inappropriate and can be damaging. The continued

existence of an industry in jute's position depends on the ease with which it can adapt itself to changes in world economic conditions. These have been fairly stable this year so far. But the future contains no particular factor which holds the slightest hope that the expanded output of the Indian jute mills, plus this year's huge additions to stock, will be absorbed at prices high enough to cover costs of production. Such factors as foreign competition, substitute handling methods and fluctuations in the field of international economics, must constantly be watched. The progress of substitutes has not been any less this year than it was last, and the growth of foreign competition, especially from the modern low-cost Pakistani mills, has notably increased. The slight fall in world demand has shown that, even in a good year, the industry cannot expect any rapid increase in world offtake. This will come only with persistent and expensive efforts to expand the market; and it will take a long time, if in fact it is successful at all. It is possible that the industry will have to be prepared, given the present competitive strength of substitutes and other jute industries, to work even harder just to hold what it has.

The swift improvement in the price of jute goods which followed the latest resealing announcement has been regarded in some quarters as proof that the industry has been too pessimistic in its decisions to cut capacity. The sharp fall in stocks which occurred in August is also being offered as evidence. But these prices are likely only to be temporary because they are largely due to speculative short-covering and to enquiries which have been deferred from the period when the only trend in prices was downward. Already, the upward surge

quality of this season's crop is not yet known and, at the moment, the signs are conflicting. The industry has concentrated its suggestions for improving the crop on four points. These are, improved seed, better retting facilities, more scientific cultivation and increased fibre yield. Perhaps the most fruitful of the four would be the last-mentioned. It is certainly the one about which least has so far been done.

A CASE OF DOG BITES MAN INDO-BRITISH ECONOMIC TIES

IN spite of a decisive change in Indo-British political relations, economic ties between the two countries have strengthened since 1947. There are no intriguing factors behind this. Looking at it objectively, as did Mr. A. F. Morley, U.K. Deputy High Commissioner, in a recent address to the Ranchi Rotary Club, the reasons are essentially simple—enlightened self-interest and a great fund of goodwill. Mr. Morley summed it up as follows: "The U.K. has everything to gain from seeing India, as a fellow member of the Commonwealth and the sterling area, in strong economic health." He observed the fact that in spite of a consistent record, going back 120 years, of promoting the economic growth of India, British help in the current period has received little publicity, compared with the "foreign" aid from other countries whose motives for rendering it are not always strictly economic. The fact is that British aid has been taken so much for granted in India that the news has become almost as natural as "dog bites man", while the spectacular, but occasional, aid offer from totalitarian countries becomes the classic news of "man biting dog."

This is an explanation with which all thinking people will agree. Yet it is important that the ordinary people of India should get their facts in correct perspective and appreciate that the U.K. has offered India substantial assistance in the post-independence era—not to speak of the very large investment U.K. citizens already have in this country—in the teeth of severe economic hurdles which have had to be grappled with simultaneously. As Mr. Morley pointed out, quoting from the statistics of the Reserve Bank of India, the U.K. was responsible for over 80 percent of the total overseas business investment in India at the end of 1953. In the course of the preceding five years, during which the U.K. itself was in considerable economic difficulty, its business investment in India increased by more than 50 percent, bringing it to a total of Rs. 347 crores. Not far short of half of this increase went into Indian manufacturing industry.

Speaking strictly from the foreign trade point of view, the Deputy High Commissioner pointed out that India's commercial exchanges with the U.K. represented a very high proportion of this country's total foreign trade. In 1955-56 India sent Rs. 163 crores out of a total of Rs. 585 crores (or 28 percent) of exports to the U.K. as against a mere Rs. 11-crores' worth of export to communist countries. India's imports from the U.K. totalled Rs. 175 crores (26 percent)—a large part of it in the form of machinery and capital goods—of the total import bill of Rs. 650 crores during the same period. The communist countries supplied only Rs. 14-crores' worth of goods. A large part of this investment, especially the new investment, Mr. Morley indicated, contributed directly to the implementation of India's plans. Yet there is the feeling that the U.K. has not done all it could. That is perhaps so. But Britain has not been content with merely saying "no" whenever it has failed to comply with a request, it has, in fact, been working its way back to the position when it could render assistance on a much bigger scale.

Going to the heart of the matter, Mr. Morley said that a country could help another when it had a surplus to spare. The U.K. at present does not command such a surplus. Yet it could not be denied that the drawing down of India's sterling balances by Rs. 200 crores during the current plan period would amount to a "drain" on U.K. resources, because to that extent it represented unrequited exports. Besides, the U.K. Government would make a direct loan of £15 million for the Durgapur steel plant outside the £11½ million that the I.S.C.O.N. group would lend. Mr. Morley defined economic aid, in the context of modern economic needs, as not merely consisting of money, but technical skill as well. In the second field, U.K. assistance has been no less substantial. Apart from the very large number of business executives and technicians who come out "under their own steam" to work in this country, many have been coming under the Colombo Plan. Such assistance has already been available to India in the working of many of its vital projects—the Hirakud dam and the D.V.C., the Ganga bridge and Chittaranjan locomotive factory, the working of the Lac Institute and in the teaching at the Kharagpur Institute of Technology, one of India's foremost postgraduate engineering colleges. This is the list of assistance

which Mr. Morley drew up for his audience. As he himself said, it is neither "exhausting or exhaustive". British economic aid has been flowing steadily into India on a multitude of fronts, even if it has not always been noticed in the Indian Press.

ALMS AND THE MAN

LIKE all big cities in India, Hyderabad has its beggars, but it is doubtful if any other is so full of them. The first round of the Socio-Economic and Health Survey of Beggars in the Hyderabad-Secunderabad city area has shown that over 7,000 beggars of all descriptions tramp the streets, soliciting alms from all and sundry, and making an intolerable nuisance of themselves. The Survey, which was undertaken by the Indian Institute of Economics, Hyderabad, on its own initiative, shows that the beggar population falls into two main categories—the physically and mentally unfit, and the able-bodied professionals who have been at it for generations. The latter prowl the streets cleverly disguised in religious trappings or counterfeiting poverty in other ways. The investigating staff of the Institute includes an honorary medical officer, two lady social workers, and an inspector deputed by the State's Social Service Department. The response of the beggars was on the whole satisfactory, and the majority of them willingly submitted themselves to examination. This may in large measure be ascribed to the fact that each beggar was given one anna cash and ½ lb jowar to compensate for the loss of earnings during the time of investigation. Only seven of the 600 investigated in the first round of the Survey refused to accept the compensation offered on the ground that it was too small. Some indignantly declined to be examined or questioned on any terms.

An analysis of the medical results indicates that almost all the beggars were suffering from afflictions ranging from a harmless squint to malignant and contagious maladies, such as leprosy, venereal diseases, paralysis, heart and lung complaints and mental defects. Several had more than one disease, others hardly any. The reasons given by beggars to justify their mendicancy were in the majority of cases senility and decrepitude, physical unfitness for work, hereditary practice, insufficient income of the family, unemployment, desertion by husband or guardian, religious vows and aversion to exertion of any kind. The tactics employed by 416 of the 600 beggars investigated was a plain, direct appeal to charity, generally in the name of God, a familiar cry being *Allah kae nam per deo*. A common practice of women beggars was to hawk about infants in arms, either their own or hired for the purpose, and to plead on their behalf. This seldom fails to excite pity and loosen the purse strings. Others, clad in *sadhu's* or *fakir's* garb, recited prayers to attract alms. Fortune-telling, astrology and palmistry were also among the common methods of astute beggars. All the great religions of the world say that almsgiving is an indispensable means of salvation, and the average Indian is often religious-minded and charitably disposed. His heart melts when suffering or distress confronts him. He does out alms indiscriminately. Professional beggars, particularly the phoney ones, who are shrewd psychologists, are not slow to take advantage of this trait and play on the feelings of the charitably inclined. The Survey shows that the gimmicks used by beggars to fake infirmities are numerous and varied. But there are many genuine cases of physical disabilities and mental defects which deserve to be pitied and relieved. A case which is of great human interest, and which the investigators came across in the course of the Survey, was that of a little boy who was paralysed in both legs as a result of an attack of polio. He was being carried about pick-a-back by another little boy on his begging rounds.

That begging can be a lucrative profession and pays handsome dividends is one of the facts which has been disclosed by the Survey. The total monthly income of the 600 beggars whose cases have so far been investigated and analysed amounted to nearly Rs. 13,000. Many of them owned landed property, houses, livestock, gold and silver ornaments and solid cash, all valued at Rs. 18,000. Some of them were in debt, the average liability of each indebted beggar being Rs. 176. The rate of interest charged by money-lenders (who of course exploit even beggars) ranged from a modest 4 percent to an exorbitant 150 percent a year. As for social habits and behaviour, the investigators found that the life of the average street beggar is by no means all work and no play. The beggars have their "operas", so to speak, and indulge in many diversions, high jinks and spees. A large number of them have a weakness for toddy, or *shendi*, as it is called in "wet" Hyderabad, and even for potent distilled liquors. Several of them are regular cinema-goers and enthusiastic film fans. So far, all the efforts made by the authorities to remove beggars from the streets by providing food and shelter for them in homes for the disabled

and the aged, have met with such meagre success that they may be considered failures. At present, the State's Social Service Department, which is the first one of its kind in India, maintains what is called a *Bhiku Ashram*, besides a leper asylum. Both these, it is stated, are in a very unsatisfactory condition. The *Ashram* has about 50 inmates and the asylum about 25. Even these few protected beggars, in spite of various restrictions, go about begging in the streets during the day. Apparently, no inveterate beggar can be prevented from seeking the "freedom of the city", whatever the inducements.

In the final analysis, it appears that nothing short of legislation making begging in the streets a cognisable offence can solve the beggar problem. But such an enactment will not be justified unless proper institutions are first provided for the physically unfit, the decrepit and the mentally unsound. At the same time, it is felt that measures must be formulated to find suitable employment for the sturdy, able-bodied mendicants, whose poverty is the direct outcome of indolence, intemperance and folly, and who have deliberately chosen begging as a profession. It goes without saying that unless some such remedial measures are adopted at the Governmental level, the efforts of social reformers and social service workers will inevitably fail. Public co-operation is also essential. Few things offend human dignity and self-respect more than professional mendicancy and its continuance will unquestionably qualify the country's progress towards a "socialistic pattern of society" and the achievement of a welfare State.

CURRENT COIN

East India Hotels.—On a later page today appear the details of a public offer of stock in the East India Hotels Ltd. The offer consists of 350,000 ordinary shares of Rs. 10 each, and 30,000 6 percent tax-free cumulative preference shares of Rs. 100 each, both categories to be subscribed at par. The total issued capital is Rs. 1 crore, and the promoters and their friends have agreed to take up 350,000 ordinary shares. The company aims at becoming an important operator of hotels and restaurants. Its more interesting plan is to construct a first-class hotel on modern lines in New Delhi, where the Central Government has already allotted it a plot of land on Mathura Road. It expects to complete the building within one year. The other plan is to take over the Oberoi Palace Hotel in Srinagar; the managing agents of the company are Oberoi Hotels (India) Private Ltd. The estimate is published that in the first year after these projects are completed, the net profit is likely to amount to Rs. 19.64 lakhs; this would cover the preference dividend seven times over. It is hoped further that on this basis there will be scope for paying an ordinary dividend of 15 percent. These estimates of profits do not take into account the possible earnings from liquor sales. It is pointed out that even if Prohibition is introduced, the company might not suffer as a large proportion of its clients will be foreigners, who will be entitled to get liquor easily. The entire project in New Delhi and Kashmir is expected to cost Rs. 1.25 crores; of this, Rs. 1 crore is being raised by the share issue and Rs. 25 lakhs will come later from borrowing. Part of the working capital is to come from the profit of the company's unit in Kashmir. An application is to be made to the Bombay stock exchange to have the shares listed there officially. There is certainly scope in India for a good and enterprising hotel concern. Tourism should improve the occupancy ratio, and lower charges might improve it still further.

Progress in Jay Engineering.—In his address to the shareholders of the Jay Engineering Works Ltd. (published elsewhere in this issue of *Capital*), the chairman, Sir Shri Ram, was able to report another year of progress for the company. The output of both sewing machines and electric fans has increased. The average monthly production of sewing machines was up to 9,026 last year, compared with 6,476 the year before. The highest total for any one month was 12,012 compared with 9,241. The average production of electric fans last year was 6,939 against 4,478 in the previous year. Sir Shri Ram was able to report that the Government of India had granted a licence for the expansion of the fan factory's capacity from 10,000 to 26,500 a month, and of the sewing machine plant from 10,000 to 25,000. The company has successfully approached the Industrial Finance Corporation for another loan of Rs. 30 lakhs, and the machinery is on its way. The company's fan section is being shifted to a new site in order that its increased capacity can be accommodated. During the year, the manufacture of hurricane lanterns was abandoned and the plant turned over to other purposes. According to its plan, the company has succeeded in making table fans available at Rs. 60 each. The chairman was hopeful that the company would, in the near future, be able to sell 36" ceiling fans at about Rs. 100 each. Sir Shri Ram outlined the company's experience

in its efforts to increase exports. The difficulties which are at present being encountered in getting the drawback of customs duty allowed by the Government of India were cited as one of the impediments to increasing shipments. Sir Shri Ram suggested that the Government of India should call a conference of railways, industry, trade and labour to consider how exports can be encouraged in the nation's interest.

Prospects for Paper.—The index of output in the Indian paper industry rose from 104.2 in 1952 to 146.9 in April, 1956, while the general index of industrial production rose from 103.6 to 136.7 during the same period. For the paper industry in particular, this indicates a state of prosperity which has induced a fresh mood of optimism, and the industry is expecting substantially to fulfil the targets laid down for it in the second plan as it did those in the first. Speaking at the fourteenth annual general meeting of the Indian Paper Mills Association held this week, Mr. Ganga Prasad Birla, president, said that the production of paper and board rose to the record level of 186,849 tons in 1955-56 (against the first plan target of 200,000 tons) from 114,000 tons at the beginning of the quinquennium, or an increase of about 72,000 tons. The installed capacity at present stood well in excess of 211,000 tons. For the second plan, the target for installed capacity at 450,000 tons has been fixed by the Planning Commission on the recommendation of the Association, though the production target has been reduced by 10,000 tons to 350,000 tons. Licences granted for expansion or new units, Mr. Birla understands, now almost cover the capacity target, and he suggested the Government review the position so that the balance may be set up by the industry as soon as possible. The second plan target for newspaper production is 60,000 tons, the manufacture of which has been entrusted exclusively to the public sector. Two factors could still hamper the industry's expansion plans if they were not expeditiously removed—insufficient raw material supply and inadequate transport facilities. The Government has already appointed an *ad hoc* committee to look into the problem of raw materials for the industry. No representative of the industry is on the committee and Mr. Birla urged that the Association be given representation on it. In this connection, he noted two developments which could make the problem of raw material supply easier—the use of *Salai* for the manufacture of chemical and mechanical pulp and the experts' report in favour of utilising bagasse for the manufacture of newsprint and other types of paper. There was another of the industry's complaints to which Mr. Birla referred at some length—the levy of excise duty at varying rates on almost identical types of paper. After explaining the industry's point of view briefly, Mr. Birla urged that the procedure of the levy should be simplified to spare the industry much unnecessary trouble.

India's Trade Through Suez.—Of the total Indian imports in 1955-56 valued at Rs. 650 crores (c.i.f.) those which passed through the Suez Canal are estimated to be worth Rs. 462 crores. Of the total exports during the same year valued at Rs. 591 crores (f.o.b.), the exports which passed through the Canal are estimated at Rs. 393 crores. This was stated in the Rajya Sabha recently by the Minister for Trade, Mr. D. P. Karmarkar. He added, however, that no precise data were available. The Minister also said that exact figures of the total ocean freight paid on Indian trade passing through the Canal were not available. But it is estimated that Indian imports through Suez included, on an estimate, freight charges amounting to Rs. 36.9 crores to Rs. 39 crores. On Indian exports through the Canal the freight bill is estimated at Rs. 31.4 crores to Rs. 33.4 crores.

Insuring Railway Passengers.—The suggestion that insurance be provided for railway passengers, has been put forward by Prof. S. Kesava Iyengar, Director, Indian Institute of Economics, Hyderabad. In a statement issued in connection with the recent disaster on the Central Railway in Hyderabad State he has said that the tragedy raises three issues: compensation to the families of the victims; insurance against accidents to passengers; and, more efficient maintenance of the railway track. As regards insurance of railway passengers, Prof. Iyengar points out that insurance companies already issue policies to air passengers at airports. He suggests that the railways charge a flat rate on all railway tickets. Out of this, compensation at a flat rate could be organised for accidents, deaths, and other risks. Cover could be provided on a voluntary basis, the premiums, of course, varying according to the value required.

British Textile Machinery Exports.—Though exports of textiles from Britain have been falling steadily, just the opposite has been the experience of textile machinery exporters, particularly in recent months, and it is expected that this year's total will set up a new record. India is her best customer. After rising for some years, British exports of textile machinery amounted to 112,689

tons, valued at £50,447,000 in 1952. There was a sharp fall to 84,367 tons, valued at £40,797,000 in the following year, and a smaller further drop to 79,330 tons, valued at £39,454,000 in 1954. Last year, however, a recovery began with exports of 82,680 tons, valued at £43,295,000. This improved tendency has now become more strongly pronounced. In the first six months of this year the volume of the exports rose to 44,962 tons, compared with 39,758 tons in the first half of 1955, while the value rose to £24,494,000, against £20,653,000. The principal markets are shown in the following tables:

EXPORTS OF TEXTILE MACHINERY

	(000s omitted)		
	1956	1955	1954
India	£ 5,581	£ 3,149	£ 3,576
Pakistan	601	2,993	2,382
Australia	791	919	959
Soviet Union	1,320	2,114	2
Western Germany	1,108	1,016	907
Belgium	816	681	472
France	1,183	1,184	1,158
Italy	738	467	1,320
Egypt	1,073	484	528
United States	1,167	842	553
Mexico	847	369	334

Machinery for making synthetic fibres was valued at £563,146 in the first half of this year, against £223,968 a year previously; machinery for making full-length stockings was valued at £984,554, against £522,774; and lace, net and embroidery machinery at £419,054, against £279,930. There were very large increases in machines for processes preparatory to spinning and twisting and in looms, particularly those with automatic weft replenishing. Machinery for finishing processes other than bleaching, dyeing and printing also showed an encouraging expansion.

Cheap Textiles.—The search for new outlets for Lancashire's textile output has lately taken on a new direction, namely, of finding ways and means of cutting prices. In textiles the cheapest raw materials are viscose rayon staple and cotton, and blends of these two fibres can produce fabrics and garments which are not only inexpensive but also attractive in appearance and in use. What is more, they can attain a high degree of serviceability. All these points are demonstrated at an exhibition of "Fibro" and cotton blends which was opened recently at the offices of Courtaulds' Use-development Organisation at 15 Cross Street, Manchester. It seems clear that, for many purposes, blends of viscose staple and cotton give better results than either fibre used alone. The fabrics made from blends not only look more attractive but they also prove to be more durable, with greater resistance to abrasion and greater tear strength. They are being used extensively for workers' protective clothing and for garments for the armed forces. It is by no means only from the strictly utilitarian point of view, however, that these blends deserve attention. The permanence of the colours of spun-dyed viscose staple, for one thing, is most impressive, while another important point is that the blends, no less than materials made from cotton alone, can be subjected to such finishing processes as mercerisation and compression-shrinkage. "Easy-care" finishes, moreover, which permit drip-drying and minimise the amount of ironing required, can be applied as successfully to blends as to cotton goods. This makes them important influences in the trade in shirtings and dress goods, while they are being developed also for household textiles.

ECONOMICS OF JUSTICE

THE late Sir Fitzjames Stephen often said that it would be by far cheaper in the end and the truest economy for the Government of India to get the best Judges that money could buy; and there is no doubt that if the Government of India, or rather the Secretary of State in England, were honestly to attempt, at any reasonable cost, to get the very best men obtainable as Judges of the High Court in India, it would mean in the long run a substantial saving to the revenues and to the suitors. It may seem that Rs. 5,000, or even Rs. 6,000, a month is a very large salary for a Judge, but it must be borne in mind that if he gets through his work twice as quickly as the cheap Judges that we have lately been accustomed to, he will prove a more economical Judge both to the Government and the litigants. The experience of the last few years has been that the simplest commercial cases are drawn out to almost unparalleled lengths. In a trumpery case involving no principle, and laying down no rule of conduct, and the money value of which was Rs. 2,300, Mr. Justice Pigot managed to waste twenty-three days. The case by an irony of fate was a question of what constituted quick despatch; the public have not yet been enlightened upon this point, but they know what slow despatch means. It would have paid the Government to have given the plaintiffs Rs. 2,300 and to have told them to go away.

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M. K. BHATTACHARYYA, C.A., I.B. (Lond.),
General Manager

Without Prejudice

THE SUBSTITUTION OF AN AGENT

HIGH COURT SAYS FILING OF MEMORANDUM NOT ENOUGH

(FROM OUR LEGAL CORRESPONDENT)

NOWADAYS in the mofussil, every tea garden manager, mill manager and, in greater or lesser degree, every manager of any commercial concern has to be a lay lawyer as well. Many miles away from any chance of consulting even a junior pleader and, in any case, unable to leave his job, he may be and quite often is suddenly faced with a legal problem, perhaps a criminal one requiring instant action. The facts may be perfectly simple; he knows instinctively that he has a sound case. But one slip-up, one omission in strict legal procedure and he also knows that he may have let his company in for five or six years of litigation ending up after the incurring of heavy expense in the High Court or even the Supreme Court. The writer at one time had a good deal to do with tea garden managers over a large area, than whom it is difficult to imagine a more—no, a word—"unlegally-minded" body of men. Highly competent and efficient in their very specialised job, sportsmen, *et pretere nihil* outside it. Yet almost invariably one found, when the unavoidably delayed legal consultation took place after the manager had been compelled in the absence of any legal adviser to take legal steps and often to conduct correspondence with the other side on his own end unaided, that, forced to it, he had corresponded and acted in the preliminary steps in a manner that a trained lawyer could not have im-

proved upon. The reason behind this seeming paradox is simple. During long years of semi-isolation, these men have subconsciously developed to an astonishing degree the saving grace of commonsense; and the writer remembers well hearing many years ago the greatest law professor in England, Dr. Blake Odgers, K.C., Recorder of Bristol, advise his students that, when in doubt about the answer to any legal problem, all they had to do was to apply their commonsense and the answer which commonsense dictated would be the legal one in nine cases out of ten. "For," said this eminent man, "the law is commonsense." And so it is.

Wherefore, partly as an exercise in commonsense and partly because the same thing might happen to him, we invite the reader to consider the facts in the following simple case, and then say where the company concerned strayed fatally from the paths of commonsense, remembering, if he does not detect the error, that he himself would probably have done likewise.

* * * * *

These are the facts. Early in May 1954, Mr. Robert Walker, then General Manager of the Kannan Devan Hills Produce Co. Ltd., Munnar, to which, for brevity, we will from now on refer as "the company", filed a complaint against an accused person, alleging that he had criminally trespassed upon a certain piece of land in Munnar in the possession of the company. Now every manager of a concern which owns land has constantly to deal with cases of the wrongful occupancy of the concern's land by unauthorised persons. Apart from purely industrial disputes, it is probably about the most frequent and the biggest nuisance with which he has to deal; the dismissed or discharged servant, for instance, who refuses to

give up possession of the house he was allowed to occupy by virtue of his employment, leaving his successor-to-be sitting by homeless. Generally speaking, and wisely, the manager, on behalf of his employers, exercises the civil remedy of a suit for ejectment. But for trespass the law provides a criminal remedy too. It is a dangerous remedy to invoke, the punishment prescribed being imprisonment for a term which may extend to three months or a fine which may extend to Rs. 500, or both. Nevertheless, the drastic punishment renders the remedy, exercised in a proper case, extremely effectual. For criminal trespass is a compoundable offence. Anyway Mr. Walker, relying and acting no doubt on sound legal advice, took criminal proceedings. The details of the alleged trespass are not disclosed in the report of the High Court judgment and they are immaterial to the solution of the problem in commonsense which we have ventured to set the commercial non-legal reader. Here we will supply him with a clue. "Justice delayed is justice denied," so runs the slogan, and if that is a fact, then in every single contested case in this sub-continent justice is denied to one or other of the litigants seeking it. A civil suit, the counterpart of which in England would be decided by a County Court judge within six weeks from its being commenced, will in India drag on for years; and it is some thought to a lesser degree of delay, in criminal proceedings. Therefore—and this is the clue—every manager, if he is a senior man in length of service, knows when he sets the legal ball rolling that he himself may be retired or dead or transferred before that ball comes to a full stop; and by the same token, his employers, his assistants, and the company's lawyers responsible for the conduct of the proceedings know it too.

* * * * *

Mr. Walker, by virtue specifically of his power of attorney from the company, having filed his complaint, the magistrate duly took cognisance of the offence alleged, and in due course began the trial. Mr. Walker gave his evidence on behalf of the prosecution, as did also two other prosecution witnesses. All this occupied several hearings. The complaint had been filed on 8th May, 1954. Meanwhile, on 29th March, 1955, Mr. Walker retired. Mr. W. Wilson Mayne took his place as General Manager, and on 7th June, 1955, Mr. Wilson Mayne filed a memorandum before the magistrate stating that Mr. Walker had retired and that he had taken Mr. Walker's place. The memorandum made it quite clear that the new General Manager was acting on behalf of the company and not in his individual capacity, and the memorandum was headed "The Kannan Devan Hills Produce Co. Ltd., Munnar, represented by W. Wilson Mayne."

The defence took exception to Mr. Mayne's name being substituted in the complaint in place of the name of Mr. Walker. The learned magistrate upheld the objection, and further held that as the case could not be proceeded with in the absence of Mr. Walker, the accused was entitled to be acquitted; and he acquitted him accordingly. The company appealed in revision to the High Court, impugning the correctness of the acquittal.

The High Court rejected the magistrate's reasons for the acquittal in forthright terms. He had, it found, much strained the law in order to bring it about. The Chief Justice said, ".....in the present case we have no hesitation to hold that Mr. Walker filed the complaint for and on behalf of the company. The complainant's name is given in the cause title of the complaint as the Kannan Devan Hills Produce Co. Ltd., complainant. In his sworn statement on the complaint, Mr. Walker stated that the company was in the possession of the land trespassed upon and that the complaint was in respect of that trespass. This position was later reiterated in his evidence..... An agent can file a complaint on behalf of his principal under a power of attorney. It is in our opinion puerile to argue that when a duly constituted attorney files a complaint on behalf of his principal, a successor in the place of the attorney cannot prosecute the case or that he cannot get himself substituted in place of the former. According to the (magistrate's) decision, if the attorney files a complaint on his own behalf the principal runs the risk of the former leaving his service and abandoning the case. The implication can only be that when the complaint is by an attorney, the principal himself can continue the case or another attorney can come in, when the original attorney is replaced in the office of the attorney by the latter..... The lower court's view that substitution was not possible has therefore to be held to be bad."

Nevertheless the High Court upheld the magistrate's decision and confirmed the acquittal. Why? The answer to that question is the answer of commonsense, and with all the relevant facts before you, you are now invited to solve it. If, like the writer at first, you are unable to do so, here is another clue. Read back to the earlier part of this paragraph. The new General Manager "filed a memorandum before the magistrate, stating that Mr. Walker had retired and that he had taken Mr. Walker's place" and so on. The new General Manager was acting under legal advice and was not personally in any way responsible for the procedure adopted. He produced a mere memorandum, but not a power of attorney. Said the learned Chief Justice: "The magistrate was not prepared to allow the substitution without the power of attorney by the company in Mr. Mayne's favour being produced in court. The court was entitled to insist on its production and (it) was not produced. The magistrate was therefore right in refusing substitution."



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WITH apologies to the Brown Shrike, which I gather is the most conspicuous of winter migrants and has already arrived in Calcutta and must be regretting it, this city is still waiting for its brief cold weather. There is, I admit, a difference in the atmosphere; but that may be the work more of man than of nature. Demands for increased Pujah bonuses are not the only reminders of the approach of the great event. The shops are beginning to wear a festive look, and although we will doubtless hear the annual moan that sales are nothing like what they used to be—"they never were, they never were," as Mr. Punch might say—every part of West Bengal responds to the Durga Pujah as to nothing else, not even a general strike. Am I right in thinking that in recent years there has been a noticeable improvement in the way shops display their wares? There is certainly more colour in the shop windows, and in selling technique Calcutta may well have learnt something from America's aggressive methods. I am all for everything which gives a spurt to the State's economic activities, although I rather miss anything peculiarly Indian in the manner shops are laid out. It is not a wholly agreeable thought that in every respect the world is becoming Americanised although there is a deal we can learn from that great country. It will be a pity indeed if all the cities in the world began to look alike because of the identity of their model, America—and it seems to me that we may all be heading in that direction. I put it to Calcutta's enterprising retailers that the glaring neon lights, which flatten out everything, may not be the best and most becoming in which to bathe their wares. And why do I see so few Indian motifs in Calcutta's shop-window decoration? Durga Pujah, surely, is the time when we have a right to see evidence of the Bengali's famous artistic temperament, and why not some of it in commerce and trade?

* * * * *

The one important fact which has emerged from Europe's anxious discussion of the Suez problem, is that there is no vestige of support for leaving the Canal under the unfettered control of one man. It must have surprised some of Asia's nationalists that so many traditionally uncommitted nations, of which Sweden was the most notable, should have supported the concept of international ownership at the London Conference and reserved their strictures for the use of arms to enforce it. And a point which many Indian newspapers have overlooked is that the British Labour Party, whose anti-Imperialism is beyond suspicion, has not declared itself against international control, or even the eventual use of force if that is necessary, but only against its being used without prior reference to the United Nations. Those who are at present branding Sir Anthony Eden a warmonger might do well to ponder the fact that all the European countries, with the exception of Soviet Russia, voted on the same side at the conference in spite of the fact that not all have overseas possessions and few regard their own sovereignty with anything but the most extreme jealousy. The answer to the riddle is simple enough, Europe does not like dictators. The way Asia is thinking about the Canal problem is proving the fact that few Asians realise that the hatred of dictators and their ways is as strong in Europe, especially in Britain and France, as is the detestation of colonialism here. It is the memory of Hitler and Mussolini which, in Europe's eyes, is making a situation that seems from the Asian side a straight-forward attempt by a rising under-privileged power to assert its sovereignty over its own territory, into an all-too-familiar example of a dictator's need for personal triumphs

A DITCHER'S DIARY

with which to maintain his power and the usual complete disregard for international agreements and obligations he is prepared to show in doing it. The number of times the parallel between Nasser's action in seizing the Canal and Hitler's in occupying the Rhineland, has been cited, gives some clue to this haunting fear. Then, France stood where she does now as the most outspoken advocate of force. Britain preferred to appease—after all, Germany had a raw deal at Versailles and it was her territory anyway. But how emphatically events vindicated France's attitude and proved Britain's tragically wrong. A little force then would have saved a world war later. It can be argued that Nasser is not the figure Hitler was. That is true, but nobody thought much of Hitler in those days. Egypt can never have the power Germany produced. But Nasser is being backed by the Soviet Union and the time may not be far off when Russia will have become so involved that any attempt to halt Nasser's progress will also touch her prestige—and therefore her arms. And his progress will have to be halted. After all, he is pledged to wipe out Israel.

* * * * *

I was interested, but not surprised, to see the certificates of appreciation hung in the Government Industries Museum on Chittaranjan Avenue where an exhibition of Krishnagar clay toys is at present being held. Interested, because the documents are of historical importance. One of them comes from Prince Albert, Royal Consort of Queen Victoria, and another from Napoleon III. But not surprised, because they only express admiration for what is eminently worthy of it. I have personally always admired Indian toys, especially those of Kalighat and Krishnagar and, I hope, my appreciation is not of that kind which a connoisseur of classical statuary displayed when, on receipt of a plaster cast of Venus de Milo which he had ordered, he was horrified to find that its arms were missing. What I like most about these toys is their realism (when this is aimed at) and their dexterous colouring, which strongly reminds me of Kipling's famous line "Who leste all thought of Eden fade. Bringest Eden to the craftsman's brain," and what I like least about them is their price, which is frequently more than it is convenient to pay. This I think is the main reason why this excellent cottage industry is not as flourishing as it might be. From time to time one hears of proposals to organise large-scale exports to western countries. I have no doubt that if it can be arranged—and there is hardly any reason why it cannot—much good may result. But I still think that there is no market as good as the home one for this kind of product, and prices ought somehow to be adjusted to suit it.

* * * * *

Bangla Desh, or to give the film its English title Land of Bengal, had its London premier a few days ago. This is prior to being shown at the Edinburgh Festival where it will figure among documentaries from many nations on many subjects. Bangla Desh has been made by a London film company for the Indian Jute Mills Association under the experienced direction of Oswald Skilbeck, who has made several documentaries on Indian themes, including an earlier jute film under the title of A Yarn Worth Spinning which, I understand, is still being shown on second and third run circuits in the U.K. and the U.S.A. The new film is in colour and was mainly shot in India. A former colleague of

mine who attended the London premier, tells me that it was enthusiastically received by an invited audience—and deservedly so. But, he writes, it is obviously difficult to blend scenes from rural Bengal with close-ups of cargoes of chilled beef from the Argentine or glimpses of the industrial cities of the western world. Inevitably there are certain abrupt contrasts in music and commentary which the professional critics are likely to notice. Nevertheless, the film is, it appears, a first-class exercise in public relations of which the I.J.M.A. may be justly proud. Another London occasion which has recently brought Indians and many friends of India together over a drink or two (or maybe three) was the cocktail party given by the London manager of the Bank of India to mark that famous institution's golden jubilee. Most ditchers will know that the Bank of India is an unobtrusive example of Indo-British co-operation, Indian ownership being combined with some British collaboration in its direction and in the top managerial posts. The Bank of India has for long been associated in the public mind with Bombay, the financing of the cotton trade and with the family of India's only baronet, Sir Cowasjee Jehangir, now in his seventy-seventh year and still the Bank's active and energetic chairman. The only British director is the veteran Sir Joseph Kay who has been on the board for more than thirty years, a record which I understand he shares with Mr. Amba Sarabhai.

* * * * *

I see that Mr. Nanda, the Planning Minister, has been investigating a rather unexpected source of manpower—the *sadhus*. These privileged parasites of Hindu society, he has decided, must work too, if the second plan is to be a success. There is nothing wrong with the project save one minor flaw—it is impracticable. It must be readily agreed that these spiritual recluses are commonly believed to be good at only one type of miracle, namely, the useless. They are credited with being able to walk through the air, stay buried underground for hours on end without any obvious sign of injury, swallow broken glass and even die by appointment. But when it comes to doing anything of practical use, their prowess is usually not as evident. Many will recall the stories of Pani Baba and Nepali Baba. The former was employed not too long ago by the Government of Saurashtra—or was it that of Bombay?—and on a reputedly fat salary, to locate underground water. It was found, however, that where he indicated water to be it invariably was not. Similarly, Nepali Baba, whose reputation as a magic curer at one time spread like wildfire, proved no more than a nine days' wonder. There are other reasons besides this why Mr. Nanda's project appears unworkable. The *sadhus* are, after all, spiritualistic, little interested in things so gross as plans for material prosperity. To buy their participation—if Mr. Nanda must—he may be called upon to change the plan into one for India's spiritual advancement, a step which, I think he might find hard to justify before his colleagues. Or else, they may demand that in order to work well they be provided with that invigorating and not infrequently inebriating beverage on which they are known to lean rather heavily, and which the Government of India, in its present puritanical mood, is unlikely enthusiastically to provide.

* * * * *

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THE DITCHER.

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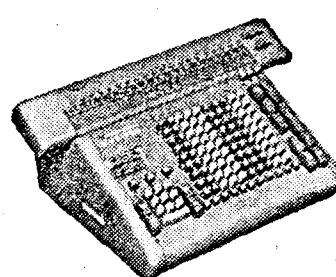
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PROBLEMS OF THE SECOND FIVE YEAR PLAN

NOT ENOUGH FOR AGRICULTURE: THE LESSON. FOR THE WEST

By Dr. T. BALOGH

AFTER a period of intense gestation, the second five year plan has been finalised and submitted to Parliament. The differences from the original "plan-frame" of Professor Mahalanobis, which I have discussed in an earlier article¹, are not, perhaps, fundamental. They are nevertheless important. Total public investment at Rs. 4,800 crores in 1956-60 is now programmed to be more than double the total of the first five year plan and some 10 percent above the preliminary target. The most important changes involve a drastic—Rs. 829 crores, or almost 50 percent—increase in the capital investment for communications, to Rs. 1,384 crores, or almost 30 percent of the total. Of this, the lion's share (Rs. 632 crores of the increase and Rs. 900 crores in absolute amount) goes to the railways. The provision for construction and social services has also been significantly increased (from Rs. 750 crores to Rs. 946 crores, or by all but Rs. 200 crores—just over a quarter). The main cuts are in the allocation for power and industry. The vital coal-mining industry is expected to raise its output by 22 million tons (or more than 50 percent) on a very slender investment—though it could not raise it by more than some 6 million tons in the past five years.

In addition, the investment contemplated for the private sector, which was, perhaps, Rs. 1,600 crores in the first plan, and which was to increase to Rs. 2,200 crores according to the first drafts of the second, has now also been increased to Rs. 2,400 crores.

Discouraging Inflation

The impression created by the first sketch of the plan seems strengthened. Not only has the

¹ "Which Way Asia". The Nation. 19th March, 1955, pp. 337-9.

volume of investment been expanded further, but its composition has been considerably altered and the tasks facing India correspondingly increased. Targets for long-term investment unlikely to yield much immediate return—e.g. railways, transport in general and construction—have been considerably increased. As against this, allocations to industry (in the public sector) have been substantially reduced. Now it could be argued that this change will help one of the main tasks of the Government by providing employment for the millions of unemployed and under-employed. Railway and general construction can be undertaken without elaborate machines, the import of which would burden the balance of payments.

On the other hand, it must be said that even if we regard a large part of the investment in "power" as strengthening irrigation, investment in agriculture seems relatively insufficient. At Rs. 1,023 crores for the five years, it has fallen from 16 to 12 percent of the total planned. Yet at least part—possibly a large part—of the spectacular advances which have been made in food and agricultural raw material production have to a considerable degree been due to an unusually long series of favourable monsoons, a recurrence of which, over the second five year plan period, can surely not be counted upon with any assurance. Indeed, there was no substantial increase in production last year. No doubt the very backwardness of India assures a tremendous scope for improvement without huge capital investment. But it would be interesting to learn how, for instance, the proposed expansion of community development and agricultural extension schemes, to cover a population of 325 million as against only 80 million at present, is to be achieved by an increase

of outlay from Rs. 90 crores to Rs. 200 crores only. Yet this is one of the crucial conditions of success.

Need for Caution

Thus, there can be little doubt that the alterations in the plan since last year increase the need for conservatism in estimating the consequential increase in national real output. This, in its turn, limits the possibilities of financing this development domestically. The plan, as published, is rather equivocal on this point. The official estimates leave, altogether, not less than Rs. 2,400 crores, or 50 percent, of the total financial need uncovered by domestic resources. Some Rs. 800 crores (or roughly £800 million) of foreign aid is hoped for—some Rs. 100 crores a year. The cumulative deficit of the balance of payments, however, which last year has been estimated at only Rs. 1,000 crores—is now put at not less than Rs. 1,120 crores. Discussing last year's version of the plan, I pointed out that "the calculation makes no provision for the possibility of bad monsoons, for a decrease in exportable supplies as a result of rural sector or for a worsening of the terms of trade. The more probable amount that will eventually need to be raised abroad may be nearer Rs. 1,200—Rs. 1,600 crores". While the present calculation seems more realistic, I have no reason to modify my original criticism.

The amount to be found from domestic sources, even if the foreign aid reaches its planned total, is still no less than Rs. 1,600 crores. Now deficit financing in a country such as India, where the monetary economy is still at an early stage of its development in the predominant rural sector, has, in principle, considerable scope. The peasant farmers will, as they become more prosperous, build up balances before they spend their money. But with a total monetary circulation of Rs. 2,125 crores, the addition of so large an amount as Rs. 1,200 crores in five years would be fraught with danger, even if the traders and others in India were not as apprehensive, and as prone to speculative hoarding, as in fact they are. Thus the restraint which was at the base of the British war effort could hardly be counted upon to mitigate the Indian Administration's problems.

No Help from Controls

On the other hand, the system of direct controls, which had been instituted belatedly and reluctantly by the British Civil Service in India during the war, has been largely disbanded (not the least as a result of Professor Mahalanobis's influence, although he is now a determined protagonist of a "large" plan). Thus, little help can be expected from that side in mitigating inflationary pressure. The reluctance of the new Indian civil service to operate direct controls and discriminatory planning presents (as in Britain, from where a large part of the "civil service tradition" stems) a further important obstacle to the use of such restraints for mitigating the effects of a possible inflationary pressure due to the proposed deficit financing. There is no indication in the plan that the crucial importance is realised of a civil service reorganisation, of giving greater power to energetic and progressive young administrators and economists (there are many of them in "temporary" and thus subordinate posts). Nor is education sufficiently re-gear to cope with these tasks.

Consequently, very little has been done to limit the premature growth of demand for western-type consumer goods which is inevitable if, for example, electrification is not confined to industrial uses. Nothing has been done to enforce standardisation of production in those lines in which factory production is permitted and to see to it that Indian productivity is not sapped by small-scale production and product differentiation. As the case of the motor-car industry shows, this problem is not even realised. A much firmer financial basis must therefore be found for a larger portion of this outlay if the danger of a monetary crisis is to be guarded against. Yet, on the face of it, such a firm basis will not be easy to find.

Nor is this all. The plan foresees not merely a sharply expanded domestic private investment, but also a decisive stepping up of private investment by foreign firms in India. The gap in foreign payments is all but Rs. 400 crores, even if help from foreign governments and international agencies, to the tune of Rs. 800 crores, can be secured as planned. Of this, only Rs. 200 crores can be dealt with by drawing on accumulated sterling balances. The remainder of just under Rs. 200 crores is to be covered from the foreign exchange proceeds of private direct investment and credits already granted but unused. Thus no sharp increase in taxes falling on foreign interests can be contemplated. Indeed, it is difficult to square the desire for this rate of foreign direct investment with the nationalisation measures already announced or still under discussion, of which banking and general insurance are specially noteworthy.

Public Enterprise

The decision to entrust the main task of industrial development to public enterprise is certainly justified. Indian domestic entrepreneur-

¹ Foreign reserves are still some 20 percent higher than yearly imports i.e. about four times the relative size of British reserves (which must serve the whole sterling area).

A progressive tax on dividends paid out, which has been introduced, might be less deterrent to foreign investment than a straight profits tax. If it can be regarded as a "temporary measure," it will conserve the means of foreign companies.

ship, with notable exceptions, has shown little initiative. Nor can one criticise the decision to confine the expansion of large-scale enterprise, even in the private sector, mainly to the heavy industries, and to limit their growth in the consumer goods sector. The premature displacement of millions of handicraft workers would, at this stage, invite political disaster. There is, moreover, some hope that sufficient technical progress will be achieved in the much neglected field of capital equipment for small-scale industries (e.g. small powerlooms) to make them competitive, at least in a limited number of fields. The criticism of this aspect of the plan by the International Bank Mission is, in my opinion, woefully misconceived from a political point of view. And on this point political considerations must remain paramount.

But however justified these basic principles underlying the five year plan for the private sector may be, the means of putting them into effect seems lacking. The biggest profits will arise in the fields where no expansion is to be permitted, while little provision has been made to channel capital towards the areas where growth is deemed essential. We have already pointed to the need for standardisation. Thus a drastic strengthening needs to be made in both the financial resources available, and in control over investment, to direct the resources made available into the planned channels. Here again the problem arises of institutional reform and of the availability of administrative cadres with sufficient enthusiasm. Relatively little use has been made of the available lessons of democratic planning in wartime which are so appropriate to Indian problems now.

High Personal Taxes

It is, of course, not impossible to take a more hopeful view. There can be little doubt that in India the high rates of taxation—income tax at the margin is 92 percent—have also resulted in tax evasion. A memorandum of the Gokhale School of Economics and Politics, Poona, puts the sums lost through tax avoidance and evasion at some Rs.65-Rs.75 crores; more recently it has been suggested that this figure might be nearer Rs.200-Rs.300 crores, or around 2 percent of the national income. Even the Central Board of Revenue puts undeclared income as high as Rs. 160-Rs. 170 crores. Losses on this scale might considerably affect the financing of the plan. The critical increase in savings (or budget surpluses) needed to support investment on a scale sufficient to increase per capita income appreciably, and thus break the vicious circle of poverty, has been put at no more than 2 percent of the national income. And it is, to say the least, rather odd that total revenue is not to increase as fast as national income. The argument that this is needed to provide the lubricant for private investment is as exaggerated as the opposite argument that no amount of tax-increase will interfere with the investment plan for the private sector. Thus, some will be tempted to argue that tax reform could provide the much-sought answer, without the need for detailed direct controls (which are difficult to manage), to the supreme problem of India and of the non-Communist world—successful planning through democratic means in order to meet the Communist challenge.

Two particular circumstances are likely to prevent such an overall or global reform of direct taxes from providing an effortless and painless panacea. Increases in taxation of the severity needed would unquestionably hamper attempts to stimulate private investment. The effect of high rates might be to cut savings and investment rather than outlay. Secondly, even a cut in conspicuous private expenditure as such, will not, in Indian conditions, produce the desired results. What is required for the implementation of the plan is not resources in general but specific resources. The two main bottlenecks are: first, organising capacity, and, secondly, foreign exchange for essential (machinery) imports. It is not as if food imports at this juncture represented an important burden. As a large part of the expenditure of the richer classes is devoted to servants or goods produced by handicraft it does not involve even an indirect burden on the balance of trade. A non-discriminating cut in this expenditure might well result in increased unemployment rather than increased investment.

No doubt there is an urgent political need for curbing conspicuous consumption—for some further sacrifice will have to be exacted from the poorer (though not the poorest) sections of the population—though in India the need for equality in sacrifice is not felt as acutely as in the Protestant parts of Europe. And it is questionable whether direct prohibition of certain imports (e.g. motor cars and durable consumer goods) and crushing excise taxes on various other resource-absorbing, non-essential domestic expenditures, as well as direct bans on the starting of the large-scale manufacture of luxury consumer goods, would not be far preferable to a system, however skilfully devised, of reform of direct taxation. Moreover, administration of such a direct tax system would impose disproportionate demands on skilled personnel and effort, which a country like India will not find easy to spare for the purpose. It would be a mistake to suppose that tax avoidance can be eradicated by legislation. It has a deeper social significance. A reform of import policy, discriminating tax-concessions, and an energetic policy of regulating (and stimulating) private efforts at standardisation and rationalisation in the "new" industries (i.e. industries where the cottage industry is not being protected) would repay far more. A reliance on indirect taxation mainly falling on the poor (as against purchase

taxes) as suggested by the Bank Mission without such obvious countervailing burdens on the better-to-do would, in my view, result in a grave political threat to stability.

The Lessons

This review of the problems and difficulties posed by the second five year plan might suggest the conclusion that the plan is too ambitious, that too heavy a burden is contemplated and that, accordingly, a downward modification might be advisable. Nothing is further from the case. Indeed, from a purely political point of view even the present, increased, plan might well be regarded as still too small rather than too large. Even at the end of the second five year period, total investment will not be more than 12 percent of the national income, or substantially less, both absolutely and relatively, than that of China (which by that time might be expected to be between 16-18 percent). Accordingly, the rate of increase in employment and income will also be much slower.

So long as this inferiority does not mean an actual increase in unemployment and distress, but merely a more moderate rate of improvement, it should not raise insuperable difficulties for a democratic regime in India. But even a minor reduction of the present plan would bring India into the political danger zone. It is much to be regretted that this basic essential for all Indian planning has not been clearly recognised by outside economists, e.g., the International Bank Mission.

What is then the lesson to be learnt for India? It is that there must be little complacency in contemplating the task ahead. Thus the measures of reform needed to strengthen the administrative machine must be ruthlessly pursued. Ample and conscious use must be made of all talent available. Above all, foreign aid, both in education and training and in actual investment, must be consciously sought—provided it has no political strings attached. The present tendency to underestimate the strain on India might have dangerous consequences.

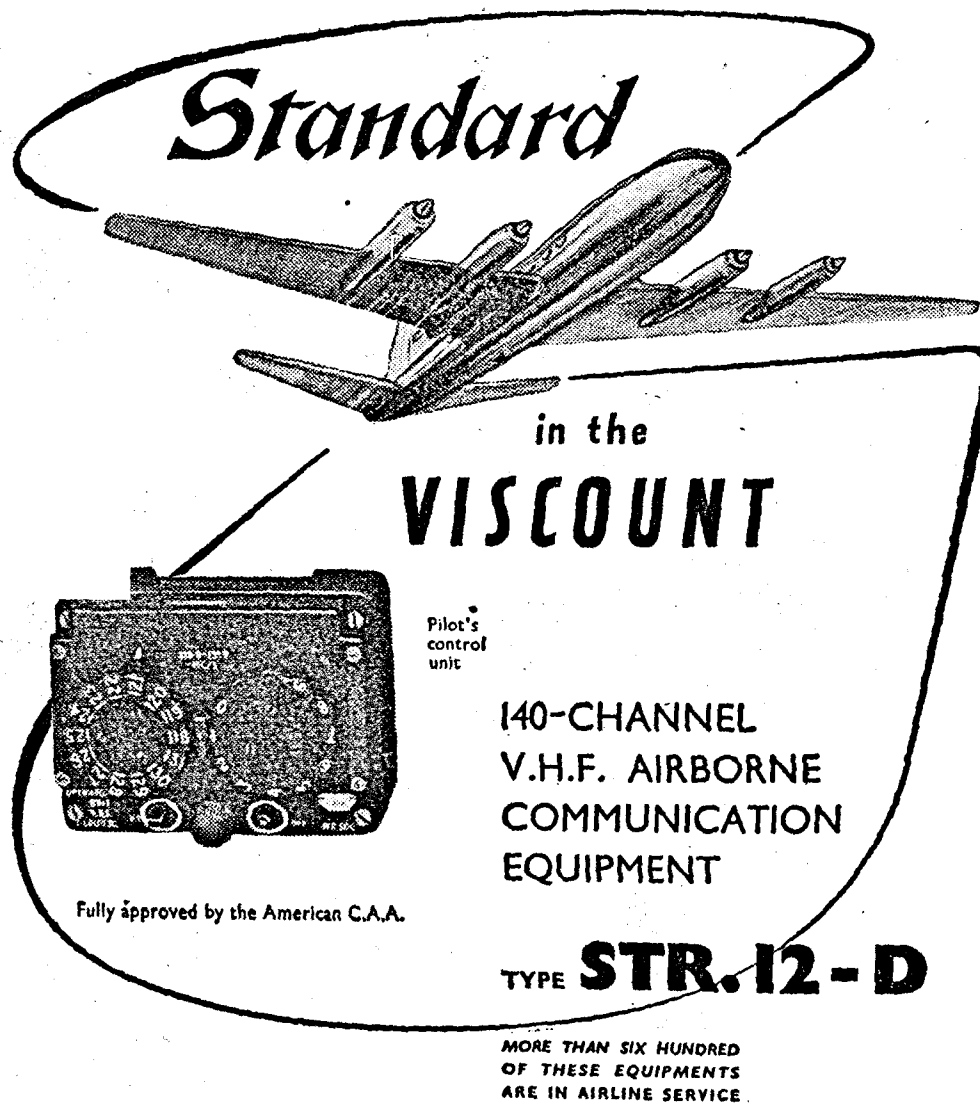
What is the lesson to be learnt for the West? The British and American Governments and financial circles no doubt dislike the trend towards national ownership and a "socialistic pattern of society". They must reflect that lack of unstinted western aid, far from deflecting India from the present course, must necessarily accelerate it. The Congress Party and even Indian entrepreneurs cannot neglect the terrible fate of the Chinese Nationalist Government, and any setback they

might experience will drive them towards a more radical solution. Whatever the feelings of the West, and especially of the U.S. Government, about Indian policy, it must back it lest much worse befall.

Western Aid

Fortunately the West should not find it difficult to furnish help. The commodities which India needs most to prevent an increase in investment and income from leading to a monetary breakdown, are the goods which are in heavy surplus in the U.S.A. Vast stocks of sugar, butter and cotton, possibly wheat and rice, represent an increasing embarrassment to the U.S. Government. An acceleration of the rate of aid could effectively and easily squash any crisis in India and restore confidence. It would also tend to cut the basis of any agitation for more extreme domestic measures. The reported agreement on \$350 million aid in the next three years is welcome but totally inadequate. The lectures given to India on the need of much greater private foreign investment are, in my opinion, both politically and economically misguided. No stable solution can be hoped from that tack, if for nothing else, because of the rapid increase in dividend liabilities. Foreign participation in Indian controlled enterprise is perhaps the most hopeful line of approach in this direction.

Britain can do little in her present economic predicament to increase the limited help to which it has committed itself in the shape of a long-term credit for the erection of a large steel works and of further releases of sterling balances. It is to be hoped, however, that it will earmark a part of any improvement in the balance of payments for strengthening India's position (if for no other reason, because of the latter's adherence to the sterling area). It is equally important that Britain should take a much more positive attitude towards providing technical help and in securing a more enlightened attitude on the part of international organisations to the problems not merely of India, but of the under-developed areas in general. Only in this way could it persuade the U.S.A. to do its (much larger) share. From this point of view the recent cuts in the diminutive British contribution to the so-called Colombo Plan is a horrible price exacted by orthodox economics from that sanity and generosity which are the only ways for the success of the West in the new era of competitive co-existence with communism. It is to be hoped that the West will learn more quickly and thoroughly in the future. It has shown signs of doing so in the immediate past: the American Presidential Election is a grave obstacle to clear thought.



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A copy of this Prospectus having attached thereto the documents required by Section 60 of the Companies Act, 1956 has been filed with the Registrar of Companies, West Bengal.

An application will be made to the Stock Exchange at Bombay, for permission to deal in the shares now being offered and in due course for an official quotation.

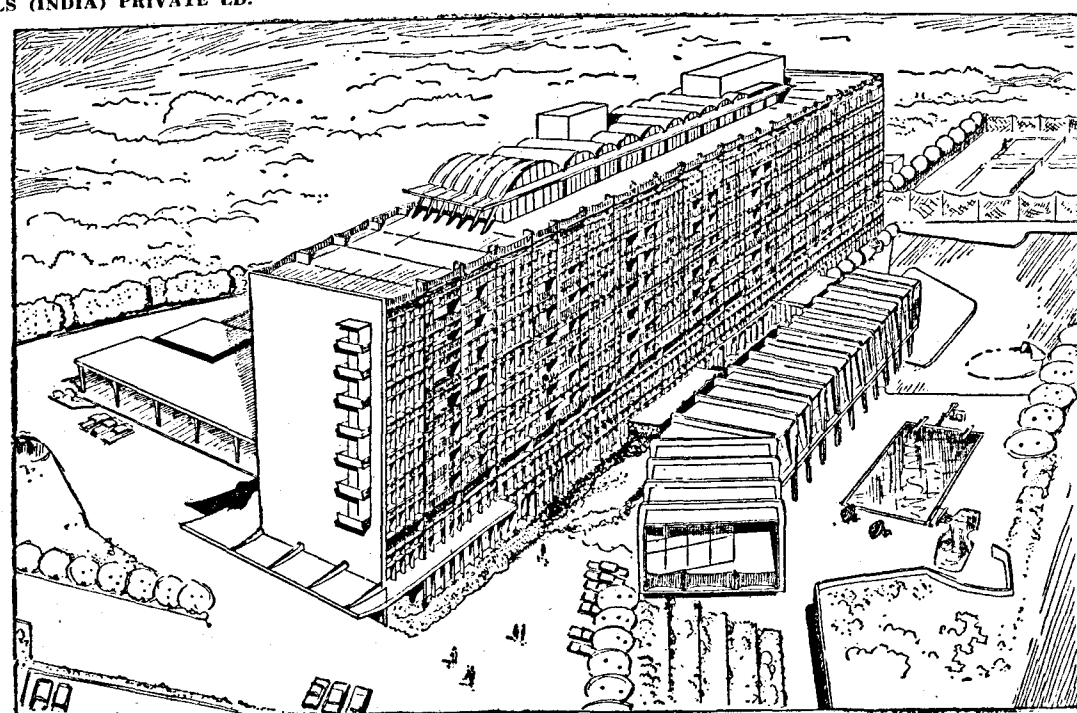
Consent of the Central Government has been obtained to this issue by an order of which a complete copy is open to public inspection at the Head Office of the Company. It must be distinctly understood that, in giving this consent, the Government of India do not take any responsibility for financial soundness of any schemes or for the correctness of any of the statements made or opinions expressed with regard to them.

The subscription list will open at 10-30 a.m. on the 24th day of September, 1956, and will remain open until the 8th day of October, 1956, unless closed earlier at the discretion of the Directors, but not before the 3rd day of October, 1956.

PROSPECTUS OF THE EAST INDIA HOTELS LIMITED

MG. AGENTS: OBEROI HOTELS (INDIA) PRIVATE LTD.

(INCORPORATED UNDER THE INDIAN COMPANIES ACT VII OF 1913.)



Perspective View of the Oberoi Hotel, New Delhi.

AUTHORIZED CAPITAL	Rs. 2,00,00,000
DIVIDED INTO:	
(1) 1,00,000 6% tax-free Cumulative Preference Shares of Rs. 100/- each	Rs. 1,00,00,000
(2) 10,00,000 Ordinary Shares of Rs. 10/- each	Rs. 1,00,00,000
ISSUED	
1,00,756 Ordinary Shares of Rs. 10/- each (Paid up Shares Rs. 55,128/-)	Rs. 10,07,560
NOW BEING ISSUED	
30,000 6% tax-free Cumulative Preference Shares of Rs. 100/- each at par	Rs. 30,00,000
and	
5,99,244 Ordinary Shares of Rs. 10/- each at par	Rs. 59,92,440
	Rs. 1,00,00,000

It is, it is agreed that Rai Bahadur M. S. Oberoi and his friends will take up 99,244 Ordinary Shares of Rs. 10/- each at par by subscription in cash.

Further, it is agreed that with regard to the purchase of the immovable and movable assets of the Vendor Company appearing in the Memorandum of Association, the balance of Rs. 15,10,634-11-3, i.e. Rs. 15,10,634-11-3, will be paid and satisfied by allotment of 1,50,000 Ordinary Shares of Rs. 10/- each at par and the balance, i.e. Rs. 10,53-11-3 will be payable in cash to the Vendor Company.

PRESENT ISSUE

The remaining 3,50,000 Ordinary Shares of Rs. 10/- each and 30,000 6% (free of Income-tax) Cumulative Preference Shares of Rs. 100/- each are offered for public subscription.

The amount payable in respect of the Preference and Ordinary Shares is as follows:

- Rs. 25-0-0 per Preference Share on application
- Rs. 25-0-0 per Preference Share on first call and the balance in two equal instalments provided that there shall be intervals of not less than two months each between calls and between application and first call.
- Rs. 2-8-0 per Ordinary Share on application, and
- Rs. 2-8-0 per Ordinary Share on first call and the balance in two equal instalments provided that there shall be intervals of not less than two months each between calls and between application and first call.

Applications must be for a minimum of 5 Preference Shares or multiples thereof and 10 Ordinary Shares or multiples thereof.

Prospectuses and application forms will be available from the Brokers to this issue and from the following Banks and their Branch Offices and the Registered Office of the Company:—

1. State Bank of India, Chandni Chowk, Delhi.
2. Central Bank of India Ltd., Chandni Chowk, Delhi.
3. Punjab National Bank Ltd., Civil Lines, Delhi.
4. Mercantile Bank of India Ltd., Chandni Chowk, Delhi.

Completed application forms along with payment must be delivered before the close of the subscription list to any of the Brokers to this issue or the Banks, or the Registered Office of the Company.

Where no allotment is made, the deposit will be returned in full and where a partial allotment is made, the unallotted balance will be returned. The Directors reserve the right to refuse any application wholly or in part without assigning any reason. The shares when issued will be subject to the Memorandum and Articles of Association of the Company, a copy of which may be inspected at the Registered Office of the Company during office hours. The Share Certificates will be issued within 3 months of the date of allotment.

	NAME & ADDRESS	DESCRIPTION	DIRECTOR OF
Calcutta	1. Sir DHIREN MITRA, Kt., 2, Hungerford Street, Calcutta.	Industrialist	Central Board of the Reserve Bank of India, Central Board of the Indian Life Ins. Corp., Member, State Bank of India, Eastern Area, West Bengal Financial Corp., Anglo Bros. Ltd., Mahindra & Mahindra Ltd. & others.
Calcutta	2. Mr. M. L. KHAITAN, 226/1, Lower Circular Road, Calcutta.	Solicitor	Bata Shoe Co. Ltd., Associated Hotels of India Ltd., South India Insurance Co. Ltd., Shree Digvijaya Woollen Mills Ltd., Chowringhee Properties Ltd. & others.
Bombay	3. Mr. RAMNIVAS RAMNARAIN RUA, Bank Street, Bombay.	Industrialist	The Finlay Mills Ltd., The New India Assurance Co. Ltd., The Bank of India Ltd., Andhra Valley Power Supply Co. Ltd., The Phoenix Mills Ltd. & others.
Bombay	4. Mr. MURARI VAIDYA, Chetund Estate, Laibaug, Bombay.	Merchant	Polsons Ltd., The National Electric Industries Ltd., The Crescent Iron & Steel Corp. Ltd., The Bombay Silk Mills Ltd., The Indian Surveyors Ltd. & others.
Madras	5. Mr. M. A. CHIDAMBARAM, Chetund Estate, Raja Annamalaiapuram, Madras.	Merchant	South India Insurance Co. Ltd., Indian Aluminium Co. Ltd., Automobile Products of India Ltd., Southern India Chamber of Commerce, Madras Industrial Investment Corporation Ltd. & others.
Delhi	6. Rai Bahadur M. S. OBEROI, Maidens Hotel, Delhi.	Merchant	Associated Hotels of India Ltd., Chowringhee Properties Ltd., Indian Trade & General Ins. Co. Ltd., Hotels (1933) Private Ltd., Mercury Travels (1) Private Ltd. & others.
New Delhi	7. Sir USHA NATH SEN, Western Court, New Delhi.	Merchant	Associated Hotels of India Ltd., Solan Breweries Ltd., New Victoria Mills Ltd., Indian Institute of Public Opinion & others.
New Delhi	8. Mr. T. R. OBEROI, Hotel Imperial, New Delhi.	Merchant	Associated Hotels of India Ltd., Northern India Caterers Private Ltd., Hotels (1933) Private Ltd., Mercury Travels (1) Private Ltd., Everest Hotels Ltd. & others.

BANKERS

1. STATE BANK OF INDIA, Chandni Chowk, Delhi.
2. CENTRAL BANK OF INDIA LTD., Chandni Chowk, Delhi.
3. PUNJAB NATIONAL BANK LTD., Civil Lines, Delhi.
4. MERCANTILE BANK OF INDIA LTD., Chandni Chowk, Delhi.

AUDITORS

1. G. BASU & CO., Chartered Accountants, 6, Hastings Street, Calcutta-1.
2. A. F. FERGUSON & CO., Chartered Accountants, New Delhi.

BROKERS

MERWANJEE BOMANJEE DALAL, Allahabad Bank Building, Apollo Street, Fort Bombay-1.

BATILVALA AND KARANI, Union Bank Building, Dalal Street, Fort, Bombay-1.

STEWART & CO., 1, Royal Exchange Place, Calcutta.

HARBANSINGH MEHTA & CO., 33, Regal Buildings, Parliament Street, Post Box No. 300, New Delhi.

DALAL & CO., National Insurance Buildings, Madras-1.

OBEROI HOTELS (INDIA) PRIVATE LTD., Calcutta.

ORR, DIGNAM & CO., 29, Netaji Subhas Road, Calcutta.

17-B, Chowringhee Road, Calcutta.

REGISTERED OFFICE

17-B, Chowringhee Road, Calcutta.

DIVIDEND, CAPITAL AND VOTING RIGHTS

The following is a summary of the rights, privileges and restrictions attached to the Preference and Ordinary Shares of the Company and of the limitations upon dividends and the creation of further shares.

Dividends: The profits which the Company may determine to distribute in respect of any financial year or any other period shall be applied, first, in paying the holders of the Preference Shares a fixed cumulative preferential dividend at the rate of 6% per annum (free of Income-tax) on the capital for the time being paid up thereon and the balance of the said profits shall be distributed amongst the holders of the Ordinary Shares in proportion to the amounts paid up on the Ordinary Shares held by them respectively.

Capital: The assets available for distribution to members whether on a liquidation or not shall be applied, first, in repaying the Shareholders of the Preference Shares the amounts paid up on such Preference Shares together with a sum equal to any arrears or deficiency of the fixed dividend thereon whether declared or not, up to the commencement of the winding up. The Preference Shares do not confer on the holders any further right to participate in the assets or profits of the Company. The balance of the assets shall be distributed amongst the holders of the Ordinary Shares in proportion to the amount paid up on the Ordinary Shares held by them respectively.

THE EAST INDIA HOTELS LIMITED—Cont'd.

Voting: The Preference Shares entitle the holders to receive notices of any General Meeting, but do not entitle them to vote thereat unless—

- (1) The dividend on the Preference Shares or any part of such dividend has remained unpaid in respect of an arrearage period of not less than two years preceding the date of commencement of the meeting; or
- (2) The business of the meeting includes the consideration of a resolution which directly affects the rights attached to the Preference Shares. (A resolution for winding up the Company or for the repayment or reduction of its share capital will be deemed directly to affect the rights attached to the Preference Shares.)

On a show of hands every member entitled to vote who (being an individual) is present in person or by proxy, or by proxy shall have one vote. On a poll, the voting rights in respect of the Ordinary Shares shall be as specified in Section 87 of the Companies Act, 1956. No member will be entitled to be present or vote either personally or by proxy at any meeting in respect of shares registered in his name on which any calls or other sums presently payable have not been paid or in regard to which the Company has and has exercised any right or lien.

Variation of Rights: The special rights attached to any class of shares may be varied or abrogated with the consent in writing of the holders of three-fourths of the issued shares of the class or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of the class but not otherwise.

Restrictions on Transfer of Shares: There are no restrictions on the transfer of fully paid shares, but the Directors may decline to register any transfer of partly paid shares to a person of whom they do not approve and may also refuse to register any transfer of shares on which the Company has a lien.

Borrowings: Subject to the restriction imposed by Section 233 of the Companies Act, 1956, the Directors may exercise all the powers of the Company to borrow money on mortgage or charge its undertaking, property and unclaimed capital or any part thereof and to issue debentures and other securities.

PROSPECTUS

Objects: The East India Hotels Limited was incorporated on the 26th May, 1949, for the purpose of running the business of Hotels and Restaurants and their allied trades.

The Hotel Project at New Delhi: The hotel project at New Delhi will include public rooms, such as Lounge, Grill Room, Dining Room, Banquet Room, Conference Room, Swimming Pool, Sheds, Restaurants, Nightclubs, etc. The hotel will be fully air-conditioned and centrally heated and will be built and equipped on the most modern western lines. There will be ancillary establishments such as bakery, confectionery, laundry, ice and mineral water factories, etc. The hotel will be a small town in itself, and is expected to have 200 rooms with 375 beds and will be one of the best anywhere. Apart from this, the project will provide employment for a large number of persons. It is thought that the project itself will contribute a relatively large percentage to the country's earnings of foreign exchange. A plot of land situated on Mathura Road, in New Delhi, has been allotted to the Company by the Government of India. This land has been acquired for the construction of this modern 3-story hotel building with a height of 100 feet. The terms of the contract will be found under the heading "Contracts Relating to Properties" of the Prospectus.

Oberoi Palace Hotel, Srinagar: The plans include the purchase from Hotels (1933) Private Ltd. of the immovable and movable assets comprised in Oberoi Palace Hotel at Srinagar, Kashmir. Negotiations for the purpose have been completed with the Vendor Company. The Vendor Company has agreed to permit the Company to use the name "OBEROI PALACE HOTEL" in connection with the hotel at Srinagar, without charging anything for the same. The Oberoi Palace Hotel started functioning from the middle of June 1955 and has been a success in the inter-national travel market and international personalities such as Marshal Buleginin and Mr. Nikita Khrushchev, who recently stayed at this hotel, have spoken highly of it. The Oberoi Palace Hotel is situated on the Dal Lake and is spread over 50 acres of land with accommodation for 150 beds. It is luxuriously furnished and has a commanding view of the Lake and mountains. It is today fulfilling the needs of a first class hotel in Kashmir. Its initial success is indicative of how areas developed facilities. During the period since its inception, the hotel has been full most of the time. Rai Bahadur Oberoi has secured a lease with the Government for 10 years each year to operate the Oberoi Palace Hotel in the former Palace which has been altered, renovated and improved for the purpose of operating as a hotel. The following is the summary of the capital expenditure incurred in this respect:—

	Rs.	As P.
Furniture fittings, Cutlery, etc.	6,22,563	12 9
Crockery, Linen, etc.	42,927	6 6
Machinery and boilers, etc.	85,377	11 3
Electric Installation	2,81,823	13 0
Sanitary Installation	473,962	2 9
New Wing, Construction	4,000	0 0

Auditors Certificate: This is to certify that the above assets appear in the books of Hotels (1933) Private Ltd. at values noted against each item.

PROSPECTS

Scope for More Hotels: There is a growing need for hotels in both New Delhi and Srinagar. The present hotel accommodation in these two cities is quite inadequate to meet certain necessities in advance to the Government, to serve the increasing number of tourists and visitors. The existing hotels are consistently full and invariably there is difficulty in securing accommodation.

This is particularly so in New Delhi which is now ranked as one of the great political capitals of the world. This shortage of accommodation in the city for instance, was acutely felt during the rush for the Indian Industries Fair in December last. The present accommodation in hotels in Delhi is 900 rooms. In the opinion of the Ministry of Transport, Tourist Division, Government of India, another 1,100 rooms are required. With the completion of our new hotel and the said 1,100 rooms, the demand will be met. Therefore there is scope for 500 more rooms to meet the total demand.

In the coming years the strain on hotel accommodation, especially at Delhi and Srinagar, is likely to grow worse. On account of developments which are taking place in the political, economic and cultural spheres, a number of visitors and tourists from abroad is expected to increase considerably.

Political Missions: Politically, India's stature among the nations of the world has grown immensely. In Asia, India has come to be the dominant position. Nations of both the East and the West are looking to Delhi for giving a lead to establish world peace. Consequently, distinguished statesmen of the world, Visits of foreign Ambassadors and representatives of U.N. bodies, such as the Economic Co-operation for Asia and the Far East, the World Health Organisation, the International Monetary Fund, the International Bank for Reconstruction and Development and the International Labour Organisation to India and its capital

have been on the increase year after year. It is also well known that last year, a large number of distinguished State guests travelled to India, including the King and Queen of Nepal, the King of Saudi Arabia, the King and Queen of Iran, Mr. Secy of State and Lord and Lady Mountbatten.

Trade Missions: Economically India has made large strides. Her agriculture, industry, trade, banking and insurance have recorded notable progress. The country is just on the threshold of launching further huge development schemes under the Second Five-Year Plan. This has attracted foreign businessmen, financiers, technicians, trade missions, etc. to visit the country for establishing business contacts and securing orders for their home products. The visits particularly of trade delegations in recent years to India have resulted in creating an atmosphere which augurs well for laying foundations for expansion of not only trade with outside countries but also tourism. In this expansion, the hotel industry has scope for playing an important role in future. Locally, too, the growth of sales organisations, whose representatives have become a lucrative source of rich clientele for first class hotels.

Cultural Missions: Exchange of cultural missions, visits of foreign scientists and educationalists and the number of tourists have all grown. Not only have these exerted pressure on hotel accommodation in important business centres, but have increased the number of banquets, luncheons, dinners, reception parties to be catered for by hotels. Locally, too, these fastidious and discriminating guests who attend these functions are few and far between in the country, and this offers wide scope for entry into this field as proposed by The East India Hotels Limited.

Foreign Market: The enormous expansion in airline traffic during the past decade also clearly indicates that the people of the world have become more travel conscious. Thus, in 1945, the world airlines carried 33 million passengers over 775 million miles. By 1955, the figure increased to 69 million passengers and 1,407 million miles. A major contributory factor to this expansion in tourism has been the enormous rise in family incomes especially in America. In the U.S. alone there are 14 million families with income sufficient to finance a round-the-world tour once during their adult life. This is mainly reserved for the growth in the number of U.S. tourists to different parts of the world, as stated below:—

TURKEY: In 1951, Turkish Customs recorded 370 North Americans as entering the country. By 1955, this number increased to 13,000.

EGYPT: In 1951, the records indicated 3,700 North Americans as entering the country. By 1955, this number had increased to 23,000.

JAPAN: In 1951, 700 North Americans visited Japan. In 1955, the number was 47,700.

AUSTRIA: 61,800 North Americans visited Austria in 1951. By 1955, the number had increased to 1,10,000.

ITALY: In 1952, 3,34,000 North Americans visited Italy and in 1955 the figure was 5,54,000.

Statistics relating to earnings of foreign exchange from tourist traffic by these countries are not available. An idea as to such potentialities of tourism may, however, be gained from the earnings of Japan. In 1952, dollar receipts from tourism in that country amounted to \$82 million. This figure rose to \$33.0 million in 1953 and \$39.0 million in 1954.

Pleasure and business travel has become one of the world's largest businesses and also one of the most lucrative. The satisfying of the basic needs, interests, and desires of tourists provides the key to unlock the barriers impeding tourist traffic and increase foreign exchange earnings.

International airlines from the U.K. and U.S.A. have placed orders for a very big number of jet airliners for delivery in 1958. Each of these aircraft will be capable of, it is stated, carrying annually the same number of Transatlantic Passengers as the s.s. QUEEN MARY. This provides an indication as to the prospects of expansion of tourism in future.

It is a sure benefit to this expansion in the volume of international traffic. It is expected that there will be an increase of 200 per cent in such traffic in Delhi in 1956. The hotel industry in Delhi will have to equip itself to meet this demand by increasing the hotel accommodation to a corresponding extent.

Government's Interest in Tourism: The Government of India has recognised the importance of making tourists comfortable. It has initiated several measures in this direction. It has encouraged establishment of up-to-date hotels and has striven to make travel comfortable by improving air and rail transport facilities and freeing the travellers from vexatious and cumbersome formalities. The Government has opened a number of tourist centres both in India and abroad for assisting in the expansion of tourism.

The Kashmir Government is taking keen interest in encouraging tourism, as it has proved an important source of earning foreign exchange. According to the Director of the Tourist and Transport Department, Srinagar, in 1955, during the current year 1,00,000 tourists are expected. The State Government is making adequate provision for transport arrangements for tourists. Repairs are being built to link Tarnagur and Gulmarg. At Srinagar, a tourist centre, one of the biggest in the world, will soon be opened. The State Government proposes to open Yacht clubs in various places in co-operation with foreign clubs, and arrangements are being made to revive winter sports on the 1947 scale. The State Government has earmarked Rs. 105 lacs in the second Five-Year Plan for providing facilities to tourists.

In short, the growing volume of tourism, the shortage of hotel accommodation, the dearth of luxurious hotels, and the Government's desire to extend assistance to the hotel industry, today, offer a large scope for new ventures and it is to fit into this situation that The East India Hotels Limited has been formed.

Promoters: The promoter of the Company is Rai Bahadur M. S. Oberoi. He is not receiving any profit or remuneration for his services as such. Rai Bahadur Oberoi has paid on behalf of the Company a sum of Rs. 1,77,000/- to meet certain necessities in advance to the Government, Building Contractor and Architects. He will be entitled to be reimbursed these amounts by the Company and to be indemnified by the Company against all liabilities in respect of contracts entered into on behalf of the Company.

Backing of Oberoi Group: The two hotels will have the backing of the Oberoi Hotel Chain having an international reputation and particularly in the East, Europe and U.S.A. It is very difficult for a single hotel to attain success on its own efforts, whereas a company which combines the management of the two hotels of The East India Hotels Ltd. will be entrusted to the Managing Agents, subject to the provisions of the Companies Act, 1956. The Managing Agents will not charge any remuneration for the first year of its operation.

OBEROI HOTELS

INDIA	PAKISTAN
1 Hotel Imperial, New Delhi.	11. Faletti's Hotel, Lahore.
2 Hotel Cecil, Simla.	12. Flashman's Hotel, Rawalpindi.
3. Mairani's Hotel, Delhi.	
4. Swiss Hotel, Delhi.	
5. Hotel Mount View, Chandigarh, Calcutta.	
6. Hotel Mount Everest, Darjeeling.	
7. Hotel Mount Everest, Darjeeling.	
8. Palm Beach Hotel, Gopalpur-on-Sea, Orissa.	
9. Oberoi Palace Hotel, Srinagar, Kashmir.	
10. Clarke's Hotel, Simla.	14. Cecil Hotel, Murree.

Comprising the largest chain of 14 luxurious hotels in the East, the Oberoi Group has, by offering every facility for convenience and comfort, come to be recognised as the home for international travellers. It is known for its personalised service, cordial hospitality and friendliness throughout the globe. And Mr. Oberoi as the Chief Executive of the Management of these hotels brings with him to The East India Hotels Ltd. a rich and varied experience acquired over a period of years. Under his supervision and management, the promotion of this Company should prove to be a successful venture from the very inception of its operation. It will also have the benefit of experience of some of the staff now under the employ of Mr. Oberoi to look after the interest of the Company in the initial stages. In order to keep in line with the policy of Indianisation, there is also a scheme under consideration to send young people for training to hotel schools abroad, so that the Company may have experienced and trained personnel on its staff.

Co-operation of Inter-Continental Hotels (U.S.A.): Inter-Continental Hotels Corporation, which is a wholly owned subsidiary Company of Pan American World Airways, was formed some years ago at the instance of the American Government, particularly to provide technical assistance in connection with construction, financing and operation of new hotels abroad. Pursuant to the policy of the U.S. Government of furthering the economic development of friendly foreign nations, The International Co-operation Administration had commissioned Pan American World Airways to conduct technical assistance programmes with several countries.

Pan American World Airways is the only Airline at present operating a complete, round-the-world service in India, and particularly New Delhi, are a high light of a round-the-world trip. Pan American makes 5 round-the-world flights each week in each direction serving 84 countries and providing 80% of the total requirements of American Tourists in this respect. It has established modern first class hotels in many ports of the world to meet the comfort and requirements of its passengers.

Pan American World Airways will be operating new jet aircraft on their round-the-world services from 1958. Other Airline Companies will also be operating similar aircraft. Each of these aircraft has a carrying capacity of 120 passengers, which is a 100% increase on the carrying capacity of the existing aircraft. A preliminary survey indicates that a 200% increase in tourist traffic may be anticipated as compared to 1955. Pan American World Airways is anxious to obtain first class hotel accommodation in India, operated to American standards. This Company will be in a position to provide such accommodation for the use of Airline passengers and their crews.

The promoters are at present negotiating with Inter-Continental Hotels Corporation with the object of securing the patronage of the hotels under the management of Oberoi Hotels (India) Private Ltd. in New Delhi and also with the object of getting the benefit of their latest technical know-how. These arrangements will materially assist the new Company by ensuring a regular flow of visitors to the hotels. The arrangements will also provide for training of Indian operational personnel in the U.S.A. and Inter-Continental Hotels will loan their technical staff if required during the initial period of operation. The Company may be provided with facilities to use the teletype system of reservation throughout the 400 offices of Pan American World Airways.

SPECIAL PRIVILEGES FOR SUBSCRIBERS: Every subscriber to Preference and Ordinary Shares will be issued with the Oberoi Gold Card on request. The holders of the Gold Card will be entitled to all the amenities and particularly to a discount of 10% on the purchase of goods and services at the hotels, restaurants, and at other places where hotels may be built or acquired in the future. Moreover, the holder of an Oberoi Gold Card will be entitled to the same discount on room charges at all the other hotels in the Oberoi Group, throughout India and Pakistan. Besides the discount of 10% on room charges, the holders will be assured of receiving exceptional personal service and attention at the Company's hotels and all other hotels in the Oberoi Group in India and Pakistan. This unique service will indeed give the holder of a Gold Card a special advantage when staying at any of the hotels. A Gold Card will be valid for 5 years from the date of issue. In the case of companies, they will be permitted to nominate one person who will be entitled to the use and privileges of the Gold Card. In the case of individuals or others holding shares in joint names, one of the holders of the Gold Card will be entitled to the use of the privileges of the Gold Card.

PROCEEDS OF ISSUE

The entire project in Delhi and Kashmir will cost Rs. 1,25,00,000 when fully developed with all ancillary establishments. The immediate requirements are Rs. 1,00,00,000 but it must be emphasised that without the project is a completely finished entity and will in no way be handicapped in its operation without the ancillaries which will be added at a later stage but which will undoubtedly enhance the earnings of the project. This total capitalisation cost will be provided as under:—

(A) By Share Capital	30,000 6% tax-free Cumulative Preference Shares of Rs. 100/- each	Rs. 3,00,00,000
(B) By Preference Shares	30,000 6% tax-free Cumulative Preference Shares of Rs. 100/- each	Rs. 3,00,00,000
(C) By Ordinary Shares	7,00,000 Ordinary Shares of Rs. 10/- each	Rs. 70,00,000
Total		Rs. 1,00,00,000

(B) It is proposed to raise Rs. 1,00,00,000 by the issue of 1,00,000 Preference Shares of Rs. 100/- each. The Directors expect that this loan can be obtained at a rate not exceeding 6% per annum depending on the market conditions. The present intention is to raise the loan at a later date when the project is completed or is nearing completion and its operation is nearly full capacity, so that its earnings are sufficient not only to ensure payment of interest on the amount borrowed but also to set apart a sum of Rs. 25 lacs per annum towards the repayment of the loan.

(C) The working capital which is estimated at about Rs. 4,00,000 will be provided partly from the profit of the Company in running the hotel at Srinagar and partly lent by the Managing Agents free of interest.

The proceeds of the funds are proposed to be expended in the following manner:

(a) CONSTRUCTION OF HOTEL IN NEW DELHI	Rs.
Land and Building	54,81,210
Electric and Sanitary Installations	...
Lifts, Air Conditioning, (estimated)	...
Furniture, Crockery, Cutlery, Glass-ware, Carpets, Kitchen, Utensils, Linen, Cooking Ranges, Laundry Plant, etc. (estimated)	19,68,790 0 0
(b) ASSETS OF OBEROI PALACE HOTEL, SRINAGAR	15,10,655 0 0
Grand Total	3,00,000 0 0
Less: Proceeds to be issued	4,39,345 0 0
Balance	1,30,00,000 0 0

THE EAST INDIA HOTELS LIMITED—Cont'd.

ESTIMATES OF PROFITS

A general idea of profits which is a representative unit in the hotel industry can be had from the results of the working of the Hotel Imperial, New Delhi, of the Oberoi Hotel Group. An abstract of income and expenditure of this hotel for the years 1952-53, 1953-54, 1954-55 and 1955-56 is given in the table below. The figures are taken from the books maintained by Associated Hotels of India Ltd. which owns the hotel.

HOTEL IMPERIAL, NEW DELHI.

Total Number of Beds: 150

Average Occupancy: 92%

INCOME:	1952-53	1953-54	1954-55	1955-56
	(Rupees in lacs)			
Board & Lodging, etc.	21.17	21.65	24.03	26.53
Rental & Miscellaneous	1.14	1.79	2.68	3.09
Receipts, etc.	6.11	6.06	6.55	7.33
Sale of Liquor	29.22	29.70	32.26	36.95
EXPENSES:				
Food, Establishment, Rent, Taxes, Insurance & Miscellaneous	26.29	20.34	23.23	20.27
	8.94	9.36	10.03	16.68

PROFIT

It will be seen from the above table that the percentage of expenses to income was 69.3 in 1952-53, 68.4 in 1953-54, 69.8 in 1954-55 and 54.8 in 1955-56 leaving a profit margin of about 30% in the 3 years, 1952-53, 1953-54 and 1954-55 and about 45% in 1955-56.

The proposed New Delhi hotel will contain 200 rooms with 375 beds. The average number of residents is estimated at 230 per day in the year.

In the Oberoi Palace Hotel, Srinagar, there are 90 rooms with a provision of 150 beds. The average number of residents works out to 80 per day for a period of 84 months.

The estimated profits calculated on the basis of the average occupancy in both the hotels are shown in the proforma income and expenditure statement below, for the first year after the completion of the project.

	(Rupees in lacs)		
	New Delhi Hotel	Palace Hotel Srinagar	Total
Total Accommodation	375 Beds	150 Beds	
Average Occupancy	60%	53%	
INCOME			
Board & Lodging	41.00	5.75	46.75
Food sale, Rental, Laundry & Miscellaneous Receipts	13.10	.85	13.95
Sale of Liquor	—	1.00	1.00
	54.10	7.60	61.70
EXPENDITURE			
Food, Establishment, Rent, Taxes, Insurance & Miscellaneous	22.48	5.85	28.33
GROSS PROFIT	31.62	1.75	33.37

If the loan of Rs. 25 lacs is raised by the Company, the position of Profit & Loss will be as follows:—

Gross Profit	33.37
LESS APPROPRIATIONS	
Overhead Expenses of Head Office	.61
Interest on Loan	1.50
Depreciation	5.00
	7.11
Less Tax payable @ 45% of the assessable profits	5.56
Tax on Dividend in excess of 6%	1.06
Net Profit	19.64
Sinking Fund for Loan	2.50
	17.14
Preference Share Dividend @ 6%	1.80
Ordinary Share Dividend @ 15%	10.50
	12.30
Reserve Fund	4.84
	4.80
Carried over	.84

It will be seen from the above statement that the Company can expect to earn an income of Rs. 61.70 lacs in the first year after the completion of the project, as against the expenditure of Rs. 25.33 lacs, leaving a gross profit of Rs. 33.37 lacs. Of the latter, a sum of Rs. 13.73 lacs is appropriated for interest on loan, depreciation, taxation at the present rate, and overheads. The estimated net profits available for distribution to shareholders would be Rs. 19.64 lacs.

Preference Dividend Cover: On the basis of an estimated net profit of Rs. 19.64 lacs, the dividend on the 6% tax free Cumulative Preference Shares will be covered over 11 times by earnings.

After deducting from the estimated net profit of Rs. 19.64 lacs, the sum required for payment of dividend on Preference Share Capital, the balance of profit represents a return of 26.5 per cent on the amount of the issued Ordinary Share Capital. After providing a reserve year, the Company according to the above Profit & Loss account will be in a position to declare a dividend of 15% Free of Tax to the Ordinary Shareholders.

The above estimate for the first year is made @ 60% average occupancy and taking into account the depreciation relief for the first five years. In the course of the next 5 years, the average occupancy is expected to rise to 80 to 90%, which means an increase in the income by nearly 40 to 50%. The consequent increase in earnings will more than compensate the Company for the higher incidence of tax from the sixth year, owing to the discontinuance of the development rebate thus enabling it to maintain, or perhaps even raise the dividend.

WINE PROFITS: The above profit, it may be noted, does not include profits on liquor sales in the New Delhi Hotel. Even if prohibition is introduced, the Company is likely to continue its sales of liquor to residents, permit holders and foreigners. If this additional income is taken into account, the earnings would be higher and will enable the Company to pay still higher dividends.

STATUTORY & GENERAL INFORMATION.

Minimum Subscription: The minimum subscription in respect of the present issue of which the Directors will proceed to allot is Rs. 30,00,000/-.

	Rs.	Rs.
1. Purchase price of Property	11,78,000	
Paid	6,17,000	5,61,000
2. Preliminary Expenses		20,000
3. The repayment of any money borrowed by the Company in respect of the foregoing matters	7,77,000	
4. Working Capital	4,40,000	
5. Any other expenditure stating nature and purpose thereof and the estimated amount in each case: (To complete 100 rooms furnished and equipped)	27,02,000	45,00,000
Less Working Capital to be met out of Company's fund and advance from Managing Agents	5,00,000	
Shares already allotted	10,00,000	15,00,000
		30,00,000

Contracts Relating to Property: 1. The Government has allotted to the Company a plot of land measuring 6.32 acres in New Delhi for the construction of a new hotel building on international standards. The plot is situated near the Delhi-Mathura Road and Wellesley Road crossing in the North East corner adjoining the Golf Club.

The terms and conditions under which this plot of land is being leased to the Company are specified by the Land & Development Officer, New Delhi in his letter No. O-L dated 17th December 1955, addressed to the Company. The lease will be completed in due course. This includes the following:—

- The Company is required to pay for the land as under:
 - For the area measuring about 5.46 acres at Rs. 2,05,000 per acre which comes to Rs. 10,92,000/- plus Rs. 27,300/- as annual ground rent at 2 1/2 per cent of the premium.
 - For the area measuring about 0.86 acres at Rs. 1,00,000 per acre which comes to Rs. 86,000 plus Rs. 2,150 as annual ground rent at 2 1/2 per cent of the premium.

- Only one-third of the area measuring 5.46 acres will be built over and the remaining area shall be left for gardens, roads, car parks, etc. An area of about 0.86 acres will be converted into a lake and adjoining garden.

The construction of the building has already been taken into hand. A part of the building is intended to be completed by October and the entire project by mid-1957.

2. Agreement for sale dated the 31st August, 1956 and made between Hotels (1938) Private Ltd., of the first part and Rai Bahadur M. S. Oberoi of the second part and the Company of the third part.

This agreement provides for the purchase by the Company from Hotels (1938) Private Ltd., of the assets comprised in the latter's hotel at Srinagar at a price of Rs. 15,10,654-14-3, which will be paid and satisfied by the Company by the issue of and allotment of Rs. 15 lacs in its 1,50,000 Ordinary Shares of Rs. 10/- each at par credited as fully paid up and the balance, i.e. Rs. 10,654-14-3 will be payable in cash. The sale is subject to the consent of Yuvraj Karan Singh the landlord to the assignment of the properties, comprised in two leases dated 17th June, 1954 and the 12th November, 1954, in favour of the Company. As these leases stand in the name of Rai Bahadur M. S. Oberoi, he has been made a party to the Agreement. Rai Bahadur M. S. Oberoi and T. R. Oberoi who are the Directors of the Company are also Directors of the Vendor Company.

Expenses to this Issue: The estimated amount of the Preliminary Expenses including brokerage and commission is Rs. 3,00,000/-.

Directors' Qualification and Remuneration: The qualification of a Director shall be the holding in his own name or jointly with any other person of shares in the Company of the nominal value of Rs. 5,000/-.

Managing Directors: The Board may subject to Section 316 and 317 of the Act appoint one or more Managing Directors of the Company. Such Managing Director will, subject to Section 255 of the Act, not be liable to retire by rotation but will cease to be a Managing Director if he ceases to be a Director. He will, subject to Sections 309, 310 and 311 of the Act, receive such remuneration as the Company may determine in general meeting. The Company will not appoint Managing Directors as long as it has Managing Agents.

Managing Agents: Oberoi Hotels (India) Private Ltd. are the Managing Agents of the Company by virtue of the Agreement dated 26th May, 1949. They receive by way of remuneration for their services a commission of 10% on the net profits and are entitled to be reimbursed all expenses incurred on behalf of the Company. Such remuneration is subject to the provisions of the Companies Act. The subscribed capital of the Managing Agents is Rs. 4,00,000/- divided into 400 Ordinary Shares of Rs. 10/- each.

Interest of Directors: Sir U. N. Sen and Mr. M. L. Khaitan are Directors of Associated Hotels of India Ltd., of which Hotels (1938) Private Ltd. (the Vendor in respect of assets comprised in its hotel at Srinagar) is a subsidiary. Rai Bahadur M. S. Oberoi is a Director of Oberoi Hotels (India) Private Ltd., the Managing Agents of the Company and of Associated Hotels of India Ltd., and Hotels (1938) Private Ltd. Mr. T. R. Oberoi is a Director of Oberoi Hotels (India) Private Ltd., Associated Hotels of India Ltd., and Hotels (1938) Private Ltd.

Consent: The consent in writing of the Auditors, Bankers, Brokers and Legal Advisers to the Company to act in their respective capacities have been obtained. The Auditors, Messrs. G. Basu & Co., have given and have not withdrawn their consent to the inclusion of their report and certificate in this Prospectus in the context in which they appear.

The foregoing written consents and copies of the contracts mentioned below have been attached to the copy of the Prospectus which has been delivered to the Registrar of Companies, West Bengal, for registration.

Contracts: The following Contracts (apart from contracts entered into in the ordinary course of business) have been entered into by or on behalf of the Company and are or may be material.

(a) Agreement for the same dated the 31st August, 1956 and appearing under the heading "Contracts relating to Property" of this Prospectus.

(b) Letter dated 17th December, 1955, from the Land & Development Officer, New Delhi setting out terms and conditions of the Lease of the land in New Delhi.

(c) Correspondence with Messrs. Uttam Singh Duggal & Co. Ltd., Delhi, Building Contractors for the construction of the hotel building.

(d) Correspondence between Rai Bahadur M. S. Oberoi and Inter-Continental Hotels Corporation.

(e) Managing Agent's agreement dated the 26th May, 1949, between The East India Hotels Ltd. and Oberoi Hotels (India) Private Limited, regarding the Managing Agency terms, remuneration, etc.

Brokers: Brokerage at the rate of 4 annas per Ordinary Share of Rs. 10/- each and Re. 1 per Preference Share of Rs. 100/- each will be paid to recognised brokers on allotments made in respect of applications bearing their stamps.

Messrs. Merwanjee Bomanjee Dalal and Messrs. Harbans Singh Mehta & Co., are the Managing Brokers to this issue and will be in addition entitled to a commission of 1 anna per Ordinary Share and 8 annas per Preference Share on all shares subscribed by the public.

AUDITORS' REPORT

We have examined the Accounts of The East India Hotels Ltd. for the five years ended 31st March, 1956, and in accordance with the provisions of clause 24 of Part II of Schedule II of the Companies Act, 1956, we report as follows:—

The Profit & Loss Account of the Company for these years were set out hereunder and have been arrived at after charging all expenses.

THE EAST INDIA HOTELS LTD.

Year ended	1952	1953	1954	1955	1956
Income	Nil	Nil	Nil	Nil	Nil
Expenses	8,002	256	270	270	6,101
Loss	8,002	256	270	270	6,101

We further report that no dividends have been paid in respect of any of the five years ended up to 31st March, 1956. The net assets of the Company as at 31st March, 1956, as disclosed by the audited Balance Sheet as at that date were as follows:—

Current Assets		Rs.
Advance to Contractors	...	1,932
Current Account with M. Agents	...	7,799
Balance with Bank	...	139
		9,869
Preliminary expenses	...	13,125
		22,994

Less Current Liabilities & Provisions		Rs.
Sundry Creditors	...	1,665
Nett Assets on 31st March, 1956	...	21,329

Nett assets of Rs. 21,329 shown above are represented by:—		Rs.
Share Capital of 1,00,756 Ordinary Shares of Rs. 10/- each, -/-/- per share called up	...	50,378
Calls received in advance	...	4,750
		55,128
Less Debit Balance in Profit and Loss account	...	33,799
		21,329

G. BASU & CO.,

Auditors.

Inspection: Copies of Memorandum and Articles of the Company, the consent order of the Central Government, the Auditors Report and Certificate and the Contract and correspondence referred to above and copies of the balance sheets and profit and loss accounts on which the Auditors' Report is based may be inspected at the Registered Office of the Company on any working day during business hours until the subscription list is closed.

Dated the 14th September, 1956.

Signed by the following Directors:—

Sir DHIREN MITRA, Kt.
Mr. M. L. KHAITAN
Mr. RAMNIWAS RAMNARAIN RUIA
Mr. MURARI VAIDYA
Rai Bahadur M. S. OBEROI
Sir USHA NATH SEN
Mr. T. R. OBEROI

Dated the 14th September, 1956.

JAY ENGINEERING WORKS LTD.

SIR SHRI RAM REVIEWS ALL-ROUND PROGRESS

The following is the text of the speech delivered by Sir Shri Ram, Kt., Chairman of the Jay Engineering Works Ltd., at the Annual General Meeting of the Shareholders of the Company held at Calcutta on the 14th September, 1956.

Gentlemen,

With your permission I will take the Balance Sheet and Profit & Loss Account and the Directors' Report as read.

We are meeting almost after a year, and I am glad to say that the past year has been of continued greater success and greater service which is evident from the figures given below:—

Particulars.	Year ending 31st March, 1955.	Year ending 31st March 1956.
Sales	Rs. 2,23,95,049	Rs. 3,05,31,764
Profits	18,78,517	27,26,497
Payment to Labour	54,75,532	63,52,919
Number of Workers	2,639	2,934
Number of Usha Embroidery & Tailoring Schools:		
AND	120	150
Students	8,000	11,000

The average of monthly production last year of Sewing Machines was 9,028 Nos. and the highest in one month was 12,012 Nos. as compared to the monthly average of 6,476 Nos. in the previous year and the highest of 9,241 Nos. in a particular month. The average production of Electric Fans last year was 6,939 Nos. as compared to 4,478 Nos. in the previous year.

During this year the Directors decided to discontinue the manufacture of Hurricane Lanterns. The building and most of the machines have been utilised for other purposes.

The Bhela Enamel factory has been shifted to Chhindwara and has started working there.

I told you last year that the definition of Section 23A of Indian Income-Tax Act was so modified, as to create serious difficulties, in paying back our loans, even to the Industrial Finance Corporation of India. We had applied for exemption. So far no decision has been arrived at.

Last year I said that we intend to produce a Table Fan and sell it for about Rs. 60/-. I am glad that these Fans have been put on the market. We hope within the next few months to put 36" Ceiling Fan on the market for about Rs. 100/-.

I am glad to say that we have acquired about 75 Bighas of land at a distance of about 3 miles from our present site, at a cost of roughly about Rs. 4 lacs. We have already built the necessary roads, boundary wall, and a bridge, and covered an area of about 12 lac sq. ft. The machinery is being shifted there, and it is hoped that by the end of December we will be making there about 6,000 Fans per month, in addition to about 8,000 Fans in the existing factory. The Fan Section will be completely shifted to the new site by next year, when we hope to be making about 25,000 Fans a month.

Expansion

During the year the Government of India have been good enough to give us licence for expansion of the Fan Factory capacity from 10,000 to 26,500 Fans per month and the Sewing Machine Factory from 10,000 a month to 25,000 a month.

For the expansion of these factories more finance was required, and the Industrial Finance Corporation of India have kindly sanctioned another loan of Rs. 30 lacs.

Orders have already been placed for machinery for the expansion of the Fan Factory, and the balancing of the existing Sewing Machine Factory.

The Needle Plant has been shipped from Europe and we hope that before the end of this financial year it will be in full swing.

A four storied building has been put up for housing the Tool Room, Design Office, Development and Research Dept. and Training School, etc.

Although due to increase in the price of various raw-materials the cost of raw-materials of Sewing Machines has gone up by over 20% and of Fans by over 10%, we are however selling these at the old prices and have not increased the rates.

I have to point out that very great difficulty is being experienced since sometime on account of very poor and unstable quality of the Pig Iron and of Hard-Coke.

The Government of India recently announced its policy about uniformity in the prices of Steel & Pig Iron of both Indian and imported. While this has helped the industries which are away from port towns and is welcome, but so far as the exports are concerned, I would suggest that on the engineering goods exported, the prices of raw-materials, whether Pig Iron or Steel, should be charged on the basis of the indigenous prices. While the difference in cost to the Pool will be negligible it will be a great help towards export of these goods.

While the Government of India have been good enough to accept the principle of a draw-back of custom duty on goods exported, but the procedure is so complicated and so difficult that it is almost impossible to get any refund. It entails a lot of work for the Government without doing any good to the industry. I, therefore, suggest that it should not be very difficult to devise an ad-hoc basis the amount of draw-back duty paid on such articles as are exported, whether they are Fans, Sewing Machines or Oil Engines or any other items. This would very considerably reduce the complicated procedure, which is being followed now, and make it possible for the industry to get the Draw-back-Duty amount.

We, Industrialists, owe a duty to our country in helping it to secure as much foreign exchange as can be possible. I feel that there is room for considerable increase in the export of general engineering goods. The markets should be explored for proper assessment and every effort made to increase the exports.

Like various other countries, it would be a good thing if the Government of India called a Conference of Railways, Industry, Trade, Labour, etc., to seriously consider as to how exports could be encouraged and helped. I do hope that the authorities will give the suggestion of mine due thought.

I am conscious of the small contribution at present of the general engineering industry to our export trade, but I am sure that in our national drive to conserve and augment our foreign exchange resources, we cannot afford to neglect even a small contribution, and I am equally certain that there is very great scope for proper encouragement and for the export of engineering goods.

The earnings of our workers are steadily going up, and for the last year they received in the shape of Puja Bonus & Profit Sharing an amount equal to 5 1/2 months wages, which is the highest in India.

A few years back we started giving work to poor families and Refugees outside the factory. It helped them in making a good living. In other places men skilled or unskilled find employment, and the number of such people has greatly increased and may be in the neighbourhood of about 1500 working outside our factory premises.

We are also going ahead with our policy for recruiting educated people. In the previous year we had 358 Matriculates and now on 31st August 1956 we have 600. We think the scheme has been very successful.

In the end, I have pleasure in conveying my thanks to and my appreciation of the work done by all my colleagues.

Accounts

After the speech of the Chairman, the Audited Accounts of the Company for the year ended the 31st

March, 1956, were passed. A dividend of 10% free of Income-tax was declared in respect of the equity or ordinary shares of the Company.

Thereafter the following resolutions were passed unanimously:—

1. As Ordinary Resolutions:—

- Mr. L. P. Singhanian and Mr. M. G. Bhagat, who retired by rotation, were re-elected as Directors of the Company.
- M/s. H. P. Khandelwal & Co., Chartered Accountants, were re-appointed Auditors of the Company for the year 1956-57 at a remuneration of Rs. 20,000/-.
- Declaring that the age-limit prescribed in section 280 of the Companies Act, 1956, shall not apply to Shri D. N. Sen.
- Approving and consenting to the renewal of the agreements and appointments of 146 Sole Selling Agents in India and abroad, a list whereof was included in the notice to the shareholders;
- Consenting to the Board of Directors contributing and/or subscribing amounts to any national, political, charitable, benevolent, public, general and other funds, not directly relating to the business of the Company or the Welfare of its employees, the aggregate whereof in any financial year may exceed Rs. 25,000 or 5% of the average of the Company's net profits during the immediately preceding three financial year; whichever is greater; and
- Providing that various books, registers and documents of the Company shall be kept open for inspection by shareholders and others during certain hours.

2. As Special Resolutions:—

- Electing and appointing Mr. M. G. Bhagat a Director of the Company and approving the appointment of Mr. D. N. Sen, Shri K. L. Poddar and Shri B. K. Rohatgi as Directors of the Company, and providing that the said gentlemen do continue as Directors until they retire.
- Authorising the Managing Agents and the associates of the Managing Agents to retain commission and other remunerations, etc. in terms of section 359 of the Companies Act, 1956; and
- Approving the contracts which are or may be entered into between the Company and India Electric Works Limited, for supply of goods by the latter under Section 360 of the Companies Act, 1956.

Concrete Mixer C-99
250 litres.

Jaw Crusher Model C-182B

Eccentric Drive Screen Model 96A

Mortar Mixer C-220
150 litres.

Electro Vibrator E-21A

V/O MACHINOEXPORT
32/34 Smolenskaya-Sennaya
MOSCOW, U.S.S.R.

EXPORTS

LARGE VARIETIES OF BUILDING EQUIPMENT FOR CIVIL AND INDUSTRIAL UNDERTAKINGS

Among them:—

Stone Crushers, Concrete Mixers, Concrete Pumps and Cement Guns, Mortar Mixers, Mortar Pumps, Vibrators, Plastering and Painting Equipment.

All equipment are manufactured under up-to-date and well-equipped State enterprises.

Further particulars from:—

TRADE REPRESENTATION OF THE U.S.S.R. IN INDIA

GOMBAY (Branch)
House No. 21, Block 48
Chandrayani

NEW DELHI
House No. 21, Block 48
Chandrayani

CALCUTTA (Branch)
1, Bishop Lefroy Road,
CALCUTTA-29

PRODUCTIVITY LAGS BEHIND WAGES IN U.K.

PAYMENTS PROBLEMS FOR THE STABLE SWISS ECONOMY

(This is the fifth of a series of articles written by our New Delhi correspondent on the basis of a recent tour of Europe).

THERE is a great deal of prosperity in Britain at present. Poverty, as it exists in India, is unknown. People eat well and dress well. Children are well cared for. There are jobs for everyone and more to spare. And this overdose of prosperity is not without its dark aspect either. Two distinct developments are taking place. Like his Indian counterpart, a British worker today works with his eyes on the clock. He is also seen losing pride in his work.

A growing influx of immigrants from colonies, particularly from the West Indies, is another development which reminds a visitor of Gibbon's *Decline and Fall of the Roman Empire*. Britain because of her Commonwealth and Empire connections, cannot even regulate the immigration into her territory. Because of the industrial boom there men and women from the colonies, and even from such European countries as Germany and Poland, find an easy market for their labour. Slump, if and when it comes, will create difficulties which may not be easy to solve. In any scheme of rationalisation, the force of public opinion will demand the retrenchment of "outsiders" which, in the circumstances, would be criticised and even dubbed as racial discrimination. As it is, on the Roman model of Gibbon's description, the colonials and other outsiders are called upon to do unattractive jobs, unattractive to the British workers of today.

Study of Wages and Output

The industrial output is rising. Profits are going up, and so are wages. But *pari passu*, the output of a worker is not keeping pace, as compared, for instance, with Germany. This is borne out by a recent study, which discloses that, with 1953 as base, the production of manufacturing industries has risen from 87 points in 1949 to 94 points in 1952 and 115 points in 1955. Output a man, during the same period has risen from 92 points in 1949 to 110 points in 1955, as against 68 points in 1949 to 117 points in 1955 in Germany. Labour costs a unit rose from 83 points in 1949 to 106 points in 1955 in Britain, while they declined from 104 points in 1949 to 96 points in 1955 in Germany.

Due to higher costs of production, Britain is losing its competitive strength in world markets. For instance, it has lost its 100-year old Indian market for railway locomotives due precisely to this reason.

One view is that it is the welfare State ideology which is responsible for Britain's sliding down in the industrial field. Overemployment has deprived the worker of the normal incentive to improve the quality of his output. Unless a worker is imbued with the feelings of patriotism and devo-

tion to his duty, fear of dismissal is the only check against negligence and inefficiency. Social security legislation has removed that check now. The workers could raise productivity only with the love of their country. The figures quoted above do not indicate a positive reply.

Swiss Economy

During the first half of 1956, Switzerland's economy enjoyed stable conditions. The factors making for the expansion of Swiss trade and industry during recent years have continued to operate during the first half of 1956, not only within the country but also in foreign trade. All branches of activity have shared in this boom, and if the rate of progress has been slowing down in certain lines, it is because an increasing number of Swiss industries are approaching the limit of their productive capacity. Mention should also be made of a certain seasonal falling off which has been particularly noticeable in some industries such as building, and which may be put down to the extremely unfavourable weather at the beginning of the year. Industries producing consumer goods, which were hitherto lagging behind, have now regained their position in the general upward trend of activity. There has been a slight slackening in the new orders received by the capital equipment industries largely due to their delivery dates being sometimes too long.

Saturated Labour Market

The Swiss labour market is characterised by quite an unprecedented state of saturation. At the end of July, there were scarcely 500 unemployed in the whole of Switzerland, and the number of vacancies was ten times greater. At the same time nearly 300,000 foreign workers were engaged in the country and there has been a steady increase in the overtime worked. This labour shortage is particularly affecting agriculture, where production costs and prices are tending to rise. The hotel industry, for its part, is enjoying a period of prosperity which is partly due to the relative stability of prices. Proof of the gratifying state of affairs in this industry is the increase in the number of foreign tourists which continues to expand despite the unusual weather conditions. The money and capital market has come under various influences, but there has been no modification of its general structure. At the beginning of the year, liquidity increased noticeably because of the influx of foreign capital. The re-starting of building work and the floating of a number of Swiss and foreign loans restored the situation to normal.

Increasing Foreign Trade

The results of foreign trade during the first six months of the year reflected the high level of economic activity the country is enjoying at present. Imports amounting to 3,545 million francs and exports worth 2,902 million francs represented new record figures and were 14.8 percent and 9.6 percent higher respectively than the figures for the first half of 1955. The debit side of the trade balance has increased as compared with the preceding year, and stood at 643 million francs. Swiss exports have developed favourably in all branches of production, the watch-making and machine-building industries being especially prominent. All other Swiss industries are making progress, or maintaining their present levels, with the sole exception of the dyestuffs industry which showed a further drop in comparison with the preceding year.

Average import prices are tending to rise: imported raw materials and manufactured goods have perceptibly risen in price compared with last year, whereas foodstuff prices have remained virtually at the same level. Swiss exports, on the other hand, have dropped in price, particularly where manufactured goods are concerned. This divergent trend in the prices of Swiss foreign trade, which started as far back as 1954, has further strengthened since the beginning of this year. If the components of Swiss foreign trade are examined in relation to the country's various trading partners, it will be seen that trade with Europe has developed more than that with overseas countries. Swiss trade with Europe represents 71.5 percent in value of the imports and 62.7 percent of the exports of the total foreign trade. The debit side of Switzerland's trade balance stands at 716 million francs on European traffic, whereas trade in goods with overseas countries shows an excess of exports of 73 million francs.

Rising Living Costs

Taken as a whole, the results of foreign trade are regarded as encouraging. Competition on world markets has increased in recent years, more particularly since 1950. A comparison with the progress made by other countries shows that Switzerland has even lost ground in relation to certain of its competitors. If the general figures for world exports are compared with those of Switzerland, it will be found that Switzerland's share is approximately the same today at 1.6 percent. In 1933, it was 1.5 percent. It will also be noted that imports have increased in recent years much more than exports. This is evident from the steadily increasing adverse balance of trade. The general survey of Switzerland's economic situation is not without its darker side, and one phenomenon in particular is exercising the minds of those in charge of that country's affairs. This is the cost of living, more or less faithfully reflected by the index of consumer prices which reached 175.6 (1939=100) at the end of July. A year ago, this index stood at about 172, a figure which at one time appeared to have been stabilised. The situation has, however, changed since the end of 1955, and for this reason, a perceptible increase of 2 percent in living costs has been recorded in the space of only a few months.

RESERVE BANK

ISSUE DEPARTMENT

	(In 000's of Rupees)	Week ended 14-9-56	Week ended 7-9-56	16-9-55
Liabilities—				
Notes in Banking Dept.	25,04.01	16,25.09	22,69.19	
Notes in Circulation	14,32,44.57	14,40,18.34	12,53,35.28	
Total Notes issued	14,57,48.58	14,56,43.43	13,16,04.47	
Assets—				
A Gold Coin and Bullion	40,01.71	40,01.71	40,01.71	
Foreign Securities	5,96,73.79	5,96,73.79	6,71,81.60	
Total of A	6,36,75.50	6,36,75.50	7,11,83.31	
B Rupee Coin	1,17,07.22	1,16,02.67	1,16,28.50	
Rupee Securities	7,03,65.26	7,03,65.26	4,93,91.66	
Total	14,57,48.58	14,56,43.43	13,16,04.47	

BANKING DEPARTMENT

Liabilities—			
Capital Paid-up	5,00.00	5,00.00	5,00.00
Reserve Fund	5,00.00	5,00.00	5,00.00
National Agricultural Credit (Long-term) Fund	15,00.00	15,00.00	—
National Agricultural Credit (Stabilisation) Fund	1,00.00	1,00.00	—
Deposits—			
(a) Central Govt.	73,40.83	58,85.79	61,96.06
(b) Other Govts.	13,54.40	16,12.50	13,42.00
(c) Banks	33,71.69	56,15.66	52,88.72
(d) Others	14,38.90	18,01.26	16,57.12
Bills Payable	8,45.77	10,26.44	6,56.62
Other Liabilities	14,40.59	14,02.67	16,27.85
Total	2,06,92.18	2,00,04.34	1,77,69.27

Assets—			
Notes	25,04.01	16,25.09	22,69.19
Rupee Coin	6.78	6.78	7.81
Subsidiary Coin	9.05	8.37	6.64
Bills Discounted Int.	—	—	64.30
Govt. of India Treasury Bills	5,96.08	6,14.73	13,70.42
Balances held abroad	33,14.26	34,21.96	48,23.18
Loans Govt.	5,07.35	5,22.25	65.00
Other Loans etc.	76,73.10	74,50.79	30,80.55
Investments	52,18.78	51,80.86	49,24.47
Other Assets	11,62.77	11,63.49	11,57.71
Total	2,06,92.18	2,00,04.34	1,77,69.27

SCHEDULED BANKS

(In 000's of Rupees)

	7-9-56	31-8-56	9-9-55
Demand Liabilities—			
(a) Borrowings from Banks	8,70.91	17,02.76	9,01.33
(b) Others	6,29,67.59	6,37,71.19	5,50,75.16

Time Liabilities—			
(a) Borrowings from Banks	2,30.80	2,89.55	2,84.30
(b) Others	4,56,73.38	4,58,41.06	4,10,46.75
Borrowings from State Bank Demand Liabilities	12,68.61	7,25.46	8,21.17
Time Liabilities	35,51.06	37,58.06	33,67.11
Cash	53,24.48	51,66.56	48,28.08
Balances with the Reserve Banks	53,24.48	51,66.56	48,28.08
Balances with other banks in current account	10,27.40	11,77.29	10,39.78
Money at calls and short notice	12,59.54	22,39.02	16,90.03
Investments in Central and State Govt. Securities	3,66,37.51	3,61,41.61	3,80,97.39
Advances	6,16,72.35	5,87,69.69	5,00,47.71
Instant bills purchased and discounted	95,15.33	1,01,57.60	67,15.62
Foreign bills purchased and discounted	45,58.33	45,80.73	42,33.88

CLEARING HOUSE RETURNS

	Week ended 14-9-56	Rs. (thousands) 7-9-56	Rs. (thousands) 31-8-56	Rs. (thousands) 24-8-56
Calcutta	61,25.00	61,25.00	61,25.00	61,25.00
Bombay	62,97.75	62,97.75	62,97.75	62,97.75
	54,65.48	54,65.48	54,65.48	54,65.48
	54,81.79	54,81.79	54,81.79	54,81.79

STATE BANK OF PAKISTAN

ISSUE DEPARTMENT

	(In 000's of Rupees)	Week ended 31-8-56	Week ended 24-8-56
Liabilities—			
Notes in Banking Department	12,62.76	12,63.15	12,63.15
Notes in Circulation	2,80,22.87	2,80,52.27	2,80,52.27
Total Notes issued	2,92,85.63	2,93,15.42	2,93,15.42
Assets—			
A Gold Coin and Bullion	11,33.41	11,33.41	11,33.41
Sterling Securities	96,64.02	96,64.02	96,64.02
Government of India Securities	16,68.25	16,68.25	16,68.25
India Notes representing assets receivable from the Reserve Bank of India	43,02.58	43,02.58	43,02.58
B Rupee Coin	6,62.37	6,62.37	6,62.37
Govt. of Pakistan Securities	1,12,64.94	1,12,64.94	1,12,64.94
Held with Reserve Bank of India pending transfer to Pakistan	—	—	—
Gold Coin and Bullion	19.02	19.02	19.02
Sterling Securities	4,40.63	4,40.63	4,40.63
Govt. of India Securities	1,00.90	1,00.90	1,00.90
Rupee Coin	29.51	29.51	29.51
Total	2,92,85.63	2,93,15.42	2,93,15.42

BANKING DEPARTMENT

Liabilities—			
Capital Paid-up	3,00.00	3,00.00	3,00.00
Reserve Fund	3,00.00	3,00.00	3,00.00
Deposits—			
(a) Central Government	28,06.17	31,40.47	31,40.47
(b) Provincial Government	13,05.58	10,79.75	10,79.75
(c) Banks	21,62.72	20,73.21	20,73.21
(d) Others	3,38.17	3,37.25	3,37.25
Bills Payable	45.99	46.07	46.07
Other Liabilities	7,10.02	7,13.64	7,13.64
Total	79,74.65	79,95.39	79,95.39
Assets—			
Notes Coin	12,62.76	12,63.15	12,63.15
Rupee Coin	—	—	—
(a) Pakistan	10	10	10
Subsidiary Coin:			
(a) Pakistan	15	15	15
(b) India	—	—	—
Bills Purchased and Discounted—			
(a) Internal	—	—	—
(b) Govt. Treasury Bills	1,13.31	1,13.77	1,13.77
Loans and Advances to Govt.	—	—	—
Provincial Govt. Debtor Balances	—	—	—
Other Loans and Advances	4,67.50	4,43.75	4,43.75
Investments	52,20.59	52,33.05	52,33.05
Other Assets	9,10.24	9,41.41	9,41.41
Total	79,74.65	79,95.39	79,95.39

Finance in India and Abroad

THE CALCUTTA MONEY MARKET

DULL WEEK FOR BILLS

Wednesday, 19th September.

THE money market continues easier with funds returning from sugar mills and on account of grain storage. There has been no increase recorded yet in advances against stocks of Pujah cloth. These will, in any case, be limited this year due to the Government's attempts to curb the general supply of credit. The interbank market remains tight. Last week's tax payments did not make a heavy call on the market as was at first expected. The call rate is still officially 3½ percent, but it is reported that business has taken place at higher levels.

It has been a featureless week in the market for export documents. A small number of tea bills has come to hand, but very few gunny documents have been reported. Remittance has been good. Sterling is reported to be much stronger this week. The value of the pound has improved in the London and Continental markets. The reason is suspected to be a rush from Continental operators to cover short positions.

Silver was steady on short-covering and the price advanced from the previous week's level of Rs. 171-13 to Rs. 172-4, quoted today. The rate for ready was quoted at Rs. 172-8. The London price has remained unchanged at 78½d. The price of foreign silver in New York is the same at 90½ cents.

Gold was firm in sympathy with silver, and increased from Rs. 103-6 to Rs. 103-15. The sovereign, at Rs. 67-12, showed a gain of 2 annas.

During the week ended 14th September, Government of India Treasury Bills for Rs. 47,09,75,000 were sold in favour of the Reserve Bank.

A decline of Rs. 7.73 crores to Rs. 1,432.45 crores in active notes was the outstanding feature of the return of the Reserve Bank of India for the week ended 14th September, 1956. The total note issue was Rs. 1.06 crores higher at Rs. 1,457.49 crores. Notes held in the Banking Department consequently increased by Rs. 8.79 crores to Rs. 25.04 crores. Deposits of the Central Government and other government accounts rose by Rs. 14.55 crores and Rs. 2.81 crores to Rs. 73.41 crores and Rs. 19.54 crores respectively, following subscriptions to the State loans. Balances of commercial banks as a result declined by Rs. 2.44 crores to Rs. 53.72 crores. Balances held abroad dropped by Rs. 1.08 crores to Rs. 33.14 crores, but investments increased by Rs. 38 lakhs to Rs. 52.19 crores. Other loans and advances increased from Rs. 74.51 crores to Rs. 76.73 crores, of which advances to scheduled banks against usance bills were up from Rs. 24.40 crores to Rs. 30.90 crores. These advances amounted to Rs. 248.20 crores since 1st January, 1956. Ways and means advances stood at Rs. 5.07 crores, against Rs. 5.32 crores.

The return of the State Bank of India for the week ended 7th September, 1956, shows a rise of Rs. 2.26 crores in total deposits to Rs. 231.33 crores. Investments in Government securities and other authorised investments are up by Rs. 1 lakh and Rs. 10 lakhs to Rs. 94.74 crores and Rs. 11.55 crores, respectively. Advances including loans, cash credits and overdrafts, and bills discounted and purchased, have risen by Rs. 9.71 crores to Rs. 133.93 crores. Cash and balances are, in consequence, shown at Rs. 19.82 crores, or Rs. 1.76 crores higher.

The statement of the position of scheduled banks for the week ended 7th September, 1956, shows Demand and Time liabilities at Rs. 639.38 crores (Rs. 9.71 crores on account of borrowings from banks) and Rs. 459.04 crores (Rs. 2.31 crores), compared with Rs. 654.74 crores (Rs. 17.03 crores) and Rs. 461.32 crores (Rs. 2.90 crores), respectively in the previous week. Cash has diminished by Rs. 2.34 crores to Rs. 35.51 crores, while balances with the Reserve Bank have increased by Rs. 1.57 crores to Rs. 53.24 crores. There is a rise of Rs. 4.96 crores in investments to Rs. 366.38 crores. Advances, including bills discounted and purchased, at Rs. 758.46 crores, show an increase of Rs. 23.32 crores. The ratios to total liabilities of cash and balances, and of advances and discounts, are, in consequence, shown at 8.1 percent and 69.1 percent, against 8.0 percent and 65.9 percent.

The total gross sea and land customs revenue collected in the Indian Union during July, 1956, amounted to Rs. 1,177 lakhs as compared with Rs. 1,372 lakhs in the corresponding month of last year. The comparison in the following is of the current figures with figures the preceding year. Of the total customs revenue collections, import duties accounted for Rs. 1,028 lakhs as against Rs. 1,045 lakhs, export duties for Rs. 124 lakhs as against Rs. 317 lakhs and land customs and miscellaneous for Rs. 25 lakhs as against Rs. 10 lakhs. The total gross collection of Union excise duties amounted to Rs. 1,441 lakhs as compared with Rs. 1,314 lakhs. During the four months, April to July 1956, the grand total of gross customs and Union excise revenue realised was Rs. 10,701 lakhs as compared with Rs. 10,129 lakhs during the same period of the preceding year. Of this amount, import duties accounted for Rs. 4,314 lakhs as against Rs. 4,098 lakhs, export duties for Rs. 703 lakhs as against Rs. 1,087 lakhs, land customs and miscellaneous for Rs. 95 lakhs as against Rs. 60 lakhs, and Union excise duties for Rs. 5,589 lakhs as against Rs. 4,884 lakhs.

GOVERNMENT OF INDIA

Ministry of Railways

(Railway Board)

TENDER NOTICE

1. Tenders are invited from established foundries in India only for the supply of Cast Iron C.S.T. 9 Sleeper Plates, Broad Gauge, to be supplied by 30th May 1957.

2. Approximately 75,000 tons of imported pig iron will be available for allotment upto 75% of the quantity ordered on firms who will be expected to make up the remaining raw materials and melting losses by obtaining scrap or other materials available in the market. No such materials will ordinarily be supplied by Railways, but should the Railway find any such scrap available with them they will have the option to ask the suppliers to take over the scrap with suitable adjustment in prices if required.

3. Applications for copies of tender documents should be made to the Deputy Director, Works, Railway Board, New Delhi. Tender documents embodying conditions of supply and contract and relevant drawings will be supplied at Rs. 10/- per set and will be available for sale from 19th September 1956 onwards on any working day during office hours.

4. Tenders will be received upto 13.00 hours on 19th October, 1956 and opened in the office of the Railway Board, New Delhi, at 15.00 hours on the same day.

P. R. Chopra.

Deputy Director, Works,
Railway Board.

New Delhi.

Dated, 12th September, 1956.

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STOCK MARKET VALUES WELL MAINTAINED

MAND FOR SHIPPING AND WESTERN OIL SHARES

London, 19th September.

PRICES held up remarkably well in the stock markets last week in spite of various adverse influences, particularly the continuing Suez Canal crisis. Selling remained at a very low level. There was some selective buying, notably of shipping shares and western hemisphere oil shares. Movements for the most part however were within narrow limits, and business generally remained subdued. Gilt-edged securities were subordinated throughout, and on balance, prices showed little change. The new issues by New Zealand and the East African High Commission restricted interest. Firmness of German bonds, particularly of Potash issues, was the main feature in the foreign bonds market. Disappointing August trade figures had little effect on the industrial market, where prices for most part moved within narrow limits. A number of good features developed however, following selective buying. Shipping shares were outstanding and attracted good buying under the influence of the Suez situation, but buying elsewhere was confined to most part held fairly steady. Gold shares were very quiet, but there was a little selective buying of developing mines' shares which recorded a number of small gains. Latest Orange Free State dividends were well received, but had no great effect on prices of the shares concerned. Coppers were well maintained in spite of labour troubles, while tins and other base metals inclined to harden. Interest in oils was centred in Trinidad and other western hemisphere issues, which recorded numerous gains. Outside these issues, prices moved within narrow limits generally, with leaders mostly easier on balance. Rubbers were quiet but steady, while tea shares attracted only a modest

amount of attention and generally recorded little material change.

Stock Market Prospects

The *Investors' Chronicle* market newsletter writes: "All markets remain dominated by the day-to-day Suez Canal developments. With world events at a critical stage, the markets are naturally unsettled and are treacherous for short-term speculators, but ripe for a sharp recovery, given any encouragement. London gilts eased but held above early August resistance levels. Industrials drifted with little pressure. Oils favour the bulls on any lessening of tension. A minor decline in gold share brought no genuine selling. Cheap buyers have appeared. Wall Street may test the 50th August resistance levels." Gampell comments: "The London stock exchange at Wednesday's opening is remarkably nonchalant in face of Wall Street's easiness, several overnight developments and this afternoon's presumably momentous Commons debate. This reassuring behaviour speaks well for the market's technical strength. It seems likelier to rally on good news than to panic on bad. Frankfurt's recent firmness may be a significant pointer for other countries."

The Money Market

The Government's continuing credit squeeze policy made itself felt in the London money market last week. Credit was in short supply on most days, and although the market had a smaller bill take-up to finance, it had to pay dear for its requirements with 4½ percent as the main effective rate and 5 percent when under pressure. In view of the tight money position, the week's turnover in bills was moderate and nothing under 5 percent was paid for the late November and early December maturities. Because of tight credit conditions and weakness of sterling caused by the week's developments on Suez Canal situation, the money market revised its tender bid again during the week and the average rate for bills, consequently was raised by approximately 1/32 percent to 102s 0.77d percent. Applications for £290 million worth of 91-day bills totalled £404,215,000 and were allotted at an average rate of 102s 0.77d compared with 101s 4.5d. Offerings this week will comprise £280 million worth 91-day bills. The Bank of England

return for the week ended 12th September shows that notes in circulation were about £8 million lower at around £1,892 million and bankers' deposits were about £17 million higher at around £226 million. Fine trade bills were unchanged.

Activity on Wall Street

U.S. Government obligations extended the recent decline on a small volume earlier in the week, with a number of long-termers dropping to new lows for the year. The market, however, later developed a firmer tendency and trading quickened on recovery. Foreign dollar bonds were mixed in slow dealings. German Nationals moved fractionally to one point both ways, while Italians were mostly a shade higher. Norwegians were unchanged. Australians were marked down by fractions to one point and Japanese Governments were mixed, while South Americans were quiet.

U.K. Trade Deficit in August

The U.K. had a provisional trade gap of £60,700,000 in August, the Board of Trade announced. This compared with the gap of £44,100,000 in July and £69,200,000 in August last year. The average for July and August at £52,500,000 was £1,500,000 more than the monthly rate in the first half of the year, but nearly £20 million lower than the monthly rate for last year. Imports c.i.f. in August amounted to £253,400,000 against £266,200,000 and re-exports f.o.b. £8,200,000 against £9,800,000.

Hongkong Gold Softer

The Hongkong gold market closed softer after a steady early period. Traders were hesitant awaiting the Suez developments and the forthcoming meeting of the International Monetary Fund. Opening at \$ (H) 266½, values climbed to the week's high at \$ (H) 268½. Heavily overbought operators began unloading at midweek, so prices gradually receded to close at \$ (H) 265½. Trade sources attributed the easiness to heavy Macao arrivals totalling 80,000 ounces and to the Suez news indicating that no force will be used. The official offtake was 3,580 taels, while the unofficial was 16,800 taels. Carry-over charges were 3½ per ten taels in favour of sellers. Forward contracts were done at \$ (U.S.) 47.81 an ounce, c.i.f. Macao.

Rutile Production in U.S.A.

The office of the U.S. Defence Mobilisation has announced that it is bringing its rutile expansion programme to an end. Rutile is a mineral used to produce titanium. The office said supplies of rutile are now sufficient to meet U.S. mobilisation needs. The annual U.S. rutile requirement was set by the office last year at 35,000 tons and tax benefits were extended to domestic mining companies to boost the output. The office added that the Interior Department had recommended that the demands for titanium-bearing ores in a mobilisation period could be met through the combined use of rutile, ilmenite and slag. An official said that Australia was the principal foreign supplier of rutile to the American market and had plentiful supplies of the mineral.

Vegetable Oil Market

The vegetable oil and seeds market is uncertain with the prospect of dearer freights in the light of the continuing Suez dispute which is forcing up prices and suppressing demand. Coconut oil was extremely firm last week with Straits bulk oil rarely mentioned under £92½ c.i.f., although few buyers were prepared to go above £91½. Similarly, Ceylonese oil was marked up to £99 c.i.f., while buyers were disinclined to pay more than £97½. Copra was also a firm item with first-hand sellers difficult to trace under the \$181 mark for Philippines, after reported early business at \$180 c.i.f. Linseed oil received little constructive buying support, and with Canadian linseed tending to be easier, prices of the oil were barely held at last rates. Groundnut oil received moderate support with £123 ex-tank Rotterdam reportedly paid for spot Nigerian bulk oil, while tentative sellers of forward shipments were wanting £122½ c.i.f. with buying interest in the region of £120. Groundnuts were firmly held at last rates, although reported business was confined to Rhodesian for September-October, to North Continent at £79 c.i.f. with further buyers, but further sellers wanting £80. Palm oil was dearer on higher freights, and £98 was currently wanted for December shipments of Malayan 5 percent bulk. Castor oil was again dearer on good enquiry circulating with bids reported at £134, cost and freight, for British Standard specification grade in drums.

World Rubber Statistics

Advance statistics issued by the International Rubber Study Group shows that world production of natural rubber in the month of July totalled 162,500 long tons. Consumption amounted to 145,000 long tons including estimated imports by Russia of 9,650 long tons and by China of 6,900 long tons. Stocks at the end of the period totalled 817,500 long tons of which there were in producing areas 260,000 long tons, consuming areas 375,000 long tons and alofts 182,500 long tons. The stock figure excludes those not available to industry in the U.K., the U.S.A. and France. Synthetic rubber production during the month was 97,500 long tons and consumption 77,500 long tons while stocks held at the end of the period were 247,500 long tons. The Group estimates exports from Indonesia during the month at 61,215 long tons.

U.S. Rubber Imports

The United States imported 37,673 long tons of natural rubber during the month of July, according to the Department of Commerce. This compares with 31,687 long tons in June. Imports of latex amounted to 3,522 long tons during July compared with 5,006 long tons in June. U.S. consumption of imported synthetic rubber in June amounted to 412 long tons.

Stocks and Shares

LESS BUSINESS IN SPECULATIVES

SOME INVESTMENT SUPPORT FOR SELECTED SCRIP

Wednesday Evening.

THE stock market has been steady throughout the past few days, although speculative counters have tended lower. Investment scrip have been enjoying the customary pre-Pujah activity and engineering shares especially have featured. Jessops and Richardson & Cruddas, both shares in the Mandhra group, and Indian Standard Wagon and Burn & Co. have all featured. There has been some enquiry for coal shares in spite of the deteriorating situation in the Raniganj field. Jutes have been quiet, but miscellaneous counters have found their usual support. Only the tea section, among the main ones, has ruled dull and been neglected. The undertone remains fairly steady, but the many bear factors which are at present troubling operators in the speculative market, and the approach of the traditional Pujah slackness, are all contributing towards a growing feeling of hesitation.

Indian Irons have had a quiet week fluctuating between Rs. 35-12 and Rs. 35-1. Among speculatives, only Indian Copper have been a firm feature at Rs. 7. The undertone in this section of the market is cautious.

Government securities have been lifeless.

Details of the week's trading follow.

The Government securities market continued quiet but a slightly better tendency was noticeable with the appearance of buyers at the close who were attracted by the low price level. There was an increase in turnover and prices recovered from the lowest levels recently touched. Three percent Conversion Loan 1986 was marked at Rs. 75-6 cum-voucher and later at Rs. 75-3 ex-voucher. Short-dated loans were unchanged with 3% 1957 quoted at Rs. 99-12 and 3% 1958 at Rs. 99-9. Among medium-dated issues, 3% 1959-61 had sellers over at Rs. 98 and both 3% 1963-65 and 1964 were easier at Rs. 94-9; 2½% 1961 was asked for at Rs. 93-7 and 2½% 1960 had buyers at Rs. 96-6. In National Plan issues, 3½% 1961 met with enquiry at Rs. 99-2 and 3½% 1964 recovered to Rs. 98-9; 3½% 1965 was better at Rs. 98-7 but 3½% 1967 was marked back to Rs. 98-6. In long-dateds, 3% 1966-68 was in demand at Rs. 93-2 but 3% 1970-75 continued quiet and was quoted lower at Rs. 89-8; 2½% 1976 was asked for at Rs. 83 and 3½% 1974 was unchanged at Rs. 98-7. State loans continued depressed and once again very little business was reported. Four percent Madras 1968 was marked back further to Rs. 99-2 as was 4% U.P. 1968 to Rs. 99. Four percent West Bengal 1964 was traded at around Rs. 100-3.

Slightly more business was done in preference shares during the week. In the miscellaneous group, Aluminium Corporation 5% were crossed at Rs. 99-8 and Bathgate changed hands at Rs. 42-3. Burn 6% were taken at Rs. 116 and Britannia Building and Iron at Rs. 100. Bharat Collieries were done at around Rs. 54-12 and Calcutta Tramways came to hand at Rs. 9-10. Calcutta Electric were crossed at Rs. 11-7 and there were small offerings of Chrestien Mica at around Rs. 58. Dunlop Rubber 2% were reported at Rs. 95 and Gilanders Arbuthnot were crossed at Rs. 55. A small lot of Indian Aluminium was taken at Rs. 82 and Indian Iron & Steel were reported at Rs. 108. Martin Burn were offered at Rs. 103 in view of the new rights issue at par and New Victoria were crossed at Rs. 5-13. Shaw Wallace were placed at Rs. 78. In jute, Auckland were sold at Rs. 88, Howrah 7% at Rs. 107 ex-dividend and the 'A' Preference at Rs. 102 ex-dividend. Khardah were marked at Rs. 91-8. A small odd lot of National Jute changed hands at Rs. 109 as did Reliance at Rs. 95.

In the banking section, a small lot of Allahabad Bank fully-paid was crossed at Rs. 350 and the partly-pays were done at Rs. 166. Hindustan Mercantile were offered at Rs. 13-8 while both Punjab National and United Commercial were steady at Rs. 87 and Rs. 87-8. United Bank of India "D" shares were done at Rs. 4-8.

In the railway section, Arrah-Sasaram were crossed at Rs. 71-6 while Delhi Rohas changed hands freely at around Rs. 13-6. Shahdara Delhi Saharanpur were done at Rs. 129-8.

In cotton, Kesoram were better at Rs. 18-6 ex-dividend as were Dunbar at Rs. 27-8 and Cawnpore Textiles at Rs. 9-3. Bowrah were unchanged at Rs. 150 while New Victoria improved from Rs. 2-9 to Rs. 2-11. Elgin Mills were shaded at Rs. 27-6. Jayshree Textiles were steady at Rs. 7-10.

Despite the serious position of the coal industry as a result of the labour strike in the Raneeunge coalfields, a few selected coal shares met with some enquiry such as East Indian at Rs. 33-2. Katras Jheriah at Rs. 62 and Borrea at Rs. 24-14. Bengal were five points lower at Rs. 525 and New Beerboom were unchanged at Rs. 19-8. New Manbhoom were shaded at Rs. 11-12 while Burrakur, after idling at around Rs. 15-9 improved today to Rs. 16. Seebpore were higher at Rs. 30. Among the smaller fry, Western Bengal were reported at Rs. 6-9, Central India at Rs. 7-8 and Bhagora at Rs. 6-8.

Business in jute shares was on a restricted scale

and a few selected scrip met with enquiry. Here is a chart showing representative price movements.

	Opening 13-9-56 Rs.	Closing 19-9-56 Rs.
Anglo-India	187	192
Belvedere	158	15 8
Birla	18	18 4
Champdany	161 c.d.	161 x.d.
Fort Gloster	375	370
Gourepore	247	247
India	146	145
National	25 12	25 6
New Central	16 10	16 13
Northbrook	28 c.d.	28 8 x.d.
Union	160	160

Electric supply shares were featureless and prices showed little variation. Among the few shares which were dealt in were Bhagalpur at Rs. 8-12, Calcutta Electric at Rs. 13-7 and Jubbulpore at Rs. 14-5.

In the sugar section, Belsund were slightly better at Rs. 12-4 as were Champaran at Rs. 26-10 and Durbhanga at Rs. 22-12. Ramnugger improved from Rs. 27-9 to Rs. 27-14. Other issues were unchanged.

In the engineering section, Indian Iron & Steel, after being knocked down to Rs. 35-1 on settlement considerations, recovered at the close to Rs. 35-3, which was the official settlement rate. Steady features were Burn & Co., which improved to Rs. 360 and Indian Standard Wagon which rose from Rs. 207 to Rs. 215. Jessop & Co., and Richardson & Cruddas also provided good features, improving from Rs. 35-8 to Rs. 37-2 and Rs. 25-8 to Rs. 27-8 respectively. Contrary to the general trend, Textile Machinery receded from Rs. 23-12 to Rs. 23-4. National Iron & Steel were unchanged at Rs. 8-9.

In paper, India Paper Pulp were marked at Rs. 25-4, Orient were easier at Rs. 39-7 and Tita-

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SIXTYONE YEARS STRONG IN SERVICE

ing the announcement of a rights issue to shareholders in the proportion of one for one at a premium of Rs. 2-8; there were strong buyers at the close at Rs. 20-2 ex-rights. Indian Cables were better at Rs. 36 as were Indian Rubber Manufacturers at Rs. 17-12. Indo-Burma Petroleum were unchanged at Rs. 40-8 while Indian Wood Products rose sharply to Rs. 43. Jardine Henderson were depressed at Rs. 96, but Martin Burn recovered from Rs. 24-8 to Rs. 25-3. Metal Box were marked back from Rs. 29-8 to Rs. 29 while National Insulat-

The BISRA STONE LIME Co. Ltd., has made a profit of Rs. 2.16 lakhs for the half-year ended last September, after providing Rs. 41,405 (Rs. 49,175) for depreciation, Rs. 3.82 lakhs (Rs. 1.30 lakhs) for taxation, Rs. 51,989 (Rs. 53,506) for quarry overhang, Rs. 16,000 (Rs. 20,000) for tax contingency reserve and making other provisions. Bringing in Rs. 9,142 and transferring Rs. 1,132 from capital reserve, the total Rs. 2,489, of which water supply absorbs Rs. 50,000 and mechanical reserve Rs. 1.75 lakhs (Rs. 75,000). The dividend has been maintained at 14 annas a share, leaving a carry-forward of Rs. 24,689.

The TEZPORE TEA CO. LTD.'s profit has decreased from Rs. 22,80 lakhs to Rs. 7.15 lakhs for the year ended 31 December. The ordinary dividend has been reduced from 50% to 15%, though the ordinary capital has meanwhile been increased by a one-for-four scrip issue. The carry-forward is Rs. 55,278, against Rs. 59,985 brought in. The crop was 32,034 maunds against 29,539 maunds, but the average price declined from Rs. 2-6-8 to Rs. 1-13-3 a lb. Estimates for the current year have been made for a crop of 28,000 maunds at cost of Rs. 37.48 lakhs.

The profit of the NAGASURREE TEA COMPANY has declined from Rs. 13.51 lakhs to Rs. 1.48 lakhs for the year ended last December. The dividend is cut from 40% to 71%. Revenue reserve is allocated Rs. 65,000 (Rs. 3.25 lakhs). The carry-forward is Rs. 48,298, against Rs. 80,227 brought in. The crop decreased from 14,615 maunds to 12,500 maunds as the average sale price from Rs. 2-15-5 a lb. to Rs. 1-12-1 a lb. Estimates for the current year are for a crop of 12,500 maunds at a cost of Rs. 14.86 lakhs.

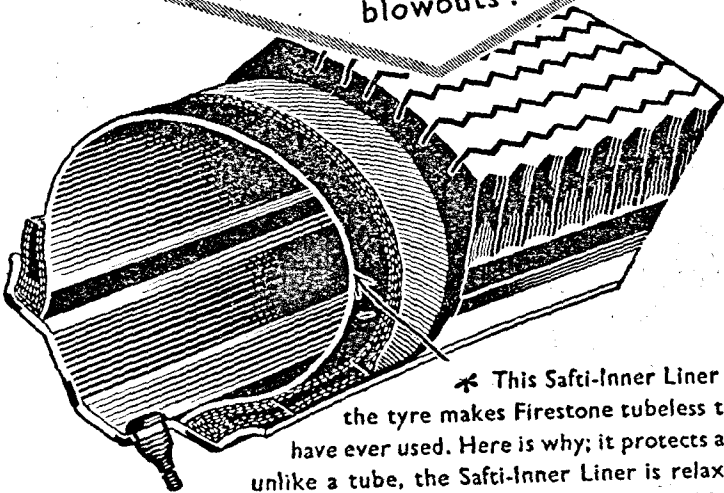
The ARATI COTTON MILLS LTD. has earned a profit of Rs. 11,005 for the 14 months ended 31st December, 1955. There is again no distribution. Sales improved from Rs. 33.76 lakhs to Rs. 47.74 lakhs. The company has received a loan of Rs. 15 lakhs from the Government of India during the period under report. Orders for spinning machinery have been placed, and on completion of the project the total number of spindles will be 25,000.

Reports of further credit squeeze were circulated though it was generally believed that the Reserve Bank's recent directive to regulate advances on commodities would not hamper increased industrial advances. The grave Suez Canal situation was interpreted differently according to changes in the market trend. Some industries, such as cement, heavy chemicals and paper, would probably benefit temporarily if imports were interfered with. Second thoughts convinced operators that deterioration in the Canal situation could hamper economic development in the country in the long run as increased freights will raise prices.

Anglo-India—Rs. 185—193—185—193—(242).

Half-year ended	Gunny Sales	Provision for Taxation	Deprecia- tion
	Rs.	Rs.	Rs.
Auckland Jute Co. Ltd.:—			
Mar./56	93,51,256	Nil	3,07,088
Sept./55	90,51,587	Nil	2,96,360
Mar./55	83,01,133	Nil	1,96,064
Dalhousie Jute Co. Ltd.:—			
Mar./56	73,04,091	Nil	1,14,537
Sept./55	78,91,348	Nil	79,118
Mar./55	73,73,384	Nil	77,470
Kinnison Jute Co. Ltd.:—			
Mar./56	1,34,07,918	2,40,000	3,39,631
Sept./55	1,32,66,547	1,72,000	2,23,690
Mar./55	1,23,08,097	3,69,933	2,54,137
Lansdowne Jute Co. Ltd.:—			
Mar./56	64,72,227	Nil	77,785
Sept./55	88,70,396	35,000	82,867
Mar./55	84,80,987	1,80,749	92,538
Lawrence Jute Co. Ltd.:—			
Mar./56	79,51,806	Nil	48,912
Sept./55	79,08,262	Nil	46,862
Mar./55	83,38,243	1,83,415	47,598
Northbrook Jute Co. Ltd.:—			
Mar./56	76,54,263	Nil	2,82,363
Sept./55	69,27,227	95,000	1,76,699
Mar./55	63,79,362	1,61,456	1,54,897
Naihati Jute Mills Co. Ltd.:—			
Mar./56	82,66,236	Nil	2,67,166
Sept./55	89,26,683	Nil	2,61,185
Mar./55	85,02,644	Nil	1,86,047
Standard Jute Co. Ltd.:—			
Mar./56	64,30,163	Nil	2,04,776
Sept./55	67,32,339	Nil	2,43,207
Mar./55	60,42,847	Nil	54,442
Union Jute Co. Ltd.:—			
Mar./56	1,20,80,592	Nil	2,56,264
Sept./55	1,25,43,737	Nil	2,50,758
Mar./55	1,18,62,738	Nil	2,81,714

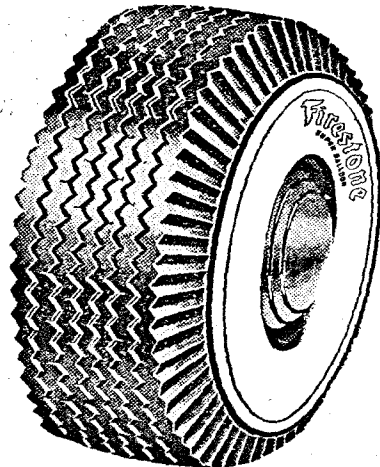
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P-628

Auckland (5½% Pref.)—Rs. 81—s.t.—81—81—(95).
Do. (Pref.)—Rs. 77-4 x.d.—78-4—77-4 x.d.—(95).
Do. (7% Pref.)—Rs. 107 x.d.—107 x.d.—107 x.d.—(123).
India—Rs. 145-8—146—144-8—146—(165).
Khardah (Pref.)—Rs. 91-8—91-8—91-8—91-8—(103).
Karnahatty—Rs. 127—139—137—139—(210).
Do. (B' Ord.)—Rs. 135—136—135—136—(325).
Kelvin—Rs. 245—246—245—246—(163-8).
Lawrence—Rs. 110—115—110—112—(163-8).
Lansdowne—Rs. 105—105—105—105—(145).
National—Rs. 25-12—26—25-4—25-6—(33-9).
New Central—Rs. 16-10—17-4—16-10—16-14—(51-4).
Nudeen—Rs. 39-8—39-8—39-8—39-8—(25).
Northbrook—Rs. 16—16—16—16—(19-6).
Naskapara—Rs. 150—150—148-8—148-8—(188).
Presidency—Rs. 5-14—5-14—5-12—5-12—(6-15).

Standard—Rs. 95—95—95—95—(173).
Union—Rs. 160—162 x.d.—162 x.d.—(215).
MININGS
Burina Mines—Rs. 3-2—3-3—3-1—3-1—(1-15).
Consolidated Tin—Rs. 2-7—2-7—2-4—2-4—(2-10).
Christen Mica (Pref.)—Rs. 58—58—58—58—(65-12).
Indian Copper—Rs. 6-14—6-14—6-13—7—(5-13).
Metal Corp.—Rs. 11-5—11-5—11-5—11-9—(8-7).
Do. (Defd.)—Rs. 3-15—4—3-14—3-15—(2-10).
Orissa Minerals—Rs. 25-3—25-3—25-2 x.d.—25-2 x.d.—
Tavoy Tin—Rs. 15—15—14—15—(11).

CEMENTS
Assam Bengal—Rs. 7-5—7-5—7-5—7-5—(7-5).
Do. (Defd.)—Rs. 1-10—1-12—1-10—1-12—(2-8).
Ashoka—Rs. 12-4—12-4—12-3—12-3—(3-10).
Bengal Pottery—Rs. 3-8—3-11—3-8—3-11—(3-10).
Dalmia (Bharat)—Rs. 15-1—15-2—15-1—15-2—(16-2).
Do. (Rs. 2-8 Paid)—Rs. 6—6—5-15—5-15—(4-4).
Do. (Defd.)—Rs. 5-8—5-12—5-8—5-12—(3-12).
Do. (Pref.)—Rs. 100—101—100—101—(102).
Orissa—Rs. 13-9—13-11—13-9—13-10—
Sone Valley—Rs. 8-13—9-2—8-11—9-2—(8-1).

CHEMICALS
Alkali & Chemical—Rs. 22-11—23-3—22-10—23-3—(20-1).
Do. (Pref.)—Rs. 104-8—104-8—104-8—104-8—(109-8).
Bathgate & Co.—Rs. 1-15—2-2—1-15—2-2—(1-15).
Do. (Pref.)—Rs. 42—42—42—42—(8-1).
ELECTRICS
Bhagalpur—Rs. 8-12—8-12—8-12—8-12—(8).
Calcutta—Rs. 13-8—13-10—13-5—13-6—(15-4).
Do. (Pref.)—Rs. 11-5—11-7—11-5—11-6—(12-9).
Jubbulpore—Rs. 14-5—14-6—14-5—14-6—(15-5).

ENGINEERING
Arthur Butler—Rs. 9-5—9-7—9-5—9-5—(8-4).
Do. (Pref.)—Rs. 30-4—30-4—30-3—30-3—(26-14).
Britannia Engineering (Old)—Rs. 18-1—18-2—18-1—18-2—(20-4).
Burn & Co.—Rs. 360—361—358—358—(301).
Do. (6% Pref.)—Rs. 116—116—116—116—(122-8).
Bhartia Elec. Steel—Rs. 17-15—18-1—17-15—18-1—(15-4).
Britannia Building & Iron (Pref.)—Rs. 100—100—100—100—
100—100.
Bridge & Roof—Rs. 38-8—38-10—38-8—38-10—(33-6).
Hooghly Docking—Rs. 139—144—139—144—(137).
Indian Iron—Rs. 35-9—35-13—35-3—35-3—(38-6).
Do. (Pref.)—Rs. 108—108-8—108—108-8—(111).
Indian Standard Wagon—Rs. 205—212—205—212—(140).
Jessop & Co.—Rs. 35-14 s.t.—37-6—35-6—37-6—(53-8).
Kupardhubi—Rs. 9-10—9-10—9-9—9-10—(12).
Mafshalls—Rs. 6—6-1—6—6-1—(7-7).
National Iron & Steel—Rs. 8-11—8-11—8-8—8-9—(6-14).
Richardson & Cruddas—Rs. 53-10—27-9—25-8—27-9—
Textile Machinery—Rs. 23-11—24—23-4—23-4—(25-1).

FLLOUR MILLS
Bengal—Rs. 35—39-8—35—39-8—(54-14).
United—Rs. 36—37—36—37—(34-8).
INSURANCES
Concord of India—Rs. 12-1—12-1—12—12—(15-8).
General Assurance—Rs. 23-4—23-4—23-4—23-4—

New Asiatic—Rs. 3-11—3-12 x.d.—3-10—3-12 x.d.—(5-15).
Ruby General—Rs. 5-13—6—5-13—6—(8-8).

MISCELLANEOUS

Aluminium Corp.—Rs. 12-11—12-13—12-8—12-8—(7-11).
Do. (5% Pref.)—Rs. 99-8—99-8—99-8—99-8—(88).
Angelo Brothers—Rs. 23-5—23-6—23-2—23-3—(21-12).
Associated Hotels—Rs. 11-12—11-12—11—11—(5).
Do. (Pref.)—Rs. 80—80—80—80—(65).
B. I. Corporation—Rs. 10-6—11-3—10-5—11-3—(10-1).
Balmer Lawrie—Rs. 173—174—173—173—(165).
Birds Investments—Rs. 18—18—17-14—17-14—(18-10).
Bharat Commerce & Industry—Rs. 4-11—4-11—4-10—4-10—
(14-15).
Britannia Biscuits—Rs. 15-6 s.t.—15-6 s.t.—15-4—15-5—
(14-15).
Calcutta Safe Deposit—Rs. 8-12—8-13—8-12—8-13—(8-8).
Calcutta Silk Manufacturing—Rs. 4-7—4-8—4-7—4-8—(5).
Calcutta Tramways—Rs. 18-9—18-14—18-9—18-12—(18-1).
Do. (Pref.)—Rs. 9-10—9-11—9-10—9-11—(8-12).
Clive Row Investments—Rs. 11-5—11-5—11—11—
Dunlop Rubber—Rs. 29-12—29-12—29-8—29-9—(37-14).
Eastern Investments—Rs. 146-8—146-8—146-8—146-8—
(171).
Electric Construction Equipments—Rs. 13-10—13-10—13-7—
13-9.
F. & C. Osler—Rs. 10-13—12-1—10-7—12-1—(16-9).
Gillanders Arbuthnot—Rs. 14-2—14-2—14-2—14-2—(13-9).
Do. (Pref.)—Rs. 55—55—55—55—(73).
Hoare Miller—Rs. 5-14—6-1—5-14—6-1—(7).
Indian Aluminium—Rs. 25 s.t.—25—19-4 x.r.—20.
Imperial Tobacco—Rs. 15-12—15-12—15-9—15-10—(14-3).
Indian Cables—Rs. 35-5—36-9—35-5—36—(29-10).
Indian National Airways (Defd.)—Rs. 2—2—2—2—(2).
Indian Rubber Mfg.—Rs. 17-11—17-11—17-11—17-11—
(12-11).
Ivan Jones—Rs. 3—3-1—3—3-1—(3-4).
Jardine Henderson—Rs. 97—97—96—96—(119).
James Wright—Rs. 4-2 x.d.—4-2 x.d.—4-2 x.d.—4-2 x.d.—
(4-5).
Martin Burr—Rs. 24-10—25-4—24-10—25-4—(25-4).
Metal Box—Rs. 29-8—29-8—29-4—29-4—(23-13).
National Carbon—Rs. 29-2—29-12—29-2—29-10.
National Rolling—Rs. 11-5—11-8—11-5—11-7—(15-15).
National Insulated Cable—Rs. 25-14—25-15—25-7—25-8—
(18-7).
National Tobacco—Rs. 13-2—13-4—13-2—13-3—(11-1).
New India Investments—Rs. 70 x.d.—75—70 x.d.—75—
(60).
Oster Electric Lamp—Rs. 4-13—5-2—4-13—5-2.
Rohas Industries—Rs. 22-12—23—22-11—22-13—(20-5).
Rallis India—Rs. 39-12—40-8—39-12—40-8—(35-4).
Sodepur Glass Works—Rs. 3-1—3-2—2-15—2-15.
Straw Products—Rs. 20—20-2—20—20-2.
Shaw Wallace—Rs. 13-12—13-13—13-12—13-13—(14-11).
Do. (Pref.)—Rs. 77-8—78-4—77-8—78-4—(85).
Walford Transport—Rs. 2-6—2-8—2-5—2-5—(2).
Do. (P.O.)—Rs. 2—2—1-13—1-13—(2-1).
Western Stockholders Investments—Rs. 15—Re. 1—As. 14—15.

OIL SHARES

British Burma Petroleum—Rs. 3-14—3-15—3-13—3-13—
(4-11).
Indo-Burma Petroleum—Rs. 40-9—40-9—40-5—40-9.
Do. (Pref.)—Rs. 103-8—105—103-8—105—(107).

PAPER MILLS

India Paper Pulp—Rs. 25-4—25-8—25-2—25-8—(22-4).
Orient—Rs. 39-14—39-15—39-6—39-7—(28).
Do. (Pref.)—Rs. 99—99—99—99—
Shree Gopal—Rs. 18—18-2—18—18—(16-4).
Star—Rs. 11-8—11-9—11-5—11-7—(14-3).
Titagur Paper—Rs. 40-4—40-4—40—40—(45-14).

PRESSING

Hooghly Ganges Hydraulic—Rs. 5-13—6-4—6-13—6-4.

REAL PROPERTY

Midnapore Zamindary—Rs. 34-4—34-8—34—34-8—(43).

SHIPPING

India Steamship—Rs. 9-15—10-8—9-15—10-6—(7-7).

SAW MILL

Assam Saws—Rs. 4-11—4-12—4-10—4-11—(5-3).

SUGAR SHARES

Belsund—Rs. 12-1—12-4—12-1—12-4—(11-11).
Cawnpore—Rs. 20-2—20-4—19-15—19-15—(22-4).
Carew & Co.—Rs. 8-15—9-1—8-15—8-15—(12-9).
Champaran—Rs. 26-10—26-10—26-10—26-10—(32-7).
Darbhanga—Rs. 22-12—22-12—22-12—22-12—(23-7).
Dyer Meskin Breweries—Rs. 5-14—6—5-14—6—(6-3).
Mohini—Rs. 5—5—5—5—
Ramnagar Cane—Rs. 27-9—27-14—27-4—27-14—(26-5).
Shree Krishna Gyanoday—Rs. 12-14—12-15—12-10—12-15—
(17-15).
Shree Sitaram—Rs. 14-15—14-15—14-15—14-15—(14-6).

TEA SHARES

Atal (Pref.)—Rs. 6—6—6—6—
Brooke Bond—Rs. 20-15—21—20-2—20-5—(29).
Do. (Pref.)—Rs. 22—22—21-8—21-8—81-8.
Banarhat—Rs. 307—308 x.d.—307—308 x.d.—(628).
Brahmapootra—Rs. 8-3—9-3—8-3—9-3.
Belgachi—Rs. 68—68-8 c.d.—68—68-8 c.d.—(37-1).
Bateli—Rs. 24-12—24-14—24-10 c.d.—24-10 c.d.—(25-4).
Betjan—Rs. 54-14—56-4—54-14—56-2—(59-10).
Chamong—Rs. 15—15-2—14—14—15-2—(20).
Dibrugarh—Rs. 24—24—24—24—(30-14).
Dhelaikhat—Rs. 22-11—22-12—22-10—22-12—(19-9).
East India—Rs. 23-10—23-12—23-10—23-12—(32-10).
Gielle—Rs. 28—29-2—28—29-2—(43-4).
Gillapukuri—Rs. 34-12—35—34-12—35.
Hantapara—Rs. 220 s.t.—220—193—195-8—(355).
Hattikihira—Rs. 14-2—14-4—14-2—14-4—(29-14).
Hansqua—Rs. 23-8—24—23-8—24-14—(30-12).
Hasimara—Rs. 31-14—32-4—31-12—31-12—(46-8).
Jaybirpara—Rs. 20-2—20-2—20-1—20-1—(49-8).
Jayshree—Rs. 11-9—11-12—11-9—11-11.
Kyang Tea Seed—Rs. 5-4—5-4—5-4—5-4—(8-4).
Lackatoorah—Rs. 40—41—39—39-2—(23).
Longview—Rs. 11-15—12-2—11-15—12-2—(16-6).
New Chumta—Rs. 45-4—45-6—44-14—45-6—(44).
New Terai—Rs. 25-4—25-4—25—25-4.
Patrakola—Rs. 199—199—199—199—(201).
Rajabhat—Rs. 21-5—21-14—21-3—21-14—(38).
Rungamattie—Rs. 102—102—102—102—(144).
Sungma—Rs. 12-12—13-2—12-12—13-2—(12-3).
Tezpor—Rs. 23-12—23-14—23-12—23-14—(34-14).

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99-12.

New Delhi

SECOND PLAN EXPENDITURE LIKELY TO EXCEED PRESENT ESTIMATES

NEW OFFICIAL FIGURE OF RS. 5,200 CRORES CONSIDERED CONSERVATIVE

(FROM OUR NEW DELHI CORRESPONDENT)

PARLIAMENT discussed and approved the second five year plan before adjourning sine die last week. Most members, however, discussed everything except the plan. Hindi in relation to State Ministers' recent decision in favour of retaining English, cow protection, prostitution, caste marks on foreheads, compost pits and midwives—these were among the subjects covered during the debate. The Minister for Planning, Mr. Gulzarilal Nanda, took the opportunity to indicate a Cabinet split over textile policy.

The new Finance Minister, Mr. T. T. Krishnamachari, in a down-to-earth speech, admitted that the total outlay in the plan for the public sector was greater than Rs. 4,800 crores. Listing some of the items, he said that the estimate of Rs. 425 crores for the three steel plants was expected to go up by Rs. 50 crores or Rs. 60 crores. An additional investment of Rs. 100 crores was needed for heavy industries and of Rs. 40 crores or Rs. 50 crores for atomic experiments. Oil development will cost Rs. 30 crores, as against Rs. 11.5 crores provided in the plan. This is in addition to the money needed immediately for the refinery in the public sector, and for collaboration with the Assam Oil Company and the Standard Vacuum Oil Company. More money will be required if the explorations which are to be undertaken succeed. At a recent meeting here, it was pointed out that even with the present inadequate target for additional shipping tonnage, 50 percent more money than has been provided in the plan will be necessary. The lignite project, as now approved, will cost Rs. 68 crores, or Rs. 16 crores more than has been provided for in the plan.

Agricultural Targets

The controversy over targets for agricultural production still continues. The Ministry of Food and Agriculture and State Ministers are demanding not only Rs. 150 crores more than was provided for in the plan but also a price incentive to step up the target of 15 percent in the plan to one of 40 percent recommended by the Deputy Chairman of the Planning Commission, Mr. V. T. Krishnamachari. The Prime Minister, however, recently told Parliament that the agricultural targets would have to be stepped up within the provision made in the plan. Even if the Prime Minister's suggestion is carried out, a rise from 15 percent to 40 percent would create the need for additional transport facilities. The railways contend that the provision for them in the plan is inadequate and they cannot therefore be called upon to carry the extra load. The criticisms about growing operational inefficiency on the railways made by Mr. Feroze Gandhi have a great deal of substance. There can, for example, be no sound reason for introducing third-class air-conditioned trains while overcrowding remains and transport facilities for goods are inadequate.

Returning to the question of the plan outlay, Rs. 4.5 crores have already been provided for jet aircraft over and above the provision made in the plan. The Finance Minister was conservative in his estimate when he said that the plan outlay in the public sector was no longer Rs. 4,800 crores, but Rs. 5,200 crores. Referring to consumer industries and their targets, he said: "We are in the course of revising these targets, but when we revise target figures, there will have to be a revision in regard to resources available, in regard to transport available, and in regard to foreign exchange resources available. In fact, having raised the targets, I have asked them to calculate the foreign exchange content in the import of machinery, in the machinery that has to be erected for these consumer industries; and it is a fact which I have to look into very carefully, because, I will repeat once again, the first danger that we see on the horizon is the shortage of foreign exchange. So, with these considerations, I am not in a position to say today what is the target which the Planning Commission will ultimately accept for consumer industries. But the revision will undoubtedly be an upward revision. It cannot be a downward revision. It may be a selective revision. But we are not giving up the idea of revision altogether."

Outlook for Resources

"That takes me to the next point, namely, the outlook for resources. My predecessor, speaking in the last session, did touch upon this point, very effectively I should say. I would only like to add to what he has said in relation to the new facts that have come into operation since he spoke on the last occasion. It is an accepted fact that the task of raising the resources required for the plan is not an easy one. In fact, every foreign critic touches our soft spot as to how we are going to get those resources. During the current year, fresh taxation, so far as the Centre is concerned, has been imposed, which will yield a little over Rs. 50 crores this year and which will in a full year equal Rs. 65 crores, assuming the rates

are kept level, and about Rs. 15 crores from the States. That gives you, for four years (Rs. 65 crores plus Rs. 15 crores—Rs. 80 crores, multiplied by four) Rs. 320 crores. If you add Rs. 65 crores for this year, it will give you Rs. 385 crores." The plan has provided Rs. 450 crores as the target for taxation for both the Central and the State Governments, and that is just the beginning. With economies buoyant and the levels of production rising, there should be an improvement in the resources position. Economists, particularly Mr. Arthur Lewis, have pointed out that one cannot run a welfare State on the basis of public revenues amounting to a mere 7 percent or more, or thereabouts, as total income. I, certainly, and members on this side are not prepared to accept that our goal is that of a purely welfare State. The resources have to be raised very carefully when we are thinking of something which is above a welfare State. That is what I would like to tell my friend, Mr. Tulsidas. We are not thinking in terms of a welfare State; we are thinking of a State in which the content of welfare will be something which can be translated into real terms for the people, where the people will feel that it is not somebody who is creating a welfare State, but that the people are creating a welfare State for themselves.

Scope for Taxation

"The scope for taxation has by no means been exhausted. I hope people will not treat it as a bare fact, although it must be recognised that great care will be required in selecting the right forms and degrees of taxation. The gap envisaged in the plan is about Rs. 850 crores, out of which, as I said, about Rs. 450 crores is expected to be met by taxation and the other Rs. 400 crores will be left uncovered. As I have said before, the steps taken to go to cover more than Rs. 375 crores, or nearly Rs. 385 crores, out of the Rs. 400 crores. You will not condemn me as being an incurable optimist if I say that it should not be difficult for us to cover the unbridged gap altogether likewise. There is always an increasing need for so raising the marginal levels of taxation."

Dr. Jaisooriya: "The total taxation is Rs. 850 crores?"

Mr. T. T. Krishnamachari: "Rs. 850 crores is the figure provided. Rs. 400 crores has been left unprovided for. I am taking Rs. 850 crores as taxation; and I am looking for a few crumbs here and there which will augment that figure."

"The question of loans and small savings can go far in providing the resources. The State loans, from being a matter of a mere Rs. 15 crores or Rs. 18 crores in the past, have now shown a great deal of resiliency. Recent experience in respect of the State loans shows that allotments have reached about Rs. 68 crores. This certainly holds a great promise for the future. In fact, what has been allotted to these States by way of loans in this respect is Rs. 300 crores. If we had reached thus a figure of Rs. 68 crores in the first year of this plan, I think there is an element of progress in all these loans."

Deficit Financing

The Finance Minister refused to place absolute faith in deficit financing. "Deficit financing is permissible only to the extent that the needs of monetary circulation require it and the community is prepared to hold cash rather than spend it." As for foreign exchange, he said that the gap was no longer Rs. 800 crores, but was already Rs. 1,200 crores. In conclusion, Mr. Krishnamachari declared that the Government was already thinking in terms of the third five year plan.

The Finance Minister seems to have made a realistic appraisal of the second plan. He said that actual outlay would greatly exceed the figure given, that the foreign exchange gap had widened and that the Government was according priorities and thinking in terms of the third plan. It is felt that similar realism should be shown in according priorities. As matters stand, the Union Education Ministry's priorities are a museum, then a theatre, and lastly a library. Building operations for the National Museum are already proceeding.

Production Minister to Visit Russia

Mr. K. C. Reddy, Production Minister, expects to visit Russia in October. Speaking at a Press conference, he said that during his stay there he hoped to acquaint himself with the capacity of Russian heavy industry to meet India's needs for machinery of various kinds. Mr. Reddy is particularly interested in coal-mining equipment for the public sector. He will also inspect the progress of arrangements there for the fabrication of steel plant for the Bhilai project.

The Production Minister said: "To provide the necessary technical personnel for the expansion of coal production, the Government has sanctioned the opening of four training centres in Kargali, Giridih, Talcher and Kurasia at a cost of Rs. 28 lakhs. The centres in Giridih and Kargali

are proposed to be opened next month. Additional centres will be opened in some other places also. As most of the areas selected for starting new collieries are covered by mining leases or prospecting licences, a draft Bill to enable the Central Government to acquire these rights from private lessees is being prepared. The Bill will lay down the principles of compensation for acquisition. The State Governments' rights in the minerals will remain intact. The Centre working the mines as their lessees. The coal company formed to own and manage existing State collieries, as well as the new collieries which will be established, will have its headquarters in Ranchi. The Minister for Production is chairman of the board of directors, which includes officials as well as non-officials. One director with special knowledge of labour problems will be included.

"The production plans of the private sector are being closely watched by the Coal Controller. On the basis of a study of these plans, the Coal Controller has prepared a transport plan for the additional coal to be moved from different colliery groups. This has been communicated to the Railway Board. The private owners are expected to submit their plans to the Coal Controller for scrutiny and approval. A team of Russian experts is expected to visit India in October to help in planning the development of the Korba coalfield. The team will study the project report and working plans already prepared by an Indian team of mining engineers and suggest the type of machinery to be used and working methods to be adopted. Another team of Russian machinery experts is also expected to visit this country to advise the Government on the establishment of capacity for the manufacture of coal-mining

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control of the project to a Government company to be incorporated under the Indian Companies Act of 1956."

Machinery Orders

Machinery has been ordered for the Neiveli lignite mine at an estimated cost of Rs. 3.36 crores as follows:

Types of machinery ordered	Names of firms with which orders have been placed.
1. Heavy Duty scraper Loaders	Blackwood Hodge.
2. Pneumatic Tyred Motorised Scrapers	
3. Bottom Dump Combination Units	
4. Crawler Tractors	Larsen and Toubro.
5. Heavy Duty Rippers	
6. Angling Blade Bulldozers	Greaves Cotton and Co.
7. Electric Shovel Excavators.	
8. Self-propelled Mobile Crane	William Jacks and Co.
9. Track-Shifter Tractor	
10. Bucket Wheel Excavators (Large and Small)	Orenstein-Koppel and Lubecker Maschinenbau.
11. Crawler-mounted Slewable Spreaders	
12. Erection Equipment for Bucket Wheel Excavators Spreaders	

The Production Minister, dealing next with fertilisers, said: "Three new fertiliser factories, including the fertiliser unit of the lignite project, are being set up during the second plan. Together with the expansion of Sindri's capacity by 60 percent, the production of the new units and increased production in the private sector is expected to meet the entire requirements of nitrogenous fertilisers as at present estimated. A private limited company, known as the Nangal Fertilisers and Chemicals Ltd., has been registered to take charge of the Nangal fertiliser project. The capacity of the Nangal factory will be 200,000 tons of ammonium nitrate a year, suitably diluted with diluents to ensure keeping qualities. The factory will also produce heavy water for the use of the Department of Atomic Energy. Ammonia will be produced by the electrolytic decomposition of water and liquification of air. The factory is expected to start production by 1960. Three foreign firms, invited to give preliminary reports for the project, have submitted their reports, which are now being examined. One of them is likely to be selected as technical consultants. The factory will be located on the right (western) bank of the Sutlej river. A detailed programme of recruitment and training of technical personnel for the project has been drawn up in collaboration with the management of Sindri, where training is proposed to be arranged."

Expanding Sindri Factory

Work on the expansion of the Sindri factory is proceeding satisfactorily. New plants to be supplied, erected and commissioned by the Italian firm, Messrs. Montecatini, will go into production by March 1958. Some technicians of the contractors are already at the site and the first consignment of plant and machinery has arrived in Sindri. Two new fertilisers, urea and ammonium sulphate nitrate (double salt), will be produced at the rate of 70 tons of urea and 400 tons of double salt a day in the new plants, raising Sindri's capacity by over 60 percent. Sindri Fertilisers and Chemicals is itself carrying out certain ancillary items of work. The fertiliser factory which is to be set up in Bokaro will be based on the coke oven gases which will be available from the steel plant. The capacity of the factory, which is expected to go into production by 1960, will be 80,000 tons in terms of nitrogen a year. A proposal for a heavy water plant in Sindri is being examined.

As for the heavy electrical equipment project, Mr. Reddy said: "The heavy electrical equipment factory will be designed to manufacture turbines, generators, transformers, static capacitors, circuit breakers, switch-boards and control desks, small and medium sized motors, traction motors, insulating materials, etc. A team of experts, including representatives of Associated Electrical Industries, technical consultants for the project, has now selected a site near Bhopal after carrying out tests of the soil-bearing capacity. The Bhopal Government is making available 7½ square miles of land at the site and will arrange for water and power. The recommendations made by a delegation of Indian engineers, which went to the U.K. in April-May this year for drawing up a manufacturing schedule for the factory, have been accepted by the Government. The detailed project report is due by 30th November, 1956. The recruitment of engineers who will be given specialised training in the factories of the technical consultants in the U.K. is being taken in hand. The consultants have prepared a report for the training of Indian personnel."

Construction of Dry Dock

Mr. Reddy said that for the construction of a dry dock, a project report has been prepared by Rendal-Palmer and Tritton of U.K. The dry dock will save the time spent on sending ships to Cal-

cutta or Colombo for dry docking, as well as an expenditure of Rs. 40,000 a ship. It will also enable the shipyard to undertake remunerative ship repair work. During the second plan, all preparatory work necessary to establish a second shipyard will be carried out. A nucleus of about 500 to 600 technical personnel will be trained at the Hindustan Shipyard. At the same time, action is to be taken to select technical consultants for the second shipyard. Leading shipbuilding firms are being approached. Negotiations to select a firm of technical consultants for the manufacture of marine diesel engines have also been started. At present, the propelling machinery and important accessories have to be imported.

Burmah-Shell Offer on Excise Duty

Burmah-Shell has voluntarily surrendered its protection in the shape of exemption from excise duty of 2 annas a gallon granted for ten years on all oil refined in its Bombay refinery. This will mean forgoing an income of Rs. 2.2 crores a year. The Government hopes that the lead given by Burmah-Shell will be followed by the other oil companies operating or about to operate refineries in India. The total of this excise duty comes to Rs. 4.4 crores a year, including Rs. 2.2 crores retainable by Burmah-Shell, Rs. 152.5 lakhs retainable by Standard Vacuum and Rs. 67.5 lakhs retainable by Caltex.

Uniform Prices for Coal and Salt Proposed

The Ministry of Production is working on a scheme to equalise the freight structure for coal and salt in order to make them available at uniform prices all over India. A similar scheme is already in force for fertilisers and cement. The effect will be that industries located in the coal-producing belt, such as Sindri Fertilisers, will have to pay more for coal, while industries in, say, Delhi will pay less.

Labour Participation in Management

The Labour Secretary to the Government of India, Mr. Vishnu Sahay, will lead a delegation which will shortly be leaving to study the system of labour participation in management in certain European countries. The system has been tried with some success, it is said, in Yugoslavia. The British Labour Party, however, is opposed to it. Some interesting questions arise. If labour becomes a partner in management, it should surrender its present bargaining position. Labour participation in the management of the Indian railways, for example, should deal effectively with inefficiency in general and pilferage in particular. A bigger question is who are going to represent workers on the management.

Indo-Japanese Talks on Unfair Competition

Discussions have been held between the Government of India and the Government of Japan to reach an understanding on the safeguard of Indian industries and Indian exports against unfair competition. No agreement has yet been concluded. Pending such an understanding, the Government of India has refrained from assuming any obligations towards Japanese trade either under the General Agreement on Tariffs and Trade (G.A.T.T.) or any other international agreement.

Japanese Industrial and Machinery Mission

A 17-man Japanese industrial and machinery mission has arrived here to assess India's need for machinery and equipment and to negotiate sales. Its leader, Mr. Shinichi Takasugi, said that the mission would discuss details of industrial co-operation with Indian business men. A Japanese ship, well equipped with the goods Japan has to offer, is also on its way to India. India feels that if Japan is anxious to sell plant and machinery here, she must be prepared to buy Indian goods, particularly since foreign exchange is a big headache for New Delhi at present.

State Trading Corporation

"Trade, not aid", is India's new slogan. The Finance Minister told Parliament last week how acute the foreign exchange position is. He spoke of a new pattern of trade which, through the exchange of goods, saved foreign exchange. It is claimed that the State Trading Corporation is engaged in reducing practical difficulties for foreign importers, such as the transport bottleneck and the vagaries of speculative markets. The Corporation, it is stated, has taken steps to stimulate the export of boots, shoes, woollen textiles, handicrafts and even tea to supplement the efforts made by private trade. It hopes to introduce healthy trade practices or to improve them wherever they have fallen below recognised standards. It is claimed that it has already assisted consumers, both Indian and foreign, by stabilising the prices of commodities, particularly those which had acquired a scarcity value, such as cement, soda ash and caustic soda in India, and iron and manganese ore abroad. In the case of manganese ore, the Corporation has arranged for the complete fulfilment of old contracts; and in the case of iron ore, it has done the same, to the extent that transport is available. For this reason, export quotas were recently doubled. Exports in fulfilment of old contracts can be made at the contract prices provided the foreign importer is prepared to pay the enhanced export duty.

Agreements on Steel Plants

Representatives of the Indian Steelworks Construction Company of Britain, which is building a one million ton steel plant in December, are expected here by the middle of October. They will sign the final agreements, the details of which were settled by the Secretary to the Iron and Steel Ministry, Mr. S. Bhoothalingam, who returned from the U.K. last week. A similar team of Krupp representatives is expected shortly.

London

SUEZ SITUATION PROVES AN OVERSHADOWING ISSUE

PROPOSAL FOR A CANAL-USERS' ASSOCIATION

(FROM OUR LONDON CORRESPONDENT)

WITH stock markets very hesitant, the commodity markets recording higher prices all round in anticipation of delays in receiving further supplies and the possibility of higher re-routing costs, and the shipping companies busy re-routing vessels and revising schedules so as to keep running costs to a minimum, the Suez canal situation has more or less dominated all discussion in the City. In the circumstances, it is almost incredible that Sir Anthony Eden's disclosure in Parliament of the three-Power proposal for a canal-users' association as an answer to what appeared to be an intractable problem should actually have come as a complete surprise. Devised in Washington, with Mr. Dulles and the British and French Ambassadors as the main architects, the plan was a well-kept secret. It is obvious, however, that both this secrecy and the need for quick action to fill the void created by the failure of the Menzies Mission to persuade President Nasser to compromise on international operation of the waterway and the determination of the foreign employees of the Suez Canal Company not to continue working for the new Egyptian authority, have resulted in a makeshift plan being produced which may or may not prove workable when further details are gone into at the conference to be called in London shortly. The idea is certainly ingenious: whether it is practicable is another matter. Egyptian co-operation is essential for success—and it is not easy to see that it will be forthcoming.

Meantime, shipowners from the main maritime nations using the canal have met in London privately to consider the new proposal, while representatives of the British shipping industry have had discussions with the Minister of Transport. The P. and O. are diverting passenger liners via the Cape and cancelling all passages to Port Said, Aden and Bombay, but passengers for the last-named port are being given the option of landing at Colombo if booked on vessels serving the Far East. On the other hand, the oil companies so far have made no change in their plans for shipment of oil from the Persian Gulf through the canal. So far as insurance is concerned, the American market has added Suez to the areas "excluded" from war risks cover at a nominal rate and higher premiums will apply. This move has not been followed here as yet.

Wage Demands

This preoccupation with Suez will not last for long. The new round of wage claims has made a start with the decision of the leaders of the shipbuilding and engineering unions at York on 13th September to apply immediately for a "substantial" pay increase for more than three million workers. Simultaneously, the leaders of the National Union of Railwaymen and the Transport Salaried Staffs Association were discussing a joint approach on wages to the British Transport Commission, while the miners' leaders met and decided to press for a speed-up on their claim for merging the bonus shift—now paid to men who work five days a week as an incentive to greater production—into basic pay. Whether we like it or not, we must accept that the "wage scramble" which the T.U.C. sanctioned at Brighton is with us. These initial pointers hardly link up with Sir Thomas Williamson's broadcast the other day as the new chairman of the T.U.C. that he was "perfectly certain the trade union movement, in the interests of its members, would not engage in a wage scramble" and advising his listeners that there was really no need to get panic-stricken about the resolution on economic policy. Nor was there much reassurance to be gained from his further admission that, now that the Congress was over, the General Council could continue consideration of its economic policy, which was adjourned just before the meeting, though it does explain the platform's inability to influence the floor.

Whether the timing of the scramble has been well chosen is open to doubt. Last week's *Board of Trade Journal* publishes figures which suggest otherwise. Stocks of finished goods are shown to be rising—by nearly 3 percent in the second quarter of the year after a 4 percent rise in the first—while preliminary returns of investment plans for 1957 show that expenditure next year will for the first time in three years, show a declining trend. These indications that the industrial boom is ending are reinforced by a survey of the probable course of industrial profits made by a prominent firm of stockbrokers. On the basis of statistics released by the *Financial Times* and Moody's Economic Service, the firm shows that the curve of profits, which has been rising over the past three years, is now levelling off, and might well begin to decline. These are hardly encouraging factors from the point of view of fresh wage claims.

Trade Gap Widens

The provisional foreign trade figures for August strike a cautionary note. Exports, as is usual in this holiday month, fell by nearly £13 million compared with July to total £253.4 million. Taking July and August together the average value of exports, £259.8 million, was 2 percent lower than the monthly rate in the first half of 1956, but 7 percent higher than the monthly rate for last year. Imports in August amount to £322.3 million, or £2 million more than in July. For the two months

July and August together the average value of imports was £321.2 million, 2½ percent lower than the monthly rate in the first half-year and 1 percent lower than the monthly rate for 1955. Re-exports at £8.2 million continued the decline shown in recent months. The excess of imports (valued c.i.f.) over exports and re-exports (valued f.o.b.) rose sharply to £60.7 million in August, £16.5 million more than in July. Taking July and August together the average "gap" was £52.5 million. This was £1.5 million more than the monthly rate in the first half-year, but nearly £20 million less than the monthly rate for the year 1955. Once again dollar exports did fairly well in August, although there was a small drop in shipments to Canada. Total exports to North America were valued at £34.4 million. They included a further silver shipment of £2.5 million to the United States, bringing the total of these repayments in the last five months to about £11.5 million.

Progress of the Credit Squeeze

The latest quarterly return of bank advances issued by the British Bankers' Association show that the credit squeeze is operating over a wide field even though it is being applied with the degree of discretion appropriate to the situation. The total in August is given at £2,002 million, which is £15 million more than in May, but £213 million less than in August, 1955, and the latter is a better comparative figure seeing that loans necessarily fluctuate at different times of the year. About £77 million, or over one-third of the reduction, is due to lower loans to the nationalised industries. Apart from this sector, advances have been cut by £136 million, or 6½ percent, which is quite a satisfactory reduction even though it may have been partly offset in its effects by a greater velocity in the circulation of cheques. Loans to the engineering industry, an important contributor to exports, have risen, and also those to shipping and shipbuilding. On the other hand, moderate reductions have been made in the loans to the textile industries, agriculture, the food, drink and tobacco group retail trade, builders and contractors, local authorities and "unclassified industry and trade." Advances to higher-purchase finance companies amounted to £45 million in August, 1955, to £30 million in May last, and to £25 million in August, 1956. "Personal and professional" borrowers have carried the bulk of the cut and total advances here are down to £329 million, representing 16½ percent of the total against 18 percent a year ago.

Trade Talks with Japan

Negotiations on trade and payments between the sterling area and Japan, which were expected to begin this month, are now not likely to start

until the middle of October because of a change of personnel in one of the Japanese Ministries concerned. So far as British views are concerned, there has been some satisfaction at the decline in Japan's sterling balances from £120 million at the beginning of the year to the present figure of about £60 million, even though it is realised that this development strengthens the case for an increase in Japanese exports to sterling area markets. The balances are now only a little above the amount regarded as the minimum working capital Japan needs to hold in London. One source of sterling earnings not so far explored is the Japanese shipbuilding industry for hitherto British shipowners have been refused permission to order new tonnage from Japanese yards, although they have not only been able to undercut British yards with fixed prices but also to offer much earlier delivery. This competitive margin has of late been decreasing somewhat.

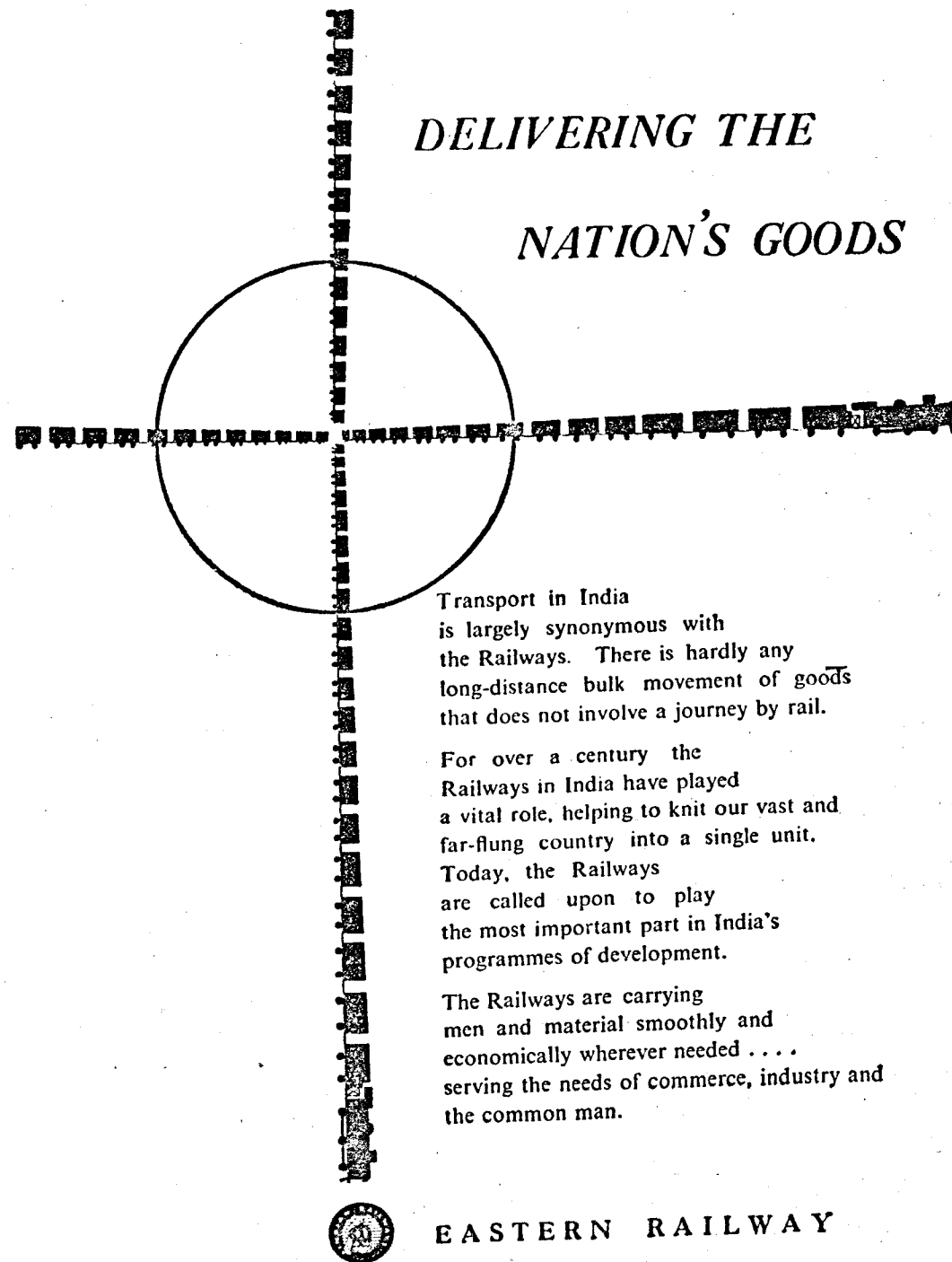
Freedom for Sugar Trading

Sugar imports, which have been under Government trading since 1939, will return to private channels on 1st January, when the Sugar Board, set up under the Sugar Act this year, will begin to operate. The reopening of the London Terminal Sugar Market will follow. An announcement by the Ministry of Agriculture and Food issued last week states that a surcharge on all sugar will be applied from the same date. This is a device for averaging prices and not an addition. The effect will be that the consumer will pay the true average cost of home supplies, whether above or below world prices, as at present. For balance of payments reasons some import licensing control is likely to be necessary. An announcement will be made by the Board of Trade next month.

Film Industry's Problem

Television's threat to the film industry is becoming serious, and this, coming on top of the heavy impact of entertainment tax, is giving rise to a new crisis. Last week the Rank organisation, Britain's largest cinema group, announced the closing of 40 cinemas. Mr. J. Arthur Rank has this week disclosed that another 39 theatres are to be closed. Most of the cinema will be sold, and there is a little doubt that the sale of these properties should yield a handsome capital profit, but from the long-term point of view it must be disquieting to find that cinema attendances in six months have dropped by as much as 10 percent in areas which can be reached by commercial television. The entertainment tax absorbs one-third of gross receipts, which is why Mr. Rank says the future success of the industry depends on it being cut and is confident that it will be.

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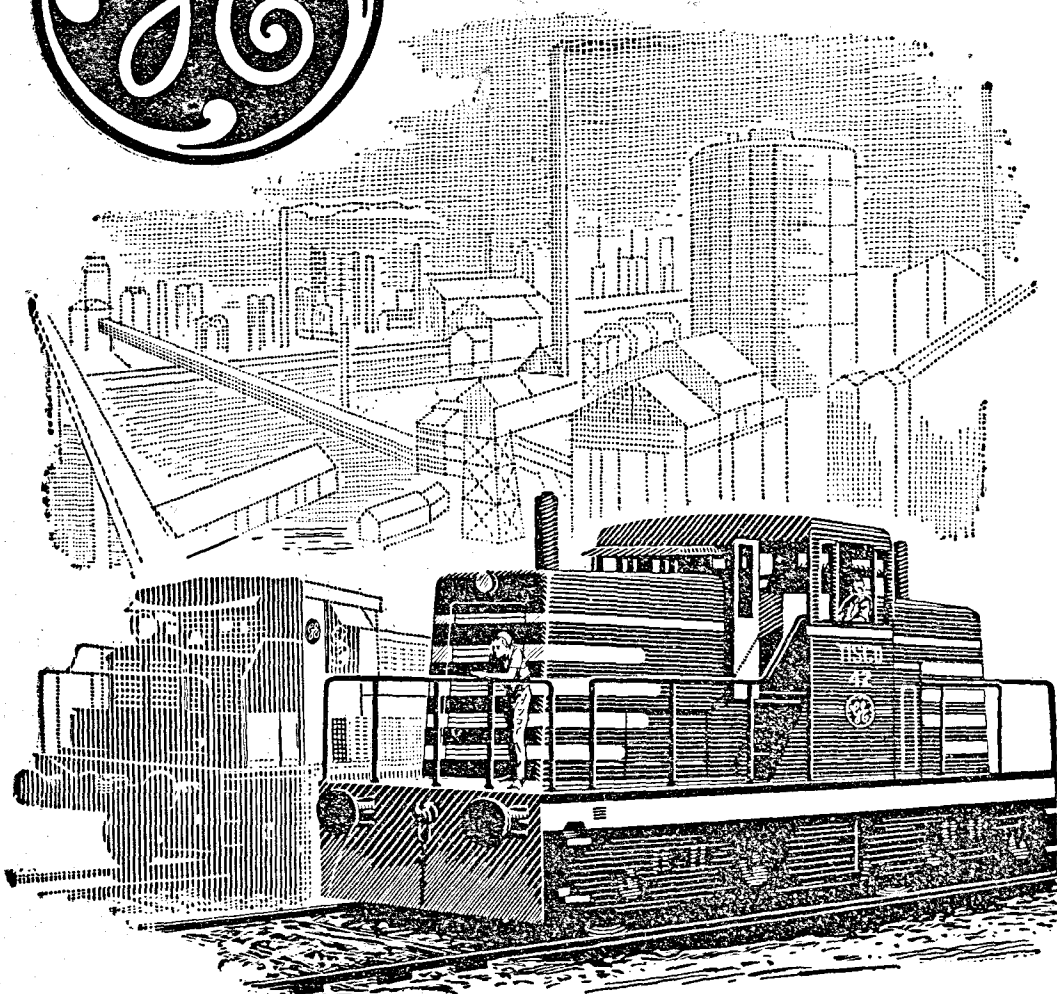
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DIESEL-ELECTRIC LOCOS FOR TISCO



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Usefulness has been proved in service. Tata's Steel experts have signified their confidence in General Electric by putting into service at Jamshedpur, last year, ten 80-ton, three 35-ton and four 25-ton new diesel electric locomotives. These provide motive power for increasing important haulage duty resulting from the programme for the expansion of the steel plant.

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RAISING OILSEEDS OUTPUT IN INDIA

SCHEMES UNDERTAKEN BY CENTRAL COMMITTEE

THANKS to the many-sided operations of the Indian Central Oilseeds Committee, the production of oilseeds during the first five year plan rose from 5,102,000 tons in the base year, 1950-51, to 5,877,000 tons in 1954-55. The target of additional production for the plan was fixed at 400,000 tons, subsequently raised to 500,000 tons, and as the above figures show, the target was substantially exceeded.

The headquarters of the Central Committee, which was constituted in May 1947 under the Indian Oilseeds Committee Act, 1946, was permanently shifted from Delhi to Hyderabad in 1954. The activities of the Committee, which is representative of all oilseed interests in the country, official and non-official, have considerably expanded over the years and cover all aspects of the oilseed industry—from growing to crushing. The large number of projects in hand, some of which have been completed, include 11 schemes of agricultural research, one of technological research, 17 relating to the village oil crushing industry and two for the development of marketing. So far the Committee has sanctioned 166 schemes, 24 of which have been completed.

Research in West Bengal

The scheme for research on oilseeds in West Bengal and the results achieved under it up to 31st March, 1955, are summarised in the eighth annual report of the Committee. The scheme was launched in November 1950, with its headquarters at the State Agricultural Research Institute, Tollygunge and sub-stations at the State agricultural farms in Berhampore and Bankura. According to the report, special attention was paid to the cultivation of improved varieties of groundnuts over an extended acreage. Eight types, including No. 3/28 (Departmental), were tried out in different soil and climatic conditions.

In loamy soil, A.H-25 from Madras exceeded others in yield the average yield being 19.6 maunds an acre. Because of the effect on the intercultural operations of the spreading types of groundnuts, and the high cost of cultivation, the farmers in West Bengal, states the report, were reluctant to grow groundnut. It is however hoped that if the cost of cultivation can be reduced without affecting the yield by eliminating earthing operations which are generally practised in West Bengal, there may be possibilities for its expansion in the State, particularly in the river valley project areas.

The Committee's latest report shows that, as in previous years, there has been a marked increase in the introduction of improved ghanis in the village oil crushing industry. Under the auspices of the Committee, a number of demonstration units of improved ghanis have been installed in various Community Project areas. Considering the needs of the industry, the Committee has made several recommendations to further the development of the village oil industry. One of the most important recommendations relates to the organisation of co-operatives among the oilmen (Telis) in West Bengal, the total expenditure for which has been estimated at about Rs. 6,000. The Central Government's sanction for the project has been obtained and communicated to the State Government.

Developing New Resources

The question of developing minor oilseeds resources in the country has also been engaging the Committee's attention. By tapping this potential resource, the Committee believes, it will be possible to increase the production of both edible and non-edible oils which can supplement the requirements of the country for export as well as for internal consumption and can release for edible purposes an appreciable quantity of such oil now consumed by industries. On the export of oilseeds and oils, the report states that in November 1954, the position was reviewed. It was recommended to the Government of India to liberalise the export policy by releasing more quotas of groundnut and castor oils. It was also recommended that the export quotas of oilseeds and oils should be announced early in advance of the period concerned. Agreeing with this, the Government of India has been allowing the export of H.P.S. groundnut in limited quantities by established shippers.

The position of the levy of export duty on oilseeds and oils is being reviewed almost at every meeting. The Government of India abolished the duty on groundnut oil, kardiaised and nigerseed with effect from 16th March, 1952, but the ban on the export of groundnut oil remained in force during the period June, 1953 to July, 1954. On 20th July, 1954, however, a small quantity was allowed for export with a duty of Rs. 350 a ton imposed on it. It was reduced to Rs. 225 a ton subsequently, and further Rs. 100 a ton in November, 1954.

During the year 1955, the Committee had under consideration the ways and means by which oilseeds production could be further stepped up during the second five year plan. As desired by the Government of India, a tentative target of 900,000 tons of additional production was proposed for the end of the second plan. A break-up of the target figures for each individual State was also roughly indicated. The State Governments were requested to send detailed proposals to achieve the target which were communicated to the Central Government. The total target fixed by the Centre for the second plan period is 6,600,000 tons, 4,500,000 tons for groundnuts and 2,100,000 tons for other major oilseeds.

Plantation Topics

FACTORS BEHIND RISING TEA COSTS

OPPOSITION TO VOLUNTARY CROP REGULATION SCHEME

(FROM A SOUTH INDIAN CORRESPONDENT)

THE Plantation Enquiry Commission's report relating to the tea industry is being carefully studied by the planters in the south. Although they have not yet openly expressed their opinion on the report, some of them feel that it is the product of a certain amount of ignorance, or at least, of an inadequate understanding of the problems of the industry. On the Commission's observations on the rising cost of production, they point out that it is not the expense on general charges or of selling that accounts for the major share of the costs, but, as Mr. W. W. Kilgour pointed out in his presidential address to the annual conference of the United Planters Association of Southern India recently, the heavy commitments on labour welfare, increased taxation and increases in the cost of materials are the main factors in the increase in production costs.

South Indian Tea Output

South Indian tea crop to the end of July at about 73,000,000 lbs is slightly less than that of last year. The long drought experienced early this year and the occurrence of flush worms in certain parts of Travancore account for this loss. With more suitable weather conditions prevailing since July-August, producers feel that this loss can be made up without much difficulty. While this was the case with production, there was an increase of 5,000,000 lbs in the export of South Indian teas from Cochin during the first seven months of this year. Exports to the United Kingdom increased by 2,500,000 lbs and the U.S.A. and Canada together took 1,000,000 lbs more. Australian off-take amounted to 29,600,000 lbs., an increase of 2,800,000 lbs. over that of last year.

The planters' attitude to voluntary regulation of tea crop as a method to adjust production to demand is different from the attitude of their North Indian counterparts. Mr. M. M. Verghese, chairman of the Planting Committee of the United Planters Association of Southern India, said that they did not believe in the artificial process of cutting down the crop on a percentage basis. Instead they favoured the idea of restricting the production of inferior quality teas which cannot be sold for profit. The planters in the south have decided upon finer plucking with this end in view. The south has not fully utilised the expansion of tea acreage allowed to it under the 1950-55 International Tea Agreement. According to Mr. Verghese, the capacity for extension is limited because of the high costs involved. The constantly shifting industrial policies of the Government are also discouraging further investment in tea.

New Rubber Import Policy

South India produced 1,730 tons of raw rubber in July as against 1,638 tons in the corresponding month of last year. Production for the first seven months of 1956 amounted to 11,361 tons against the manufacturers' off-take of 16,847 tons, showing a gap of 5,486 tons between indigenous production and consumption. This difference may rise to 6,000 tons by the end of this year. A change has been effected in the rubber import policy according to which the Rubber Board will directly import raw rubber and will distribute it among the manufacturers at the same statutory price as is fixed for indigenous rubber. The purchase policy of the manufacturers will, therefore, be no longer influenced by world market prices which are at present lower than Indian prices.

LONDON TEA SALES

AT last week's London tea sales, the 48,126 packages on offer realised an average price of 5s 0.46d a pound, against 4s 7.74d in the previous sale and 5s 0.41d a year ago. Plain broken pekoe was quoted at 3s 1d a pound. Prices obtained by some of the companies are given below:

	No. of packages	Average per lb
Amalgamated	1,257	4/11
Assam-Doors	426	5/13
Central Province	604	4/6
Chubwa	426	10/03
Consolidated Estates	410	6/3
Cons. Tea and Lands	1,319	6/11
Dimbula Valley	126	6/11
East India	111	7/9
Eastern Produce	1,224	6/11
Jetinga Valley	114	3/4
Jokai	264	9/11
Jorehaut	216	11/6
Kanan Devan	2,062	4/2
Majuli	410	7/8
Malayalam	3,330	3/11
Moabund	124	12/11
Moran	456	9/8
New Dimbula	396	5/3
Ouvah	294	7/6
Southern India	264	2/9
Spring Valley	156	7/4
Standard	552	7/10
Tingri	390	7/9
United Planters	660	6/

COCHIN TEA SALES

At Sale No. 26, 1,400,000 lbs. of tea were on offer. There was a very strong general demand

for everything particularly for good teas. Low Mediums and Mediums were 2 to 4 annas dearer and Best Liquorings were up to a rupee over valuation. Whole Leafs were very strong and dearer, and Middle East types met with a good enquiry at rather lower rates.

NORTH INDIAN TEA CROP REPORTS

The following summary of crop and weather telegrams has been received for the month of August, 1956:

Upper Assam: Weather generally seasonable; immediate prospects good; outturn last month normal to good; crop slightly down at Panitola; outturn to date slightly over last year at North Lakhimpur.

Central Assam: Weather generally seasonable, but cold and wet and interfering with outturn in Moran; crops generally unfavourable in Moran; immediate prospects fair.

Lower Assam: Weather generally seasonable, but wet and interfering with outturn in Nowgong, rainfall above normal at Bishnauth; crop prospects generally favourable; outturn last month normal to good.

North Cachar: Weather favourable; immediate prospects fair to good; outturn to date slightly under last year at North Cachar; helopeltis prevalent at Happy Valley; black rot prevalent in some districts of Lakhimpur; blight disappeared from North Cachar and less severe in Lakhimpur.

South Cachar: Weather generally favourable, but wet and interfering with outturn in Longai; immediate prospects fair to good; outturn to date considerably over last year in Chargola; helopeltis and black rot prevalent throughout the district.

Eastern Doars: Weather favourable; immediate prospects good; outturn last month good; outturn to date considerably over last year at Kalchini; black rot prevalent at Kalchini.

Central Doars: Whether seasonable; immediate prospects fair to good; outturn last month about normal; outturn to date considerably over last year in Binnaguri; helopeltis prevalent at Binnaguri; factories seriously congested and despatch situation serious in Binnaguri.

Western Doars: Weather seasonable; rainfall for the month deficient in Nagrakata; immediate prospects fair to good; outturn to date slightly over last year in Dam Dim and Chalsa; helopeltis prevalent at Oodlabari and Chalsa; black rot prevalent in Oodlabari, but lifting in Chalsa.

Darjeeling: Weather seasonable; immediate prospects fair; outturn last month good; blister blight prevalent in some districts.

Teral: Rainfall normal for the month; outturn to date about normal; crop prospects fair to good; helopeltis prevalent in North Teral.

COLOMBO RUBBER PRICES

The following prices have been issued by the post published by the Colombo Brokers Association-Rubber Board of India from the weekly market report:

Sheet:	Closing Prices on 7-9-56 (Rupees a lb.)	Average for the period (Rupees a lb.)
No. 1	1.41	1.41
No. 2	1.38	1.38
No. 3	1.35	1.35
No. 4	1.11	1.11
No. 5	1.06	1.06
Sheet Cuttings 1	1.05	1.05
Sheet Cuttings 2	1.00	1.00
Crape:		
Water White	—	—
R.M.A. No. 1X	1.39	1.38
R.M.A. No. 1	1.33/39	1.37
Crape No. 2	1.29	1.29
Crape No. 3	1.19	1.19
Scrap Crape:		
Sc. Crape No. 1	.88 Nom.	.86
Sc. Crape No. 2	.80/83	.81
Sc. Crape No. 3	.75/79	.76
Flat Bark	.70/74	.70
Sc. Crape 3X	.79	.79

To arrive at f.o.b. Colombo prices add 53.45 cents a pound for rubber other than scrap crape and 31.45 cents for scrap crape to the above market prices.



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"CAPITAL" STOCKS AND SHARES INDEX*

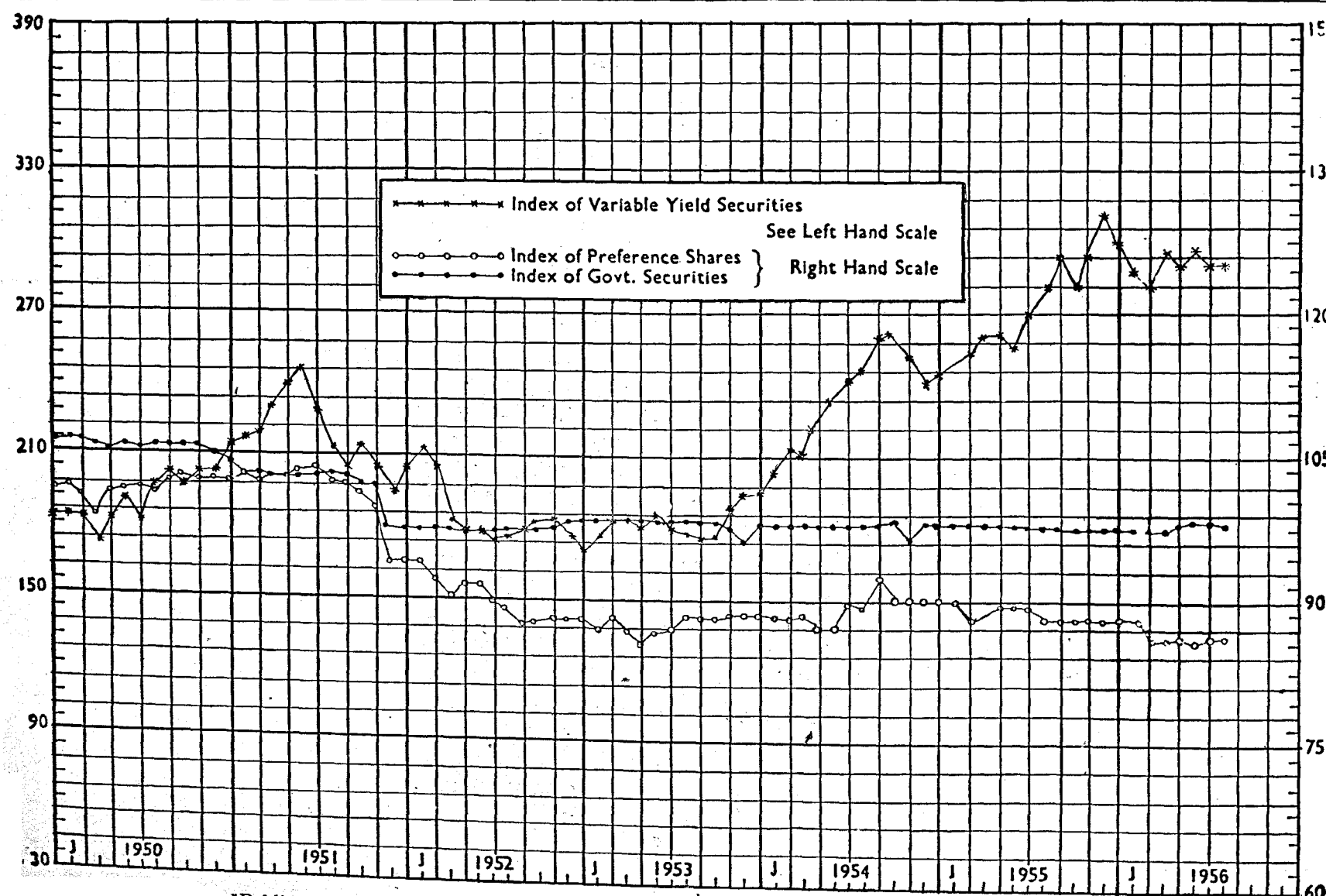
The Capital Stocks and Shares Index (Base: 1939) has now been brought up to July, 1956. Compared with June, the July indices for preference shares and government securities reveal drops of 0.9 points and 0.3 points, respectively.

There were increases in banks 2.9 points, cottons 21.8 points, papers 33.1 points, engineering 4.1 points and sugars 0.4 points, while decreases occurred in coals 1.5 points, jutes 4.3 points, minings and oils 6.7 points, cements 2.6 points, teas 24.1 points and

miscellaneous 16.5 points.

Correlating all the factors, the Capital variable yield securities index shows that the index for stock prices in the above classes of shares advanced by 0.8 points during July, 1956.

Variable-Yield Securities.													
	Index of Govt. Securities	Index of Preference Shares	Banks	Cotton Mills	Coals	Jute Mills	Mining and Oil	Cement Lime etc	Eng. and Metal Works	Tea	Paper Mills	Sugar	Others
Weights	---	---	7	12	9	11	10	6	17	4	1	5	11
100	---	---	---	---	---	---	---	---	---	---	---	---	---
1952.	---	---	---	---	---	---	---	---	---	---	---	---	---
August	97.0	87.6	130.4	202.9	192.4	161.9	92.8	88.3	158.3	227.4	507.6	152.5	210.0
September	97.0	87.6	128.0	200.8	189.9	163.0	97.1	89.8	156.9	217.2	538.7	150.9	213.6
October	97.7	87.7	129.1	192.6	186.8	170.6	99.9	93.0	162.0	207.9	543.3	150.5	217.7
November	98.1	87.8	128.8	189.7	181.2	159.5	94.7	89.1	156.2	181.2	522.1	149.9	215.6
December	98.1	87.4	131.4	188.5	175.1	150.0	92.2	89.6	159.3	166.7	517.5	139.5	218.2
1953.	---	---	---	---	---	---	---	---	---	---	---	---	---
January	98.0	86.4	131.9	188.9	167.5	144.0	105.4	88.9	162.6	179.1	517.5	133.5	223.9
February	97.9	87.8	133.5	199.6	175.6	144.0	101.4	89.9	158.3	189.7	549.3	148.9	234.2
March	98.2	86.4	135.7	204.1	184.8	144.0	96.8	92.1	165.3	196.0	569.2	155.9	222.4
April	98.1	85.1	135.9	203.7	181.2	144.0	95.3	92.1	168.7	192.2	548.6	153.9	219.3
May	98.1	86.4	136.7	208.7	183.2	148.0	99.6	94.3	173.4	179.1	569.2	164.1	222.9
June	97.8	86.8	133.5	199.2	179.2	144.4	97.1	93.2	166.0	203.7	560.6	161.9	213.8
July	97.6	86.6	135.1	199.2	172.6	140.4	90.7	90.9	164.6	192.6	550.6	161.2	213.1
August	97.6	86.5	134.0	197.6	156.3	135.3	88.8	88.3	162.0	177.8	539.4	162.6	215.1
September	97.7	86.6	131.7	192.6	160.3	132.1	97.1	89.3	160.9	204.1	547.3	169.9	216.3
October	97.5	86.7	135.1	223.9	164.9	136.1	109.4	93.0	173.7	207.1	583.1	171.9	227.0
November	96.1	88.7	134.0	201.7	167.5	144.4	112.5	97.5	180.0	247.4	628.1	171.9	230.1
December	97.8	88.3	138.8	209.5	169.5	140.0	108.5	97.1	184.8	236.8	610.1	168.2	232.2
1954.	---	---	---	---	---	---	---	---	---	---	---	---	---
January	97.8	88.2	135.6	217.7	175.1	135.7	130.3	95.4	192.2	244.0	681.2	178.6	239.9
February	97.8	88.0	137.7	228.1	176.6	142.0	148.8	92.8	205.3	242.7	713.0	181.6	254.9
March	97.9	88.3	130.1	223.1	171.5	134.1	140.8	94.1	207.6	250.4	753.4	179.9	248.7
April	97.8	87.6	134.8	222.7	176.6	136.9	134.9	92.4	221.8	261.4	781.2	183.9	255.9
May	97.8	86.9	133.2	220.7	180.7	133.7	153.7	95.4	217.4	288.9	835.5	188.9	261.6
June	98.0	86.7	128.0	238.4	199.5	148.4	171.5	103.3	244.6	314.4	862.7	192.5	289.6
July	98.3	89.3	127.7	236.7	200.5	146.0	162.9	108.5	253.0	350.9	926.3	196.9	294.1
August	98.2	92.6	126.7	238.4	215.9	158.3	179.2	115.4	266.4	379.7	1009.8	198.6	309.5
September	97.9	90.0	129.1	240.8	203.1	163.8	183.8	118.0	270.1	381.0	987.3	206.3	309.0
October	96.2	90.2	128.9	243.4	193.4	136.9	173.1	120.9	255.0	384.0	1012.5	205.3	299.7
November	98.6	90.4	122.8	233.5	179.7	149.2	150.6	109.2	242.6	377.6	916.4	201.6	275.0
December	97.8	90.0	122.8	217.7	185.8	155.1	159.2	107.7	248.3	371.7	936.3	207.0	279.1
1955	---	---	---	---	---	---	---	---	---	---	---	---	---
January	97.9	90.3	126.7	218.2	191.9	150.7	160.2	112.8	301.1	399.3	1019.7	205.3	286.3
February	97.8	88.3	122.5	209.5	185.8	146.0	158.0	107.4	297.4	376.8	984.0	202.6	252.4
March	97.8	89.0	120.7	214.0	189.9	153.1	157.7	112.4	309.5	392.1	1040.3	212.6	285.3
April	97.9	89.2	121.2	216.1	199.5	152.7	148.2	114.3	304.1	373.8	1054.2	201.3	289.4
May	98.0	89.0	119.1	215.7	192.9	146.4	152.5	112.4	302.7	347.1	1042.3	195.6	283.2
June	98.1	88.9	118.8	224.3	202.6	150.3	179.8	113.9	315.5	391.2	1105.2	190.3	289.4
July	98.2	87.7	112.8	249.1	211.7	150.3	204.1	121.0	322.9	378.9	1148.3	210.6	302.3
August	98.0	87.8	124.1	241.3	214.3	156.3	231.8	126.8	351.1	366.2	1147.0	224.3	303.3
September	98.1	87.7	119.9	242.5	206.1	149.6	222.3	120.4	336.0	354.7	1099.3	217.3	297.2
October	98.3	87.1	120.1	257.8	203.1	142.8	225.0	130.3	363.9	353.0	1176.8	224.3	317.8
November	98.1	87.7	125.4	278.0	222.4	147.6	218.2	136.3	375.0	349.2	1304.7	222.6	355.3
December	98.3	87.1	131.9	261.5	216.8	140.0	234.2	131.1	356.5	291.1	1301.3	218.6	332.2
1956	---	---	---	---	---	---	---	---	---	---	---	---	---
January	98.3	88.4	129.9	245.8	218.4	136.0	225.9	124.4	334.3	292.8	1258.9	198.3	312.1
February	98.3	86.4	122.0	246.6	206.7	132.9	217.0	120.6	331.6	286.4	1232.4	193.6	301.8
March	97.9	86.2	123.3	277.1	207.7	119.8	229.0	124.1	355.5	331.8	1310.0	185.6	298.2
April	98.0	86.7	123.5	275.1	202.1	115.8	226.9	124.2	345.4	321.2	1287.4	181.9	295.6
May	98.2	85.6	127.7	274.7	206.1	121.8	228.4	136.1	356.2	324.2	1361.0	182.9	298.7
June	98.2	85.9	125.4	261.9	202.6	117.0	233.3	127.5	325.9	337.7	1332.5	188.9	314.2
July	97.9	86.0	128.3	263.7	201.1	112.7	226.6	124.9	330.0	313.6	1365.6	189.3	297.7



*Publication 5th August, 1937, First Revision 16th October, 1941, Second Revision 9th January, 1948.

Jute

SUEZ DEVELOPMENTS HELP BULLISH TREND IN GUNNIES

RAW JUTE STEADY IN SYMPATHY

THE Suez dispute played a very large part in the movements of the Calcutta markets last week, and at one stage conditions were akin to a boom. Local speculators took the view that consuming countries might start stockpiling, and with this in mind, bought heavily. Prices were forced up in both sections of the market, and hessian recorded new high levels, although this was mainly because of reports of a large increase in American burlap consumption. Mills took advantage of the situation to sell fairly large quantities of both heavy goods and hessian for all deliveries. Shipping statistics also proved bullish, as many operators hastened to get goods away in the hope that they would go through the Canal, and thus avoid increased freight and insurance charges. All these factors led to a very firm market, and the general undertone is much healthier than it has been for some time. Hessian is very strong, especially in the near position, where September shipment stands at a premium of Rs. 1-8 over forward shipment. Less than a month ago the near and the forward positions were at par, and for some time before that forward shipment invariably commanded a small premium. The position in sacking has also undergone a reversal in recent weeks, and ready shipment now stands at a premium of up to about Re. 1 over forward shipment, as against a former discount of sometimes Rs. 2. Towards the close of the week, easier conditions prevailed as mills' constant selling pressure began to make itself felt, and a temporary lull developed with prices dropping slightly.

The fibre markets were not slow in following the upward trend in goods. Mills continued with their buying policy, however, as they were able to take advantage of the favourable gunny rates, and fair quantities were taken up both for ready delivery and also for September-October shipment. The demand for quick shipment jute has slackened in the Cossipore markets with the advent of the Daissee season, and several mills have reverted to jetties purchases of this fibre. This is regrettable in the light of the many malpractices experienced in this form of business. Already the price of dry Daissee in the mookams has been forced up to uneconomic levels due to two large groups reopening their jetties purchase schemes. It is reported that nearly all cases recent purchases have been made at high levels for jute containing heavy moisture, which might cause big losses to the mills concerned. Sellers naturally take advantage of the situation and are not interested in carrying on legitimate business in the orthodox manner where they are bound by contractual guarantees when they can get rid of their jute for a quick cash return without the expenses involved of drying it out and delivering a fair tender. It is surprising that the groups concerned, who have already reported heavy financial losses, should encourage this and by doing so, increase their losses. Raw jute prices moved up about Re. 1 a maund over the week end, the influence of the rising goods market, and sellers in general held very reserved ideas. Towards the close, interest waned, and although there was little change in general quotations, sellers were willing to consider counter-bids with a firm offer in hand.

THE JUTE MARKETS

Manufactured Goods: Speculative activity in the fatka market caused opening prices of jute goods to record a small increase. B Twills advanced 4 or 6 annas for September-March shipment at 4 annas less. Hessian showed very little change and 40in. 10oz. remained at Rs. 43-11 and Rs. 43-2 a 100 yards for the near and forward positions respectively. In spite of fairly good enquiries and a fair amount of business, there was very little price movement during the next two days, but the undertone was very firm. Towards the week-end, a change came over the market. Prices soared on Saturday morning under the influence of the general political situation, and heavy speculative activity. September shipment B Twills jumped by Rs. 1-8 to Rs. 115 and hessian rose to Rs. 43-15. The boom continued over the week-end, and prices reached new high levels on Monday morning with 40in. 10oz. at Rs. 44-5, and B Twills rising to their highest since early March at Rs. 115-14. Brisk business was done at this level, both in real goods and fatka, but eventually selling pressure caused rates to fall. Tuesday's opening saw sacking drop by Rs. 1-4 and hessian by 8 or 10 annas. At the close, the market was a little easier, and opening quotations on Wednesday morning were as follows:

	September	Oct.-Dec.	Jan.-March.
40in. 8oz.	Rs. 36-2	Rs. 35-8	Rs. 34-4
40in. 10oz.	43-15	43-7	42-6
B Twills	114-8	114-8	113-14
Heavy Ceers (Plain)	114	115-8	114-4
A Twills	138-8	139-8	139
Liverpools	127	128-8	127-8
Cornsacks	115	115-8	114-12

Raw Jute: The raw jute markets opened on a very steady note last week as mills continued to take up small quantities. Opening quotations were

morning were as follows:

Indian Jute (New Crop):	Landed at Mills Rs. a md basis Bottoms.	Shipment.
Lower Assam	29-8	Sept.-Oct.
Northern	29-8	"
Murshidabad White	28-8	"
Daissee White	29	"
Daissee	30	"
Daissee Mesta	28	"
Local Northern	29-5	One month
Bimli	28	Sept.-Oct.

Tossa is quoted at 8 annas to Re. 1 a maund above the price of White jute.

Pakistan Jute (New Crop):	Rs. a md.	Shipment.
Jat	32-8	Sept.-Oct.
District	32	"
Northern	31-8	"

Pucca:	Rs. a bale	Shipment.
Mill Firsts 2/3	215	Sept.-Oct.
Export Firsts 2/3	195	"
Export Lightnings	180	"
Jat Cuttings	131	"

RISE IN JUTE ACREAGE DURING CURRENT YEAR

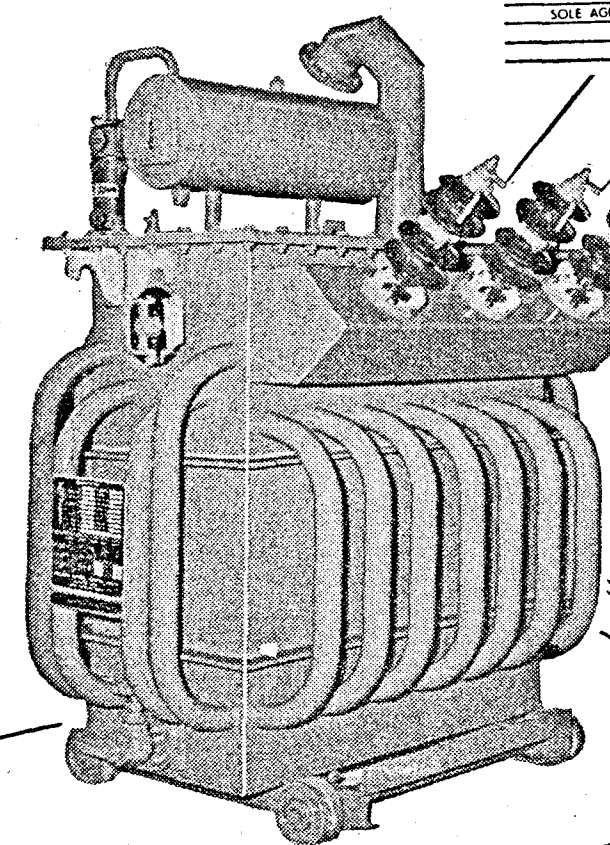
The all-India first estimate of jute, 1956-57, puts the current year's area at 1,634,000 acres as against the corresponding adjusted estimate of 1,425,000 acres for 1955-56, according to the Directorate of Economics and Statistics, Union Ministry of Food and Agriculture. This shows an increase of 209,000 acres or 14.7 percent in area during the current year as compared with last year. The major portion of the increase in the current year's acreage has been in Bihar though small increases have been reported from U.P. and Tripura also. These increases have generally been attributed to favourable weather conditions at the sowing time. The increase has, however, been offset to some extent by decreases in West Bengal, Orissa and Assam. The information given in this estimate generally covers the period up to the middle of July, 1956. Till then, the condition of the crop on the whole was reported to be satisfactory. This estimate does



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not cover the entire area sown to this crop. The area reported in the final estimate is generally slightly higher.

GUNNY SHIPMENT STATISTICS

The following figures include coastal shipment relating to manufactured jute goods for shipment from the port of Calcutta. These are gross figures based on shipping bills presented.

	Hessian Bags (Tons)	Cloth (Tons)	Total (Tons)
1st to 10th September, 1956	829.3	14,039.5	14,868.8
1st to 10th August, 1956	1,715.2	17,590.7	19,305.9
1st to 10th July, 1956	392.7	14,389.4	15,322.1
	Sacking		
1st to 10th September, 1956	10,416.9	487.6	10,904.5
1st to 10th August, 1956	21,684.9	1,939.4	23,624.3
1st to 10th July, 1956	11,522.9	775.6	12,298.5

THE FOREIGN JUTE MARKETS

THE CANAL CRISIS

(FROM OUR DUNDEE CORRESPONDENT)

THE Suez Canal crisis is overshadowing the jute industry at the moment and buyers are somewhat worried about how to act. Business is proceeding quietly but steadily, with little confidence shown to place contracts for big quantities of either yarns or cloth. It may be that jute shipped to the U.K. and Continent in the near future will have to make the much longer voyage round by the Cape, adding about three to four weeks to the journey between Pakistan and its destination. This should not affect the price for the fibre in Pakistan, but shippers might have to raise their terms to spinners. Already the position is very firm indeed and values are higher this week. Mill Firsts are quoted at from £98 to £100 and Mill Lightnings from £87 to £89, while Mill Hearts are lowest at £84 and Continental Hearts are usually named at £80, all September-October shipment, c.i.f. U.K. Spinners have shown some interest lately, as they must have jute in hand to bridge the gap if jute is to take longer to come from Pakistan. Dark jute is also dearer for some things, such as grade Daissee- $\frac{1}{2}$ and grade Tossa-4. These are now quoted at £84 and £91 respectively, September-October, with grade Tossa- $\frac{1}{2}$ at £100 and crack Daissee- $\frac{1}{2}$ at £91. If buyers were to purchase for shipment a month later, they would probably be able to do so at £1 less than the rates named for white jute, as the dark jute is mostly at the minima. Most spinners are more or less comfortably placed with orders for hessian yarns and early delivery is not so easily to be had now. Prices remain firm at 12.00d a yard for 40in. 10oz. and 10.51d for 8oz. Sacking is in demand but tarpaulin remains quiet. Calcutta goods are quieter, but prices are at 66s for 40in. 10oz. and 50s 6d for 7 $\frac{1}{2}$ oz., September and October and 65s 3d and 49s 9d November-December, with B Twills at 173s 3d, 174s and 175s for the respective positions of shipment, all f.o.b. Calcutta.

INDUSTRIAL TRENDS IN THE UNITED KINGDOM

COTTON MANUFACTURERS SEEK PROTECTION

(FROM A SPECIAL CORRESPONDENT)

THE industrial situation, specially influenced as it still is by a combination of wholly unreasonable weather, international politics and trade union stridency, seems to be inducing a stock-taking mood, in an endeavour to discover where we all are and where we are likely to find ourselves at the end of a year or so. And so it is that papers read at various conferences and having, nominally, industrial themes mostly tend to have a general flavour, as might be gathered from the frequent occurrence in their titles of "What Next?" in this or in that? It would be hard to find any precise answer in most of these efforts; indeed, the questioner is only too obviously himself seeking knowledge rather than providing it. Something more definite is promised by the Cotton Board's forthcoming conference, which is to be concerned with "Cotton's New Look." But, as far as has been announced so far, only one of the subjects to be discussed can be regarded as entirely new. That is to be concerned with the great publicity campaign soon to be launched with the aim of persuading the British public to insist on being supplied with cotton textile goods made in Britain. Whether this campaign can be looked upon as a substitute for a demand that imports of cotton goods from India and elsewhere should bear high tariffs is doubtful; for the available evidence indicates that the supporters of a policy of protection for the Lancashire cotton industry have gained in numbers during the past few months.

The papers read at the British Association gathering had little of value to offer to industry—or, so its critics allege, to the world in general. The Association has been under fire for many years, the charges being those of defective organisation and poor quality of the lectures delivered. Certainly criticism has not been lacking in substance this year and it has had to be officially recognised, that reforms are long overdue and must be undertaken without further delay. The only industrial topic with any liveliness related to a claim for a new process of steel-making, which was said to surpass the existing Bessemer one. But the method is at too early a stage for its practical merits to be judged. Automation was considered at length. The approach was the now familiar one of broad acceptance of its implications, as was also the case with numerous speeches on the subject delivered at the Trades Union Conference. Approval was virtually unqualified at the latter. It was roundly declared that the increased use of automatic processes and controls in industry would substantially improve the economic position of workers. The only doubt sounded, and that mild one, was that non-manual workers might possibly suffer in those directions where computing machines can be made and installed with a relatively low capital outlay.

Conference on Automation

A conference on automation held under the auspices of the College of Production Technology yielded more for reflection. Thus, Dr. Woodley, the Principal of the College, insisted that automation was simply the outcome of a gradual evolution which had been taking place over many years past. It was not a sudden innovation, as was the

impression so often given. The pace of development was quickening perceptibly, and it was this fact which was compelling attention. But we ought not to allow ourselves to be overwhelmed. We are not in a position to allow ourselves the attempt of wholesale automation with any safety; for we had not the personal skill to make the venture. The truth is that we shall for long, if we are to act wisely, have to give full heed to the fact that technological instruction is the prime necessity. Moreover, there is a tendency to exaggerate the scope of automation. Dr. Woodley believes that it would be optimistic to estimate that one in every 500 industrial establishments in Britain "could even contemplate introducing automation." Plainly, however, the number of establishments which could, with advantage, introduce additional automatic aids is far greater than that suggested by him. Indeed, there is hardly an undertaking of any industrial or allied importance which will not be able to make a further advance along these lines over the next decade. Presumably, what Dr. Woodley has in mind is the practice of automation in an absolute and continuing sense, embodying many forms and taking various directions, and yet well integrated throughout an entire industrial undertaking. There will, in other words, have to be a constant submission to a new principle, and this submission will become more complete as instruments, machinery and equipment are forthcoming to fulfil new conceptions of manufacture and fresh products enter into civilised life. It would, indeed, be wrong to think of this as a task to be accomplished without the aid of genius—and even the automation type of genius is hardly likely to be common.

New Tootal Enterprise

Yet another British textile company has announced its intention of entering new fields. This is the well-known Tootal Broadhurst Lee Company, which showed a substantial fall of profits in its recently issued report. It is true that in this instance there is to be no departure from the textile field; for what it is proposed to do is add the manufacture of bonded fabrics to the present activities. This is to be done under a licence granted by a U.S. company. There is already one British company manufacturing bonded fabrics in the strict sense of the term, and, of course, many fabrics produced by a number of firms, in which resins are employed, are bonded in some degree. Such is true of the chief kinds of artificial leathers. But it would appear that Tootals are to be especially concerned with bonded cotton fabrics; and these fall into a distinctive class of their own. The fabrics have a deposit of waxy lines of adhesive on the surface of the cotton. The adhesive takes the place of the cross threads in weaving and reinforces the cotton fibres. It has been claimed for these fabrics that they would lead to the supplanting of fully woven fabrics and even to the dispensing with weaving altogether. Little has been heard of these claims lately, but the fabrics have found a number of specialised uses. In addition to the bonding method mentioned above, other processes have also met with success, including those for blending heat softened man-made fibres into the cotton web, or the use of an overall chemical solution which bonds various kinds of fibres. It would seem that one of the greatest uses for these fabrics is in bags and packets requiring strength. Where an overall chemical solution is used, the absence of ventilation imposes limitations upon a bonded fabric in comparison with a woven one. It has to be observed that endeavours are being made by the means of minute perforations to remove this drawback, and the latest bonded fabrics have far more pliability than those first introduced in the United States ten years ago.

The annual display by the Society of British Aircraft Constructors calls for comment, as indicating the trends of the British aircraft industry. It is, however, hardly possible for others than technical experts to separate the military implications from the civil. Much has been said, as an outcome of the display, upon the competition developing between the United States and Britain in the building and use of jet aircraft, and upon the fact that the former, with its larger territory and consequently greater facilities for landing, has a strong advantage. That Britain cannot indefinitely use up agricultural land for runways has also been given prominence. It was interesting to see that "design for survival" is now a description frankly used by companies specialising in these helps to longer living. If this seems a candid admission of the risks which the development of aviation involves, it probably also sounds a note of assurance in that a warning against hazards, and provision for emergencies is an important concern of modern industry. One firm engaged in these manufacturing activities has a very wide range of products, catering not only for aviation, but providing, as well, escape and anti-exposure suits, etc. for submarines, protective clothing against radioactivity, chemicals and fire and for workers in cold rooms. The lifejackets it manufactures include a "Baby's Floating Survival Cot."

Static Electricity

A conference was held by the Textile Institute in Zurich on the subject of static electricity. Radioisotope static eliminators have swiftly come into use in Britain, largely through the development by the British Cotton Industry Research Association of what is known as the "Shirley Rase Unit". The presence of "static" is responsible for many troubles to industry, including the greater risk of fire, and, in textiles, the soiling of fabrics in the loom. While the use of radioisotopes has carried forward the dissipation of static a great deal has yet to be known about its generation, conductivity, the electrical resistance of fibres and similar matters.

Engineering and Transport

PROSPECTS OF AUTOMATIC MINING

PROGRESS ACHIEVED IN U. S. A. AND RUSSIA

IN various quarters in Britain—at the meetings of the British Association for the Advancement of Science, at the conference of the Trades Union Congress, in technical magazines and general newspapers—automation of production has been discussed recently with lively interest. The whole subject, confused hitherto by irrational thinking based on inadequate facts, is gradually settling into perspective. The limitations, as well as the possibilities, of automation can now be more clearly seen. Britain is obsessed with her prospective shortage of power (though on that subject, too, opinions are slowly changing), and it is natural that, in the more detailed assessment of automation, coalmining has received due attention. Some people in the coal industry, working with seams that are too hard, too thin, too steep, too variable, and in the other too-familiar natural conditions, spread their hands with a deprecatory gesture when anyone suggests mining coal automatically. Yet they cannot deny that the United States and Russia are advancing towards automatic mining. American geology is admittedly much more suitable for the purpose than British, but Russian mines have no corresponding natural advantage; yet in Russia "all-round automation and remote control of machines and mechanisms" is envisaged underground, as well as in surface installations, during the next few years.

Automation of mining is essentially more difficult, though not necessarily more complex, than automation of manufacture. In a factory, elaboration of machines and of controlling mechanisms can enable materials to pass through a precisely-planned process, to turn out a product "untouched by hand". In a mine, the machines themselves must move, for the material is, in the first place, static. In a factory, the processes of production do not affect the conditions of production. In a mine, disturbance of the strata in the course of working changes the conditions. Automation of mining must, therefore, include automatic roof-control. Some authorities will say that automatic roof-control is the key to automatic mining. The methods of mechanical cutting, loading, conveying, are already in operation, and to control them automatically does not seem inherently more difficult than to control productive processes in a factory by electronic and other instruments. Roof-support is more static, therefore, less mechanised. What has to be made automatic is not the act of supporting but the acts of withdrawing, moving, and resetting, the supports. And these actions must be combined with the conveyor that operates close to the coal-face.

Attempt in U.K.

In Britain, the Mining Research Establishment has been working on the idea that mining will be automated when the passing of a cutting and loading machine along the face will trigger a movement in the control system that operates the conveyor and the roof-supports. No such system has yet been devised, but equipment that would be applicable with such a method is already in production and the changes that would be needed to convert it to automation do not seem fundamental. Promoters of automation in British mines are particularly interested in a thin-seam machine called a trepanner, whose cutting head is a hollow auger that drills through the coal, leaving a core that can be easily broken off. (In its modern version, it is fitted with identical heads at each end and has thus to be only reversed, not turned, at the end of each run.) The core of coal formed inside the trepanning wheel, and coal cut by auxiliary mechanisms above and below it, are diverted on to the conveyor alongside. So mechanical cutting and loading are simultaneous. This machine first installed in 1954, yielded excellent outputs while working, but much of its capacity was wasted while the supports were advanced after each cut. The conveyor has also to be moved into the face, but the operation takes much less time than moving hundreds of supports. Mechanisation of the support system, using self-advancing hydraulic equipment, has now minimised the delay, and minimised also—an important consideration for safety—the critical period between extraction of the coal and support of the newly-exposed roof. The self-advancing support systems used with the trepanner work in conjunction with an armoured flexible conveyor, the conveyor and supports being in effect a combined unit. When the cutter-loader has passed, operation of the appropriate valves of the hydraulic mechanism cause double-acting rams fixed in the base of the supports to push the conveyor into the track that the machine has just made, and the movement of the conveyor pulls out single-acting rams, which are likewise connected both to it and to the supports. When the conveyor is in its new position, appropriate valves operate the pulling action of the rams, which draw the supports close to the conveyor. There are variations of this system, but its principle—integrated advance of conveyor and supports—is established.

The Human Element

There is still, however, the human element operating the processes. Efforts are now directed to simplifying the human operations, reducing them to the minimum, and, finally, except for remote control, eliminating them. As the new

functions (including haulage of the trepanner) are mostly hydraulic, it is in the hydraulic mechanisms that automation must be developed. There seems to be no insuperable obstacle to automating the valves of the hydraulic systems, either with some of the complex instruments of modern industry or, perhaps, more simply, by the action of the passing power-loader in pressing a button or turning a handle to start the next cycle of operations. Automatic mining, no longer fanciful, could certainly increase production with fewer men. The obstruction is not so much technical as economic—the very large capital expenditure that would be required to instal automatic systems extensively.

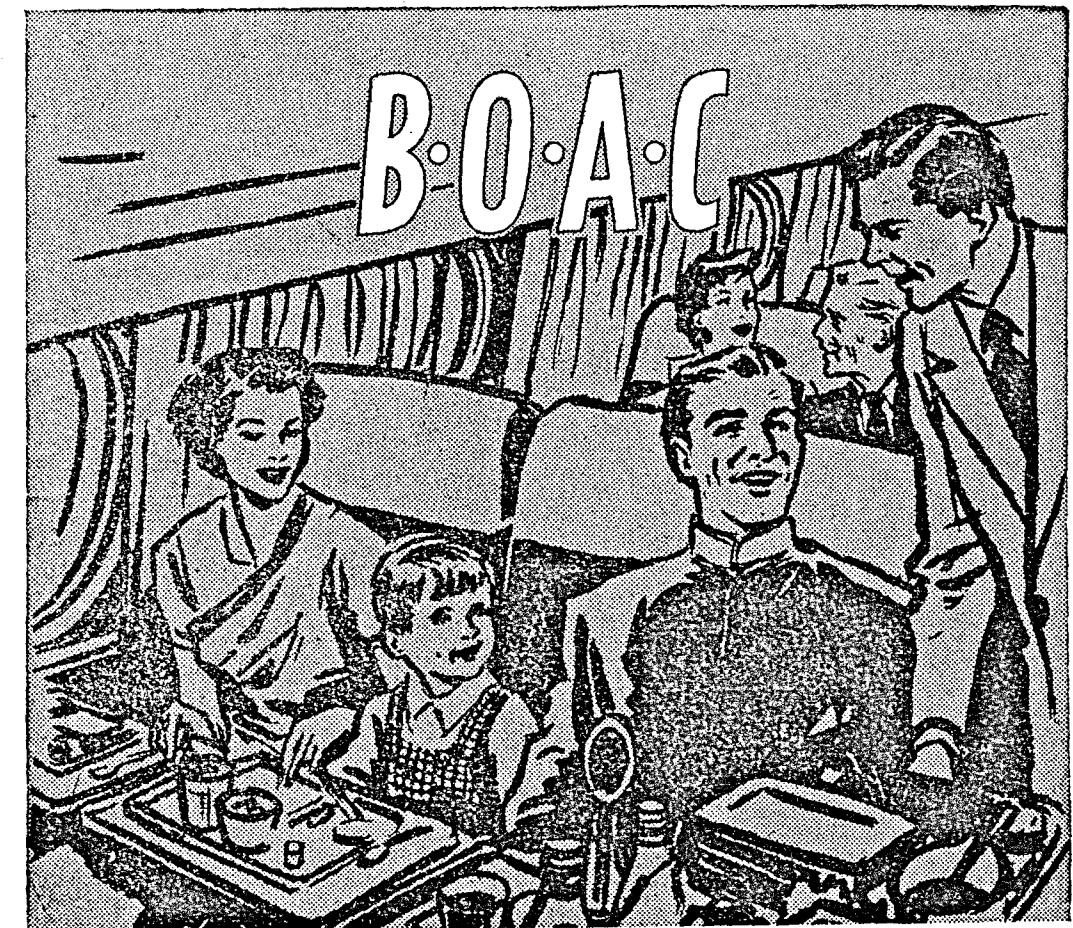
B.O.A.C. EARNS REVENUE SURPLUS FOR FIFTH YEAR RUNNING

The B.O.A.C. earned a profit for the fifth year running in 1955-56 amounting to £1,295,525. After remuneration of capital there was a net surplus of £117,731 against a net surplus in the previous year of £261,687. The disruption of the Corporation's plans for substantial re-equipment with Comets continued to affect seriously the revenue earning ability of its services. The fleet on passenger services provided 200 million capacity-ton-miles for sale; this was 21.1 percent more than in the previous year, but fell short by 9 percent of the capacity planned for 1955-56 with the Comets in service. Yet the number of passengers carried by the Corporation increased by 32 percent on the

previous year. The total number of passengers carried was 385,778 compared with 291,135 in the previous year. The passenger load factor rose from 61.6 percent to 62.2 percent. Revenue from the carriage of mail and freight increased from £12,253,772 to £13,278,436, an increase of 8 percent during the year. The total revenue increased by 15.8 percent to £42,706,582, nearly £6 million greater than in the previous year. The costs of operation also rose by 15.5 percent to £41,264,980, while costs a capacity-ton-mile fell back from 39.9d to 38d a figure considerably below that of 39.2d achieved in 1953-54. The reduction of 4.8 percent in the cost a unit for sale was partly due to the spread of costs over a greater capacity than in the previous year and partly to efforts to keep down costs at all levels of the Corporation.

The most significant change in the year was the continued advance of the demand for tourist class travel on all routes. In 1954-55, tourist passengers had accounted for 45 percent of those who travelled on the Corporation's services, while in 1955-56 the proportion was 53 percent. This widening of the market for air travel by reducing fares will continue and should receive added impetus when the Corporation, in company with other international operators, further reduces tourist fares on the North Atlantic routes in April, 1958.

While services to the east had for some years been operated at a substantial profit, a sharp loss was sustained during the year under review. The reasons for this change in results were clear.



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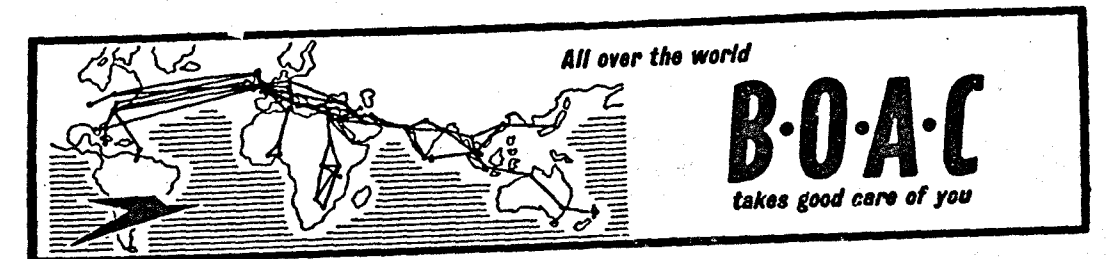
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BHADRAVATI.

Constellation 749s took over the operation of all first-class services terminating beyond Karachi: while these aircraft were more modern than the Argonauts they replaced and offered approximately the same capacity, they were, in fact, the replacement aircraft for the Comets which they were quite unable to match in passenger appeal. Moreover, they were expensive to operate because of their purchase as stop-gap aircraft at a time when aircraft prices were high. Furthermore, the Corporation's competitors on these routes were rapidly becoming equipped with modern aircraft which were more attractive particularly on longer stages. Much however, was done to improve the facilities available to passengers, particularly by the provision of slumberette seating on Constellation services progressively from 1st March, 1956 and by the employment of Asiatic stewardesses on the far eastern sections of these routes.

The great necessity for the corporation is to introduce into service more modern aircraft as soon as they become available. At the beginning of the current financial year, the Corporation placed orders for 33 Bristol Britannias, 19 de Havilland Comet IVs, 10 Douglas 7Cs and 14 Vickers Viscounts (for associated companies). A beginning will be made with the introduction of the first Britannias later this year on the eastern routes, while the DC-7Cs are due in service on the North Atlantic route in January, 1957. In the years immediately after 1956-57, the prospects are very bright. The long-range Britannias should be in service late in 1957 and the Comet IV, a couple of years later. With these British aircraft, the Corporation should have two outstanding types in operation ahead of other international airlines.

BRITISH FIRM WINS INDIAN CONTRACT

After a 16-day trip to India, Mr. W. H. Sharp, director of a British firm manufacturing cranes and excavators, is back in Yorkshire with a £300,000 contract. The contract, gained against keen competition from Japanese, Italian, German, Belgian, and French manufacturers, is for 27 cranes for use on the Indian railways, where they will assist in maintenance work. To be delivered over the next two years, they comprise 13 ten-ton steam travelling cranes and nine five-tonners. The British firm recently completed a previous contract worth £250,000 for supplying 24 cranes.

MODERN WATER TREATMENT TECHNIQUE

Modern water treatment technique caters for every variety of municipal industrial requirement, irrespective of the source of supply or the nature and amount of pollution that may be encountered. Typical of the latest practice in Britain is the new Prewley Waterworks, of the North Devon Water Board, which forms part of a large scheme to supply for the first time water to an extensive rural area. The source is river water which when the run-off is high is discoloured by peat, but during dry periods the water is at times so clear that little more than filtration is required to arrest suspended matter. This necessitates purifying water which sometimes is acid and coloured and other times relatively clear, containing only minute amounts of impurities and the purification arrangements have been designed for these specific circumstances.

The plant has a purification capacity of 1,400,000 gallons a day and provision is made to treat the water with alumina and chalk, and a small dose of lime during the pre-filtration process of flocculation and sedimentation, and the addition of a further dose of lime after filtration. It is possible to apply chlorine either during these processes or after filtration and the water can also be de-chlorinated wholly or in part after filtration. Flocculation and sedimentation are effected in an accelerator plant, cylindrical in shape and constructed of reinforced concrete 37 feet in diameter and containing 16 feet of water. This plant permits more rapid completion of the physical and chemical changes involved in the purification of the water than the flocculation and sedimentation tanks generally used for water purification. It can, therefore, be built much smaller and in such a form as to avoid the difficulties of discharge of precipitates and sludge associated with the longer rectangular sedimentation tanks. It depends for its effectiveness upon the most intimate admixture of the chemical reagents with the incoming raw water, and the circulation of precipitate formed during the purification process.

At Prewley three agents are employed—namely, sulphate of alumina, chalk, and lime which are measured by dry chemical feeders whose output is easily adjustable by the operator to cope with

fluctuations in the quality of the water, merely by turning a small wheel on each machine. Drive is by a fractional horse-power electric motor on each machine which also automatically starts and stops according to the opening and closing of the automatic water inlet control valve. The three feeders stand on a floor, level with the accelerator, the chemical reagents being stored in another compartment above this storey and suspended through the ceiling are steel hoppers into which the reagents are emptied from bags. A chlorograph is installed on the same floor as the chemical feeders for delivering chlorine either into the accelerator or after filtration.

Course of Water

The partially clarified water flows into a channel common to the four manually-operated filters, comprising the filtration plant, each of which contains graded sand supported by a number of graded beds of pebbles with a total thickness of about 45 inches. The filter underdrains are non-metallic and non-corrodible discharging filtered water into a channel constructed integral with the floor of each filter, from where the water flows to controllers and then to a covered pure water channel which conducts it to a contact tank to ensure adequate time of chlorine contact prior to de-chlorination. The filters are cleaned by compressed air and water, the wash water being raised from the pure water channel by centrifugal pumps to a tank constructed above the roof of the filter house. After filtration the water passes through an underground contact tank to ensure adequate contact time for the chlorination process before being discharged to the service reservoir. The latter is constructed of reinforced concrete in two compartments completely covered. When full it contains 1,500,000 gallons, the top water level being 1,080 feet above sea level and from the service reservoir the water goes into supply through a 15-inch main, subsequently branching into a 10-inch main and a 12-inch main. A well equipped instrument panel forms part of the necessary equipment including a Venturi meter for recording the rate of flow and quantity going into supply. A Klaxon horn raises an alarm should the flow exceed a pre-determined rate thus indicating a burst main or other cause of excessive demand. The sludge both from the accelerator and the filters is taken into tanks to settle, after which the separated water is drawn off and the solid sludge emptied and disposed of from time to time. All the refiltration plant and instruments were manufactured and erected by the Paterson Engineering Company (India) Ltd., of London, which has an office in Calcutta.

NEW BRITISH LINER FOR EASTERN SERVICE

An order for a new 40,000-ton liner costing £10 million has been placed by the Orient Steam Navigation Company with the shipbuilding branch of the Vickers-Armstrongs Ltd. It will be the largest passenger ship built in Britain since the mammoth Queen Elizabeth (83,673 tons) was completed in 1940 for the trans-Atlantic run. The new Orient liner, for which no name has yet been chosen, will be built at Barrow-in-Furness, and will come into service in 1960 on the England-Ceylon-Australia run. With an operating speed of 27 knots and an even higher top speed, the new liner will complete the passage between England and Australia in 21 days—one week less than the fastest ships at present take on the same run. There will be the most modern accommodation for 2,000 passengers. This is 600 more than the largest Orient liners now carry. Another feature will be the use of aluminium for the construction of the entire super-structure. This will mean a saving of about 1,000 tons in weight as against the use of steel for the same purpose. The P. & O. line is also planning a similar 40,000-ton liner for the England-Ceylon-Australia route. While several designs are under consideration, the actual order for building the ship has not yet been placed.

AMENDED INDUSTRIAL DISPUTES ACT COMES INTO FORCE IN PARTS

The Government of India has decided to bring into force the following provisions of the Industrial Disputes (Amendment and Miscellaneous Provisions) Act, 1955, from 17th September, 1956: Clause (a) of section 32: Under this clause, the term "workman" now includes supervisory personnel also provided their wages do not exceed Rs. 500 a month and they do not exercise functions mainly of a managerial nature. All technical personnel are also covered under this definition. Clause (b) of section 32: The Certifying Officer or the appellate authority will have the power to adjudicate upon the fairness or reasonableness of the provisions of any standing orders. Clause (c) of section 32: This empowers the workman with the right to apply for modification of standing orders. So far, only the employer had such a right. Clause (b) of section 10: The time of submission of Conciliation Officers' report may be extended by mutual consent. Clause (d) of section 9: This authorises the Conciliation Officer to call for any document for verification of implementation of Awards. Clause 20 and 27: The clause enhances the penalty for breach of settlement of wages. Clause 27 enables the appropriate Government to delegate its powers and functions to any subordinate authority. The Industrial Disputes (Amendment and Miscellaneous Provisions) Act, 1956, was passed in the last session of Parliament. The President has already assented to the Act.

Commodity Markets

BRITISH TEXTILE REVIEW STEADY IMPROVEMENT IN TRADE

ONE of Britain's well-known failings is the inadequacy of up-to-date statistics. An important index of textile trade is that compiled by the Wholesale Textile Association, in collaboration with the Bank of England, showing the value of wholesale textile sales; but the figures relate to a period of a couple of months back. The latest figures, however, complete the picture for the first half-year; which shows a relatively encouraging position. In January-June, compared with the same period of 1955, all categories of trade (there are 10 of them) improved, excepting gloves, whose sales decreased 53 percent. The whole index increased 6 percent in the half-year. And the seasonal recession in June, though sharp, left that month's trade at the highest level of any June in five years. Total stocks at the end of June were 33 percent more than a year previously. On the retail side, trade has subsequently been disorganised by the appalling summer, but preparation for the normal firm opening of the wool season in Australia has confirmed confidence in wool goods. Confidence in the stability of cotton, on the other hand, continues at a low ebb, and interest in Lancashire is focussed on a new scheme—proposed tentatively after months of deliberation—to establish minimum prices for certain types of fabrics. The recent Act against restrictive practices would make a firm agreement difficult to enforce, but "recommended" minimum prices are still permissible, and the effects of price-cutting in recent months have won some support for the idea. But any attempt to keep up prices of goods subject to the competition of cheap imports seems foredoomed to failure.

The Real Problem

The next few months are regarded in Lancashire as crucial. As trade will be seasonally firm, it will be possible to test the belief that stocks of many cotton goods have been allowed to fall too low and that the reduction of a few pence a pound in the prices of raw cotton will impart the necessary impetus to buying. In late-September or early-October it should be possible to discern whether any serious restocking is in progress. If in the meantime, the raw material shows further weakness the restocking movement will most probably be deferred. It is now admitted that the reduction of yarn prices, reflecting the easier trend of raw cotton, has somewhat enlivened business. Cotton was certainly—and many people say is still—too dear. But the adjustment, so far as it has gone, assists many of Britain's competitors as much as Britain herself; the fundamental problem of declining exports is almost unaffected. In one important respect, however, the reduction of cotton prices has changed this country's relative position—and thereby weakened to some extent its case against India. A part of Lancashire's argument has been based on the favourable prices, alleged to be artificial, at which cotton is available from internal sources to the Indian mills; but at the reduced international prices the difference has been narrowed, if not eliminated.

Yet it must be said that if this reason for objecting to cheap imports falls down the British industry will find others. The difference in costs between Britain and such producers as India and Hongkong is fundamental, and Lancashire frightens itself with visions—not entirely fantastic—of an engulfing flood of cheap cloth on to the home market. Lancashire wants to know what point, if at all, the Government will restrict these duty-free imports from Commonwealth sources. And the Government is desperately hoping that Lancashire will be able to fight its own battle, so averting the awful decision whether to change a fundamental principle of Commonwealth trade or to abandon the industry to its fate. These troubles at home have sometimes obscured the fact that the cotton industry is still a big exporter, earning abroad approximately the same as the wool industry. But the old rival abroad, Japan, is now relieved of the limits on its production; and competition from the United States may soon become more severe. Converters need the cheap imported cloth to strengthen their position in export markets. More man-made fibres must be used, for stability and diversity. And firms which can produce specialities must manufacture specifically to satisfy overseas requirements.

Stimulating Challenge

A market-research team which investigated trade in North America reported that style, quality, price, and delivery, were the main factors in selling in the markets there. The Board of Trade Journal contained last month an account by Mr. A. Ormerod, director and production manager of Ashton Brothers, Hyde, of his firm's efforts to satisfy these requirements. The tasks of reorganisation involved will intimidate the less progressive firms; but Mr. Ormerod has shown that success, which eludes those who sit and wait for it, will come to those who get up and work for it. Some of the orders accepted by this firm were for quantities so small that they would normally be regarded as little more than samples. But the principle of this method of trading is to fulfil each individual requirement. The method is quite uneconomic unless production is properly adapted to it, since the wide range of products requires a wide range of equipment. Meticulous attention to quality re-

quires, moreover, that only the best available equipment be used, that operatives be thoroughly trained for the particular task, and that quality-control be carefully organised, from inspection of raw materials to passing finished goods for shipment. To restrict costs it is necessary to rearrange the sequence of production so that it is affected as little as possible by batch-size; Ashton Brothers changed completely their methods of production and re-equipped entirely their yarn-dyeing and preparation units. Day-to-day planning of production is needed to ensure prompt delivery; and Ashton Brothers found it necessary to finish cloth in the laboratory to save time involved in commission-printing. Mr. Ormerod's conclusions are as challenging as the North American market itself. "Selling to, and manufacturing for, the American market is a continual challenge, which, if met successfully, cannot help but have a stimulating effect throughout the entire organisation. The dollar business becomes a catalyst for quality and service resulting in a general lifting of sights by both the selling and production departments." If, even so, the dollar trade were disappointing the method would still justify itself by improving business generally—in the home market as well as abroad. Efficiency is a surer means of survival than defensive price-fixing or appeals to the Government for protection.

GROUNDNUT ACREAGE HIGHER THIS YEAR

The all-India first estimate of groundnut, 1956-57, puts the current year's area at 8,955,000 acres as against the corresponding adjusted estimate of 7,721,000 acres for 1955-56, according to the Directorate of Economics and Statistics, Union Ministry of Food and Agriculture. This shows an increase of 1,234,000 acres or 16 percent in area during the current year as compared with that of



THOSE WHO COMMAND—DEMAND...

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HILL THOMSON & CO. LTD. Edinburgh ESTABLISHED 1790

Maintaining The Ancient Traditions

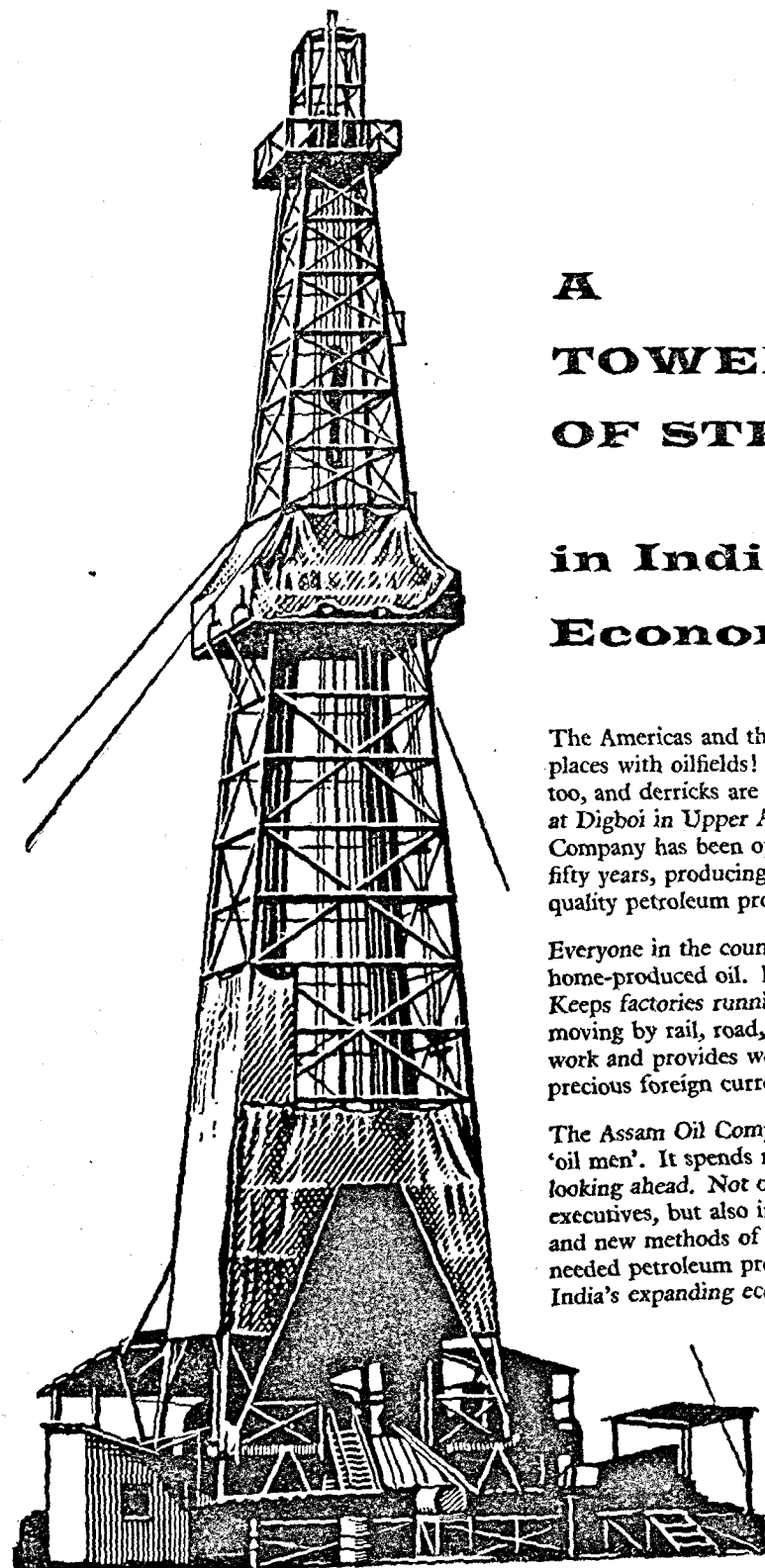
Ajanta and Ellora, Khajuraho and Bhubneshwar are a living testimony to the glorious past, the lofty height of ancient Indian art and ancient Indian craftsmanship.

Modern Indian craftsmanship and J. K.'s manufacturing skill combine to produce the best in creative designing and attractive execution.

The symbol of Tradition

J. K. ORGANISATION

KANPUR — BOMBAY — CALCUTTA



A member of the
Burmah Group of Oil Companies

ASSAM OIL
COMPANY

does
it
all

The Americas and the Middle East are not the only places with oilfields! Oil is produced here in India, too, and derricks are a familiar part of the landscape at Digboi in Upper Assam. The Assam Oil Company has been operating this oilfield for over fifty years, producing some 300,000 gallons of high quality petroleum products daily.

Everyone in the country benefits from this flow of home-produced oil. It speeds food production. Keeps factories running smoothly. Keeps goods moving by rail, road, sea and air. Takes people to work and provides work for them—as well as saving precious foreign currency.

The Assam Oil Company itself employs over 8,000 'oil men'. It spends much time and money in looking ahead. Not only in training technicians and executives, but also in finding new sources of oil and new methods of processing it into the much-needed petroleum products which are so vital to India's expanding economy.



When you have a journey to make, think first of flying. It's the fastest way to travel, and often the only way to get there in time. You escape all the tedium of a long journey—flying is so quick, convenient, and wonderfully comfortable.

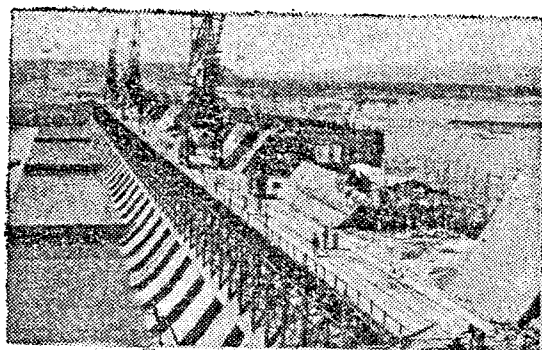
INDIAN AIRLINES CORPORATION

4, Chittaranjan Avenue, Calcutta. Telephone: 23-5141 (6 lines)

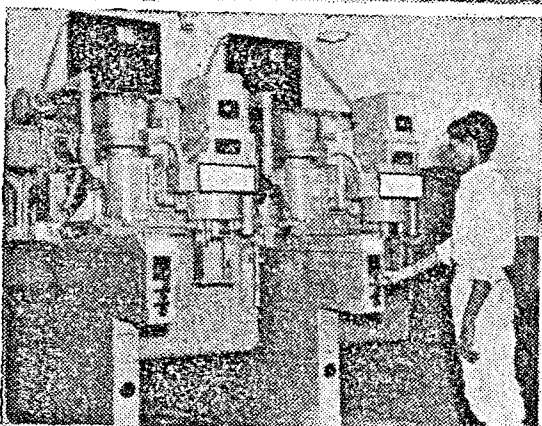
'ENGLISH ELECTRIC'

Plays a Vital Role in India's Development

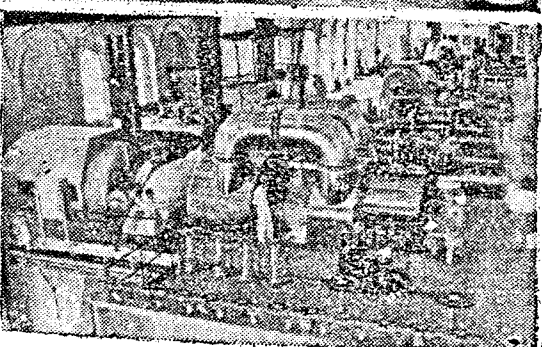
The English Electric Company's plant plays an important part in the generation of electricity from water power in India. Francis reaction, impulse and vertical feathering-propeller water-turbines and alternators have been installed at many of the major Hydro-electric stations such as Bhira Power Station, Bombay, Mettur Power Station, Madras, Khatima Power Station, U. P. etc. Many steam turbo-alternator sets have also been supplied for a wide variety of installations, including power stations, chemical works, textile mills, railways and collieries. Several million KVA of transformers have been supplied for operation in India and all the recent substations of the Calcutta Electric Supply Corporation are equipped with 'English Electric' Units. Eleven substations of the Bhakra-Nangal Grid are being completely equipped with 'English Electric' Transformers and associated switchgear.



HIRAKUD DAM PROJECT, ORISSA: For this Project the English Electric Company is supplying two generating units, each unit consisting of a 52,000 H.P. Vertical Shaft Feathering Propeller Turbine coupled to a 37,500 KVA semi-cylindrical type generator.



OIL REFINERY, TROMBAY, BOMBAY: All the transformers totaling over 20,000 KVA capacity, together with the associated high and low tension switchgear were supplied by the English Electric Company to the Standard-Vacuum Refinery at Trombay. The illustration shows two of the 5-panels 22 kV 500 MVA Switchgear installed at the Refinery.



RIVERSIDE POWER HOUSE, KANPUR: 'English Electric' Steam Turbo-Alternator Sets are installed at this Power House. The associated Transformers and Switchgear are also supplied by 'English Electric'.

THE ENGLISH ELECTRIC COMPANY LIMITED

(Incorporated in England. Liability of Members Limited.)

CALCUTTA BOMBAY MADRAS NEW DELHI LUCKNOW

last year. Increase in area during 1956-57 has been shared by almost all the groundnut growing States, especially, Saurashtra, Hyderabad, Madhya Bharat, Andhra and Bombay, and has been attributed to favourable weather conditions at the sowing time. This increase in acreage has, however, been offset to a small extent by decreases reported by Mysore, Bhopal and Madhya Pradesh. The information given in this estimate covers the period generally up to the end of July, 1956. Till then, the condition of the crop was reported to be generally satisfactory. The estimate does not cover the entire area sown under groundnut crop during 1956-57. Past experience has shown that the area at the first estimate stage forms roughly 60 percent of the area of the crop finally reported.

WHOLESALE PRICE INDEX RISES

THE official wholesale price index (base: year ended August, 1939=100) advanced by 0.1 percent to 421.5 during the week ended 1st September, 1956, compared with 421.0 (revised) for the previous week. The index has higher by 1.8 and 18.8 percent respectively than those of the corresponding weeks of last month and a year ago. The index for Food Articles declined by 0.5 percent to 395.9 because of a fall in the prices of tea (-6%), gram (-3%), wheat in Hapur and gur in Muzaffarnagar (-2% each) and dal arhar and sugar (-1% each) in spite of an advance in the prices of wheat in Amritsar (+4%), gur at Ahmednagar (+3%) and rice in Calcutta and bajra (+1% each). Higher prices of manganese ore (average export price) (+17%), groundnuts in Bombay (+5%), raw jute (+4%), linseed in Bombay and copra (+2% each) and lac (+1%) raised the index for Industrial Raw Materials by 1.0 percent to 510.7, although prices of raw silk (-6%), linseed in Calcutta (-4%), groundnuts in Cuddalore (-3%), gingellyseed, rapeseed and iron ore (-2% each) and castorseed (-1%) were marked down. The index for Semi-Manufactures moved down by 0.2 percent to 410.3. Items which showed noticeable changes were: gingelly cake (-6%), linseed oil in Calcutta (-4%) and in Bombay (+4%), castor oil and groundnut oil both in Calcutta and mustard oil (-3% each), groundnut oil both in Madras, buffalo hides and copra cake (-2% each), gingelly oil (+4%), cow-hides and groundnut cake (+3% each). A rise of 0.4 percent to 391.2 in the index for Manufactures was brought about by an increase in the prices of paints (+5%) and jute manufactures (+3%). A fall in the price of black pepper (-2%) was almost neutralised by an advance in the price of chillies (+2%). The index for the Miscellaneous group thus stood at 564.8, compared with 565.0 for the previous week.

INDEX NUMBERS BY GROUPS AND SUB-GROUPS
(Base: Year ended August 1939=100)

Groups and Sub-Groups	1-9-56	25-8-56	4-8-56	3-9-55
I. Food Articles:	395.9	397.9(R)	391.5(R)	318.2
Cereals	511	509(R)	502(R)	385
Pulses	396	406	385	273
Others	251	255	253	235
II. Industrial Raw Materials:	510.7	505.6	493.7(R)	393.1
Fibres	494	477	470	397
Oilseeds	580	581	549	375
Minerals	528	513	518(R)	415
Others	424	423	424(R)	418
III. Semi-Manufactures:	410.3	411.1	400.4	325.5
Leather	374	372	387	338
Mineral oils	208	208	208	202
Vegetable oils	605	615	565	371
Cotton yarn	504	503	483	406
Metals	329	329	329	258
Oilcakes	479	487	462	335
Others	361	361	361	330
IV. Manufactures:	391.2	389.8(R)	385.7	308.6
Textiles	427	425	419	403
Jute	419	407	383	397
Cotton	432*	432*	430*	402*
Rayon and silk	470*	470*	470*	474*
Woolen	266	266	266	278
Metal Products	388	388	388	352
Others	294	294	291	286
V. Miscellaneous:	564.8	565.0	563.7	561.8
All Commodities:	421.5	421.0(R)	413.9(R)	354.7

R=Revised

*=Estimated.

CENTRAL INDIA COTTON ASSOCIATION

The Government of India has on the advice of the Forward Markets Commission granted recognition to the Central India Cotton Association Limited, Indore, for forward trading in cotton and cottonseed for a period of three years. The Association will initially function through two rings, one in Indore for cotton and the other in Ujjain for cotton and cottonseed. A Gazette of India Extraordinary to this effect has been issued.

Mr. N. W. Chisholm, one time manager of the Calcutta branch of the National Bank of India Ltd., has been appointed to a seat on the Board of Directors of the Bank.

Calcutta Markets

IMPROVING DEMAND AT TEA EXPORT SALE

STRONG SUPPORT FOR DUSTS

AT Sale No. 15, held on 17th and 18th September, offerings at the Export auction, consisted of 55,500 packages. There was only a fair demand at the start of the Sale, but this strengthened considerably as the Sale progressed and both export and internal buyers operated freely. There was more demand for Medium Broken and these were sometimes dearer, while Medium Fannings sold well and were fully firm, especially if they were black and had useful liquors. The best C.T.C. Assams on offer were rather irregular but at times easier, while the poorer fibrous sorts were a very strong feature and were generally several annas dearer. Assam B.O.P.'s and O.F.s of orthodox manufacture were selling at dearer rates, especially those with any quality. Low Medium Broken met with more support and were about an anna dearer, while Commons were firm and the commonest sorts were 1 to 2 annas dearer. There was more demand for stylish B.P.S. which were fully 2 annas dearer, but stylish Whole Leaf grades were 2 annas easier. The poorer Whole Leaf grades generally sold at dearer rates. There was quite good support for Darjeeling teas, but these were 2 to 4 annas below last rates.

Quotations

	1956 Rs.	1955 Rs.
Clean Black Pekoe	1 13 0 to 1 14 0	2 6 0
Plain B.P.	1 9 0 to 1 9 8	1 11 6
Medium Assam B.P.	1 14 0 to 2 0 0	2 0 0
Best CTC Assam B.P.	3 0 0 to 3 4 0	3 3 0 to 3 4 0

At the Internal Sale, Dust offerings consisted of 15,926 chests for which there was a strong and general demand. Clean black leaf types suitable for the Middle East sold well and were generally fully firm, while the best C.T.C. Assams were well supported and were generally dearer, but the poorer, more fibrous C.T.C. kinds were often easier. Commons and Mediums were 1 to 2 annas dearer and sometimes more, while residue descriptions were a very strong feature and generally sold several annas above valuations. There was more interest in Darjeeling teas than in recent weeks and dealer prices were realised, particularly for those with flavour.

Quotations

	1956 Rs.	1955 Rs.
Medium Doonars Dust	1 14 0 to 1 14 6	1 12 0 to 1 13 0
Medium Assam Grainy Dust	2 1 0 to 2 2 0	1 15 0 to 1 15 6
Medium Assam CTC Dust	2 10 0	
Best Assam CTC Dust	3 4 0 to 3 8 0	2 9 0 to 2 11 0

Leaf offerings consisted of 989 packages, for which there was a good demand at prices which were firm to slightly dearer. The green teas on offer met with a fairly good enquiry.

SUGAR MARKET

During the week ended 19th September, sugar sales in the Calcutta market averaged 3,500 bags daily. Arrivals a day were 4,000 bags and stocks totalled 120,000 bags. Rates for ready sugar ex-Kantapur delivery were Rs. 31-10 for ordinary grain and Rs. 32-14 for big grain. The market was quiet at the beginning, but prices improved by 2 annas to 3 annas towards the end due to better demand.

HIDES AND SKINS FIRM

The market in skins ruled firm and prices showed an upward tendency. Stocks were less than in the previous week.

Bazaar Sales
(Between 11th September and 17th September, 1956)

Cowhides: Wet salted (Ord.) 2,700 pcs on the basis of Rs. 7-4 to Rs. 8-12; Wet salted (Slaughtered) 16,500 pcs. on the basis of Rs. 12-8 to Rs. 20.

Goatskins: Wet salted (Daissee, Killed) 59,180 pcs. on the basis of Rs. 145 to Rs. 180. Rs. 220 to Rs. 240 and Rs. 325 to Rs. 335; Assam-Dinajpur 39,200 pcs. on the basis of Rs. 180 to Rs. 225; Purneah-Kisenganj-Maldah 8,510 pcs. on the basis of Rs. 210 to Rs. 220; Pakur-Patna (Ord.) 13,800 pcs. on the basis of Rs. 165 to Rs. 200; Muzafferpore 14,200 pcs. on the basis of Rs. 225 to Rs. 235; Muzafferpore (Killed) 2,500 pcs. on the basis of Rs. 330.

Bazaar Stocks

(17th September, 1956)

Cowhides: Wet salted 1,90,200 pcs.

Goatskins: Wet salted (Daissee, Killed) 26,000 pcs.; Assam-Dinajpur-Murshidabad 55,000 pcs.; Muzafferpore-Patna-Pakur - Purneah - Kisenganj 73,500 pcs.

LINSEED BETTER

Slightly better conditions have been observed towards the close of last week, and prices have shown a small rise. Arrivals from the producing centres were very scarce and are likely to remain so for some time due to heavy rains upcountry. Sellers were rather reserved, and with buyers

unwilling to pay high prices with a very poor demand for linseed oil, very little business has been reported. The oil market has remained inactive and the offtake has been very poor; there have been a few enquiries at lower prices. Latest quotations were as follows: September-October Rs. 23-8 a maund.

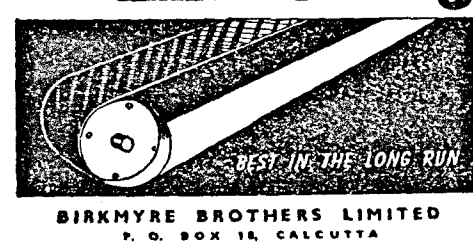
SHELLAC MARKET QUIET

During the week ended 18th September, the market was steady at the beginning and quiet at the close. The range of quotations was as follows:

Pure Buttonlac	Rs. 134 value, 135 buyers.
Lemon No. 1 Shellac	Rs. 134, 136, 135 buyers.
Lemon No. 2 Shellac	Rs. 130, 131-8, 131 buyers.
F. O. Std. 1 Shellac	Rs. 128-8 buyers, 130 done and buyers, 128 buyers.
Pure TN Shellac	Rs. 125, 126, 124-8 basis done and buyers.
4% I.T.N. Shellac	Rs. 116, 118-8, 115-8 buyers.
No. 1 Kusmi Seedlac	Rs. 125-8 to 124-8 value.
No. 2 Kusmi Seedlac	Rs. 122 buyers, 121-8, 120-8 value.
Fine Bysaky Seedlac (Manbhumi)	Rs. 119, 118 done, 116-8 buyers.
Fine Bysaky Seedlac (C.P.)	Rs. 116-8 to 115 buyers.
Ordinary Bysaky Seedlac (C.P.) Under 5%	Rs. 112-8 done, 112 buyers, 112 done and buyers.
Ordinary Bysaky Seedlac (C.P.)	Rs. 107-8 done, 106-8 buyers.
Kireelac	Rs. 41-8, 42-8 buyers, 41 done and buyers.

Shipments during September until the 14th were 12,495 packages comprising shellac 8,497 packages, seedlac 2,930 packages, buttonlac 209 packages and others 859 packages.

Hastings Belting



SOUTH EASTERN RAILWAY TENDERS.

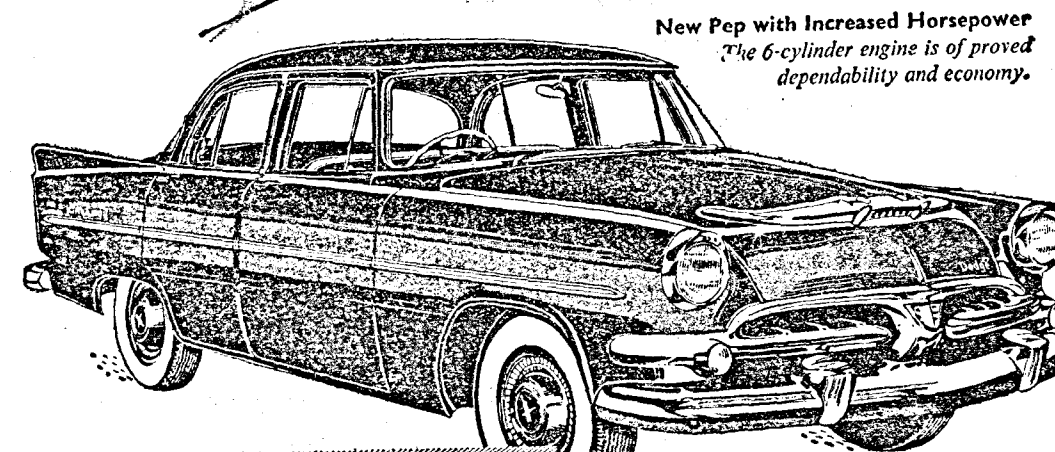
The Controller of Stores, Garden Reach, Calcutta-23 invites the following tenders:

- (1) Tender No. CS14/56/516 CS(56) for supply of:
 - (a) Carriage Roofing 2-ply 3-0" wide = 4,500 Rft.
 - (b) Underlay 3-0" wide=4,500 Rft.
 - (c) Compound carriage roofing for hot application. = 373 cwt.
 - (d) Nails for fixing (a) and (b) flat Head 3" = 30 lbs.
 - (e) Compound carriage flooring red with crystals. = 30 tons.
 - (f) Screws Sheredised superior rust resisting CSK. Hd. 1 1/2" No. 10. = 160 Gross.
- (2) Tender No. CS15/56/517CS(56) for supply of 320 Nos. Sheet plywood 3-ply 8-0" x 4-0" x 3/16" thick synthetic-resinbonded moisture-proof to ISI Specs. 303-1951 Grade MPFL.
- (3) Tender No. CS16/56/518CS(56) for supply of:
 - (a) Pan Lavatory stainless steel highly polished to IRS Drg. C1850. = 156 Nos.
 - (b) Bowls wash hand stainless steel highly polished to IRS Drg. CA1874 = 208 Nos.

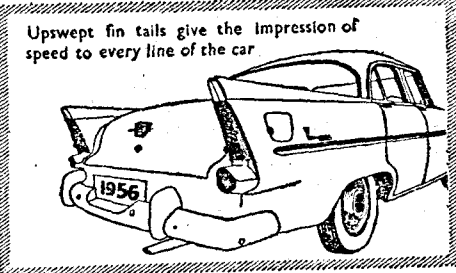
Tender forms are obtainable from his office (IB Section) on remittance of Rs. 2/- per copy per tender (not refundable) by Money Order to him direct in case of outside firms and on production of Cash Receipt from the Chief Cashier, Garden Reach by local firms. Closing date of all tenders is 28-9-56 at 12 Noon.

1956 DODGE

with Jet-fin styling



New Pep with Increased Horsepower
The 6-cylinder engine is of proved dependability and economy.



Progressively Manufactured by
THE PREMIER AUTOMOBILES LTD.
KURLA, BOMBAY

DEALERS. MESSRS. AUTO DISTRIBUTORS LTD., 36, CHOWRINGHEE, CALCUTTA-16.

COMPANY AND PUBLIC NOTICES

THE MANGALORE ELECTRIC SUPPLY COMPANY LIMITED.

NOTICE is hereby given that the Annual Ordinary General Meeting of the Shareholders will be held at the Registered Office of the Company, No. 14, Old Court House Street, Calcutta, on Tuesday, the 9th day of October, 1956 at 3-30 P.M. for the following purposes:—

- (1) To receive and pass the Directors' Report and the audited Accounts for the year ended 31st March, 1956.
- (2) To elect a Director in place of the retiring Director.
- (3) To elect Auditors for the ensuing year and to fix their remuneration.

The Share Register of the Company will be closed from 25th September, 1956 to 4th October, 1956, both days inclusive.

OCTAVIUS STEEL & CO. LTD.,
Managing Agents.

Calcutta, 15th September, 1956.

Note: A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member.

NEW CENTRAL JUTE MILLS CO., LTD.

NOTICE is hereby given that in compliance with several requests the Board of Directors have extended the date of closing of Share Transfer Books. The Share Transfer Books of the Company will now remain closed from 5th October to 15th October, 1956, both days inclusive (instead of from 21st September to 30th September, 1956) and the interim dividend of Annas -12/- per Ordinary Share will be payable to the registered shareholders as on the 5th October, 1956.

By Order of the Board,
SAHU JAIN LTD.,
Managing Agents.

Calcutta,
12th September 1956.

THE MANGALORE ELECTRIC SUPPLY COMPANY LIMITED.

NOTICE is hereby given that the following Interim Dividends have been declared by the Directors of the Company. Payment of both the dividends will be made only to those members whose names are registered in the books of the Company on 4th October, 1956.

1. Interim Dividend at 2½ per cent without any deduction for income-tax payable by the Company in respect of the year ended 31st March, 1956.
2. Interim Dividend at 5 per cent without any deduction for income-tax payable by the Company in respect of the six months ending 30th September, 1956.

The Share Transfer Books of the Company will be closed from 25th September, 1956 to 4th October, 1956, both days inclusive.

OCTAVIUS STEEL & CO. LTD.,
Managing Agents.

Calcutta, 15th September, 1956.

ARATI COTTON MILLS LIMITED.

Sixteenth Ordinary Annual General Meeting.

NOTICE

IS hereby given that the Sixteenth Ordinary Annual General Meeting of the Shareholders of the Company will be held at the Registered Office of the Company at 29, Strand Road, Calcutta, on Tuesday, the 9th October, 1956 at 3 p.m. for the following purposes:—

1. To receive and adopt the Directors' Report, Audited Statement of Accounts for the period of 14 months ending 31st December, 1955.
2. To elect Directors.
3. To appoint Auditors and fix their remuneration.
4. To transact any other business as may be brought before the meeting in accordance with the Articles of Association of the Company.

The Share Transfer Register of the Company shall remain closed from the 2nd October to 9th October, 1956, both days inclusive.

Note:—A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.

By Order of the Board,
DASS GROUP PRIVATE LTD.,
Managing Agents.

29, Strand Road, Calcutta,
The 31st August, 1956.

THE HATTIKHIRA TEA CO. LTD.

THE Annual Ordinary General Meeting of the Shareholders will be held at the Registered Office of the Company, No. 14, Old Court House Street, Calcutta, on Tuesday, the 9th day of October, 1956, at 3-10 p.m., for the following purposes:—

1. To receive and adopt the Directors' Report and the audited Accounts for the year ended 31st December, 1955.
2. To declare a dividend.
3. To elect Directors in place of the retiring Directors.
4. To elect Auditors for the ensuing year, and to fix their remuneration.

And as special business—

5. To consider and if thought fit to pass the following resolution, namely:—

"That the Books, Registers and other documents required to be kept by the Company and referred to in Sections 49, 144, 163, 196, 301, 304, 307 and 372 of the Companies Act, 1956, shall be available for inspection at the Registered Office of the Company, by the persons respectively referred to in those Sections as being entitled to inspection, between the hours of 10 a.m. and 12 noon on each business day, upon twenty-four hours' written notice of intention to inspect, such notice indicating what books, documents and registers are intended to be inspected."

The Share Transfer Book of the Company will be closed from 1st October, 1956 to 9th October, 1956, both days inclusive.

OCTAVIUS STEEL & CO. LTD.,
A. H. GALLOWAY,
Managing Director,
Managing Agents.

Calcutta, 14th September, 1956.

NOTE:—

A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member.

EXPLANATORY STATEMENT

With reference to the resolution relating to inspection of Books, Registers and other documents, referred to in the accompanying notice, the Companies Act, 1956 provides that the Company may impose reasonable restrictions on such inspection but so that not less than two hours in each day are allowed for inspection, and the resolution is being moved in order to comply accordingly with the Act.

THE HATTIKHIRA TEA CO. LTD.

THE Directors have decided to recommend to the forthcoming Annual General Meeting of the Shareholders a dividend of 7½% in respect of the Season 1955, payable without deduction for Income Tax paid by the Company.

OCTAVIUS STEEL & CO. LTD.,
Managing Agents.

Calcutta, 12th September, 1956.

MACNEILL & BARRY, LIMITED.

NOTICE is hereby given that payment of the Half-yearly Interest on the 5% Debenture Stock 1966-71 of the Company will be made on 1st October, 1956 to those Stockholders whose names appear on the Company's Register on that date or in accordance with their instructions.

MACNEILL & BARRY LTD.,
A. H. FORSTER,
Secretary.

2, Fairlie Place,
Calcutta-1, 12th September, 1956.

THE MYSORE SPG. & MFG. CO. LTD.

NOTICE is hereby given that a Final Dividend of Rs. 3/- per share and a Bonus of Rs. 3/- per share on the Ordinary Shares of Rs. 50/- each and a final dividend of Rs. 1-2-0 per share on the 4½% Cumulative Preference Shares of Rs. 50/- each for the year ended 29th February, 1956, sanctioned by the shareholders at the Sixty-third Annual General Meeting held on the 13th September, 1956 are made payable at the State Bank of India, Bombay, on and after Wednesday the 26th September, 1956, to those shareholders whose names stood on the Register of Members on the 18th August, 1956.

By Order of the Board,

N. SIRUR & COMPANY PRIVATE LTD.,
Managing Agents,
V. N. CHANDAVARKAR,
Managing Director.

Registered Office:—
Temple Bar Building,
70, Forbes Street, Fort,
Bombay.

13th September, 1956.

BRITISH INDIA ELECTRIC CONSTRUCTION CO., LTD.

NOTICE is hereby given that an Extraordinary General Meeting of the Members of the above-named Company will be held at the Registered Office of the Company, 21, Netaji Subhas Road, Calcutta, on Monday the 15th day of October, 1956, at 12-10 P.M., to consider, and if thought fit, to pass the following Resolutions, and Resolution No. 1 will be proposed as a Special Resolution:—

Resolution No. 1 (As a Special Resolution).

That the Articles of Association of the Company be altered in manner following:—

- (1) Articles 53 and 54 shall be deleted and the following New Article 53 substituted therefor:

"In addition to any other meetings, general meetings of the Company shall be held within such intervals as are specified in Section 166(1) of the Companies Act, 1956, and subject to the provisions of Section 166(2) of that Act, at such times and places as may be determined by the Board of Directors. Such general meetings shall be styled 'Annual General Meetings' and shall be specified as such in the Notices convening these meetings. All other meetings of the Company shall be styled 'Extraordinary General Meetings'."

- (2) Article 63 shall be deleted and the following New Article 63 substituted therefor:

"The ordinary business of an Annual General Meeting shall be to receive and consider the Profit and Loss Account, the Balance Sheet and the Reports of the Board of Directors and of the Auditors, to appoint Directors in place of those retiring by rotation, to appoint Auditors and determine the manner in which they shall be remunerated, and to declare dividends. All other business transacted at an Annual General Meeting and all business transacted at an Extraordinary General Meeting shall be deemed special business."

- (3) Articles 126, 127 and 128 shall be deleted and the following New Article 126 substituted therefor:

"At every Annual General Meeting the Board of Directors shall lay before the Company a Profit and Loss Account made up to the 31st December in the preceding year and a Balance Sheet as at that date and such Profit and Loss Account and Balance Sheet shall comply with the requirements of Sections 210, 211, 212, 215 and 216 and of Schedule VI to the Companies Act, 1956, so far as they are applicable to the Company, but save as aforesaid, the Board of Directors shall not be bound to disclose greater details of the result or extent of the trading and transactions of the Company than they may deem expedient."

- (4) Article 129 shall be deleted and the following New Article 129 substituted therefor:

"Once at least in every year the Accounts of the Company shall be examined and the correctness of the Balance Sheet and Profit and Loss Account ascertained by one or more Auditor or Auditors."

- (5) Article 130 shall be deleted and the following New Article 130 substituted therefor:

"The Company at each Annual General Meeting shall appoint an Auditor or Auditors to hold office until the next Annual General Meeting and their appointment, remuneration, rights and duties shall be regulated by Sections 224 to 227 of the Companies Act, 1956."

Resolution No. 2 (As an Ordinary Resolution).

"That pursuant to and for the purposes of compliance with the provisions contained in Section 293 (1) (d) of the Companies Act, 1956, this meeting hereby consents, such consent to be effective as on and from the 1st April, 1956, to the Board of Directors of the Company borrowing monies for the purposes of the Company notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set aside for any specific purpose."

By Order of the Board,

BALMER LAWRIE & CO., LTD.,
D. MANSON,
Secretary,
Managing Agents.

Calcutta, 17th September, 1956.

Note: A member entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.

BRIDGE & ROOF CO. (INDIA) LTD.

NOTICE is hereby given that an Extraordinary General Meeting of the Members of the above-named Company will be held at the Registered Office of the Company, 21, Netaji Subhas Road, Calcutta, on Monday the 15th day of October, 1956, at 12 noon, to consider, and if thought fit, to pass the following Resolutions, and Resolution No. 1 will be proposed as a Special Resolution:—

Resolution No. 1 (As a Special Resolution).

That the Articles of Association of the Company be altered in manner following:—

- (1) Articles 53 and 54 shall be deleted and the following New Article 53 substituted therefor:

"In addition to any other meetings, general meetings of the Company shall be held within such intervals as are specified in Section 166(1) of the Companies Act, 1956, and subject to the provisions of Section 166(2) of that Act, at such times and places as may be determined by the Board of Directors. Such general meetings shall be styled 'Annual General Meetings' and shall be specified as such in the Notices convening these meetings. All other meetings of the Company shall be styled 'Extraordinary General Meetings'."

- (2) Article 63 shall be deleted and the following New Article 63 substituted therefor:

"The ordinary business of an Annual General Meeting shall be to receive and consider the Profit and Loss Account, the Balance Sheet and the Reports of the Board of Directors and of the Auditors, to appoint Directors in place of those retiring by rotation, to appoint Auditors and determine the manner in which they shall be remunerated, and to declare dividends. All other business transacted at an Annual General Meeting and all business transacted at an Extraordinary General Meeting shall be deemed special business."

- (3) Articles 126, 127 and 128 shall be deleted and the following New Article 126 substituted therefor:

"At every Annual General Meeting the Board of Directors shall lay before the Company a Profit and Loss Account made up to the 31st December in the preceding year and a Balance Sheet as at that date and such Profit and Loss Account and Balance Sheet shall comply with the requirements of Sections 210, 211, 212, 215 and 216 and of Schedule VI to the Companies Act, 1956, so far as they are applicable to the Company, but save as aforesaid, the Board of Directors shall not be bound to disclose greater details of the result or extent of the trading and transactions of the Company than they may deem expedient."

- (4) Article 129 shall be deleted and the following New Article 129 substituted therefor:

"Once at least in every year the Accounts of the Company shall be examined and the correctness of the Balance Sheet and Profit and Loss Account ascertained by one or more Auditor or Auditors."

- (5) Article 130 shall be deleted and the following New Article 130 substituted therefor:

"The Company at each Annual General Meeting shall appoint an Auditor or Auditors to hold office until the next Annual General Meeting and their appointment, remuneration, rights and duties shall be regulated by Section 224 to 227 of the Companies Act, 1956."

Resolution No. 2 (As an Ordinary Resolution).

"That pursuant to and for the purposes of compliance with the provisions contained in Section 293 (1) (d) of the Companies Act, 1956, this meeting hereby consents, such consent to be effective as on and from the 1st April, 1956, to the Board of Directors of the Company borrowing monies for the purposes of the Company notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set aside for any specific purpose."

By Order of the Board,

BALMER LAWRIE & CO., LTD.,
D. MANSON,
Secretary,
Managing Agents.

Calcutta, 17th September, 1956.

Note: A member entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	Hour I.S.T.
Dehri Rohtas Light Ry. Co., Ltd.	21-9-56	11-30 p.m.
National Carbon Co. (India) Ltd.	21-9-56	3-50 p.m.
New India Investment Corp., Ltd.	21-9-56	4 p.m.
Guelle Tea Co., Ltd.	26-9-56	12-30 p.m.
Imperial Tobacco Co. of India, Ltd.	27-9-56	9 a.m.
Dhelahtak Tea Co., Ltd.	27-9-56	9 a.m.
Reliance Jute Mills Co., Ltd.	27-9-56	11-30 a.m.
Sijua (Jheriah) Electric Supply Co., Ltd.	27-9-56	3-30 p.m.
Capital (Private) Ltd.	28-9-56	10 a.m.
W. H. Targett & Co. Ltd.	28-9-56	10-05 a.m.
Eagle Rolling Mills, Ltd.	28-9-56	10-40 a.m.
Kumardhubi Fireclay & Silica Works Ltd.	28-9-56	11 a.m.
Bally Jute Co., Ltd.	28-9-56	12-30 p.m.
Howrah Mills Co., Ltd. (Jute)	28-9-56	Noon.
Mirzapur Electric Supply Co., Ltd.	28-9-56	4 p.m.
Jeonkollie Tea Co., Ltd.	28-9-56	4 p.m.
Mothola Co., Ltd. (Tea)	28-9-56	4-5 p.m.
Karanpura Collieries, Ltd.	29-9-56	10-30 a.m.
Orissa Cement, Ltd.	29-9-56	11-45 a.m.
Coimbatore Spg. & Wvg. Co., Ltd.	29-9-56	3 p.m.
Rameshwara Jute Mills, Ltd.	1-10-56	3-30 p.m.
Orissa Minerals Development Co., Ltd.	4-10-56	10-30 a.m.
Bisra Stone Lime Co., Ltd.	4-10-56	11-15 a.m.
Champany Jute Co., Ltd.	4-10-56	Noon.
Kinnison Jute Mills Co., Ltd.	5-10-56	10 a.m.
Naihati Jute Mills Co., Ltd.	5-10-56	10-10 a.m.
Lawrence Jute Co., Ltd.	5-10-56	10-20 a.m.
Union Jute Co., Ltd. (Jute)	5-10-56	11-30 a.m.
Standard Jute Co., Ltd.	5-10-56	10-45 a.m.
Northbrook Jute Co., Ltd.	5-10-56	10-55 a.m.
Auckland Jute Co., Ltd.	5-10-56	11-05 a.m.
Dalhousie Jute Co., Ltd.	5-10-56	11-15 a.m.
Lansdowne Jute Co., Ltd.	5-10-56	11-30 a.m.
Teesta Valley Tea Co., Ltd.	5-10-56	12-15 p.m.
Dhena Main Collieries, Ltd.	5-10-56	2-30 p.m.
Hurriadih Coal Co., Ltd.	5-10-56	2-45 p.m.
Equitable Coal Co., Ltd.	5-10-56	3 p.m.
West Jammuria Coal Co., Ltd.	5-10-56	3-15 p.m.
Calcutta Jute Mfg. Co., Ltd.	8-10-56	3 p.m.
Tezpur Tea Co., Ltd.	8-10-56	4 p.m.
Ganges Mfg. Co., Ltd. (Jute)	9-10-56	10-30 a.m.
Gauropore Co., Ltd. (Jute)	9-10-56	11 a.m.
Nuddes Mills Co., Ltd. (Jute)	9-10-56	11-30 a.m.
Ganges Rope Co., Ltd.	9-10-56	Noon.
Calcutta Tramways Co., Ltd.*	9-10-56	Noon.
Arati Cotton Mills, Ltd.	9-10-56	3 p.m.
Eastern Cachar Tea Co., Ltd.	9-10-56	3 p.m.
Hattikhira Tea Co., Ltd.	9-10-56	3-10 p.m.
Mangalore Electric Supply Co., Ltd.	9-10-56	3-20 p.m.
Bridge & Roof Co. (India) Ltd. (E)	15-10-56	Noon.
British India Electric Construction Co., Ltd. (E)	15-10-56	12-10 p.m.
Jaipur Udyog Ltd.	24-10-56	4-30 p.m.

(E) Extraordinary General Meeting.

* Meeting will be held in London

DIVIDENDS DECLARED OR PROPOSED.—Auckland

Jute Co. Ltd.—Re. 1 per share (o), Kinnison Jute Mills Co. Ltd.—6 p.c. (o), Dalhousie Jute Co. Ltd.—Nil. Lansdowne Jute Co. Ltd.—Nil. Lawrence Jute Co. Ltd.—Nil (o), Northbrook Jute Co. Ltd.—Rs. 1-8 per share (o), Naihati Jute Mills Co. Ltd.—Nil. Standard Jute Co. Ltd.—Nil. Union Jute Co. Ltd.—Re. 1 per share (o), New Beerblom Coal Co. Ltd.—Annas 6 per share (o), (Int.) Bengal Coal Co. Ltd.—Rs. 15 per share (o), (Int.) National Co. Ltd.—3½ p.c. (o), Eastern Cachar Tea Co. Ltd.—Nil. Singareni Collieries Co. Ltd.—7½ p.c. Brooke Bond Estates India Ltd.—12½ p.c. (o), Hurriadih Coal Co. Ltd.—12½ p.c. Equitable Coal Co. Ltd.—7½ p.c. (o), West Jammuria Coal Co. Ltd.—Nil. Dhema Main Collieries Ltd.—Nil. Tezpur Tea Co. Ltd.—15 p.c. (o), Publicity Society of India, Ltd.—Re. 1 per share.

O.—Ordinary Dividend.	In.—Interim Dividend.
P.—Preference Dividend.	f.—Less Income Tax.
P.O.—Preferred Ordinary Dividend.	f.—Final Dividend.
D.—Deferred Dividend.	Cm.—Cumulative

† Less Tax at Rs 60 in the £

TRAINING FOR REFUGEES IN WOOLLENISED JUTE GOODS MANUFACTURE

A Rs. 1.3 lakh scheme for setting up a training unit of 100 refugees, for subsequent large-scale manufacture of blankets and knitting wool from a newly created variety of mixed woolenised jute, is being put into action with the arrival in Calcutta of the shipment of machinery from western Germany. Preliminary arrangements for the installation of the plant have been completed by the Technological Research Laboratory of the Indian Central Jute Committee in Calcutta, to whom the Union Rehabilitation Ministry has entrusted the execution of the project for training the refugees under its auspices. On completion of this technical training, during which monthly stipends will be paid to trainees, a promotional centre will start functioning for large-scale manufacture of wrappers, blankets, knitting wool, and other goods from woolenised jute, providing a new variety of cheap, durable and colourful mixed fibre product for the refugees as well as for the general consuming public on a co-operative cottage industry basis.

Mr. N. W. Chisholm, one time manager of the Calcutta Branch of the National Bank of India Ltd., has been appointed to a seat on the Board of Directors of the bank.

THE EASTERN CACHAR TEA CO. LTD.

THE Annual Ordinary General Meeting of the Shareholders will be held at the Registered Office of the Company, No. 14, Old Court House Street, Calcutta, on Tuesday, the 9th day of October, 1956, at 3 p.m., for the following purposes:—

- (1) To receive and adopt the Directors' Report and the audited Accounts for the year ended 31st December, 1955.
- (2) To elect a Director in place of the retiring Director.
- (3) To elect Auditors for the ensuing year, and to fix their remuneration.

And as Special Business:—

- (4) To consider and if thought fit to pass the following resolution, namely:—

"That the Books, Registers and other documents required to be kept by the Company and referred to in Sections 49, 144, 163, 196, 301, 304, 307 and 372 of the Companies Act, 1956, shall be available for inspection at the Registered Office of the Company, by the persons respectively referred to in those Sections as being entitled to inspection, between the hours of 10 a.m. and 12 noon on each business day, upon twenty-four hours' written notice of intention to inspect, such notice indicating what books, documents and registers are intended to be inspected."

The Share Transfer Book of the Company will be closed from 4th October, 1956 to 9th October, 1956, both days inclusive.

OCTAVIUS STEEL & CO. LTD.,
A. H. GALLOWAY,
Managing Director,
Managing Agents.

Calcutta, 14th September, 1956.

NOTE:—

A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member.

EXPLANATORY STATEMENT

With reference to the resolution relating to inspection of Books, Registers and other documents, referred to in the accompanying notice, the Companies Act, 1956 provides that the Company may impose reasonable restrictions on such inspection but so that not less than two hours in each day are allowed for inspection, and the resolution is being moved in order to comply accordingly with the Act.

YOUR COLLECTION PROBLEM SOLVED?

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JOINT STOCK COMPANIES PREFERENCE SHARES

Dividends are cumulative and shares carry a preferential claim on the property for the payment of capital and on the profits for dividend except in case of companies marked otherwise. Months against names of companies indicate approximately times of payment of dividends.

Year of Issue	NAMES	Amount Issued in 000's	Rate per cent	Paid-up per Share	Market Quotations		Year of Issue	NAMES	Amount Issued in 000's	Rate per cent	Paid-up per Share	Market Quotations	
					19-9-56	A year ago						19-9-56	A year ago
		Rs.		Rs.	Rs.	Rs.			Rs.		Rs.	Rs.	Rs.
BANK.													
1901	Allahabad Bank (May Nov.)	15.00	6	100	120	132	1920	Birds Investments (Dec.)	24.00	5 1/2	100	79	80
COAL.													
1905	Bengal Nagpur (Feb. Aug.)	11.25	7	100	105	118	1895-39	British India Corporation (Feb.)	81.00	6	100	124 1/2	137 1/2
1896-97	Borra (June Dec.)	4.00	6 1/2	100	109	119	1909-10	Burn Eng (1st & 2nd) (Feb. Aug.)	13.00	7	100	124 1/2	137 1/2
1901-20	Burrakur (June Dec.)	22.98	7	100	109	127	1909-11	Burn Engineering (Feb. Aug.)	15.00	6	100	116	122 1/2
1938	Burrakur (May Nov.)	4.50	6 1/2	10	7 1/2	8 1/2	1937	Calcutta Electric Supply (Mar. Sept.)	£1,900	5	£1	113	124 1/2
1946	Burrakur (June Dec.)	4.00	6	100	104	117	1906	Calcutta Silk Manufacturing (July Jan.)	2.00	6	100	55	60
1895	Equitable (Mar. Sept.)	1.93	5	10	5	2	1938	Calcutta Tramways (Jan. July)	£250	5 1/2	£1	9 1/2	8 1/2
1931	Khas Kajora (Mar. Sept.)	2.00	7	10	12	13 1/2	1905-24	Carew & Co. (January)	8.00	6 1/2	100	101	105 1/2
1920	New Beerboom (Jan. July)	2.00	7	10	110	113	1946	Cawnpore Sugar Works (Feb. Aug.)	10.00	8	100	127	143 1/2
1898-99	Ondal (June Dec.)	2.00	6 1/2	100	110	113	1940	Chrestien Mica Industries Ltd.	30.00	5 1/2	100	58	65 1/2
COTTON MILLS.													
1906	Ahmedabad Advance (Apr. Oct.)	10.00	5	100	110	110	1945	Dacca Electric Supply (July)	6.00	6	100	101	102 1/2
1884	Bangalore (Jan. July)	6.00	6	100	125	128 1/2	1937	Dalmia Cement (Bharat)	3.500	6	100	101	102 1/2
1933	Basanti (Oct.)	5.00	6 1/2	10	8	8	1946	Dalmia Cement (Bharat)	3.500	6	100	101	102 1/2
1896	Bengal-Nagpur (Apr. Oct.)	3.00	7	100	99	116	1915	Delhi Flour Mills (Oct.)	90	7 1/2	100	133	133
1900	Bowreah "A" (Apr. Oct.)	6.00	8	100	126	135	1936	Deshgarh Power Supply "A" (Jan.)	16.00	5	100	102	107 1/2
1900	Bowreah "B" (Jan. Dec.)	14.75	7	250	324 1/2	324 1/2	1940	Deshgarh Power Supply "B" (Jan.)	12.00	4 1/2	100	93	94 1/2
1911	Bradbury "B" (Jan. Dec.)	21.30	7 1/2	100	144	133 1/2	1940	Dunlop Brothers & Co. Ltd.	45.00	4	100	102	107 1/2
1920	Buckingham & Carnatic (Jan. July)	21.30	7 1/2	100	144	133 1/2	1948	Dunlop Rubber "First" (Jan. July)	40.00	6	100	125	126 1/2
1922	Cambodia (July)	1.00	7	100	122 1/2	125 1/2	1928-29	Dunlop Rubber "Second" (Apr.)	40.00	6 1/2	100	94	101 1/2
1928	Central India (Apr. Oct.)	50.00	5	500	531 1/2	531 1/2	1928-29	East India Distilleries (Jan. July)	£200	7	£1	17 1/2	17 1/2
1912	Delhi Cloth & General (Oct.)	20.00	4 1/2	25	20	20	1897	Eastern Investments Ltd. (Apr.)	2.500	5 1/2	100	75	77 1/2
JUTE MILLS.													
1927	Agarpara (Jan. July)	10.00	7	100	107	116 1/2	1928	General Investment & Trust (Feb. Aug.)	1.00	5	100	77	77 1/2
1905	Alexandra (Feb. Aug.)	9.00	7	100	97 1/2	106	1947	General Investment & Trust (Feb. Aug.)	1.00	5	100	77	77 1/2
1896	Alliance (Mar. Sept.)	15.00	6	100	97	103 1/2	1946	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
1917	Anglo-India (May Nov.)	40.00	7	100	107	119	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
1908	Auckland (July Jan.)	10.00	5 1/2	100	81	81	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
1911	Bally (Jan. July)	20.00	7	100	105	115	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
1896	Barnagore (Oct. Dec.)	2,200	5 1/2	100	42	46	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
1906	Belvedere (Jan. July)	7.00	7	100	111	122 1/2	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
1940	Bengal (June Dec.)	10.00	6 1/2	100	79 1/2	92	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
1919	Birla (June Dec.)	23.64	7 1/2	100	101	102 1/2	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
1896	Budge Budge (May Nov.)	9.00	7	100	111	122 1/2	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
1934	Calcutta (Jan. July)	6.00	6 1/2	100	107	107 1/2	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
1919	Caledonian (June Dec.)	10.00	7	100	109	118	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
1919	Cheviot (June Dec.)	10.00	7	100	111	118	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
1928	Chitavalas (Mar. Dec.)	5.00	7	100	110	116	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
1900	Clive (First) (May Dec.)	8.00	6	100	91	92	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
1905	Clive "A" (Second) (May Dec.)	8.00	7	100	98	105	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
1903-12	Dalhousie (July Jan.)	15.00	7	100	102	117	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
1897	Delta (June Dec.)	5.00	5	100	105	94	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
1912	Empire (Jan. July)	10.00	7	100	109	118	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
1890-98	Fort Gloster (Jan. July)	14.00	7	100	81	84	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
1948	Fort Gloster (2nd)	7.00	5	100	115	115	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
1911	Fort William (May Nov.)	10.00	7	100	115	128 1/2	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
1916	Ganges (June Dec.)	6.00	8	100	101	101	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
1895-04	Gourepore (June Dec.)	26.50	6	100	91	103 1/2	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
1935	Hastings (Aug. Feb.)	25.00	6	100	100	108	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
1910	Howrah (July)	11.00	10	100	13 1/2	15 1/2	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
1913	Howrah (Jan. July)	8.75	7	100	107	123	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
1903-06	Howrah "A" (Jan. July)	17.50	7	100	102	116	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
1919	Hukumchand (June Dec.)	40.00	7	100	108 1/2	114 1/2	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
1898-04	Kamarhatti (Apr. Oct.)	16.00	6	100	91	105	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
1900	Kankarhah (Apr. Oct.)	10.00	6	100	102	105	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
1935	Kedarnath (Jan. July)	2.00	9 1/2	100	95	95	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
1907	Kelvin (Mar. Sept.)	10.00	7	100	110	120	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
1895-99	Khardah (May Nov.)	9.00	6	100	91	91	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
1900-13	Kinnison (July Jan.)	15.00	7	100	99	114	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
1910	Lansdowne (July Jan.)	15.00	7	100	109	118	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
1912	Lawrence "A" (July Jan.)	5.00	7	100	104	116	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
1906-07	Lawrence "B" (July Jan.)	10.00	5 1/2	100	108	119	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
1905	Naihati (July Jan.)	7.50	7	100	118	120	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
1945	Naihati (July Jan.)	10.00	4 1/2	100	79 1/2	92	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
1917	National (May Nov.)	5.00	7	100	116	126	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
1933	Nellmaria (Apr. Oct.)	5.00	6	100	97 1/2	104	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
1915	New Central (Jan. July)	33.00	7	100	102	114	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
1908-09	Northbrook (July Jan.)	15.00	5 1/2	100	82	93	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
1935	Rameshwara (Jan. July)	7.00	6	10	10	111	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
1901	Reliance (Jan. July)	20.00	6	10	94 1/2	94 1/2	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
1901	Sammugger (Feb. Aug.)	2,150	7	100	91	91	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
1920	Shree Ambica (Mar. Sept.)	11.70	7 1/2	100	99	108	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
1920	Soorah (Aug. Aug.)	10.00	7	100	104	113	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
1895-01	Standard (July Jan.)	9.00	6	100	91	103	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
1897	Titagur (Feb. Aug.)	2,150	6	100	111	111	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
1901	Union (July Jan.)	6.00	6	100	111	111	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
1898	Victoria (Feb. Aug.)	£150	6	£1	sh. 21/6	sh. 21/6	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
1918	Waverley (Mar. Sept.)	750	5	50	47 1/2	55 1/2	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
MISCELLANEOUS.													
1938	Alkali & Chemical (Mar. Sept.)	31.00	5	100	104 1/2	109 1/2	1901	Amulkie (May Nov.)	75	7	100	465	700
1938	Aluminium Corpn. (Oct.)	20.00	6	100	116 1/2	108	1903	Baranhar (Jan.)	4.00	6 1/2	100	124	116
1944	Aluminium Corpn. (Oct.)	20.00	5	100	99 1/2	88	1901	Birpara (Jan.)	1.00	8	100	100	114
193													

COAL COMPANIES

O, Po, F and Dd indicate Ordinary Preferred Ordinary, Founders' and Deferred shares respectively. P, next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent	Paid-up per share	Latest Market Quotations as available until
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954 1955 1956	Rs.	19-9-56 12-9-56 A year ago
25,50,000	26,43,478	24,50,000	6,60,570	Amalgamated	3-9	236	6,83,393	26,953	31-5 61-71	10	23 23 24
1,00,00,000	1,96,15,288	1,40,49,223	18,85,659	Bengal P	4-10	2	26,18,986	7,31,563	71-71 81-81	200	530 536 541
4,49,350	3,08,193	2,24,303	2,24,303	Bengal Bhatdee	6-12	2	15,149	4,951	11-11	10	61 61 61
2,25,000	2,32,838	5,34,591	13,919	Bengal Nagpur P	6-12	2	15,149	4,951	11-11	10	61 61 61
15,97,000	14,16,665	6,91,475	13,32,076	Bharat Collieries P	9	152	8,13,809	39,978	21-21	10	61 61 61
49,00,000	68,01,474	20,23,320	32,55,320	Bharat Collieries P	6-12	106	2,52,221	27,433	61	10	61 61 61
7,15,000	38,87,275	14,29,045	68,704	Bharat Collieries P	6-12	106	2,52,221	27,433	61	10	61 61 61
16,00,000	18,56,839	24,29,026	11,60,066	Bokaro & Ramgur	6-12	106	2,52,221	27,433	61	10	61 61 61
7,30,000	2,38,29,968	1,75,17,502	25,32,133	Burrakur P	6-12	21	11,90,330	1,15,376	10-10 10-10	10	16 15 14
49,97,400	35,80,075	750	1,75,062	Central India	3	166	1,33,037	14,019	21	10	7 7 7
6,00,000	16,67,573	13,30,519	15,752	Central Kurkend P	6-12	323	34,743	82,768	11-11	10	12 12 11
6,00,000	23,76,131	1,40,000	7,32,359	Churulia	6-12	106	6,374	2,129	11-11	10	8 8 8
2,240,000	2,34,668	2,340,653	2,372,456	Dharm Main	6-12	19	70,801	2,43,279	11-11	10	33 33 30
29,63,760	1,02,83,132	76,84,256	21,79,507	East Indian	4	128	1,17,640	2,59,767	161	10	30 30 32
10,00,000	6,74,708	5,06,856	3,35,155	Equitable P	6-12	3	12,979	24,844	221	10	15 15 17
6,00,000	2,81,843	6,75,000	5,39,694	Gunick & Muslia	6-12	20	24,150	2,401	10-10	10	22 22 21
3,50,000	6,31,200	5,66,816	1,407	Hurtiladih	6-12	19	2,58,582	65,461	71-10 121-10	10	20 20 20
15,00,000	31,71,936	24,32,396	25,61,314	Kalaphari	2-8	2	1,38,130	2,21,237	11-11	10	17 17 17
20,00,000	25,67,864	2,67,825	75,106	Karanpura Development	6-12	21	49,116	17,839	11-11 11-11	100	20 20 19
5,00,000	10,59,548	11,25,332	11,25,332	Karanpura Collieries P	1-7	2	2,32,402	2,661	28-28	100	119 119 123
1,38,400	6,75,000	95,000	11,89,294	Khas Kajora P	6-12	326	49,776	1,918	25-30	100	91 91 91
5,65,750	10,84,977	85,000	5,949	Mundulpur	6-12	326	79,868	79,868	11-11	10	21 21 31
7,48,240	2,62,442	1,50,000	5,04,429	Nazira	12	347	82,501	25,598	31-31	10	10 10 10
7,00,000	5,13,418	26,617	61,841	New Bansdeopur	3-9	5	59,011	6,071	31-31	10	10 10 10
17,76,230	31,15,787	20,01,763	3,78,338	New Beerbhoom P	4-10	2	2,64,716	94,383	31-31	10	10 10 10
6,00,000	11,71,307	44,447	10,75,016	New Manbhoom	3-9	202	25,330	2,233	11-11	10	12 12 12
2,50,000	7,69,623	1,75,500	10,12,916	North Damuda	1-7	306	7,954	32,184	11-11	10	21 21 21
1,150,000	4,42,488	2,85,193	1,53,246	North West	3-9	2	51,420	15,950	11-11	10	19 19 18
1,57,500	1,20,000	12,19,987	23,26,757	Ondal P	6-12	106	22,197	56,646	5-5	10	15 15 18
7,50,000	9,21,342	10,862	4,36,015	Parasea P	6-12	207	1,08,075	8,018	31-31	10	14 14 12
8,34,000	12,40,000	16,00,000	12,21,654	Pench Valley	3-9	236	4,18,450	33,343	71-71	10	21 21 21
15,75,000	2,62,405	7,500	11,330	Pure Sitalpur	6-12	5	2,008	18,581	11-11	10	6 6 6
23,99,500	19,17,035	39,198	14,29,643	Raneegunge	6-12	79	1,83,814	16,846	21-21	10	13 13 12
13,50,000	7,98,001	9,28,385	14,29,643	Rewa	6-12	236	4,96,775	26,029	71-71 81-121	10	23 23 22
20,00,000	23,74,261	7,52,027	1,01,427	Samsa	12	48	1,80,660	31,543	71	10	14 14 14
2,50,000	1,56,194	1,34,374	11,356	Searsale	1	353	88,009	11,078	25	21	7 7 14
2,80,000	10,92,193	8,36,598	7,81,726	Seebore P.	6-12	2	2,42,112	49,299	14 1/2-14 1/2	10	29 29 29
8,00,000	23,624	5,29,306	6,32,737	Sendra	6-12	106	4,098	7,503	11-11	10	11 11 11
17,50,000	22,81,985	10,75,016	10,75,016	South Karanpura	2-8	21	59,078	51,533	11-11	10	7 7 6
8,00,000	1,43,000	13,69,395	21,89,890	Standard	6-12	106	47,444	17,347	71-71	10	23 23 20
10,00,000	15,58,085	15,075	3,913	Talcher	9	277	22,689	3,85,056	11-11	10	3 3 3
3,50,000	4,66,000	3,53,000	8,176	Union	6-12	279	4,033	44,167	5-21	10	14 14 17
49,98,000	35,66,559	50,000	2,17,164	Western Bengal	3	106	4,09,408	7,262	11-11	10	6 6 6
7,00,000	32,55,152	1,38,190	40,060	West Jamuria	6-12	19	1,31,949	122	11-11	10	11 11 14

* 1956.

N = Nominal

COTTON MILLS

Paid-up Capital Ordinary	Number of		Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	Spindles	Looms									Rs.	Rs.	Rs.		19-9-56	12-9-56	A year ago
Rs.			Rs.	Rs.	Rs.				Rs.	Rs.	1953	1954	1955	Rs.	Rs.	Rs.	
15.00.000	14.108	356	14.62.919	1.73.478	11.90.008	Basanti P	12	49	1.97.268	41.227	21	..	..	10	61	61	51
32.72.340	22.197	505	27.69.616	23.18.909	24.551	Benares P	3-9	120	1.27.187	4.79.347	..	..	..	10	11	11	11
7.11.280	36.000	932	17.17.120	2.20.369	30.842	Bengal Luxmi	3	27	3.66.176	47.818	21-Nil	10	..	45	41	40	41
27.00.000	31.476	624	23.53.000	15.50.000	3.84.224	Bengal Nagpur P	6-12	236	5.23.389	18.199	30	Nil	..	10	9 1/2	9 1/2	9 1/2
15.00.000	38.764	992	31.35.500	1.09.84.251	21.32.642	Birla Cotton	3	22	5.28.332	4.25.221	11-Nil	..	30	10	304	303	304
6.00.000	42.872	641	37.54.142	22.72.588	1.44.948	Bowreah P	6-12	138	84.028	23.47.373	11-Nil	Nil-Nil	Nil-Nil	100	150	150	390
30.00.000	22.000	510	8.43.453	29.51.420	1.00.393	Cawnpore Textiles	3	25	6.73.253	36.767	11 1/2	10	Nil-5	5	9 1/2	8 1/2	9 1/2
3.27.02.900														25	37 1/2	37 1/2	36 1/2
1.00.563	1.01.808	2.762	9.94.63.168	2.74.48.393	2.94.83.803	Delhi Cloth & Genl P.	6	238	1.81.41.278	82.759	9	9	9	21			
19.00.000	42.944	518	34.12.181	25.17.925	1.53.894	Dunbar	6-12	138	9.92.376	1.37.951	11-Nil	Nil-Nil	Nil-2 1/2	100	279	275	249
63.00.000	54.000	1.290	22.44.751	66.33.360	43.06.583	Elgin P	9	25	32.80.464	93.386	15	10	10	10	27 1/2	27 1/2	20 1/2
1.20.00.000	59.250	1.872	2.38.99.575	1.60.53.952	47.29.268	Kesoram P	3	22	37.41.719	2.45.435	11	81	81	20	18 1/2	18 1/2	15 1/2
6.00.000														25	..	..	..
33.96.288	35.864	864	17.48.143	9.75.679	74.08.655	Mohini P	12	45	5.53.316	5.158	..	..	..	10	..	..	..
30.00.000	88.000	1.825	47.44.546	52.19.601	92.65.055	Muir P	12	208	18.77.941	7.77.290	..	..	..	100	88	88	118
22.89.882 1/4	78.848	1.367	43.25.577	26.00.968	1.45.701	New Victoria P	12	237	18.83.371	13.76.473	Nil	..	..	210	21	2 1/2	1 1/2
3.07.089 1/2 Da														1 Da	1 1/2	1 1/2	1 1/2
19.47.7500																	
5.00.000 Da	23.196	795	22.57.946	18.38.739	2.02.179	Rampoora Cotton	6	4	6.16.936	1.094	11	6 1/2	10	10	15 1/2	15 1/2	12
17.50.0000														1	21	21	..
1.57.50.0000																	
Pa	1.14.836	2.077	2.83.77.688	2.65.04.931	32.30.412	Swadeshi (Cawnpore) P	12	333	43.71.838	7.09.029	5	7 1/2	7 1/2	100	11 1/2	11 1/2	9
														10 1/2	12 1/2	12 1/2	11 1/2
40.50.000	48.754	1.310	91.31.708	1.89.73.217	43.89.979	Bangalore W C Silk P	12	26	56.34.933	2.38.649	25	30	30	100	580	580	517 1/2
1.78.47.800	1.20.012	2.770	3.20.17.600	1.87.39.278	23.80.514	Buckingham Carnatic P	12	26	1.01.66.075	2.38.445	10	10	10	100	200 1/2	201	173
20.00.000	28.000	603	18.03.003	20.32.074	11.26.239	Cambodia P	12	210	1.96.274	27.593	7 1/2	Nil	5	10	14 1/2	14 1/2	13 1/2
12.00.000	23.864	407	6.41.058	36.53.502	3.53.570	Coimbatore Cotton	12	188	5.53.750	61.404	..	..	..	100	392 1/2	390	323
20.76.900	72.832	407	47.91.212	7.98.681	22.227	Coimbatore Spg & Wvg	6	46	7.52.342	10.23.340	Nil	..	..	50	111	113	77 1/2
6.50.000	50.640	295	12.25.505	17.90.000	58.77.434	Kateswarar	12	139	2.05.780	1.677	..	..	..	100	335	332 1/2	290
24.00.000	30.512	200	52.38.868	16.25.000	7.43.757	Kothari Textile P	6	141	3.25.924	29.382	5	5	10	10	19 1/2	19 1/2	14 1/2
23.64.000	48.756	1.501,051	21.70.200	78.350	Lakshmi	12	186	31.41.248	2.209	..	..	..	..	50	250	249	156 1/2
1.75.02.480	4.65.324	2.15,02,107	4.13,81,873	31,04,681	Madura	12	108	77.86.509	18.86.813	20	20	20	15	52	52 1/2	49 1/2	49 1/2
12.00.000	11.856	843,189	5,85,363	10,32,898	Malabar Spg & Wvg.	12	240	1,01,66,075	2,38,445	10	200	113	113	113	113	115	115
60.00.000	24.252	603	20,49,893	69,00,000	1,19,91,755	Metur Industries	3	29	48,44,863	45,835	22 1/2	15	42 1/2	200	480	485	357
13.61.780	20.137	111	8,36,608	8,90,279	1,34,663	Mysore Spun Silk	3	142	1,753	3,986	11	Nil	..	61 1/2	10	61 1/2	33
4.00.000	20.137	111	8,36,608	8,90,279	1,34,663	Palani Andavar P	12	30	7,39,437	2,687	..	..	..	50	172	172	120
7.79.700	15.540	416	5,42,118	2,43,421	2,65,911	Sittaram Spg & Wvg	3	164	87,724	3,083	..	..	..	60	..	..	..
7.00.000	28.104	270	12,98,563	18,23,501	11,71,324	Vasanta P	12	47	16,97,459	1,637	..	..	..	100	340	345	245

J Liquid Assets.

BOMBAY COTTON MILLS

O, Po, C and Dd indicate Ordinary Preferred Ordinary, Contributor and Deferred Shares respectively. P, next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Number of Spindles	Number of Looms	Net Block Account	Reserve & other Funds	Cash & Securities	NAMES OF MILLS	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent	Paid-up per share	Latest Market Quotations as available until
Rs.			Rs.	Rs.	Rs.				Rs.	Rs.	1953 1954 1955	Rs.	19-9-56 12-9-56 A year ago

TEA COMPANIES

420

O. Po and Dd indicate Ordinary, Preferred Ordinary and Deferred Shares, respectively. P next to the name of the company indicates that the Company also has Preference Shares. Figures in 'accounts closed' column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary				Net Profit Account	Reserve & other Funds	Accrue under Tea	Outturn and Average Price realised for crop		Estimate	NAMES	Accounts closed	Managing Agents	Net Profit including Taxation	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	1954 Lbs. As P.	1955 Lbs. As P.	Lbs.				Rs.	1953	1954	1955	Rs.	19-9-56	12-9-56	1-10-56
CACHAR																				
3,00,000	3,40,887	1,75,000	862	2,89,040	39-11	..	..	..	..	Arcuttipore	12	88	1,72,877	Nil	Nil	..	10	12	12	12
3,00,000	5,26,259	49,878	465	..	..	..	..	..	..	Baitakhal	12	35	43,307	..	..	..	10	101	101	124
10,00,000	17,71,849	8,13,800	1,480	3,90,263	40-10	..	..	..	..	Centraul Cachar	12	128	5,98,304	Nil	71	..	100	1001	1001	137
2,50,000	..	..	794	1,00,454	4-2 2/5	..	..	..	..	Chandraya	12	128	68,346	Nil	..	..	100	116	116	123
2,50,000	6,99,137	11,300	649	3,91,320	38-4	..	..	..	..	Eastern Cachar	12	202	1,23,236	Nil	..	..	100	913	913	115
12,00,000	18,43,515	11,50,000	2,153	17,59,926	35-0	..	..	..	..	Hattukheta	12	202	13,22,856	25	40	..	100	142	142	292
12,00,000	2,97,000	1,65,222	586	..	..	..	..	..	..	Kallinugara Khorela	12	313	91,071	Nil	15	..	100	102	102	135
3,00,000	2,40,000	2,51,784	599	3,40,507	46-3	..	..	..	..	Kunchunpor	12	3	3,31,927	Nil	274	..	10	144	144	191
1,00,000	2,28,600	2,50,000	1,350	7,32,267	47-6	..	..	..	..	North Western Cachar	12	63	2,21,673	Nil	20	..	100	264	264	264
7,00,000	5,00,324	Nil	486.5	..	..	..	..	..	..	Pathemara	12	302	1,64,444	Nil	..	..	10	22	22	223
1,24,050	3,90,357	1,16,592	618	5,04,120	36-4 2/5	..	..	..	..	Roongcherha	12	165	4,33,780	Nil	..	..	10	22	22	223
1,00,000	2,28,600	2,50,000	1,350	7,32,267	47-6	..	..	..	..	Rungamantee	12	63	5,75,715	20	35	..	50	102	104	144
5,25,000	6,88,316	5,52,313	662	4,49,336	36-7 1/5	..	..	..	..	Sona River P.	12	14	3,73,677	Nil	120	..	10	192	192	24
3,75,000	5,02,307	4,51,230	1,050	4,63,320	..	..	..	..	..	Tilka	12	95	5,22,670	Nil	20	..	10	12	12	10
DARJEELING																				
3,99,750	6,89,413	4,157	562	1,14,311	29-11	..	..	..	..	Bloomfield	12	101	73,268	Nil	Nil	..	10	31	31	41
2,19,000	4,72,301	1,25,000	407.5	1,11,174	62-0	..	..	..	..	Lhamong	12	278	1,34,249	Nil	20	..	10	15	17	20
2,19,000	2,75,900	3,11,928	991	..	..	..	..	..	..	Darf Tea Chinchona	12	138	1,13,895	74	40	..	100	175	175	290
2,00,000	1,74,363	1,62,639	488	1,35,780	52-5	..	..	..	..	Digram	12	206	1,33,192	Nil	21	..	100	190	190	315
2,00,000	6,13,500	3,53,585	300	2,84,204	49-15	..	..	..	..	Jielle P.	12	19	3,24,074	Nil	25	..	100	291	271	431
7,00,000	6,23,300	1,30,770	1,049	6,33,740	48-34	..	..	..	..	Lingia P.	12	278	8,25,171	20	50	..	100	309	309	402
10,32,000	8,07,134	3,00,000	816	5,26,515	48-64	..	..	..	..	Longview	12	85	8,04,823	10	20	..	10	121	124	162
4,30,000	1,75,390	1,01,239	463	1,82,286	62-4	..	..	..	..	Margaret's Hope	12	165	1,53,561	71	..	..	10	161	161	224
1,00,000	3,40,000	3,00,000	689	4,35,016	53-43	..	..	..	..	Mim	12	10	2,10,365	10	30	..	100	296	296	377
2,99,300	1,50,300	1,07,500	505	1,31,153	53-3	..	..	..	..	Nagar Farm	12	63	5,44,268	20	50	..	100	15	15	20
1,00,000	3,02,563	2,61,118	776	..	..	..	..	..	..	Jeayati P.	12	63	1,95,359	Nil	374	..	100	600	600	560
2,05,000	2,85,000	3,73,387	500	1,68,691	54-5	..	..	..	..	Pashok	12	135	852	10	30	..	10	28	28	257
3,30,000	4,25,000	2,68,427	370	1,58,740	50-8	..	..	..	..	Poobong	12	63	1,73,613	24	15	..	10	15	15	15
1,40,000	1,40,000	4,77,000	341	1,80,721	58-0	..	..	..	..	Pusmoling P.	12	14	2,32,392	Nil	50	..	10	10	10	10
3,00,000	2,80,300	1,45,700	747	1,77,709	53-3	..	..	..	..	Rumtee Rungliog	12	63	2,33,196	174	50	..	100	408	408	450
6,23,000	5,38,413	1,45,700	747	1,77,709	53-3	..	..	..	..	Seevok	12	63	1,99,321	24	15	..	100	408	408	450
9,30,000	9,27,523	1,46,857	883	2,64,400	50-44	..	..	..	..	Singell	12	113	45,341	Nil	Nil	..	100	384	384	65
3,00,000	2,89,000	3,90,000	354	2,63,738	50-33	..	..	..	..	Singtom P.	12	10	2,87,270	Nil	5	..	10	6	6	91
6,23,000	11,06,947	5,74,585	382	3,76,300	54-5	..	..	..	..	Soom	12	278	4,34,341	30	50	..	10	33	33	303
3,20,000	4,86,000	9,62,401	7184	4,40,847	48-51	..	..	..	..	Sungma	12	165	3,30,250	Nil	74	..	10	133	132	124
6,01,350	10,96,300	2,49,000	1,666	7,11,847	50-33	..	..	..	..	Teesta Valley	12	14	5,34,651	15	30	..	10	383	382	451
..	..	..	..	..	..	..	..	..	..	Tukar	12	279	3,99,595	Nil	10	..	10	121	121	192
DUARS																				
27,00,000	19,11,197	24,25,000	2,540	30,81,689	51-2	..	..	..	30,69,360	31-9	32,20,000	..	11,23,882	45	120	25	100	308	334	628
6,00,000	20,23,259	12,70,000	1,105	13,91,320	43-7	..	..	..	..	Banarhat P.	12	2	12,94,514	30	65	..	100	498	498	674
9,00,000	9,05,110	11,03,042	1,112	..	..	..	..	..	..	Bhatkawa	12	165	4,45,441	30	..	..	100	391	391	451
9,00,000	9,00,300	6,50,000	1,343.9	11,96,886	52-5	..	..	..	..	Birpara P.	12	63	12,07,481	Nil	20	..	100	201	201	266
6,00,000	6,00,300	5,33,092	602	6,04,104	45-10	..	..	..	10,82,880	31-11	11,60,000	12	63	4,07,837	224	25	100	322	322	522
6,00,000	6,91,678	10,50,000	903	10,58,386	49-4	..	..	..	..	Choonabhatti P.	12	6	3,99,438	25	20	..	100	272	272	378
3,00,000	2,46,472	2,50,000	500	4,01,294	43-8	..	..	..	..	Ellenbarrie	12	63	3,29,325	Nil	15	..	100	372	372	482
1,20,000	1,70,171	2,68,000	265	2,34,494	49-1	..	..	..	..	Ento	12	4	3,49,363	110	..	..	100	577	577	645
3,50,000	3,11,776	3,00,000	447	3,75,941	39-9	..	..	..	..	Etrebari	12	354	4,64,619	Nil	50	..	10	238	238	390
5,00,000	4,38,424	5,50,000	1,253.6	7,62,721	47-4	..	..	..	12,20,160	27-11	12,40,000	12	68	10,21,301	20	12	100	231	231	232
10,50,000	17,49,550	22,55,503	1,022	12,26,091	47-11	..	..	..	..	Gairikhat	12	48	10,21,301	20	12	..	100	231	231	232
24,00,000	20,23,259	14,48,782	2,427	30,81,689	44-1	..	..	..	..	Josampur	12	48	10,21,301	20	12	..	100	231	231	232
22,00,000	22,36,959	60,63,333	4,256.2	53,11,277	41-11	..	..	..	..	Manthapara P.	12	63	30,77,805	25	60	..	100	195	187	355
8,25,000	8,40,000	19,79,213	1,452	16,97,368	42-0	..	..	..	..	Huldibari	12	14	4,96,792	25	60	..	10	311	321	401
3,50,000	4,50,342	6,85,000	607	4,86,404	44-2	..	..	..	..	Javirpara	12	14	19,89,593	224	90	..	10	321	321	401
3,00,000	6,75,000	1,12,233	937	11,46,814	39-4	..	..	..	..	Killicott	12	63	10,39,758	20	413	..	10	201	201	493
2,00,000	2,12,000	3,50,000	620	4,73,831	45-1	..	..	..	..	Manabbarie	12	217	5,69,163	10	65	..	100	792	792	800
1,80,000	3,80,000	12,80,223	1,122	1,69,538	44-3	..	..	..	..	Nagaisurree	12	63	13,28,301	25	40	..	100	250	250	304
14,00,000	8,81,963	18,45,000	1,163	15,52,400	44-3	..	..	..	16,35,520	31-2	16,00,000	12	63	6,83,263	45	100	25	100	304	304
3,20,000	3,30,142	4,80,000	578	6,29,200	44-2	..	..	..	..	Jodlabari	12	202	8,19,256	20	75	..	10	511	511	571
2,50,000	4,30,300	4,79,541	348	2,56,097	42-0	..	..	..	..	Phaskewa	12	63	2,61,201	10	30	..	100	245	245	245
1,80,000	6,29,492	5,01,394	764	..	..	..	..	..	..	Ranabhat	12	165	4,69,550	15	..	..	10	245	245	348
1,80,000	10,03,372	4,43,438	1,635																	

MISCELLANEOUS COMPANIES—Contd.

O, Po, C and Dd indicate Ordinary, Preferred Ordinary, Contributory and Deferred Shares respectively. P next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary		Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
Rs.	Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1953	1954	1955	Rs.	19-9-56	12-9-56	A year ago
SUGAR BREWERIES ETC.																
11,00,000	6,45,722	3,75,000	10,90,564	New Savan Sugar and Gur	5	140	95,437	52,205	..	..	..	10	6 1/2	6 1/2	6 1/2	6 1/2
9,00,000	7,28,559	17,64,369	58,734	Purtabpur Sugar P.	10	25	5,08,340	6,871	10	15	7 1/2	10	15 1/2	15 1/2	18	18
16,59,820	26,52,127	35,00,000	4,84,050	Ramnugger Cane & Sugar P.	8	1	18,11,504	20,350	20	10	7 1/2	10	27 1/2	27 1/2	26 1/2	26 1/2
19,98,000	25,62,563	39,88,218	13,92,915	Raza Sugar	10	92	10,78,193	3,144	10	..	..	10	20 1/2	20 1/2	20 1/2	20 1/2
8,00,000	4,42,169	6,54,762	1,85,115	Ryam Sugar P.	6	25	1,43,798	24,340	5	5	..	10	20 1/2	20 1/2	20 1/2	20 1/2
11,99,000	15,94,631	18,37,529	98,312	Samastipur Central Sugar	6	25	79,022	8,477	5	5	Nil	10	13 1/2	13	16 1/2	16 1/2
20,00,000	72,62,286	36,66,708	1,63,444	Shree Krishna Gyanoday Sugar P.	7	335	12,99,571	34,046	15	15	17 1/2	10	12 1/2	12 1/2	17 1/2	17 1/2
7,94,500	13,54,858	11,65,175	11,16,363	Shree Sitaram Sugar	6	140	1,90,057	7,991	10	..	..	10	14 1/2	15	14 1/2	14 1/2
9,99,950	14,54,274	1,54,304	1,42,895	Sitalpore Sugar	6	94	1,39,515	1,39,515	Nil	Nil	Nil	10	4 1/2	4 1/2	6 1/2	6 1/2
16,00,000	6,07,894	7,99,778	4,22,572	United Provinces	9	341	4,23,880	39,061	5	12 1/2	..	10	2 1/2	2 1/2	23 1/2	23 1/2
8,00,000	38,92,308	21,57,555	3,60,236	Upper Ganges Sugar P.	6	227	10,24,525	82,931	25	25	25	10	9 1/2	9 1/2	9 1/2	9 1/2
14,00,000A	14,24,740	23,74,426	10,72,924	Upper India Sugar	4	302	16,80,986	86,393	..	15	20	100AC 12 1/2 BC	280	280	127	127
7,00,000B																
MISCELLANEOUS																
8,00,000	2,20,232	1,56,200	9,53,526	A Firpo (Restaurateurs)	10	85	84,518	4,475	..	..	..	10	4 1/2	4 1/2	7 1/2	7 1/2
1,50,00,000	1,40,80,594	6,21,715	51,761	Air India Ltd.	12	269	6,02,785	14,30,401	Nil	..	..	100	..	..	..	..
2,00,00,000	2,58,39,656	68,01,534	50,022	Air India International Ltd.	12	322	10,51,340	30,205	Nil	..	..	100	..	..	..	..
47,50,000	1,31,03,534	15,00,000	5,97,941	Aluminium Corp. P.	3	132	12,82,024	32,582	Nil	Nil	Nil	100 2 1/2 D	12 1/2	12 1/2	7 1/2	7 1/2
2,50,00,000	42,43,917	14,50,000	55,36,059	Anderson Wright, Ltd. P.	12	1	4,94,322	24,401	6	7 1/2	..	10	11 1/2	11 1/2	11 1/2	11 1/2
30,00,000	10,11,675	37,63,779	14,41,315	Angelo Bros.	8	268	11,84,131	3,43,961	12	12 1/2	20	10	23 1/2	23 1/2	21 1/2	21 1/2
30,00,000	17,54,434	27,66,265	5,49,634	Assam Match	12	274	8,35,902	1,18,395	12 1/2	12 1/2	12 1/2	10	20 1/2	20 1/2	19 1/2	19 1/2
21,99,998	21,25,615	28,30,285	64,182	Assam Saw Mills & Timber	9	21	97,045	5,14,537	Nil	15 1/2	Nil	10	10 1/2	10 1/2	18 1/2	18 1/2
20,00,000	61,61,507	23,00,000	61,84,607	Associated Hotels of India P.	8	204	8,82,993	32,683	2	2	4	10	11 1/2	11 1/2	5	5
80,01,400	33,50,000	1,09,53,000	1,12,08,422	Balmer Lawrie & Co.	12	304	32,12,152	5,03,129	20	13	12 1/2	100	17 1/2	17 1/2	165	165
12,00,000	2,65,000	8,24,890	1,80,023	Bararee Coke	3-9	128	2,16,123	22,708	7-7	7 1/2-7 1/2	7 1/2-7 1/2	10	19 1/2	19 1/2	21 1/2	21 1/2
6,00,000	76,414	Nil	30,72,417	Bengal Timber Trading P.	6	128	6,43,164	1,19,103	..	..	..	100	44	44	43	43
50,00,000	19,53,822	Nil	19,59,059	Bharat Airways Ltd.	6	22	3,19,580	3,19,229	..	..	..	10	51	51	34	34
20,00,000	7,95,432	7,95,432	62,81,006	Birds Investments P.	9	160	5,89,372	1,15,707	12 1/2	12 1/2	12 1/2	10	17 1/2	17 1/2	13 1/2	13 1/2
45,97,000	76,85,085	31,11,814	2,09,470	Britannia Biscuit P.	3	60	8,14,261	1,79,277	5	10	10-10*	10	15 1/2	15 1/2	15 1/2	15 1/2
22,50,000	13,98,786	43,18,775	3,38,978	British Ceylon Corporation P.	12	6	27,75,295	1,85,958	..	..	..	7 1/2	10 1/2	10 1/2	10 1/2	10 1/2
1,25,00,000	59,80,738	1,18,00,524	2,50,83,650	British India Corporation P.	12	33	30,23,938	27,56,584	10	11	Nil	5	11 1/2	11 1/2	11 1/2	11 1/2
12,50,000A	2,10,569	5,83,376	1,16,62,849	Calcutta Gas Co (Propr.) Ltd. P.	9	235	6,87,704	22,189	5	5	6	10A 10B	7 1/2	7 1/2	7 1/2	7 1/2
32,50,000B	5,92,780	2,40,694	1,02,576	Calcutta Silk Manufacturing P.	3-9	213	45,711	22,586	..	..	..	10	4 1/2	4 1/2	5	5
5,00,000																
90,00,000	17,68,710	67,71,168	2,49,58,018	Dunoon Brothers & Co. Ltd.	12	169	48,24,539	4,28,600	10	12	..	100	140	140	372	372
1,60,00,000	2,94,69,046	3,14,86,174	4,04,78,333	Dunlop Rubber Co. (India) P.	12	96	96,72,154	11,71,685	15	15	15	10	29 1/2	29 1/2	147	147
51,28,000	54,12,212	1,48,29,523	1,48,29,523	Eastern Investments Ltd. P.	12	21	12,83,240	3,06,138	9	9	9	100	146 1/2	147	171	171
75,00,000	13,79,357	4,33,825	1,02,21,271	F & C Oster (India) Ltd. P.	3	84	4,26,249	5,26,954	5	..	..	10	12 1/2	10 1/2	10 1/2	10 1/2
90,00,000	12,88,300	21,97,641	86,55,360	French Motor Car	3	51	8,97,594	1,26,757	12 1/2	12 1/2	12 1/2	20	21 1/2	21 1/2	21	21
14,00,000	14,92,000	10,02,000	11,384	Ganges Rope	3-9	19	89,571	27,194	10-10	7 1/2-7 1/2	7 1/2-7 1/2	100	186	186	194	194
2,25,000	37,829	5,12,000	5,12,000	General Investments Trust P.	2-8	21	45,701	8,851	2-2	2-2	2-2	75	43	43	13	13
65,00,000	34,18,813	42,00,000	1,09,15,528	Gillanders Arbuthnot & Co. Ltd. P.	3	105	29,71,360	1,51,360	7 1/2	7 1/2	14	10	14 1/2	14 1/2	43 1/2	43 1/2
20,00,000	27,68,049	5,00,324	12,84,357	Gladstone Lyall & Co. Ltd. P.	12	209	7,02,792	34,255	10	10	10	10	25 1/2	25 1/2	20 1/2	20 1/2
40,00,000	31,71,333	7,81,000	98,384	Godfrey Phillips (India) Ltd. P.	12	310	19,01,201	11,96,811	17 1/2	10	20	10	25 1/2	25 1/2	20 1/2	20 1/2
50,00,000	32,90,010	17,22,203	6,22,424	Great Eastern Hotel	3	225	5,30,579	16,373	..	..	..	250	239	239	229	229
10,00,000	17,38,764	1,61,173	9,221	Hindusthan Ice & Cold Storage	9	..	43,377	24,274	..	..	..	5	11 1/2	11 1/2	11 1/2	11 1/2
35,20,000	31,95,729	19,00,000	19,72,450	Hoare Miller & Co. Ltd.	12	294	91,339	67,868	Nil	Nil	..	10	6 1/2	6 1/2	7	7
15,16,00,000	7,42,66,399	7,88,86,738	5,50,32,187	Imperial Tobacco	3	325	3,66,59,515	24,94,274	6	8-8*	8-8*	10	15 1/2	15 1/2	14 1/2	14 1/2
1,80,00,000	24,19,583	53,33,999	10,13,114	Indian Aluminium Co. Ltd. P.	12	293	26,79,662	14,18,074	Nil	Nil	9	10	20 1/2	20 1/2	24 1/2	24 1/2
1,52,99,220	98,54,740	1,62,50,000	3,90,322	Indian Cable P.	3	34	77,23,781	28,98,462	10	10	12 1/2	10	36	34 1/2	29 1/2	29 1/2
5,00,000																
83,75,000C	22,07,260	2,21,280	11,69,467	Indian National Airways	12	93	36,302	12,62,971	..	..	..	100 10D	6 1/2	6 1/2	4 1/2	4 1/2
1,25,00,000	8,27,970	7,44,398	5,38,000	Indian Rubber Manufacturers P.	3	173	1,79,618	32,616	7 1/2	5	..	10	17 1/2	17 1/2	12 1/2	12 1/2
20,00,000	4,64,735	18,15,487	10,03,705	Indian Wood Products	9	89	17,28,038	2,76,619	25	27 1/2	30	10	40 1/2	40 1/2	44 1/2	44 1/2
5,00,000	235,590	12,40,399	Investments and Finance P.	2-8	21	1,07,254	7,890	2-2	2-2	2-2	2-2	100	65	65	65	65
2,40,000	15,362	4,46,244	3,20,757	Ivan Jones Ltd.	9	194	1,39,321	36,496	..	..	..	2	3 1/2	3 1/2	3 1/2	3 1/2
5,87,500D	2,23,827	2,97,161	6,66,685	James Wright P.	12	281	62,875	6,299	6	5	..	50	4 1/2	4 1/2	4 1/2	4 1/2
1,17,500Dd	51,23,900	55,00,000	3,73,43,977	Jardine Henderson Ltd. P.	3	39	41,68,361	4,70,107	7 1/2	7 1/2	7 1/2	100	96	97	119	119
2,00,00,000	3,17,363	6,02,958	3,21,617	Macfarlane & Co.	3	133	1,40,708	4,840	..	..	..	50 1Dd	2 1/2	2 1/2	3	3
6,34,000C	82,21,000	44,33,211	3,30,53,381	Macneil & Barry Ltd. P.	3	334	37,93,025	6,21,756	7 1/2	7 1/2	7 1/2	100	2 1/2	2 1/2	3	3
1,50,00,000	36,41,510	54,56,063	1,85,74,341	Martin Burn Ltd. P.	9	309</										

BOMBAY MISCELLANEOUS COMPANIES

O P o F Dd G and R indicate Ordinary Preferred Ordinary Founders' Deferred Guarantee and Rebate Shares respectively P next to the names of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	19-5-56	11-9-56	A year ago
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954	1955	1956	Rs.	Rs.	Rs.
CEMENT														
12,67,59,333	16,16,27,689	8,15,51,096	3,90,26,918	Associated Cement	7	53	4,71,77,960	5,62,770	8 1/2	10	..	100	202 1/2	196 1/2
ELECTRIC LTG. POWER														
6,99,95,600	11,08,94,307	69,91,218	20,82,140	Ahmedabad Electricity	9	146	35,75,580	188	6 1/2	5	..	100	96 1/2	108 1/2
2,92,63,500	4,18,62,358	52,34,507	65,30,599	Andhra Valley Power Supply P	6	267	46,19,171	25,735	7 1/2	7 1/2	..	1,000	1,227 1/2	1,427 1/2
1,74,99,700	2,14,85,122	39,32,485	5,79,834	Bombay Suburban Elec Sup	3	146	19,21,739	45	7	7	..	100	109	123 1/2
38,08,200	17,49,053	4,75,323	14,87,557	Poona Electric Supply P	12	229	3,86,015	..	..	..	..	100	146	146
2,34,45,225	3,37,65,356	63,82,045	58,39,875	Tata Hydro-Elec. Power sup P	6	267	37,75,587	21,171	7 1/2	7 1/2	..	100	126 1/2	159
5,02,78,750	8,98,37,405	1,41,56,578	1,29,22,549	Tata Power P.	6	267	77,32,961	27,952	7 1/2	7 1/2	..	1,000	1,292 1/2	1,520
ENGINEERING & METAL														
63,42,200	17,06,292	44,16,374	1,54,08,311	Alcock Ashdown	12	268	8,79,666	1,35,820	12 1/2	..	..	100	345	337 1/2
6,00,000	29,341	4,43,904	59,338	East Engineering	3	115	62,291	1,598	15	5	..	50	96	96
40,00,000	11,26,513	10,00,000	9,74,664	Larsen & Toubro P.	3	351	14,00,736	28,740	10	10	10	100	16 1/2	13 1/2
40,85,100	61,25,753	2,02,500	49,333	Machinery Mfrs. Corp. Ltd P	3	330	2,02,000	84,676	10 1/2	..	..	100A	..	..
1,10,00,000	15,00,978	16,66,194	7,06,260	McKenzie	7	283	1,49,085	64,938	..	..	..	100	217	218
2,50,000	5,834	1,00,53,052	1,79,52,042	Premier Construction P.	12	284	3,35,178	59,102	25 5/6	28 1/3	..	31F	..	..
1,31,250F	4,80,59,980	26,78,952	44,49,499	Tata Locomotive & Eng. P.	3	69	3,303	50,350	10 1/2	10 1/2	..	100	170	138 1/2
4,18,72,400	32,44,07,755	16,63,05,536	12,34,83,510	Tata Iron & Steel P.	3	269	9,26,44,872	4,04,945	14	14	14	750	196	244 1/2
INSURANCE COMPANIES														
20,00,000	..	23,84,913	95,96,033	British India General	12	297	4,24,629	1,18,606	..	..	..	100	13 1/2	13 1/2
5,15,000	..	11,34,84,687	8,95,48,481	Empire of India Life	12	253	..	..	..	..	..	100	675	675
8,46,120	..	36,33,989	46,38,803	Indian Mercantile	12	75	..	1,13,109	..	..	..	20	45 1/2	45 1/2
18,74,940	25,01,134	2,88,61,155	2,61,49,442	Jupiter General P.	12	55	38,351	4,65,316	..	..	..	15	9 1/2	9 1/2
1,06,81,590	..	1,68,81,793	27,25,18,552	New India	12	179	43,58,653	71,250	16 2/3	..	..	15	46 1/2	46 1/2
6,00,000	..	67,83,74,430	63,46,53,420	Oriental Life	12	299	..	..	..	..	..	200	3,650	3,650
15,99,270	..	29,41,860	59,86,789	Vulcan	12	255	6,05,803	2,81,242	10	..	..	10	15 1/2	15 1/2
MISCELLANEOUS														
90,79,065	31,95,468	3,97,409	12,61,996	Air Service of India	6	336	-15,61,405	-37,22,790	..	..	..	15	..	..
47,97,250	21,34,989	35,75,182	78,89,034	Belapur Sugar	9	42	53,89,000	61,389	..	..	..	50	247 1/2	245
50,00,000	2,20,64,303	4,12,86,155	2,67,27,639	Bombay Burmah Trading	5	285	47,93,172	61,990	16	21	..	125	756 1/2	570
42,00,000	..	..	..	..	5	285	..	..	..	..	..	50	277 1/2	208 1/2
45,00,000	1,21,04,053	31,74,431	31,14,908	Bombay Steam Navigation P.	6	256	4,54,215	80,135	..	..	..	25	..	..
99,99,250	3,085	19,47,386	1,28,40,992	Industrial Investment Trust	12	299	5,81,909	2,83,136	4 1/2	4 1/2	..	100	72	72
11,99,900	13,82,957	7,34,142	14,05,223	Kemp (Chemists)	3	87	68,232	16,942	6	..	..	200	215	215
1,57,71,400	5,74,05,779	1,81,13,445	2,99,042	National Rayon Corp.	12	352	65,19,604	4,72,076	10	..	..	100	213 1/2	213 1/2
9,39,98,009	18,36,63,413	12,46,31,577	7,10,16,957	Scindia Steam Navigation	6	198	32,72,556	22,72,555	8 1/2	2 1/2	..	20	19 1/2	15 1/2
7,00,000	2,75,055	97,30,000	11,27,080	Shivrajpur Synd. (Manganese)	11	146	35,49,059	21,661	80	..	..	10	87 1/2	84
1,39,95,990	1,96,71,944	13,51,214	4,14,399	Tata Chemicals P.	6	269	13,55,026	57,597	10 1/2	10 1/2	..	10	20 1/2	19 1/2
70,07,475	75,25,791	34,08,586	22,83,813	Tata Oil P.	3	269	3,00,461	11,453	9	8	12	25	56	55
2,75,00,000	1,46,45,903	2,43,20,936	1,50,49,201	Western India Match	12	274	74,05,281	5,61,984	11	11	..	100	181 1/2	180 1/2

*1956 †Liquid Assets

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Block Account	Reserve & other Funds	NAMES	Accounts closed	Managing Agents	Net Earning	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	19-5-56	12-9-56	A year ago
Rs.	Rs.	Rs.				Rs.	Rs.	1953	1954	1955	Rs.	Rs.	Rs.
CALCUTTA													
17,24,000	20,62,356	2,00,804	Ahmedpur Kutwa S.S.G.	3	165	-29,367	..	2 1/2	2 1/2	2 1/2	100	59	58
21,69,500	33,40,889	6,00,702	Arrab Sasaram D B G	3-9	32	2,57,676	33,735	3-3	3-3	3-3	100	71	72
34,00,000	41,39,202	3,11,045	Bankura Damodar River S.S.G.	3	165	46,607	..	2 1/2	2 1/2	2 1/2	100	58 1/2	61 1/2
19,00,000	29,09,643	4,91,171	Baraset Basirhat D.B.G.	3-9	331	18,844	1,18,863	..	..	..	100	10	19
17,80,000	21,78,786	2,20,877	Burdwan Cutwa S.S.G.	3	165	76,839	..	4	2 1/2	2 1/2	100	58 1/2	63 1/2
31,00,000	35,46,011	..	Chaparmukh Silghat S.S.G.	3-9	32	62,834	10,849	1-29	1-13	1-1	100	53 1/2	49 1/2
4,75,000	3,20,049	4,75,306	Cherra Chhatrak ropeway	3	88	9,917	9,917	1 1/2	5	..	5	7 1/2	7 1/2
2,47,650	2,75,015	65,326	Darjeeling ropeway	3	101	18,097	4,549	1 1/2	2 1/2	2 1/2	10	7 1/2	7 1/2
22,50,000	62,20,813	13,52,600	Dehri-Rohas	3	335	6,42,311	37,814	6 1/2	7 1/2	10-12 1/2	10	13 1/2	15
11,49,700	20,10,843	1,68,140	Futwah Islampur S.S.G.	3-9	32	-33,016	5,917	98-98	99-1	1-1	100	54	55
16,00,000	50,82,188	17,87,954	Howrah Amta D.R.G. (P)	3-9	32	1,18,351	90,009	3-3	3-3	3-3	100	59 1/2	70 1/2
6,00,000	13,87,138	4,43,410	Howrah Sheekhala D.B.G.	3-9	32	28,627	20,122	3-3	3-3	3-3	100	37	37 1/2
19,50,000	27,95,689	2,47,135	Kalighat Falta S.S.G.	3	165	-1,99,473	..	2 1/2	2 1/2	2 1/2	100	59	59
8,91,100	15,16,175	10,551	Katakhal-Lala Bazar S.S.G.	3	165	31,257	..	4 1/2	5	..	100	75	75 1/2
15,00,000	62,56,929	28,77,041	Shandara Delhi Saharanpur	3-9	32	6,26,073	17,25,546	6-6	6-6	6-6	100	129 1/2	125
1,75,000	5,41,779	2,04,841	Tezpore Balipara Tramway P	3-9	165	-43,574	5,944	..	..	..	100	..	..

Managing Agents Managing Directors and Secretaries with their Respective address.—(Contd.)

320 F. W. J. Penn—United Breweries Ltd., Bangalore-1.	329 Sri G. D. Bhagat—15 Shri Chakur Lane Calcutta	339 M. G. Investment Corp. Ltd.—127, Mahatma Gandhi Road Fort Bombay.	348 Sahu Jain Ltd.—11, Olive Row Calcutta
321 F. O. Williams—14, Old Court House St. Calcutta	330 Maindria & Mahindra Ltd.—Gateway Building Apollo Bunder Bombay	340 K. O. Chatterjee—Travancore, Calcutta	349 Chandmull Batta—7, Canning Street, Calcutta
322 Messrs Tata Sons Ltd.—New, India dhi Rd Fort Bombay-1	331 N. U. Roy & Sons—Canning St. Calcutta	341 James Finlay & Co. Ltd.—2 Netaji Subhas Road Calcutta	350 K. E. Agarwal—Empire House, Hornby Road Fort Bombay
323 Anderson Wright & Co.—1, Wellesley Place Calcutta	332 M. P. Paspattil, 21, Ravelin Street, Fort Bombay	342 O. N. Chatterjee—2, Royal Exchange Place Calcutta	351 E. & F. (Management) Ltd.—J. K. Building, Dougall Road, Ballard Estate, Bombay
324 Rathgale & Co.—17/19 Old Court House St. Calcutta	333 Japuria Bros. Ltd.—33, Netaji Subhas Road Calcutta	343 Eastern Smelting & Refining Co., Ltd.—10, Olive Row Calcutta	352 C. G. Manant—Ewart House, Bruce Street Fort Bombay
325 John Rutherford—Blackie—Virginia House 7, Chowringhee Calcutta	334 S. & L. Latimer—2, Fairlie Place Calcutta	344 V. J. Pillani—Victoria Bunder Calcutta	353 N. K. Jha—14, Netaji Subhas Road Calcutta
326 Berwala Bros.—63 Netaji Subhas Rd., Calcutta	335 Sahu Jain Ltd.—Daimanagar, Calcutta	345 The National Tea Corporation—130, Cotton Street Calcutta	354 G. C. Kanol—P-8, Mission Row Extension Calcutta
327 Marwar Textiles (Agency) Ltd.—Waudby Road Fort Bombay	336 Fuisdas Kilchand—Scindia House, Dougall Road Bombay	346 Serhasayee Brothers (Travancore), Ltd.—Eloor Factory Alwaye	355 G. G. Robertson—16, Strand Road Calcutta
328 John Taylor & Sons—(India) Ltd.—Myra, Oorgram, South India.	337 Berwala & Co.—63 Netaji Subhas Road Calcutta	347 Associated Commercial Co. Ltd.—16/1, Harrison Road, Calcutta.	

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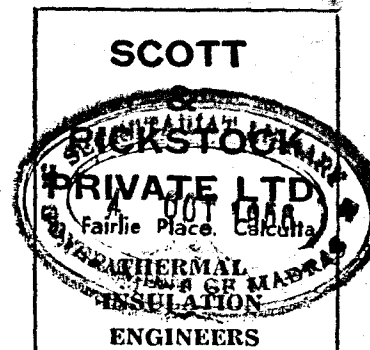
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NEW CAPITAL ISSUE PROSPECTS

DIFFICULTIES LIKELY FOR SMALLER CONCERNS

NOW the Central and State borrowing programmes have been completed, the time has come for an inspection of the list of private institutions which are planning an approach to the market. There is every sign that it is going to be a long one. Several first-class companies are known to be requiring fresh capital, both ordinary and preference, to finance their expansion schemes, and a number of old-established foreign concerns will be offering Indian participation in their ownership for the first time. In addition to these, a host of small companies whose prospects are less assured and whose names not so well-known, will be in the market with all kinds of issues. Altogether, they should constitute a tempting selection of opportunities for the person or institution with funds to spare and the desire to invest them in India's future. The question is to what extent these offers will appeal to a market which has lived through another year of the "socialist pattern"; has seen the 1948 Industrial Policy Resolution replaced by a new one; has just provided a larger sum than last year to satisfy the needs of the Union and State Governments and is, at the moment, suffering from a shortage of funds on both speculative and investment account. It would be a mistake to judge the prospects of new equity issues on the success of recent public loans. The circumstances are essentially different, even for the scrip of the really first-class companies. For the new and less-reputable concerns, the fact that government borrowing has been satisfied with comparative ease has absolutely no significance at all. This is an important matter, because these are the issues on which so much of the possibility of rapid expansion in the private sector relies.

The attractions of equity shares as a whole depend on present and future yield prospects. These vary according to industry and between good trading years and bad. Unless they can provide a reasonable average compared with that of other forms of investment, including cash and bullion, equities are unlikely to be held in preference to these other assets. A factual survey of the capital issues of the private sector published in the August issue of the *Reserve Bank of India Bulletin*, shows that average profits after tax, as a percentage of net worth, for 771 companies, over the years 1950-53 was only 7.3, and fell as low as 5.5 in 1952. After deducting the average proportion placed to reserve, this figure is seriously reduced, and when preference dividends have been paid, it is unlikely that the percentage available for distribution to the equity shareholder has been greater than five; it might well have been lower. This is not an attractive yield for equities in a developing economy. Since 1953, of course, economic progress has quickened and profits have increased. But to set against this, there is the fact that the 1956 Budget imposed additional corporate taxes, and one on bonus issues. There was probably some improvement in the prospects for ordinary shareholders in 1955. But the fact that the price index number of variable dividend industrial securities at the end of July 1956 was lower than it was in January, shows that there has been none this year. Yields rose, but investors' assessment of future prospects deteriorated in the first six months of 1956. This fact does not suggest that the new crop of capital issues will meet with a uniformly enthusiastic reception.

There will probably be little need to fear for the success of any issue made by a company of sound reputation and with a long history of profitable working. Where such concerns are planning to offer equities they can be assured of a good response although the price required may be higher than they will like to pay. There is still a firm demand for investments which have the best backing; it is the smaller companies, many of which will now be deprived of the guarantees which a sound managing agency can provide, who will have to be prepared for a struggle. The extent of their difficulties depends on a number of factors. Chief among them may be whether the particular indus-

try is in immediate danger of nationalisation. If it is, then the terms offered will have to be particularly attractive if capital requirements are to be met in full. Companies engaged in coal and mineral mining may be hard pressed to satisfy their needs. Iron and steel concerns will probably share the fortunes of the better-established companies and experience little difficulty in raising resources under the conditions the Government has laid down, although existing shareholders can expect little benefit to compensate them for the restrictions under which dividends have suffered in recent years. Cotton textile issues are likely to meet with a favourable response, especially now that changes are imminent in the Government's textile policy, but the current fortunes of the jute and tea industries are unlikely to encourage investors to put their resources into these. The most attractive issues will be those of engineering and miscellaneous concerns. These have a future assured by the continuing progress of economic development and the relative lack of interest on the part of the nationalisation enthusiasts. Their ability to find the support they need will vary according to the reputation of the company concerned and the orders it already has or can reasonably expect. But unless a concern is known to be under inefficient or disreputable management, issues in these industries are likely to be fairly well supported.

The really doubtful case is the new company whose management has not had the opportunity of proving its worth and which must obviously be

ly one-tenth of a steel plant each. The people of Kashmir, similarly, might feel that they should get at least a fraction of an oil refinery, instead of Bombay getting two whole ones. But a Government which vigorously advertises the concept of national unity would be contradicting itself if it supported economic provincialism of this kind. Yet, by attempting the dispersal of industry through the equalisation of the price of basic industrial commodities, this is precisely what it is attempting to do, although slowly and surreptitiously.

The main aim in providing iron, steel, cement and coal to everybody all over the country at the same price is to encourage people to start industries which use these materials in places where they do not at present exist. The more relevant point to examine, however, is why they do not exist there. The location of particular industries is governed by a variety of factors—political, economic, social and strategic—of which two of the most important ones are proximity to sources of raw materials, and nearness to markets. The reason, for instance, why many gentlemen from Rajasthan have jute mills in West Bengal but none in their own State, is that the eastern area of this subcontinent is the best source of the raw fibre and has convenient facilities for despatching gunnies to foreign markets. In its present mood, it would be understandable if the Production Ministry started to feel sorry for the vast majority of Indian States which do not produce jute goods and thereupon equalised the freight rates for fibre. But it would not be reasonable. On similar grounds, it would also not be reasonable to encourage the growth of engineering industries in, say, the Naga Hills, by supplying that area with subsidised coal and steel. The fact is that the coal and steel industries have been concentrated in the West Bengal-Bihar area because this region has outstanding advantages in terms of natural resources. The growth of these industries has given rise to a number of secondary activities which use their products and have chosen nearby locations in order to get them more cheaply. The growth of an industrial hinterland near the ports of Calcutta and Bombay is partly natural to conditions in which steel has had to be imported, but owes much to other circumstances as well, such as the fact that the concentration of population offers a more assured labour supply and better demand prospects.

The argument that equalising the prices of steel, cement and coal will even up the advantages of all regions in having industries which use these materials, is fundamentally unsound in the sense that it shows only one half of the picture, while completely ignoring the other. Only industries which are distant from the sources of supply of these materials, and near their consumer markets, will benefit. Those which are near these sources of supply, but distant from their own consumer markets, will lose heavily. This is not only because, under the freight pooling system, they will have to pay a higher freight on basic industrial materials than is economically necessary; it is also because they will get no relief on the freight they pay for the transport of their finished products. In sum, the tendency will be for industries to disperse away from sources of coal, steel and cement—towards their consumer markets. There is no ground here for a sweeping assertion that this will be to the good. On the contrary, there is sound reason to believe that the effects will be adverse. It is also significant to notice which areas will be the chief sufferers. West Bengal and Bihar now produce nearly all the country's steel, and about 70 percent of its coal; at the end of the second plan, they will still be producing 60 percent of the steel, and roughly the same proportion of coal.

Whatever the long-term advantages or disadvantages, the results in the short-term are likely to be damaging. The effects of pooling and equalising freights is that the nearby customers of steel, cement and coal immediately have to start paying more for these commodities. If they cannot switch to forms of transport other than the railways, the nearer they are, the more they have to pay. Since industrial expansion has taken place mainly in the regions where steel, cement and coal have been more easily available, it is clear that a vast sector of Indian industry will be affected by the higher freight rates. This will mean a rise in production costs to an extent which cannot be dismissed lightly—neither by units supplying the needs of the domestic consumer, nor by those which have large Government construction contracts to fulfil, and least of all by those which have exportable commodities to sell. This last is a point which may particularly be borne in mind while the Finance Ministry ruminates over its acute shortage of foreign exchange.

Looking at the results likely to be secured in the longer term, it is extremely doubtful whether dispersal of industry to the extent that the Production Ministry hopes for will be achieved. To begin with, entrepreneurs cannot ignore the fact that the policy is basically irrational; that being so, it would be rash to assume that it would be sustained over a long period—say, over the fifty, sixty or a hundred

years which is by no means a below-average life for an industrial unit. If it is not sustained, the new units they start will become liable to suffer sharp competitive disadvantages. Secondly, greater dispersal is likely to be secured only in the case of industries which are large users of steel, cement and coal (such as the engineering industries). With others, the sources of their more important raw materials, and suitable labour, will still be a major factor determining location. Looking at some of India's biggest industries, such as cotton textiles, jute, sugar, tea and petroleum refining, it seems extremely doubtful whether many will be inclined to move much further from where they are. The prospect that such dispersal as there may be will be limited, does not however condone the fact that it will nevertheless be lopsided. If only one cotton textile mill, or engineering concern, were to move to Cape Comorin, instead of starting in Bombay or Calcutta, it does not alter the fact that even that single move would be wrong.

The greatest deterrent to the dispersal of industry, however, is transport, and that one factor alone suggests why private, if not public, entrepreneurs, will be extremely chary of starting production in the more distant corners of the country. In general, it would not be wrong to assume that the transport of raw materials requires a good deal more carrying capacity than does the transport of finished goods. The growth in the world's tanker tonnage, partly necessitated by the shift from refined to crude oil brought about after Mossadegh's raid on the Abadan refinery, is an example of what might be necessary on the Indian railways. Before the Production Ministry proceeds with its ill-conceived scheme, and before the Railway Ministry accepts it in the satisfaction that it has no revenue to lose thereby, it would be as well to examine the transport implications closely. Mr. Lalbahadur Shastri, Railway Minister, has already declared that out of the extra railway capacity of nearly 43 million tons annually likely to be available at the end of the second plan, nearly 85 percent will be taken up by extra steel, coal and cement. It would be interesting to know whether, if the Production Ministry's scheme to equalise certain freights achieves the expected results, even the remaining 15 percent is likely to be left over for anything else.

THE WORM BEGINS TO TURN PLIGHT OF BRITAIN'S MIDDLE CLASSES

MR. HAKO L. MACMILLAN, Britain's Chancellor of the Exchequer, has said that he detests the term "middle classes". He is also suffering some embarrassment from the demands of these classes, however they may be described. Indeed, "the revolt of the middle classes" is a significant event in Britain this year. It takes various forms: apathy, if not active opposition, on the part of former Conservatives towards Conservative candidates at the polls, demands by Conservative Members of Parliament for tax-allowances on school fees, animated criticism of the Government's policies in the Conservative Press, and so on. Politically it is a revolt of Conservatives against Conservative policies (or, as the critics would say, lack of them); economically it is the cry of a large element in the community that has been squeezed first by inflation and then by the restraints that are intended to control inflation. Whether Mr. Macmillan likes the term or not, "the middle classes" have been classified by Dr. Mark Abrams, statistician and sociologist, in an analysis written for *The Sunday Times*. Dr. Abrams has shown that "the plight of the middle classes" relates to only a section of them; and he would doubtless agree that there is a section of "the working classes"—and, indeed, of "the upper classes" too—likewise afflicted.

The middle classes of 30 years ago comprised two distinct segments, upper and lower. Dr. Abrams includes in the former doctors, clergymen, higher civil servants, bankers and others in an aristocracy of finance and industry, judges, barristers, solicitors, university teachers, headmasters of public and grammar schools, and officers in the armed forces—and, of course, their families. The lower segment he identifies as: shopkeepers, small employers, elementary-school teachers, bank employees and similar "black-coated" workers, industrial technicians, the more highly-paid skilled manual workers, and factory foremen. The difference between the two groups was in their education, as well as in their functions. Now, the professional class is augmented by the better-educated sons of the lower-middle class. More significant is the emergence of a new superior middle class—the technicians, administrators, and managers, of large-scale industry and commerce, including: accountants and company secretaries, production engineers and research chemists, company directors, structural engineers, industrial designers, sales managers, advertising agents, public-relations officers, scientists, physicists, electrical engineers, marketing officers, and buyers. Dr. Abrams estimates that they outnumber the old

upper-middle class by more than two to one. It is not this new class that is kicking against the Conservative leadership. It has, indeed, many privileges—including in many cases the expense-account that can so usefully supplement a fixed salary. And, broadly speaking, the salaries of this class begin where those of the professional class end, around £2,500 a year. (It is pertinent to remark, however, that it is from this new class that high American salaries attract some of Britain's best technicians. On the other hand, while prices have approximately trebled and taxation in various forms has risen steeply, the gross incomes of the old middle classes have, approximately, only doubled since the late-1930s; and those of the upper segment have rather lagged behind those of the lower segment.)

In those prewar years professional people could save a substantial part of their income, and much of their savings was invested in Government securities. Even in terms of money, a Government stock bought in 1936, for example, shows heavy depreciation at today's values; in relation to current prices of goods the depreciation—both of capital and of income—is, of course, far worse. Some of these people bought houses as investments; but the rents that they are allowed to charge to occupiers are controlled at much less than the prewar values. Even in better times these upper-middle-class people had occasion to borrow from the banks: in present circumstances the banks' facilities could help them considerably. But these facilities are no longer available: so far from getting further advances, many middle-class people have had to repay some or all of what they have already borrowed. Just as the favoured elements in the middle classes are those related to big industry, so the favoured borrowers are big companies. There are not many alternative sources of finance; therefore, in many cases securities have been sold to cover expenses—one cause of the decline in prices of Government stocks in the past year. These are not sudden developments. The squeezing of the old middle classes has been in progress for years, during and (more noticeably) since the war. In the era of inflation and scarcity the industrial workers' bargaining-power has been strong and their incomes have approximately kept pace with the cost of living. There has been a redistribution of wealth in their favour.

When a Conservative government was put in power in 1951 the middle classes believed that this process would be reversed—that wealth would be, to some extent, redistributed again, in their favour. They were patient while the national economy was being restored to health (anyway, the Conservatives' majority in Parliament was precarious); and their patience was rewarded by the solid strengthening of the Conservative government in the elections of 1955. But more than a year has passed since then, and "the plight of the middle classes" has grown worse. The "dispossessed" feel that their champions have betrayed them. Yet the Conservative leaders are adamant. As the shortage of labour is being overcome the workers' bargaining-power is already weakening and open favouritism of the middle classes would lose the millions of working-class votes on which any government must rely. Mr. Macmillan knows that the problem of the middle classes can be solved only by stabilising the value of money and by reducing the military burden so that taxation in general can be reduced.

CURRENT COIN

Texmaco Expands and Diversifies.—There is a number of reasons why the address of Mr. K. K. Birla, chairman, at the annual general meeting of the Textile Machinery Corporation Ltd. in Calcutta on Monday is of special interest. (The address is published in full on another page of this issue of *Capital*.) The company is a young one, but an expanding unit in an expanding industry. It is diversifying its production to meet the growing demand for new engineering products, and has obtained expert foreign assistance in doing so. Last, but not least, its shares are among the most active on the Calcutta market, carrying as they do the virtues of group support and membership of the forward list. The expansion is reflected by the fact that the company's paid-up capital has been increased from Rs. 1 crore to Rs. 1.9 crores. As Mr. Birla pointed out, foreign technical know-how has been secured to produce new items of cotton spinning machinery, card clothing, jute spinning machinery, water tube boilers and sugar mill machinery. It is proposed to make all these on a fairly substantial scale. The output of ring spinning frames and spares has been raised in the cotton textile machinery division; demand has increased since the Government revised its textile policy and allowed an expansion in the cotton mills' production. Satisfactory progress has been made in the manufacture of carding engines (with Japanese collaboration); the first batch, with a few imported components, will be on the market some months hence. A sepa-

rate factory is to be established for card clothing, which will also be set up with Japanese collaboration and which will meet a fairly large proportion of the domestic demand. In the case of jute mill machinery, a start has been made with spinning frames; a few will be manufactured this year, containing some components from the collaborators in the project, Fairbairn Lawson Combe Barbour Ltd. According to Mr. Birla, the boiler and heavy engineering division is working satisfactorily; hitherto, only industrial boilers of the shell type have been made but the manufacture of water tube boilers also will start soon. To the railways, the company is supplying locomotive boilers, wagons and other equipment. The production of wagons is to be changed over from the metre gauge to the broad gauge variety during the current year. Structural steel work is being done for river valley projects and steel plants, and Dutch collaboration has been secured for manufacturing sugar mill machinery. The steel foundry division is making castings as well as ingots, and proposes shortly to install a rolling mill for rolling mild and special alloy steel sections. Mr. Birla complained of a shortage of pig iron, steel and cement; and criticised the move to sell steel and pig iron at uniform prices all over India.

Dunlop Rubber Expansion.—The Dunlop Rubber Co. (India) Ltd., has announced important extensions to its manufacturing facilities in India. The existing factory at Sahaganj near Calcutta is to be expanded to give increased output of truck and bus tyres, cycle tyres, cycle rims, general rubber goods and Dunlopillo. An entirely new plant is to be established in south India, probably near Madras, where sites are at present being surveyed. It is planned to manufacture truck, bus and cycle tyres there, principally for the needs of the south Indian market. The factory is expected to be in operation in about two years' time.

Cotton Textile Exports.—Addressing a general meeting of the All India Exporters Association recently, Mr. P. R. Ashar, President, emphasised the two main factors which have adversely affected India's textile exports—a rising trend of domestic consumption and increasing competition from its rivals. During the first six months of this year only 342 million yards were exported as against the annual target of 1,000 million yards set for the second five year plan. Mill production has increased, and to some extent so has handloom production—during the first seven months of the year mill output totalled 3,056 million yards, and the July figure of 478 million yards was a record. Handloom production has moved up from 1,200 million yards in 1952 to 1,480 million yards in 1955 and production during the first six months of 1956 was 802 million yards. But there is definite evidence that domestic consumption has been absorbing an increasingly larger proportion of this higher output. Mr. Ashar furnished some statistics of home consumption also. From 11.7 yards a head in 1951, it rose to 14.4 yards in 1952, 15 yards in 1953 and 1954 and 15.9 yards in 1955. According to the offtake figures available for the first seven months of this year, that is, taking the total supply minus exports, the per capita figure seems to have risen to 16.8 yards. Mr. Ashar doubted whether the increased excise duty would serve the purpose of discouraging domestic consumption so that more cloth might be available for export. The basic problem is that of demand exceeding supply, and the solution obviously lies in raising output in the quickest and most efficient way, which only the organised mill industry is at present equipped to undertake.

Critique of State Enterprise.—In a recent Rotary Club speech in Bombay, Mr. C. H. Bhabha made some disturbing observations on the conduct of State enterprise in this country. Open discrimination, corruption, nepotism and the traditional bureaucratic disregard for everybody except their superiors are some of the charges Mr. Bhabha has levelled against the politicians and bureaucrats who now run the large number of State business concerns. In support of each of his charges he has adduced reasonable evidence. Mr. Bhabha is a responsible industrialist who was Minister for Commerce in the first interim National Government, and, until recently, chairman of the Great Eastern Shipping Corporation, a body in which the State owns substantial interests. In these capacities Mr. Bhabha has had enough experience of the way the Government does things. In the first place, Mr. Bhabha cites the example of the new Company Act, Section 620, which vests, as an omnibus measure, powers in the Government to exempt State enterprises "from the operation of the several sections of this legislation." Private concerns are entitled to no such special treatment. Another example of such discrimination is to be observed in the operation of the rent control laws under which "public and semi-public institutions are legally entitled to charge any fantastic rentals for their properties". But private individuals have to follow the law. These legal discriminations, Mr. Bhabha rightly held, offend against the fundamentals of democratic government. Even the goal

of "a socialistic pattern of society" which may justify to some extent the discriminatory treatment in favour of State concerns, is being largely deprived of that justification because of the way in which these concerns are actually being run. Mr. Bhabha's comments on the recruitment methods were outspoken. In one instance, "in a State enterprise where there were vacancies for three or four junior officers, for which over 3,000 applications were received, wire-pulling, recommendatory letters and even semi-directives came from no less than two dozen highly-placed politicians and bureaucrats." Besides, there has been "all-too frequent interference" in the normal functioning of State concerns by politicians and their entourage "that treat these enterprises as their happy hunting ground for personal benefits and profits".

Protection of Production.—The fact that there is a tendency excessively to protect new industrial enterprises, not only those which are in actual operation, but even those which are mere projects, has lately been the subject of complaint by business men, Indian and foreign alike. Some time ago, Mr. K. G. Milne, chairman of the Bombay Electric Supply Co. Limited, spoke of the "dog-in-the-manger policy" of new domestic manufacturers who, while unable to fulfil their commitments, actually come in the way of the industry obtaining its requirements elsewhere. Even a reasonable volume of imports of such goods as transformers and meters is becoming increasingly difficult. Mr. Milne's complaint found strong support in the presidential speech of Mr. S. M. Shah, at the recent annual general meeting of the All India Importers Association. "While we are

Contents		
Dyestuffs Project Reports ..	439	
Indo-U.K. Economic Co-operation ..	439	
Uniform Coal Prices ..	425	
Heavy Chemicals Output ..	442	
U.P. Sales Tax Relief ..	443	
Prospects for N. Indian Tea ..	434	
World Bank and I.M.F. Talks ..	441	
Without Prejudice ..	428	Commodity Markets 444
Ditcher's Diary ..	429	Jute .. 445
Money ..	433	Calcutta Markets .. 446
Stocks and Shares ..	435	Plantation Topics .. 447
City Cable ..	438	Company Notices 448-50

in general agreement," said Mr. Shah "with the view that wherever indigenous production is expanding and both the price and quality are reasonably fair, the imports could profitably be curtailed. But we cannot support the imposition of restrictions on the basis of expected or anticipated production. We find near-famine conditions in respect of a number of items because the Government has imposed restrictions on imports on the basis of anticipated production, and the production did not materialise.

VICEREGAL TOURS

THE HINDU PATRIOT is of opinion that the only useful purpose which is served by gubernatorial tours is that they enable the Viceroy to make important announcements or declarations of policy. If this be so, we can only characterise them as an absolute waste of public money, and when these tours are undertaken at a time when there is serious apprehension of a widespread scarcity, we must further characterise them as a wicked and wanton waste of public money. As the *Patriot* truly says, the Viceroy is only shown the bright side of the shield, the streets through which he may pass are repaired and the houses on either side white-washed. Complimentary speeches are delivered and much money wasted on useless shows, while the Viceroy leaves the principality no wiser than he entered it. The visit of a Viceroy to native States serves no useful purpose, and means costly and lavish entertainments and the spending of large sums of money. We are thoroughly in accord with the *Hindu Patriot* and the *Indian Mirror* in saying that these visits should be discouraged, and we cannot too strongly urge upon the Viceroy that touring round India, at this time of impending famine, is very much out of place, and may be misconstrued as an utter want of sympathy with the people whom he has been temporarily called upon to govern. It is not necessary to hold a durbar to deliver speeches. Our brother Scots in Calcutta will be very glad to see His Excellency on the 30th of November, and to give him an opportunity of unburdening himself on any subject he may choose, and, if it should afterwards be found that he had been too gushing in his language or too profuse in his promises, the convenient excuse could readily be forthcoming that it was an after-dinner speech.

FROM

CAPITAL

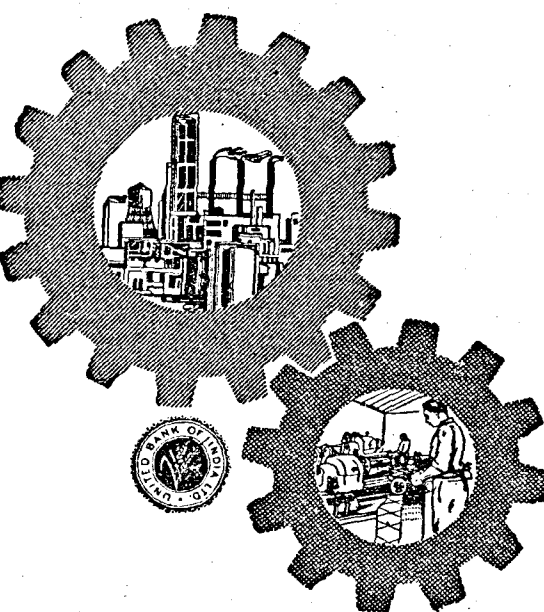
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RETURNING AN EX-CONVICT
TO PRISONSENTENCE ENHANCED IN
SPURIOUS DRUGS CASE
(FROM OUR LEGAL CORRESPONDENT)

THIS is a two-fold problem for the non-legal reader. The first part is one of law, but he should be as well able to solve it as any lawyer, depending, as it does, upon commonsense and a knowledge of the English language sufficient to interpret the ordinary plain meaning of one everyday English word and to apply that meaning to the relevant facts. The second part relates to ethics, humanity and, in particular, fair play, and one is pretty certain that the reader will go wrong on it, as the writer did and still does, notwithstanding that he has had the advantage of studying the High Court judgment upon it. On second thoughts, we will put it differently. The reader's answer, if he agrees with the writer, will be right ethically but wrong legally. We have no sympathy with the accused in the case. The peddler in spurious medicinal drugs, the non-administration of which, in genuine form, to the patients for whom they are intended, may result in their deaths, is little better than a murderer. He is, as Gajendragadkar J. observed in the Bombay High Court later, "toying with the lives of citizens." All the same, when detected and caught, he is entitled to fair play, and the question here is whether this particular peddler got it or not.

The accused was one P. K. Mancharamani, a resident of Kalyan Camp, Bombay. It appears that Inspector Chaubal of the Anti-Corruption

Branch Thana had received information that certain persons were selling spurious drugs in the market. For that reason the Inspector got in touch with a Mr. Ovalekar on 4th August, 1953, and persuaded him to act as a bogus customer. Mr. Ovalekar was given Rs. 110 by Mr. Chaubal, who on instructions purchased six dozen bottles of penicillin prepared by two well-known and entirely reputable laboratories, from the accused. These bottles were sold by the accused at Rs. 9 a dozen. The standard price was Rs. 12 to Rs. 15 a dozen. On 28th August, 1953, Mr. Ovalekar again purchased one gross bottles from the accused in Thana. The samples were then taken from these bottles and were sent to Mr. Rangnekar, a Bombay Drugs Inspector. That gentleman, merely by visual inspection, gave his opinion that the drugs were spurious. On 3rd September, 1953, Mr. Ovalekar was given Rs. 435 to purchase drugs from the accused in the presence of panchas. One of the panchas accompanied Mr. Ovalekar.

Inspector Chaubal, Mr. Rangnekar and others waited near a cinema at 11 a.m. The accused, the pancha and the bogus customer entered the Jain Hind Hotel and came out after about 30 minutes. Then a signal was made and the police stopped the accused. He was searched and marked currency notes worth Rs. 45 were found on him. The balance of Rs. 390 was with Mr. Ovalekar who also had five dozen bottles of penicillin bearing the names of two impeccable manufacturers. These drugs were sent to the chemical analyst and it was found that they were spurious. The accused was tried on two charges, the first under Section 420, Penal Code (cheating), read with Section 511, and the second for the sale of the spurious drugs knowing them to be spurious under Section 275. His defence was that although he admitted that he had sold the bottles in question to Mr. Ovalekar, he did not know that the drugs were spurious. He had, he claimed,

obtained these drugs from a person who had posed as an agent of Dumex and Glaxo Laboratories and that if he had known that they were spurious he would not have sold them. The magistrate rejected the defence, believed the prosecution evidence, and convicted the accused on both charges. For the offence under Section 420 read with Section 511, the magistrate sentenced him to 18 months' r.i. plus a fine of Rs. 500 and, in default of payment, for the offence under Section 275, the sentence was one month's rigorous imprisonment. The two sentences were to run concurrently, not consecutively. The accused appealed against both convictions.

You are now invited to consider the conviction on the first charge. Could it stand on appeal and, if not, why not? This is where your knowledge of plain ordinary English, should come in and enable you to answer the question correctly, albeit you have no legal knowledge. The whole case on the first charge depended on the meaning of one simple word; and that word is "cheat", or rather the verb "to cheat". To cheat means to deceive, to impose upon. Where was this essential element of cheating in what the accused had done? He had not deceived or imposed upon the purchaser for a single moment. Mr. Ovalekar was a bogus customer, who knew well that the drugs for which he asked and which were being sold to him were spurious drugs. He sallied forth with the deliberate object of buying spurious drugs as he had done on previous occasions and if he had been supplied with the genuine article, his whole object would have been defeated. The real deception in the case was the deception of the accused by Mr. Ovalekar and the person imposed upon was not Mr. Ovalekar by the accused but the accused by Mr. Ovalekar: quite rightly, and as it should be, of course. But, as in the accused's conduct, the essential element of cheating was lacking, the conviction on the first charge could not stand and the lower Appellate Court set it aside. The State appealed to the Bombay High Court but at the hearing, in the words of Gajendragadkar J., "did not press the appeal because on the findings of fact made by the lower Appellate Court, (the prosecution) felt that it would not be easy to persuade us to reverse the conclusion of the lower Appellate Court." So the reversal of the conviction on the more serious of the charges with the fine and substantial sentence of imprisonment was confirmed by the High Court. But the State had another card in its hand, a trump; and it proceeded to play it.

And that brings us to the second consideration, that of ethics and fair play.

A man is charged with a criminal offence. He is tried, convicted and sentenced to a term of imprisonment. He goes to jail, serves the full term, is then released and the prison gates clang behind him. He is a free man again and he has expiated his crime. Can he, months later, be sent back to jail again to serve a further term for the same offence on the sole ground that the original sentence was inadequate and should be increased? You may think, as the writer certainly does, that on the most elementary principles of fair play, equity and even strict justice, it could not be done. The man, a first offender, having served his allotted term, may have reformed; he may have secured respectable employment; he may have married; and his past, anyway, is behind him. To argue and to act otherwise, and to send him to prison again for the same offence may seem to you so astonishing as to shock the conscience. Nevertheless, that is what happened to the accused in this case. He was convicted by the magistrate for two separate offences and sentenced separately on each. He appealed. On the more serious charges he was acquitted by the Appellate Court, which, however, confirmed his conviction on the less serious charge and the sentence, which he only served.

The State appealed to the High Court challenging the correctness of the finding of the lower Appellate Court that the offence under Section 420 read with Section 511 was not proved but, as has been stated, did not press the appeal. And it will be noted that—in the words of the High Court judgment—"after the sentence of one month was imposed by the learned magistrate on the accused in regard to the offence under Section 275, no attempt was made by the prosecution to apply for the enhancement of the said sentence." Why not? It is a fair assumption that when it filed its appeal, the prosecution had not realised how remote was its chance of persuading the High Court to reverse the acquittal. The prosecution, when expectant of a reversal, would have been satisfied with the 18 months' imprisonment sentence and Rs. 500 fine being restored. When it eventually did realise the weakness of its grounds of appeal, it virtually abandoned it and the acquittal was not disturbed by the High Court. What the prosecution did—and this was its trump card—was to press for an enhancement of the sentence on the lesser charge, which sentence had already been served and the ex-convict discharged from jail. Well, learned judges have to administer the law as they find it and the application for enhancement was no doubt technically in order. The sentence on the lesser charge was certainly a lenient one even for a first offence. So the High Court enhanced the sentence from one month to the maximum sentence, six months, and issued a warrant for the arrest of the accused so that he could go back to prison and serve the additional term.

1956. A.I.R. (Bombay). (August). p.559.

I FIND from Press reports that the U.K. is being convulsed by "Rock 'n' Roll" disorders. It all started, as such things usually do, in the U.S.A. where the film *Rock Around the Clock* produced a wave of teenage musico-mania exhibiting itself through Corybantic dances, noisy singing, foot-stamping, furniture-wrecking and general violence. One is reminded of the Frank Sinatra swoon craze and the Johnny Ray tears sessions. The film, I understand, has now been withdrawn, but many are left wondering how a musical rhythm could have caused all this juvenile near-lunacy. I myself recently heard a "Rock 'n' Roll" record in a restaurant in this city, and all it did was help my dinner down. Much to my disappointment, not a single foot muscle twitched, and when I looked round to see how the rest of the people were affected, I failed to detect even the faintest ripple of excitement. Which led me to conclude that all manias—and fanaticism belongs to this family—are just passing crazes which catch on because folk have nothing more exciting to occupy their minds. Take another example, that of the religious "Rock 'n' Roll" we have just been witnessing in this country. An unwary publisher reprinted a book which has been in circulation in many countries, including this one, for over fifteen years. During all this time nobody took any particular notice of it. But as soon as the reprint appeared there were violent outbreaks of fanaticism. The book was promptly withdrawn and all sales stopped, but exhibitions of maniacal religious fury continued, creating as such things notoriously do, a vicious chain reaction. Many who took part in it had never seen a copy of the offending book and few must have had any knowledge whatsoever of the degree or kind of its offence.

It was easy to read between the lines of Mr. Nehru's speech last Sunday the anxiety he is feeling about the recent revival of communalism. And it is difficult to contradict him when he says that certain newspapers—he mentioned especially those financed by "foreign agencies"—have much to answer for. The Prime Minister is obviously considering the possibility of legal curbs on the freedom of the Press. A dismal one he appears to be finding it too, and quite rightly. I cannot remember in this diary ever having accepted a single one of the many excuses which are always being found to justify curtailing free expression, and I would shrink from doing any such thing now. But that may be because I do not have the responsibility of tackling the problem myself. I must admit, if I were Mr. Nehru I would be sorely tempted. There are times of national emergency when such expedients have to be tolerated, at least for a limited period, and if it were not that Press freedom in India is such a precious bloom, which has to be guarded carefully and continually lest it be smothered on some plausible pretext or other, I would be prepared to agree that this would be the best way out of a situation which should certainly not be allowed to continue. As it is, I feel every possible alternative ought to be tried before resorting to anything so drastic. Mr. Nehru has mentioned foreign newspapers before as being guilty of communal agitation, and has refused to name them, no doubt out of personal consideration for the safety of their staffs, quite apart from his natural reluctance to take any kind of action when a warning will do just as well. But it now seems fair to ask whether the whole of the Indian Press, and especially those newspapers—and *Capital* is one—which are neither financed by foreign agencies nor engaged in stirring up communal feeling, should continue to go in fear of their freedom and reputa-

A DITCHER'S DIARY

tions for the sake of a few disreputable and mischievous elements. Communalism is a despicable thing, but the majority of newspapers, Indian or otherwise, have no part in it and ought to be exonerated, which they would be by implication if the guilty ones were named. The danger to the spirit of Press freedom in India involved in hiding the identity of the offenders is serious enough: the risk to the general reputation of foreign newspapers in this country is infinitely worse.

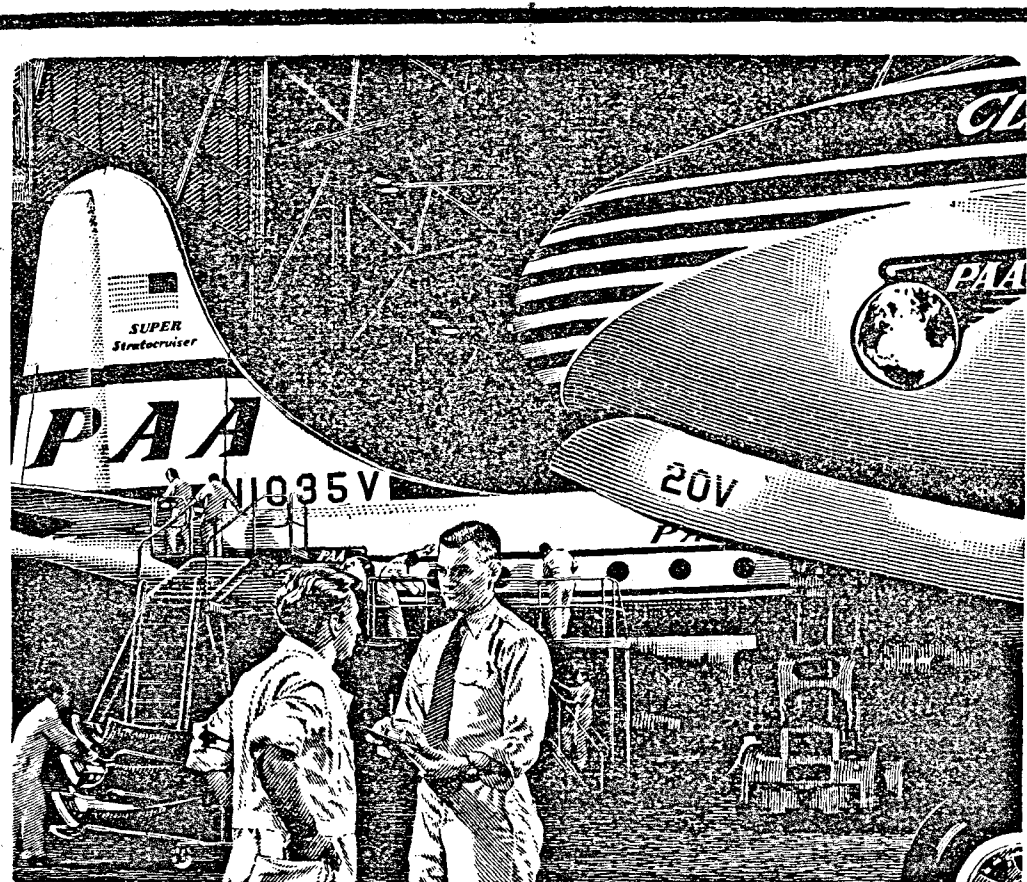
I consider it a mistake to belittle Stalin's achievements, or to deny that his ruthlessness served the Soviet Union well in a period when that quality was needed above all others. His denigration is, in my opinion, an indictment of the system which made such tyranny possible, the colleagues who slavishly obeyed his arbitrary commands and the communist parties of the world who told his lies for him. I see from the secret text of the speech given before the Party's closed session in Palghat, and now available for public scrutiny thanks to the initiative of the Democratic Research Service, that Mr. Ajoy Ghosh, General Secretary of the C.P.I., agrees with me that denouncing Stalin does not detract from Russia's very real achievements. But he does not, of course, draw the logical conclusion that the present Soviet leaders are a bunch of cowardly sycophants and the world's communist parties, including India's, a conspiracy of malevolent liars who are ready for any mischief so long as Moscow bids it. Whether Mr. Ghosh is prepared to be honest with himself or not, there must be other members of his Party who are not so sure that the excessive mental gymnastics required of the faithful can altogether be reconciled with their own self-respect—such as is left to them after imbibing communism's reason-corroding brew. That there are, is proved by another secret document, obtainable by courtesy of the same source. It points out that "the entire party is divided from top to bottom". Members are accused of "individualism, a trait that is characteristic of the petty bourgeoisie". It may be true that the C.P.I. has contrived to swallow the new Moscow line in quicker time than most of the world's communist parties. But it has obviously not done so without a good deal of gulping. The reports coming out of the Soviet Union nowadays suggest that the old order is little changed. They may be right, although I have my doubts; if it has not altered in any other way, it is surely weaker for being more divided. But international communism will never be the same again, and a good thing too.

How many, I wonder, of the countless thousands in this country who have read, and still read Edgar Wallace's stories know that the father of modern detective fiction was at one time closely associated with Lokamanya Tilak and the Indian nationalist movement? In his centenary-year life of Lokamanya Tilak, the authorised biography sponsored by the Kesari Mahatma Trust and published by John Murray of London, Mr. D. V. Tahmankar describes how these two men, so different in their background and ways, first came together. Wallace was attracted by Tilak's researches into the antiquity of the Vedas. He subsequently offered to help the Indian nationalist movement for which he worked in London and Paris during 1919. "He was", says Mr. Tahmankar, "particularly anxious

that the British people should know Tilak as he was and not as his enemies painted him—the infant terrible of Indian politics". For a short period Wallace worked as a sort of voluntary Press agent for Tilak who spent a year in England in 1918 prosecuting his famous libel case against Valentine Chirol, reorganising the London committee of the Congress Party and forming that alliance between Congress and the British Labour Party which has persisted ever since. The Delhi Congress of December 1915 elected Lokamanya Tilak, Mahatma Gandhi and Hasan Imam as delegates to present the Indian case at the Paris Peace Conference of 1919. But passports were refused by the authorities and the delegation never appeared in Paris in person. Instead, Tilak sent its representation in writing by the hand of Edgar Wallace who personally presented it to M. Georges Clemenceau and President Wilson. Wallace did not require to do this sort of thing for anything so sordid as money; *The Four Just Men* had appeared in 1905 and *Sanders of the River* in 1911 and, by the time he met Tilak, Wallace was a highly successful dramatist and novelist who had no need to supplement his income by doing courier's work. He undertook the mission because he liked Tilak.

We all know that a kiss carelessly given can sometimes cost a great deal of money. But I am sure that no unwary prospective co-respondent or unwitting candidate for breach of promise can have been more surprised at the consequences of his innocent actions than the unfortunate youth of Ahmedabad whose kiss cost him a fine of Rs. 200 under Section 294 of the Indian Penal Code. The incident took place in a public garden and was observed by a policeman who, one would have thought, could have found more serious matters on which to exercise an otherwise admirable sense of duty. It must be admitted that a good deal depends on the way a kiss is given, but the only evidence which appears to have been needed to support a charge of "obscenity" before a magistrate who proved to be equally zealous in the cause of safeguarding public morals, was simply that it occurred in public. This was also the fact which the youth and the girl concerned must have experienced the most difficulty in denying. And it is the one which, as the learned judge of the Bombay High Court who reviewed the case remarked, could convict almost every person in this country who has ever met or parted from a friend or relative in anything so public as a railway station or airport. That the affectionate pair were charged at all is bad enough, but it is surely insufferable that the magistrate should also have taken the opportunity to impose a swingeing penalty and to deliver himself of a number of "sweeping statements on the subject of morality". Now the conviction has been set aside, the law is no doubt rightly satisfied that justice has been done and its prestige upheld, but it is impossible not to reflect on the kind of thinking which wrongly condemned such an innocent act as obscene in the first place. Puritanism is on the increase in India, and it is probably no coincidence that this event took place in Bombay State from which so much of it appears to be taking its inspiration. This is only a small example of the humbug to which the private citizen can be submitted by those who like to appoint themselves custodians of his morals; it deserved the rebuke it got. Another one, I always feel, is that those who want to imbibe a little liquor should be forced to sequester themselves in special rooms like conspiring criminals in some cities.

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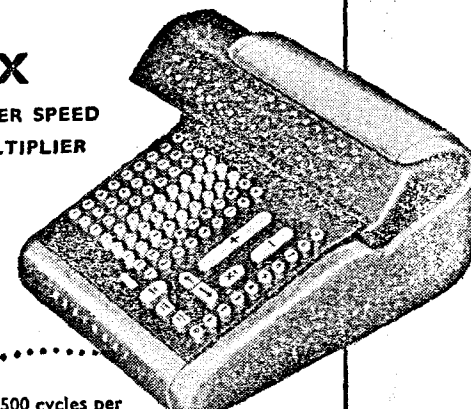
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INDO-BRITISH ECONOMIC CO-OPERATION

COLLABORATION IN VITAL FIELDS OF PRODUCTION

(This is the sixth of a series of articles written by our New Delhi correspondent on the basis of a recent tour of Europe).

THE Suez Canal dispute is unlikely to have any adverse effect on Indo-British relations, particularly on the co-operation between the two countries in the economic field. The high rate of personal taxation in India and the feeling of insecurity which has been caused by the nationalisation of life insurance, the threatened nationalisation of the anti-west campaign by the Indian Communist Party and some other left groups, have not discouraged British industrial concerns in participating in the industrial development of India.

The following examples of Indo-British collaboration have been mentioned already: (1) the steel plant in Durgapur, (2) A.E.I. and the H.E.P. scheme, (3) the A.C.C.-Vickers-B. and W. Project, (4) the manufacture of jade green dye-Project, (5) Imperial Chemical Industries and their staffs in installing a vat dyestuffs plant, (6) the Bristol engine and Folland Gnat negotiations, (7) Powell Duffryn and the lignite project, (8) Vickers' supposed interest in the projected second shipyard and (9) the automobile industry. Other examples of Indo-British collaboration which are being dealt with in the course of this article are as follows: (1) Indian Telephones Industries, (2) Hindustan Cables Limited, (3) Indian Explosives Limited, (4) Sindri Fertiliser Factory, (5) Chittaranjan Locomotive Works and (6) Hindustan Aircraft Limited.

Telephone Manufacture

A 15-year agreement was signed in 1948 between the Government of India and the Automatic Telephone and Electric Company Limited of the U.K. for the establishment of a telephone equipment factory in India. This agreement led to the formation of the Indian Telephones Limited whose factory in Bangalore is now in operation. A.T.E.C. gave general assistance in the manufacture of various items of telephone equipment including automatic exchange equipment and multi-channelled carrier equipment. They also provided facilities

for the training of factory personnel at their own establishments in the U.K.

Under an agreement signed with the Government of India in 1949, Standard Telephones and Cables Limited of the U.K. undertook to provide technical assistance in the designing, erection and running of a factory in India to manufacture paper-insulated, lead-covered and armoured telephone cable. This led to the establishment of the Hindustan Cables factory in West Bengal which is wholly owned and financed by the Central Government. The factory is designed to produce annually about 400 miles of dry-core paper insulated cables of various specifications, valued at approximately Rs. 1 crore. Production at the factory started in 1954, with the target of 104 miles for the last six months of 1954-55. Actual production was a little over 112 miles during the period. Production has been stepped up however, and was expected to reach about 510 miles of cable during 1955-56. In the course of the second plan, the Posts and Telegraphs Department has a programme to link the major cities of India by a network of underground cables. To meet this requirement, it is proposed to produce 300 miles of co-axial trunk cables a year at the factory. Plans for the manufacture of switchboards and of cables required by the Indian Telephone Industries Limited for switchboards, both automatic and manual, are under consideration.

Production of Explosives

The Government of India and Imperial Chemical Industries Limited entered into an agreement in November, 1953, for the establishment of a factory in India to manufacture commercial high explosives, including gelatine, semi-gelatine and powder types of explosives based on nitro-glycerine. A company known as Indian Explosives Limited with an authorised capital of Rs. 4 crores has been formed to undertake this project. The capacity of the proposed factory which will be situated in Gumia in Bihar will be 5,000 tons a year. When full production is reached, India will be self-sufficient in the commercial blasting explosives. The range of products requiring nitro-glycerine is constantly being extended, and as Indian Explosives Limited will profit from Imperial Chemical Industries' research and experience in this field, the high quality of the end-product will be assured; what is equally important, the country will save a considerable amount of foreign exchange, now spent on imports.

Expansion in Fertilisers

I.C.I. and another important U.K. firm, Power Gas Corporation Ltd., were closely associated with

the establishment of the Sindri fertiliser factory in Bihar. Their representatives formed the technical mission which came to India in 1944 at the invitation of the Government to advise on the best methods of expanding the fertiliser industry in the country. Later, the Government of India commissioned the Power Gas Corporation Ltd. to supply with the help of a consortium of U.K. chemical plant manufacturers, plant and machinery for the proposed factory and also to act as agents to the Government of India for their procurement and erection. It may also be added that Costain John Brown are one of the three firms that have been invited to submit project reports for the fertiliser-accum-heavy-water plant to be established in Nangal.

Three out of the nine project reports received in connection with the Government's heavy foundry scheme have come from U.K. firms. A. F. Craig Limited of Scotland are one of the three firms who have been asked to manufacture sugar machinery in collaboration with Indian associates. British firms have also shown interest in the manufacture of printing machinery in India. A scheme for the manufacture of Ferguson tractors by Standard Motor Products, Madras, was recently approved by the Government of India.

Automobiles, Cycles and Radios

Outstanding examples of British collaboration in India's automobile industry are the arrangement between the British Motor Corporation and Hindustan Motors, the Standard Motor Products of the U.K. and Standard Motor Products of India Ltd. for the manufacture of motor cars: between Leyland Motors Ltd. and Ashok-Leyland Ltd. for the manufacture of lorries and buses and between Enfield Cycles and Madras Motors Ltd. for the manufacture of motor-cycles.

Important arrangements of collaboration for the manufacture of cycles in India include the following: (1) T. I. Cycles of India Ltd. with Tube Investments of the U.K., (2) Sen-Raleigh Ltd. with the Raleigh Cycle Company of the U.K. and (3) Wearwell Cycle Company of India with the Wearwell Cycle Company of the U.K. There are reports that another prominent U.K. firm of cycle manufacturers is shortly likely to conclude arrangements for the manufacture of their machines in association with an Indian concern.

In the field of radio, the following are perhaps the more important cases of collaboration: (1) E. K. Cole Ltd. and National-E.K.C.O., (2) Bush Radio Ltd. and Modern Trading Company and (3) Murphy Radio Limited and Murphy Radio of India Limited.

British firms have also been taking a leading part in the manufacture of diesel engines in India. The following are a few examples: Frank Perkins Limited who have arrangements with Simpson and Company; Henry Meadows Limited who are collaborating with Automobile Products of India Limited; Ruston and Hornsby Limited who have arrangements with Ruston and Hornsby India Limited and Greaves Cotton; National Oil and Gas Company who have arrangements with Mahindra and Mahindra Limited. Other industries in which U.K. firms are collaborating with Indian firms include office machinery, textile machinery, jute machinery, tea and sugar machinery, road-making equipment, electrical machinery and switch gear, drugs and pharmaceuticals, chemicals, titanium pigments, boilers, steel tubes, cement glass and rayon. This list is far from being exhaustive.

Chittaranjan Locomotive Works

The Railway Board has an agreement with the North British Locomotive Company under which the British firm has been providing technical assistance in the manufacture of locomotives at the Chittaranjan loco works. The agreement not only covers the supply of components, raw materials, machine tools and other equipment, but it also covers the supply of technical personnel and designs, production and planning.

The Hindustan Aircraft Factory is jointly owned by the Central Government and the Mysore State Government. It is however under the control of the Union Ministry of Defence. Among its other activities, the factory is engaged in the assembly and manufacture of Vampire aircraft for the Indian Air Force under an agreement with De Havillands of the United Kingdom.

Atomic Reactor Construction

The United Kingdom Atomic Energy Authority activity helped the Indian Department of Atomic Energy in establishing India's first atomic reactor in Trombay. The U.K. body provided enriched uranium fuel elements for this reactor and under an agreement, reached between the two in last December, the U.K. will assist in the design and construction of a high-flux research reactor which it is proposed to build at a later date.

Some of the British firms with whom contracts have recently been placed by India include the following: (a) Babcock and Wilcox are to supply boilers to the value of Rs. 91 lakhs for the Khaperkheda Power project and boilers to the value of Rs. 22 crores for Korba power station; (b) Vulcan Foundry are to supply locomotive boilers to the value of approximately Rs. 2 lakhs for the Railway Board; (c) Orders for sugar machinery to the value of £500,000 were recently placed by Indian concerns with A. F. Craig and Company Limited, Paisley; (d) English Electric have secured orders for water turbines and alternators for Rihand. English Electric are also to supply five alternators for the Bhakra-Nangal scheme.

TEXTILE MACHINERY CORPORATION LIMITED

CHAIRMAN MR. K. K. BIRLA'S REVIEW

Speech of the Chairman, Mr. K. K. Birla delivered at the Sixteenth Annual General Meeting of the Shareholders on the 24th September, 1956.

Ladies & Gentlemen,

It gives me great pleasure to welcome you to this annual meeting of the Textile Machinery Corporation Ltd. The Directors' Report and the audited accounts and balance sheet for the year ended 31st December, 1955, are already with you and with your permission I will take them as read.

From the Directors' Report you will see that our Company has been making steady progress; we have widened the scope of our activities. Several agreements have been entered into with reputed foreign concerns by means of which we have secured technical know-how for producing certain new articles, namely, items of Cotton Spinning Machinery, Card Clothing, Jute Spinning Machinery, Tube Boilers and Sugar Mill Machinery, all of which we intend to make on a fairly substantial scale. These expansion schemes, as you may well imagine, will require additional financial outlay and for this purpose the Authorised Capital of our Company has been increased during the year from Rs. 1.5 crores to Rs. 4 crores and the Paid-up Capital from Rs. 1 crore to Rs. 1.9 crores.

In our Cotton Textile Machinery Division we have raised our output of Ring Spinning Frames and spares in order to cope with the present demand within the country. This higher demand arises out of the revised policy of the Government of India in regard to expansion of spindleage and loomage in Cotton Mills. Several mills have been permitted to expand and new mills are being set up. Installation of automatic looms has also been permitted. These are welcome signs of a change in the outlook of our national planners which the mills as well as machinery makers have been waiting for after a considerable period of stagnation. One hopes that the increase in activity this new policy has engendered will be sustained and that the Government will create the necessary conditions to make it stay. The time is now ripe for a review of the capacity existing in this country for the manufacture of Looms and Ring Frames and the capacity now being created for back processes machinery. The indigenous manufacturing interests have shown commendable speed in the past in availing themselves of opportunities for increasing their ranges of production. They have the resources and they are prepared to expand further and we hope they will.

Our Cotton Ring Spinning Frame production, as I have mentioned earlier, is on a much higher scale than hitherto. We are applying the latest methods in Production Control calculated to ensure maximum utilisation of plant capacity and economies in consumption of material. There has been a substantial improvement in the quality of our Frames. A Statistical Quality Control Unit has been started here whose work has in a very large measure helped to locate and eliminate flaws developing at the different stages of manufacture. We are glad also to note that standard specifications for component parts including those of our products are being evolved by the technical sub-committees constituted by the Indian Standards Institution.

Japanese Collaboration

Our Carding Engine production in which we are being assisted by Japanese collaborators, M/s. Howa Machinery Ltd., is progressing satisfactorily. The first batch of our Carding Engines which we hope to put on the market within a few months will have a small proportion of imported components. A year hence we expect to make complete Carding Engines in our own works.

I have already referred to Card Clothing as a new line to be undertaken by us. A separate factory has to be set up for this purpose. Our Japanese collaborators in this project, M/s. Kanai Juyo Kogyo Ltd., will soon be sending here a team of experts to help us in choosing a suitable factory site and also to install the plant. We shall have sufficient capacity installed to produce a fairly big portion of the indigenous demand for Card Clothing.

In our Jute Mill Machinery Project we have made a start on Spinning Frames. We shall be making only a few frames this year with a portion of their components made by our collaborators, M/s. Fairbairn Lawson Combe Barbour Ltd., Leeds. Side by side with this, we are planning for large scale manufacture and for progressive increases in the proportion of components to be made here.

Jute mills in the country have a big programme for rehabilitation of plant and we hope to be able to supply a fairly substantial portion of their requirements in this.

Our Boiler & Heavy Engineering Division has also been working satisfactorily. We have been making Industrial Boilers till now of the Shell Type only. We shall soon be making Water Tube Boilers also. We have entered into an agreement with Combustion Engineering Inc. of New York for technical collaboration in this project. For the Railways we are making Locomotive Boilers.

Our Wagon production is now on a sound footing. In the current year we shall be changing over from Metre Gauge to Broad Gauge Wagons. We have some capacity for Passenger Coaching Underframes too; this line will be developed after we have secured an order for this item from the Railways. There are certain other lines as well of Railway Equipment which we hope to develop by and by. The Railways have done a very useful service to manufacturing interests by opening Show Rooms displaying the goods they import. We are grateful to them and to the Railway Equipment Committee for their very many helpful suggestions.

In Structural Steel Work our Boiler & Heavy Engineering Division, encouraged by the results of its work

in fabricating the Sluice Gates for the Rupar Head Works of the Bhakra Nangal Project—the longest barrage gates in India—has now undertaken fabrication of Radial Spillway Gates for the Fanchet Hill Project of the D.V.C. In this highly specialised work we are being aided, as in the past, by M/s. Voest of Austria. Besides this, we are making structural parts for steel plants—Bustle Pipes, Hot Blast Stove Shells, Tyreer Jackets, Detarrar Casings, etc.

Sugar Mill Machinery will be an additional line of manufacture in the Boiler & Heavy Engineering Division. In this we shall work in collaboration with M/s. Stork-Works, Amsterdam, the world's foremost makers of Sugar Mill Machinery. For this and our other expansion schemes we are constructing new shops and installing additional plant.

Our Steel Foundry Division was set up with a view to achieving self-sufficiency in steel castings and mild steel and special steel sections required for our own different lines of production. We are now making castings as well as ingots. We shall shortly be installing a Rolling Mill for rolling mild and special alloy steel sections. The possibilities of further expansion are being closely watched.

Raw Material Shortage

One unsatisfactory feature about our current production and expansion plans is the shortages we now find of Pig Iron, Steel and Cement. On account of these shortages we have not been able to proceed with our work at a pace we would have liked to. We are, however, assured that these difficulties will soon be tidied over since the Government, being seized of the situation, have taken steps to import these materials on their account.

Pig Iron imported on Government account is proposed to be sold at a uniform subsidised rate on the same lines as imported Steel. As regards indigenous Steel, the advantage we had till now of cheap prices at the major ports will no longer be available to us. Indigenous Steel is now being sold at a slightly higher but uniform price at all Rail-head stations. As fairly big consumers of indigenous Steel we shall hereafter be paying more for this commodity. Since, however, this price equalisation scheme was conceived in the interests of consumers all over the country we welcome it as such. Industrial units like ours situated at or near major ports will suffer a freight disadvantage in the matter of long distance haulage of their finished products. Since they have foregone the slight advantage

they initially held in cheaper Steel we feel it is but reasonable that they get some concession in the matter of Railway-transportation costs of their goods for long distance haulage.

The shortage of trained technical personnel is another problem which we in common with all engineering concerns have to contend with at present. We need to quickly make up an adequate quota of technical personnel to man our new divisions. We have recruited and are still recruiting graduate engineers who will undergo intensive training in our different manufacturing lines. Some of the foremen and assistant foremen at present working in engineering industries have not had the advantage of a basic engineering education. They could do better by equipping themselves with the necessary theoretical background. In this connection we had some time back made a proposal to the Government of West Bengal for establishing an Institute of Engineering for training foremen. The Government have accepted this proposal and your Company has already donated a sum of Rs. 2½ lakhs towards this establishment and it will be making further donations with your approval according to necessity. This institution will impart basic theoretical and practical knowledge enough for men of the foreman category and it is hoped that our own employees along with those of other engineering concerns will derive some benefit out of it.

Government Policy

In the revised Industrial Policy Resolution of the Government of India announced this year vast reservations have been made for development exclusively by the State of certain industries. I mention specially Heavy Castings and Forgings of Iron and Steel, Heavy Plant and Machinery for the manufacture of Machine Tools and Mining and also the Machine Tool Industry as amongst the categories thus reserved. I do not feel that the reasons that have impelled the Government to reserve Iron and Steel, Mineral Oils, Shipbuilding, etc. will apply with equal force to the industries I have named. These are relatively smaller industries that private enterprise can quickly build up under the watchful eye of the State's Development Departments. For rapid development both in quantity and quality these industries would do better under conditions of free competition. At any rate, the Private Sector should not be shut out of these altogether.

But a few years back our Engineering Industries were languishing in hopes of matching their output to their installed capacities through increased output. We seem now to have got out of that rut and some of us have even had a taste of foreign markets. We now have an Engineering Export Promotion Council making surveys of export potential in overseas markets. Our country is likely to have a surplus of steel within a few years which can be utilised in making exportable goods and with our low priced steel we should be able to hold our own in the foreign markets for our wares.

Ladies & Gentlemen, before I conclude I would like to express our thanks and appreciation to the officers, members of the staff and the workers for their unremitting efforts in sustaining the progress of your Company.

The BRITISH INDIA CORPORATION Ltd.

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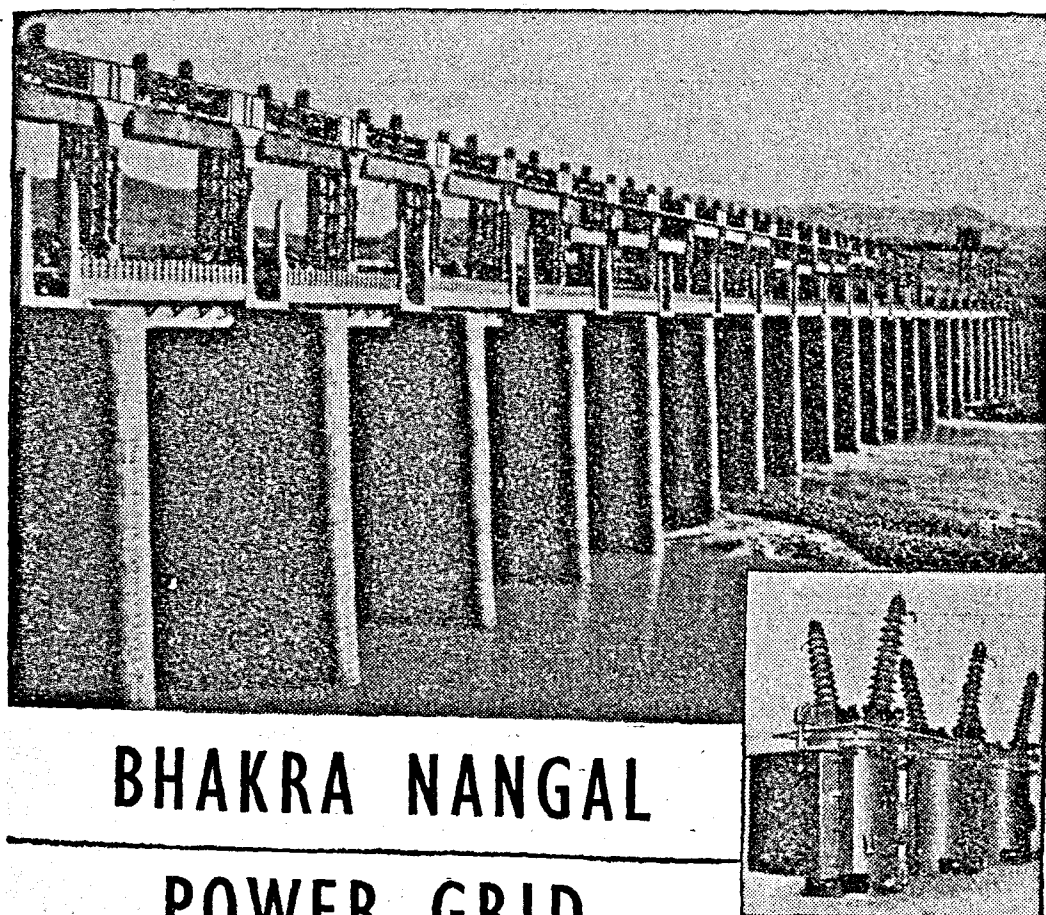
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THE 1956 NORTH INDIAN TEA SEASON

NEED TO FINISH PRODUCTION AT END OF NOVEMBER

By B. L. Lahoty

THE point has now been reached in the production of this season's tea crop when approximately half has been safely packed into its boxes. This is, therefore, an appropriate time to make a view of the prospects for the industry. From the point of view of quantity we find that the crop is nearly 23 million lbs. ahead of last year. This would indicate that if a similar increase is maintained, north India may find itself approaching 580 million lbs., which is 100 million lbs. higher than the crop of three years ago. Whether the world can absorb this increase is a matter for considerable doubt.

So far as the Calcutta auctions are concerned, only some 20 percent of this season's crop has been sold, and the already increased crop figure just undoubtedly affect adversely the sale of the remaining 80 percent, with one possible exception—that of good quality tea. It has been made abundantly clear this season that although tea in general may be in excess of world requirements, good quality tea is definitely in such short supply that buyers are willing to pay prices higher than ever before in the history of the industry for this particular category. It is, therefore, the producers of the Doars, Terai, Cachar and about half of Assam who are in danger. This could amount approximately to 3/5ths of the northern Indian industry. It seems even at this early stage that there should be agreement among producers to finish production by the end of November. This should constitute a reduction in the crop of some 15 million lbs. and it is this 15 million lbs. of tea which is, frankly, of very indifferent quality in most years. It would be much better to concentrate on old weather work in this month of December so that increased quantities of the first and second flush of next season can be made when quality teas are produced. In fact, the decision should be based on this consideration alone. In addition, it is advisable that each estate should destroy 2 percent of its production if this has not already been sold for chemical purposes. This would ensure that a large proportion of residue tea is prevented from reaching the consuming public. It would also have the benefit of reducing the crop figure by a further 10 million lbs. or so.

Turning more closely to the troubles of Common and Low-Medium producers, it is now accepted that the cost of production consequent on the recent Plantation Labour Legislation has raised levels

to something of the order of Rs. 1-12 a lb. by the time the tea has been sold in Calcutta. A little over 25 percent of this season's Calcutta sales have been sold under this price and with more tea available in the world, the prospects of selling tea at an average price above Rs. 1-12 a lb. are becoming more remote. The question, therefore, arises what can be done to save this high proportion of north Indian producers from making a loss and incurring possible bankruptcy. To start with, it may be as well to study a breakdown of the different items which go to make up the price structure of Rs. 1-12 a lb. Shown below is Case "A" of one pound of Assam tea (which district provides over 60 percent of the north Indian Crop) sold in the Calcutta auctions whose overall cost ex-warehouse Calcutta is Rs. 1-12 a pound.

ITEM	Amount Rs. a. p.	Percentage
Assam transport tax	0-1-0.0	3.57
Transport and Freight (Rs. 7-8 per md.)	0-1-6.0	5.36
Insurance (5/8 percent)	0-0-2.1	0.63
Interest at 5 percent for three months	0-0-4.2	1.25
West Bengal entry tax	0-1-0.0	3.57
Calcutta warehouse and P. C. Charges	0-0-2.3	0.68
Cess	0-0-7.7	2.29
Inspection, lotting, sampling, printing	0-0-0.84	0.25
Brokerage from Seller	0-0-3.36	1.00
Production and management expenses	1-6-9.5	81.40
	1-12	100.00

Case "B" shown below, is the breakdown of a similar pound of Assam tea placed free on board in Calcutta.

ITEM	Amount Rs. a. p.	Percentage
Assam transport tax	0-1-0.0	2.89
Transport and Freight (Rs. 7-8 per maund)	0-1-6.00	4.33
Insurance (3 percent)	0-0-2.10	0.51
Interest at 5 percent for three months	0-0-4.20	1.01
West Bengal entry tax	0-1-0.00	2.89
Calcutta warehouse and P. C. charges	0-0-2.30	0.55
Cess	0-0-7.70	1.85
Inspection, lotting, sampling, printing	0-0-0.84	0.20
Brokerage from seller	0-0-3.36	0.81
Production and management expenses	1-6-9.50	65.84
Export duty	0-6-0.00	17.34
Calcutta warehouse clearing and shipping	0-0-5.00	1.20
Commission from buyer	0-0-2.40	0.58
F.O.B. cost	2-2-7.40	100.00

(Exclusive of buyer's commission on A/c the importer).

Case "C" is another similar pound of Assam tea shown below as sold in London at the auction equivalent of Rs. 1-12 Calcutta.

	Amount (Sterling) d.	Amount Rs. a. p.	Percentage
Assam transport tax	1.13	0-1-0.00	2.69
Transport and Freight Assam-Calcutta	1.69	0-1-6.00	4.02
Interest at 5 percent for five months	0.83	0-0-8.85	1.98
Calcutta warehouse clearing and shipping	0.47	0-0-5.00	1.12
Cess	0.72	0-0-7.70	1.71
London warehouse shipping and sale charges	1.47	0-1-3.70	3.50
Freight and insurance, Calcutta-London	2.48	0-2-2.45	5.90
Export duty	6.75	0-6-0.00	16.07
Brokerage from seller	0.42	0-0-4.50	1.00
Production and management expenses	2-2-0.4	1-7-1.80	62.01
	3-6-00	2-5-4.00	100.00

In Case "A" it will be seen that no less than 9.43 percent of the cost structure goes in tax to either the State or Central Government. Case "B" is even worse and 24.97 percent goes in a similar manner. In Case "C", the percentage is 20.47 percent.

Effect on Competition

It seems inconceivable after the unhappy experiences of the jute industry, that the Government should continue to burden with taxes the country's main export. That it has handicapped it to the extent shown above, in addition to the normal tax on profits, is nothing less than sheer folly. At the present time, north India's main rival in the sale of Common tea in London is the African producer, who is not burdened by any of these taxes. In consequence, the African producer is able to land his tea in London at considerably lower cost and is in the happy position of being able to make a profit. He is, therefore, able not only to continue production but to expand it, and it is estimated that in 10 years' time, Africa's exports will go from their present figure of 50 million lbs. to 150 million lbs. Add to this the Press announcements that Argentina expects to be in a position to export 30 million lbs. of tea in 1960, while Russia plans to produce 390 million lbs. at the end of the sixth five year plan. On top of this we have increased production from Iran, Japan and China. And for full measure, the old competitors, Ceylon and Indonesia, are not going to sit still, one can be sure. These should be sobering thoughts for those who have the interests of Indian tea at heart and there cannot be any doubt that some alteration must be made to the taxation policy which is at present applied to the Indian tea industry.

The simplest method would be to remove all initial taxes, such as excise, export duty, Assam transport and West Bengal entry taxes. If this were to be done it would permit producers to make profits and it so often appears to be forgotten that when a profit has been made the Government is, of course, the main beneficiary. However, before anybody can benefit it is necessary that a profit should be made. At the moment this is in doubt for nearly 3/5ths of the industry. Once a profit has been made it would be fair to say that 2/5ths of this profit goes to the Government in tax, while 2/5ths would go to the shareholder and 1/5th would be ploughed back into the company for development purposes. It is not difficult to see that the Government also gathers a proportion of the 2/5ths that goes to the shareholder.

Another important aspect of the value of making profits is that producers can then spend money in the industries ancillary to the tea industry. Of these there are many, and they mainly concern the maintenance and improvement of the tea-producing properties. In this manner, the Government once more stands to gain since it also taxes the different ancillary industries to the same extent when they make a profit in their turn. A great deal is said in these days of "siphoning-off" or "mopping-up" excess profits. This seems to be a contradiction in terms since the tax structure of the country is so based that the bigger the profit, the greater the amount of revenue which will accrue to the Government. To "siphon off" profits at one level merely means reducing the ultimate profit or even making it impossible to earn a profit at all; the whole idea appears to spring from muddled thinking. Any denial of this would be an admission on the part of the Government that it neither believes in its own company taxation structure, nor the power of the machinery to collect the taxes properly.

The solution to the problem lies in the hands of tea producers. The Government should realise its responsibility to the tea industry. It should be made clear that only disaster can come from a policy whereby taxes, etc., are imposed on tea before or at the time of its sale or export. If the Government were patient and waited until the sales had been effected and the profits made, then it could have its share of the prosperity and of the incomes of those who either work or invest in the industry. Possibly the most important aspect of the removal of all taxes on tea is that the price of the commodity is reduced to the consumer. And one fact we know to be absolutely true, is that the lower the price of tea to the public, the greater is the quantity consumed.

Stocks and Shares

MARKET RULES QUIETLY STEADY

ISOLATED FEATURES IN ENGINEERING, CEMENT AND MISCELLANEOUS ISSUES

Wednesday Evening.

BOTH the speculative and investment sections of the Calcutta stock market have been steady this week. Indian Irons have risen from last week's clearing level of Rs. 35-3 to a maximum of Rs. 36-5. This evening's closing quotation is Rs. 36. Indian Coppers are a firm feature among speculative counters and have improved to Rs. 7-2 on the approach of the bonus issue. Other clearing shares have been well maintained. The buoyancy is largely due to rumours about an early dividend declaration for Indian Irons. The undertone of the market is now more uncertain. Operators are becoming cautious on the Bombay market's reactions to the Government's restrictions on cloth stocks. The view appears to be that this move anticipates a general policy of restrictions on wholesale and retail trading where this is considered necessary to curb inflation. The volume of business is now lower and a wave of the usual pre-Puja slackness appears to be drifting over the market.

Investment shares are fairly steady. The engineering section has been the main feature with gains recorded in a number of scrip. Miscellaneous shares too have found good support. The main reason for the bright conditions in these two sections has been better corporate news. Improved auction prices and reports of increased Russian purchases have helped tea shares and the feeling in this section has been better. Apart from Burrakurs, which have been appreciated on interested buying, coals have been neglected. Jutes have lost the interest which followed the re-sealing announcement and the better goods prices which resulted. Government securities are quiet.

Details of the week's trading follow.

The small enquiry reported for Government securities last week appears to have been satisfied and, with the exception of one or two loans, sellers predominated the market. Three percent Conversion Loan 1946-86 was one anna easier at Rs. 75-2 and Non-terminable Paper was nominally quoted at Rs. 75-4. In short-dated issues, there were buyers of 1957 at Rs. 99-12 and 3% 1958 at Rs. 99-9. Among medium-dated loans, 3% 1959-61 was quoted lower at Rs. 97-15 and both 3% 1963-65 and 1964 were marked back to Rs. 94-8; 2% 1961 was, however, in good demand at around Rs. 93-7 as was 2% 1960 at Rs. 96-6. In National Plan issues, 3% 1961 was traded at Rs. 99-2 and 3% 1964, after being asked for up to Rs. 98-9, was later on offer at Rs. 98-8-6; 3% 1965 was fully steady at around Rs. 98-8-6 and 3% 1967 was slightly better at Rs. 98-7. In the long-dated group, 3% 1966-68 turned sellers at Rs. 93-2 and 3% 1970-75 was again quoted lower at Rs. 89-7; 2% 1976 had small buyers at Rs. 83 and 3% 1974 was asked for at Rs. 98-7-6. State loans continued quiet with very little business passing.

Business in preference shares was of a nominal nature and a mere handful of shares changed hands. In the miscellaneous group, the outstanding feature was Associated Hotels, which were marked up from Rs. 79 to Rs. 90. Bathgate, done at Rs. 42-4 and Borra at Rs. 103. Calcutta Electric were marked at Rs. 15-5 and a small lot of Chrestian Mica Industries was crossed at Rs. 58. Dalmia Cement Rs. 100 paid-up was quoted at Rs. 101 and a small lot of Dunlop Rubber 2nd Preference changed hands at Rs. 91. There was a good enquiry for Indian Aluminium at Rs. 84 and business was reported in a small lot of Indian Cable shares on a filled-up deed basis at Rs. 27-12. New Victoria were transacted at Rs. 5-13, Orient Paper 1st at Rs. 99 and Rohtas Industries "B" at Rs. 604. In jute, Auckland 5% came to hand at Rs. 76 and Lawrence "B" were reported at Rs. 75. Standard Jute were sold at Rs. 84.

In the banking section, Punjab National were unchanged at Rs. 57 while United Commercial were marked down from Rs. 57-4 to Rs. 56-8. United Bank of India "D" shares changed hands at Rs. 4-8 while Hind Bank were fairly steady at Rs. 38-12.

In the railway section, two transactions were reported, namely, in Arrah-Sasaram at Rs. 71-8 and Dehri Rohtas at Rs. 13-6. Cotton shares were featureless. Elgin Mills were done at Rs. 27-9 while Kesoram were marked back from Rs. 18-5 to Rs. 17-14. New Victoria were unchanged at Rs. 2-10 as were Cawnpore Textiles at Rs. 9.

Except for Burrakur Coal, which were turned over in fair quantities at around Rs. 16, little business was reported in coal shares. Bengal were marked at Rs. 507 ex-dividend as were New Beer-bloom at Rs. 19 ex-dividend. Central India came to hand at Rs. 7-7 as did Western Bengal at Rs. 6-8. After a long lapse, Hurriladih changed hands at Rs. 23-7 and Ranegunge were done at Rs. 13-2. Rewa Coal were unchanged at Rs. 23 as were East Indian at Rs. 33-3. Equitable were marked at Rs. 29-14 x.d.

The enquiry for jute shares which followed the re-sealing of 5% of the looms appears to have fizzled out completely with business reduced to a

trickle. Here is a chart showing representative price movements:

	Opening 20-9-56 Rs.	Closing 26-9-56 Rs.
Anglo-India	192	192
Belvedere	158	158
Birla	18 4	17 14
Cheviot	191	185
Ganges	71	67
Lansdowne	105	101
National	25 6	25 5
Northbrook	26 8 x.d.	26
Union	160 x.d.	160 x.d.

Electric supply shares were subdued and only four shares were mentioned during the week under review, namely, Calcutta Electric at Rs. 13-7, Dishergarh Power at Rs. 100, Kurseong Hydro-Electric at Rs. 5-8 and Patna at Rs. 11-8.

Sugar shares followed the pattern of electric supply shares and in this section, too, only three shares were dealt in, namely Belsund at Rs. 12, Carew at Rs. 8-15 and Shree Krishna Gyanoday were crossed at Rs. 12-12.

Engineering shares provided the best section, and in most cases closing prices were higher than those prevailing at the beginning of the week, as will be seen from the following table:

	Opening 20-9-56 Rs.	Closing 26-9-56 Rs.
Burn & Co.	360	373
Indian Galvanizing	21 12	22
Indian Iron	35 5	36
Indian Standard Wagon	215	228
Jessop & Co.	37 3	37 3
Richardson & Cruddas	27 6	27 6
Textile Machinery	23 7	23 8

Paper shares were dull with India Paper Pulp quoted at Rs. 25-2 and Titaghar at Rs. 39-8. Shree

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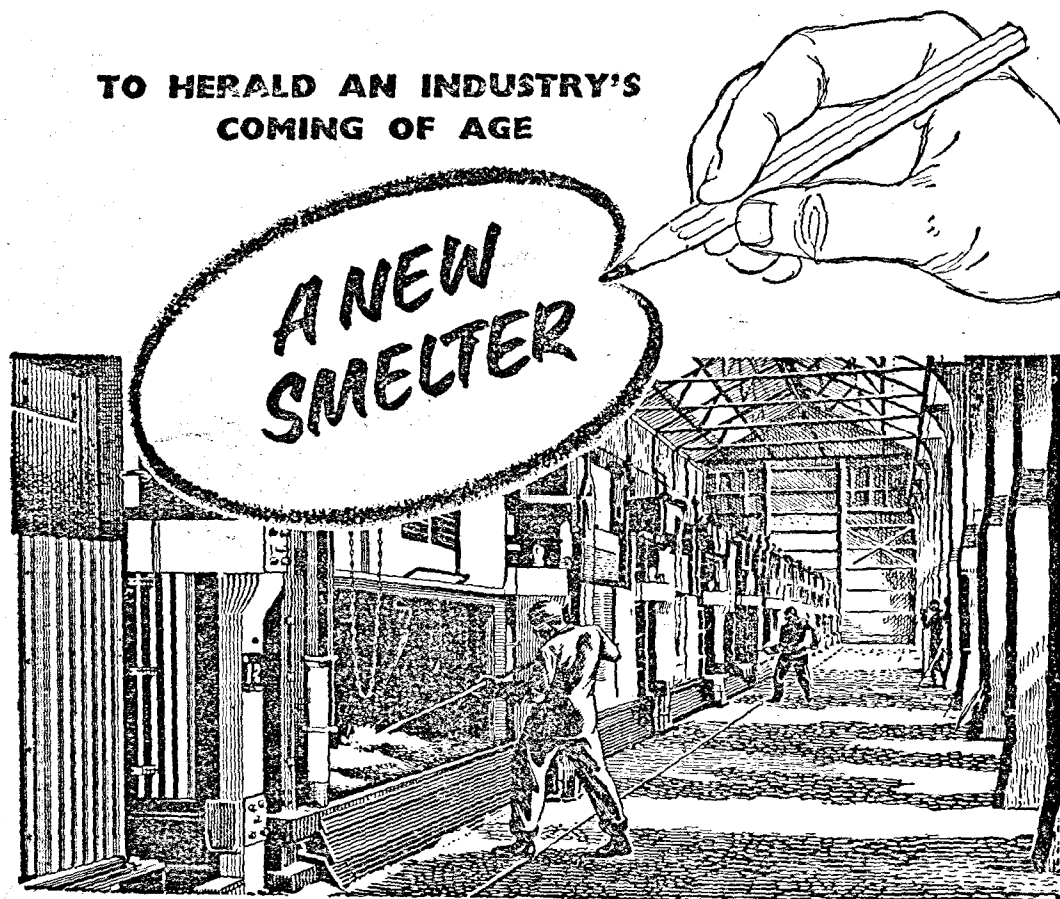
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TO HERALD AN INDUSTRY'S COMING OF AGE



NEARLY TWENTY YEARS AGO, the development of the aluminium industry in India was initiated with the help of Canadian technical and financial resources. Today this vital industry has entered a new phase of growth with Indian Aluminium Company's decision to install a new 10,000 ton smelter at Hirakud. This smelter will be India's largest and will more than double the country's production of aluminium.

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Gopal were unchanged at Rs. 18. In cement, Assam Bengal were one anna higher at Rs. 7-5 and both Ashoka and Orissa were steady at Rs. 12-6 and Rs. 13-8. Sone Valley were a good feature today, improving from Rs. 9 to Rs. 9-11.

In insurance, Concord of India were higher at Rs. 12-4 while New Asiatic were freely offered at Rs. 3-11 ex-dividend.

In shipping, India Steamship were steady at Rs. 10-9 as were Port Shipping at Rs. 17-12.

Among miscellaneous industrials, Airways (India) were done at Rs. 5-4 and Alkali & Chemical Industries were also better at Rs. 23-8. Anglo Brothers were bought on investment account at Rs. 23-4 and Bengal Flour were well maintained at Rs. 38 as a result of cornering operations. British at Rs. 23-4 and India Corporation were at Rs. 29-14. Hindunlop Rubber were neglected at Rs. 10 and Imman Motors were steady at Rs. 15-12. Imperial Tobacco were enquired for at the higher rate of Rs. 40-14 while India General Navigation were unchanged at Rs. 11-0. Indian Wood Products met with good enquiry and spurred from Rs. 43 to Rs. 48. Jardine Henderson were offered at Rs. 95 while Martin Burn were steady at Rs. 25-2. Metal Box reacted from Rs. 29 to Rs. 28-12 and National Carbon were very steady at Rs. 29-13. Rallis rose from Rs. 40-2 to 42-8. Rostas Industries were marked at Rs. 22-1 and Shaw Wallace were shaded at Rs. 13-10.

In the mining group, Indian Copper met with sustained enquiry and improved to Rs. 7-1. Other issues in this section were unchanged.

Tea shares were a slightly better market with Betan improving to Rs. 56-8 and Bishnauth New to Rs. 21-8. Bateli changed hands at Rs. 24-6 ex-dividend as did Bishnauth Old at Rs. 23 and Bor-

mah Jan at Rs. 21-15. Brahmaputra declined to Rs. 8-13 but Brooke Bond maintained Rs. 20-11. Dessai & Parbutia were done at Rs. 413 and Dibrugarh, Jutilbari and Methoni were marked at Rs. 24-8, Rs. 25 and Rs. 22-7 respectively. Tyroon were done at Rs. 297 and Hantapara and Hasimara came to business at Rs. 198 and Rs. 32 respectively. Gielle were crossed at Rs. 28-14 but Soom were Rs. 2 easier at Rs. 30. Tukvar changed hands at Rs. 12-6 and Hattikhira improved to Rs. 15-8. Dauracherra recorded Rs. 15-12 and New Samanbagh advanced by over a rupee to Rs. 19-12. Patrakola were steady at Rs. 202 as were Hansqua at Rs. 24.

The TEESTA VALLEY TEA COMPANY has made a net profit of Rs. 60,333 for the year ended last December, against Rs. 2,62 lakhs. The dividend has been cut from 40% to 15%. Renewals and additions reserve is allocated Rs. 10,000 (Rs. 1 lakh), leaving a carry-forward of Rs. 56,736 (Rs. 54,405). The crop decreased from 440,947 lbs to 370,473 lbs, and the average price fell from 48.73 annas a lb to 41.97 annas a lb. Estimates for the current year have been made for a crop of 5,000 maunds at a cost of Rs. 8.22 lakhs.

The profit of the TEZPORE TEA COMPANY amounted to Rs. 7,16 lakhs, including Rs. 59,985 brought in, for the year ended last December. The dividend has been reduced from 50% to 15%, but the ordinary capital has meanwhile been increased by a one-for-four scrip issue. The carry-forward is Rs. 55,278. The crop was 32,034 maunds and the average sale price declined from Rs. 2-6-8 a lb to Rs. 1-13-3 a lb. Estimates for 1956 have been made for a crop of 28,000 maunds at a cost of Rs. 37.48 lakhs.

May and granted substantial increases in wages. Production costs have risen sharply but controlled selling prices in West Bengal and Bihar were increased from 5th July by only Rs. 3 a ton. These developments will have an adverse effect.

Half-year ended	Raisings Tons	Despatches Tons	Coal Sales Rs.	Net Profit including Taxation Rs.	Provision for Taxes & Cesses Rs.	Dividend percent Ord.	Carried forward Rs.
West Jamuria Coal Co. Ltd.:-							
Dec./55	1,17,912	1,33,466	19,91,861	2,72,772	Nil	Nil	1,46,650
June/56	1,11,035	1,01,287	15,20,060	1,31,849	Nil	Nil	122
Dec./54	1,11,137	95,580	14,18,056	99,611	Nil	Nil	971
Hurriladih Coal Co. Ltd.:-							
Dec./55	1,12,985	1,19,796	18,22,082	2,70,524	1,35,000	12 1/2	45,985
June/56	1,22,153	1,23,632	18,22,602	2,58,582	1,00,000	12 1/2	65,461
Dec./54	1,29,489	1,36,169	19,97,539	2,13,731	80,000	10	61,879
Dhemo Main Collieries Ltd.:-							
Dec./55	1,13,751	1,21,401	19,46,447	60,039	Nil	Nil	1,83,318
June/56	1,22,177	1,26,096	19,94,734	70,801	Nil	Nil	2,43,276
Dec./54	1,12,847	1,19,769	18,97,198	1,22,925	Nil	Nil	3,14,080
Equitable Coal Co. Ltd.:-							
Dec./55	8,39,856	8,72,996	1,55,10,074	8,87,453	70,000	7 1/2	82,379
June/56	8,69,158	8,85,128	1,57,70,040	5,71,573	5,000	7 1/2	93,266
Dec./54	8,02,218	8,51,251	1,58,11,372	3,50,892	Nil	7 1/2	1,70,033

The working of the MACNEILL & BARRY GROUP of jute mills for the half-year ended last March was adversely affected by the high prices of fibre

Half-year ended	Gunny Sales Rs.	Depreciation Rs.	Reserve for Taxation Rs.	Profit including Taxation Rs.	Dividend percent P. O.	Carried forward Rs.
The Gouperore Co. Ltd.:-						
Mar./56	1,22,32,931	1,65,000	Nil	7,487	3 2 1/2	25,195
Sept./55	1,34,19,855	1,50,000	Nil	3,12,039	3 7 1/2	57,208
Mar./55	1,43,05,084	1,50,000	Nil	2,07,742	3 7 1/2	1,04,669
The Nuddea Mills Co. Ltd.:-						
Mar./56	1,06,60,776	2,16,000	Nil	4,33,000	..	17,000
Sept./55	1,07,17,041	3,50,000	Nil	3,20,482	..	58,273
Mar./55	1,11,23,471	1,09,000	Nil	7,92,066	..	45,550
The Ganges Manufacturing Co. Ltd.:-						
Mar./56	1,40,33,784	2,08,000	Nil	3,52,184	Nil	2,67,452
Sept./55	1,54,68,499	3,00,000	Nil	3,14,292	4	84,732
Mar./55	1,60,23,777	2,00,000	Nil	6,51,897	4 2 1/2	1,23,024

in relation to those of goods. Details of the accounts are reproduced below:

OPERATORS TURN CAUTIOUS IN BOMBAY DEALINGS

GOVERNMENT TEXTILE POLICY HOPES

Wednesday Evening.

THE Bombay Stock Exchange closed last week in an easier mood, and equity prices were lower on selling pressure. Operators were disinclined to extend commitments due to a number of uncertainties. The decision that mills and wholesalers will not be allowed to maintain more than one and three months' stocks, respectively, has been bearishly interpreted. There is general inclination to await further developments in Government policy about increased mill production. Fears of further credit squeeze continue to disturb sentiment. During mid-week, rumours of an increase in bank rate were circulated, but they were short-lived as it was generally believed that no such decision could take place now since the Governor of the Reserve Bank is out of the country.

Tata Steels were lowered to Rs. 199, as were Indian Iron to Rs. 35-15. Alcock Ashdown lost at Rs. 346-4 and Premier Construction changed hands at Rs. 217. Tata Locomotive were maintained around Rs. 175 in the expectation of a maiden distribution. Premier Automobiles came to hand at Rs. 105-8, while Hindustan Motors were freely offered around Rs. 9-15.

The mill section was dotted with a number of losses. Prices closed lower, and at every rise profit-taking was evident. Bombay Dyeing were done at Rs. 645, as were Century at Rs. 355. India United Ordinary changed hands at Rs. 12-9 and Simplex were transacted at Rs. 204. Svadeshi made Rs. 257, and Kohinoor Rs. 367-4. Apollo lost at Rs. 2-13-6.

Miscellaneous industrials declined in line with the rest of the market. Associated Cement were done at Rs. 203 and Digvijay Cement at Rs. 201-8. Sugar shares were quiet, with Belapur closing functionally lower at Rs. 253. Walchandnagar Industries lost at Rs. 270-10. Shipping shares were, however, steady on prospects of increased freight. India Steamship improved to Rs. 10-9, as did Great Eastern Shipping to Rs. 20-2. Scindia were absorbed at Rs. 19-3. Among mining shares, Indian Copper were steady at Rs. 7-8 on influential support, while Sivrajpur Syndicate were taken at Rs. 87-8. Bombay-Burmah came to hand at Rs. 751-4 and British India Corporation advanced to Rs. 11-7 on interested support. National Rayon were steady around Rs. 272-8 and National Carbon met with support at Rs. 29-14 on strong investment buying. Tata Chemicals were transacted at Rs. 20-4 on dividend hopes.

Business in banking shares has been restricted, with Bank of Baroda coming to hand at Rs. 100. Bank of India were done at Rs. 171. There was very little interest in the insurance section, with New India quoting lower around Rs. 44-8.

Electricity supply undertakings were steady, and Ahmedabad Electric were taken at Rs. 95-10. Andhra Valley were done around Rs. 1,223-12 and Tata Hydro at Rs. 127.

THE WEEK'S TRANSACTIONS

(In the following list of stocks and shares in which transactions have taken place during the past week the figures indicate Opening Quotations Highest for the week. Lowest for the week Closing Quotations—Quotation for the Corresponding Closing Date a Year Ago, the last named being shown in parenthesis and will not be given where such a quotation is not available.)

GOVERNMENT SECURITIES

2 1/2% U.P. Zemindary Compensation Bond (Collected) Rs. 41-8-41-8-41-41.	..	Nil	17,000
3% Loan (1966-67) Rs. 75-75-74-14-75-1-6.	..	Nil	58,273
3% " (1963-65) Rs. 94-94-94-9-94-9.	..	1	45,550
3% " (1970-75) Rs. 88-14-88-14-88-14-88-14.	..	1	..
3 1/2% " (1974) Rs. 98-7-6-98-7-6-98-7-6.	..	Nil	..
3 1/2% " (1934) Rs. 98-8-6-98-8-6-98-8-6.	..	Nil	..
3 1/2% " (1991) Rs. 99-3-99-3-99-1-99-1.	..	4	..
3 1/2% " (1965) Rs. 98-8-6-98-8-6-98-8-6.	..	Nil	..
4% U.P. (1967) Rs. 99-9-4-99-9-99-9.	..	4	..
4% West Bengal (1967) Rs. 99-14-99-14-99-14.	..	4	..
4% Loan (1969-70) Rs. 100-12-100-12-100-12-100-12.	..	4	..

BANKS

Hind—Rs. 39-4-39-4-38-12-38-12—(27-10).	..	..	..
United Commercial—Rs. 57-57-56-8-57—(47-4).	..	..	..
United Bank of India ("D" share)—Rs. 4-7-4-7-4-7—(5-1).	..	..	..
Do. ("C" share)—Rs. 8-12-8-12-8-12-8-12—(11-8).	..	..	..

RAILWAYS

Arrah Sasaram—Rs. 71-8-71-8-71-8-71-8—(75).	..	..	..
Dehri Rostas—Rs. 13-6-13-6-13-6-13-6—(14-12).	..	..	..

COTTONS

Bengal Luxmi—Rs. 40-40-40-40—(40).	..	..	..
Cawnpore Textiles—Rs. 9-1-9-2-9-9-9—(9-13).	..	..	..
Elgin—Rs. 27-9-27-11-27-9-27-11—(22-3).	..	..	..
Jaysree Textile—Rs. 7-4-7-5-7-1-7-1.	..	..	..
Kesoram—Rs. 18-6-18-10-17-13-18—(15-11).	..	..	..
New Victoria—Rs. 2-9-2-10-2-9-2-10—(1-7).	..	..	..
Do. (Pref.)—Rs. 5-13-5-13-5-13-5-13—(3).	..	..	..
Sree Radheshyam—Rs. 1-5-1-9-1-3-1-9.	..	..	..
Swadeshi (P.O.)—Rs. 12-2-12-2-12-2-12-2—(11-8).	..	..	..

COALS

Amalgamated—Rs. 23-4-23-4-23-23—(24-6).	..	..	..
Bengal—Rs. 524-524-507-6—(542).	..	..	..
Bharat—Rs. 7-8-7-8-7-6-7-7—(8-2).	..	..	..
Borrea—Rs. 24-12-24-12-24-9-24-9—(30).	..	..	..
Do. (Pref.)—Rs. 103-103-103-103—(113).	..	..	..
Burrakur—Rs. 16-16-15-10-15-12—(14-2).	..	..	..
Central India—Rs. 7-6-7-8-7-6-7-8—(7-4).	..	..	..
Churulia—Rs. 2-8-2-8-2-8-2-8—(2-14).	..	..	..
East Indian—Rs. 33-1-33-4-33-33—(30-5).	..	..	..
Ghusick & Musila—Rs. 16-16-16-16—(14-8).	..	..	..
Hurriladih—Rs. 23-7-23-7-23-6-23-6—(21-10).	..	..	..

Karanpura Collieries (Pref.)—Rs. 65-65-64-64.

New Manbhoom—Rs. 11-12-11-12-11-9-11-9—(10-7).

Rewa—Rs. 23-23-23-23-23-23—(19-8).

Ranagunge—Rs. 13-4-13-4-13-4-13-4—(12).

South Karanpura—Rs. 9-8-9-8-9-8-9-8—(12-10).

Western Bengal—Rs. 6-6-6-6-6-6-6-6—(6-5).

West Ghusick—Rs. 12-12-12-12—(12).

JUTES

Anglo-India—Rs. 191-193-191-193—(233).

Auckland (5 1/2% Pref.)—Rs. 76-76-76-76.

Birla—Rs. 18-2-18-5-17-14-18—(18-5).

Budge Budge—Rs. 136-137-136-137—(203).

Bally—Rs. 169-169-166-166—(187).

Cheviot—Rs. 185-186-186-186—(302).

Chitavalisab—Rs. 14-14-14-14-14-3—(14-12).

Chandpary—Rs. 162-162-161-161—(181).

Dalhousie—Rs. 96-96-96-96—(156-8).

Gouperore (Pref.)—Rs. 91-91-91-91.

Ganges—Rs. 67-67-67-67—(96).

Howrah—Rs. 24-10-24-10-24-8-24-9—(29-6).

Kamarhaty ("B" Ord.)—Rs. 133-133-133-133.

Kankannarh ("B" Ord.)—Rs. 95-95-95-95.

Lansdowne—Rs. 101-101-100-100—(145).

Do. (Pref.)—Rs. 98-98-98-98.

Lawrence—Rs. 107-108-107-108.

Do. ("B" Pref.)—Rs. 75-8-75-8-75-75.

National—Rs. 25-8-25-11-25-5-25-5—(33-1).

New Central—Rs. 16-15-17-16-15-15.

Northbrook—Rs. 26-6 x.d.—26-6 x.d.—26-6 x.d.—(25-12).

Do. (Pref.)—Rs. 80-80-79-8 x.d.—79-8 x.d.

Nellimaria—Rs. 12-5-12-6-12-5-12-6—(13-2).

Nuddea—Rs. 40-40-39-4-39-8—(52-4).

Reliance—Rs. 10-10-9-12-10-13—(13-1).

Rameshwara—Rs. 6-9-6-9-6-9-6-9.

Standard (Pref.)—Rs. 84-84-84-84.

Union—Rs. 160-162-160-162.

MININGS

Associated (Defd.)—Rs. 6-9-6-8-6-8-6-8.

Burma Mines—Rs. 3-2-3-2-3-1-3-2—(1-13).

Consolidated Tin—Rs. 2-6-2-6-2-2-2-6—(2-10).

Christian Mica—Rs. 17-1-17-4-17-17—(15-6).

Indian Copper—Rs. 7-7-4-6-15-7-1—(6-1).

Karanpura Development—Rs. 3-21-21-21.

Metal Corp.—Rs. 11-4-11-5-11-3-11-4—(8-9).

Do. (Defd.)—Rs. 3-13-3-13-3-13-3-13—(2-12).

Tavoy Tin—Rs. 13-15-13-14—(As. 11).

CEMENTS

Ashoka—Rs. 12-3-12-9-12-12-12-6.

Assam Bengal—Rs. 7-5-7-5-7-1-7-2—(7).

Do. (Defd.)—Rs. 1-13-1-13-1-12-1-12—(2-8).

Bengal Potteries—Rs. 3-9-3-11-3-9-3-11—(3-10).

Dalmia (Bharat)—Rs. 15-4-15-4-15-4-15-4—(15-8).

Do. (2/8 Paid)—Rs. 5-12-5-12-5-12-5-12—(4).

Do. (Pref.)—Rs. 101-101-101-101.

Orissa—Rs. 13-8-13-8-13-8-13-8.

Sone Valley—Rs. 9-1-9-12-8-15-9-12—(7-14).

CHEMICALS

Alkali & Chemical—Rs. 23-7-23-8-23-6-23-6—(20-1).

Bathgate & Co. (Pref.)—Rs. 42-4-42-4-42-4-42-4.

Bengal Chemical (Pref.)—Rs. 13-4-13-4-13-4-13-4.

ELECTRICS

Benares—Rs. 17-12-17-12-17-12-17-12—(19-8).

Calcutta—Rs. 13-7-13-8-13-5-13-8—(15-5).

Do. (Pref.)—Rs. 11-5-11-5-11-5-11-5.

Dishergarh Power—Rs. 100-100-100-100.

Kurseong Hydro—Rs. 5-8-5-8-5-8-5-8.

Patna—Rs. 11-10 S.T.—11-11-11-8-11-8—(11-1).

PRESSING

Hooghly Ganges Hydraulic—Rs. 6-12-6-13-6-12-6-13.

SAW MILL

Assam Saws—Rs. 4-8-4-8-4-8-4-8.

ENGINEERINGS

Braithwaite & Co.—Rs. 30-30-29-8-30—(26-14).

Burn & Co.—Rs. 365-372-363-372—(297).

Do. (6% Pref.)—Rs. 117-117-115-116.

Bhartha Elec. Steel—Rs. 18-3-18-2-17-12-17-12—(15-7).

Britannia Engineering (New)—Rs. 15-6-15-8-15-6-15-8.

Hooghly Docking—Rs. 142-8-142-141-142—(137).

Indian Iron—Rs. 35-5-36-2-35-5-36—(38-4).

Do. (Pref.)—Rs. 108-8-108-8-108-108—(111).

Indian Standard Wagon—Rs. 218-225-218-225—(140).

Jessop & Co.—Rs. 37-37-36-14-37-5—(53-14).

Marshall—Rs. 6-2-6-1-6-1-6-1—(7-5).

National Iron & Steel—Rs. 8-8-8-8-8-8-8-8—(6-12).

Richardson & Cruddas—Rs. 27-6-27-10-27-4-27-6.

Textile Machinery—Rs. 23-6-23-14-23-5-23-8—(25-6).

FLOUR MILL

Bengal—Rs. 37-10-38-37-9-38—(32-13).

INSURANCES

Concord of India—Rs. 12-5-12-5-12-5-12-5.

New Asiatic—Rs. 3-14-3-11-3-14—(5-14).

MISCELLANEOUS

Aluminium Corp.—Rs. 12-9-12-10-12-8-12-9—(7-9).

Do. (Defd.)—Rs. 6-3-6-5-6-3-6-5—(2-3).

Airways India—Rs. 5-4-5-4-5-4-5-4.

Assam Malt—Rs. 20-6-20-6-20-6-20-6—(19-12).

Associated Hotels—Rs. 11-11-12-11-10-12-11—(5).

Do. (Pref.)—Rs. 78-91-78-81.

Anglo Brothers—Rs. 23-4-23-4-23-1-23-1—(23-2).

Bararce Coke—Rs. 19-8-19-9-19-8-19-9—(12-4).

Bharat Commerce & Industry—Rs. 4-11-4-11-4-9-4-10.

Britannia Biscuits—Rs. 15-5-15-6-15-4-1

Our City Cable

STOCK MARKETS FAIRLY STEADY
TURNOVER STILL RESTRICTED
DUE TO SUEZ CRISIS

London, 26th September.

THE Suez Canal crisis continued to dominate the London stock markets during the past week and conditions were much the same as those prevailing in recent weeks. Prices for the most part held reasonably steady, and the general tone was not unsatisfactory. A number of good features developed following selective buying, but business as a whole was at a low level. Very quiet conditions prevailed in the gilt-edged market where prices recorded little change on balance. In the foreign section, German bonds moved somewhat irregularly while other foreign bonds and rails were subdued. Antofagasta and Costa Rica issues, however, attracted modest demand from time to time. Dollar stocks lost ground in sympathy with the steady fall in New York. Bank and insurance shares held steady to firm. The industrial market responded to a selective demand and a number of good features developed, but generally, this market was subdued and prices were little changed. Shipping shares were outstanding and recorded a widespread advance under the influence of the Suez situation. Electrical issues, by contrast, receded following Associated Electrical's half-yearly statement showing a fall in profits, and the announcement of a £14 million issue by General Electric. An all-round advance was recorded in Free Staters and other developing mines shares, while the older producers were selectively supported. Chartered

Tanganyikas and Messinas were outstanding features in a generally firm copper share market, while tin shares recorded widespread advances. Oils moved irregularly in response to various developments in the Suez situation, and generally were little changed on balance. Stimulated by recent dividend statements, rubbers advanced, while tea shares also improved on small but selective buying.

The Money Market

It has been a very difficult week in the London short loan money market. For most of the time, there has been considerable calling by both the large clearing banks and outside institutions, while very little fresh money has come into the market. Government funds were disbursed early in the week, but this did little to relieve the position and at times, discount houses were paying 5 percent and, in isolated instances, 5½ percent for tight money. On several days a number of discount houses were obliged to go direct to the Bank of England and borrow on the full Bank rate terms of 5½ percent for the week. The position eased towards the week-end, but even then, conditions could hardly be described as comfortable. The stringent credit conditions have kept bill business at a low ebb, but rates of up to 5½ percent have been paid for December dates. Following the bill tender on Friday of the past week, discount houses adjusted upward their buying rates for fine bills. Applications for £280 million worth of 91-day bills totalled £380,005,000 and were allotted at an average rate of 103s 4.86d compared with 102s 0.77d in the previous week. Offerings this week comprise £280 million worth of 91-day bills. The Bank of England return for the week ended 19th September showed that notes in circulation were about £10 million lower at around £1,882 million, and bankers' deposits were about £1 million lower at around £225 million.

Activity on Wall Street

Foreign dollar bonds were slow and featureless on Wall Street. Australian and Japanese Government issues gave a little ground, while the Union of South Africa 4½ percents added a small fraction. German Nationals were mixed with gains and losses of fractions to one point or so. Danish 4½ percents lost a major fraction under small offerings with Italians and Norwegians little changed either way. Greeks were a shade higher and Serb 7 percents moved up fractionally on improved volume of business. U. S. Government obligations extended the recent recovery with the long end of the list scoring sharpest gains in several weeks. Dealings were slow. Traders attributed the upturn to professional activity. Investment quality corporates were firm with demand centring in newer issues. Convertibles were marked down sharply in heavier dealings, in sympathy with the persistent decline in the previous week of stock market values. The hardest hit with losses of 3 to 4 points were Bethlehem Steel, Dow Chemical, General Dynamics and Radio Corporation.

U.S. Federal Reserve Return

The U.S. Federal Reserve return for the week ended 19th September shows that gold stock rose by \$1 million to \$21,884 million. Foreign deposits fell by \$21 million to \$355 million, while foreign investments declined by \$14 million to \$3,667 million. The Federal Reserve sold \$243 million worth of bills. Total discounts and advances fell by \$191 million to \$413 million, while the aggregate of excess reserves of member banks increased by \$225 million to \$519 million. The daily average excess reserves of member banks rose by \$23 million to \$735 million while their daily average borrowings fell by \$358 million to \$654 million. Business loans of the New York city banks rose by \$69 million to \$10,762 million compared with a rise of \$138 million to \$8,547 million in the corresponding period a year ago.

Vegetable Oil Market Dull

The vegetable oil market was generally dull and inactive with price changes favouring the buyer. Following the removal of export duty, offers of Indian linseed oil were at more competitive rates, but the market is currently unsettled; the quotations for forward shipments range between £116 and £123 c.i.f. However the presence of Indian offers caused some weakness in the British Standard Specification grade, and ex-tank offers were down by £2 a ton. Coconut oil lacked attention and moved lower with Straits bulk oil finally obtainable at £90 c.i.f. or possibly a shade less. Copra was also cheaper, but finally steadier at lower levels with the market narrowing. Edible oils admitted little quotable change, although the quiet business passing was mainly thought to be at discounted rates. A tender of 360 tons of South African groundnuts slackened off, although Rhodesian fair average quality was holding at £82 c.i.f. after the week-end business at £81 c.i.f. North Continent.

Poor Demand in Rubber Market

A recovery movement early in the week ended 20th September, was poorly supported, and values moved irregularly downwards. After responding to improved Eastern advices, prices advanced on some factory demand, but trading was slow for the greater part of the week. Although traders were inclined to take a less gloomy view of the Suez crisis, the situation still overshadowed the market and made business difficult by the complications of insurance and freight rate increases, and also by the scarcity of offers for shipment, especially to Mediterranean ports. Near months closed a 1d a lb. lower on the week, while 1957 positions lost about ¼th of 1d a lb. Offers of good quality sole crepe were small and commanded full recent values based on 44d a lb. for ¼th inch smooth No. 1 on the spot.

New Delhi

PROJECT REPORTS ON THE DYESTUFFS
INDUSTRYTHREE FIRMS INDICATE WAYS TO EXPAND
AND DIVERSIFY PRODUCTION

(FROM OUR NEW DELHI CORRESPONDENT)

PROJECT reports on the dyestuffs industry have been received from three firms by the Government of India and are being closely examined. The report from Montecatini of Italy is in seven volumes, that of Imperial Chemical Industries of Britain is in two volumes, and the one from Bayer of Germany is also in two volumes. There may be differences on details, but there is fundamental agreement among the three firms on the practicability of establishing a dyestuffs industry in India. Some dyes are already being manufactured here. The industry is protected. What have not so far been manufactured are the intermediates. They are connected with coal tar distillation; as such, the three steel plants in the public sector should assist in establishing a dyestuffs industry. On the assumption of what the future demand for cloth is likely to be, estimates have been made of the requirements of dyes. According to one estimate, it is necessary to manufacture 57,076 tons of 153 intermediates, as follows. Those worth producing in India are:

	Number of products	Quantity in metric tons.
1. Aromatic intermediates to be produced in central plants	97	36,311
2. Aliphatic chemicals of the C2 range to be produced in places other than central plants or dyestuff factories mentioned under (1) above	19	2,202
3. Products which may be produced in Sindri	9	3,542
4. Products of acetylene chemistry which may be produced in other suitable places	5	1,002
5. Products which may be produced in textile auxiliary factories	2	5
6. Hydrocarbons and other coal tar derivatives	18	13,340
7. Others	3	674
	153	57,076

Those not recommended for production in India are:

1. Each required in quantities of 10 tons or more a year	19	497
2. Each required in quantities less than 10 tons a year	23	78

Two Factories

For this purpose, it is stated, there should be two factories, one in Bombay State and the other in the West Bengal-Bihar area. The following intermediates are suggested for the two factories:

Central Factory 1 (Bombay area)

1. Chlorination plant	3 sets of equipment
2. Sulphonation plant	7 sets of equipment
3. Acetylation plant	6 sets of equipment
4. Alkali fusion plant	6 sets of equipment
5. Nitration plant	9 sets of equipment
6. Reduction plant	6 sets of equipment

Central Factory 2 (West Bengal-Bihar)

1. Phthalic anhydride Maleic acid	} plant
2. Alkyd resin plant	
3. Phenol/B-naphthol plant	
4. Plant for refining benzene and toluene.	

The Bombay factory, it is stated, would manufacture 90 products. The West Bengal-Bihar factory, it is suggested, would manufacture the following seven:

	Metric tons a Year
Alkyd resins	1,200
B-Naphthol	1,200
Maleic acid	800
Phenol	1,400
Phthalic acid anhydride	1,500
Refining of:	
Benzene	10,000
Toluene	1,000
	17,100

The following aliphatic products, it is suggested, should be produced in places other than these two factories:

	Metric tons a Year
Acetoacetic ester	42.8
Acetoacetic ester sodium salt	21.4
Acetone	248.6
Acetic acid	637.2
Acetic acid anhydride	269.4

Products which may be manufactured in Sindri are:

	Metric tons a Year
Formaldehyde	35.4
Formic acid	11.6
Hexamethylene tetramine	100.0
Isobutanol	23.1
Methanol	3,223.6
Oxalic acid	76.0
Oxalic acid diethyl ester	46.5
Phosgene	13.0
Urea	13.1
	3,542.3

Products of acetylene chemistry which may be manufactured in other suitable places are:

	Metric tons a Year
Calcium cyanamide	665.7
Dicyandiamide	1.2
Thiourea	153.0
n-Butanol	16.7
Vinylacetate	165.0
	1,001.6

Products which may be manufactured in textile auxiliary factories are:

	Metric tons a Year
Nekal A (Isopropyl naphthalene sulphonate)	0.6
Nekal BX (n-Butyl naphthalene sulphonate)	4.1
	4.7

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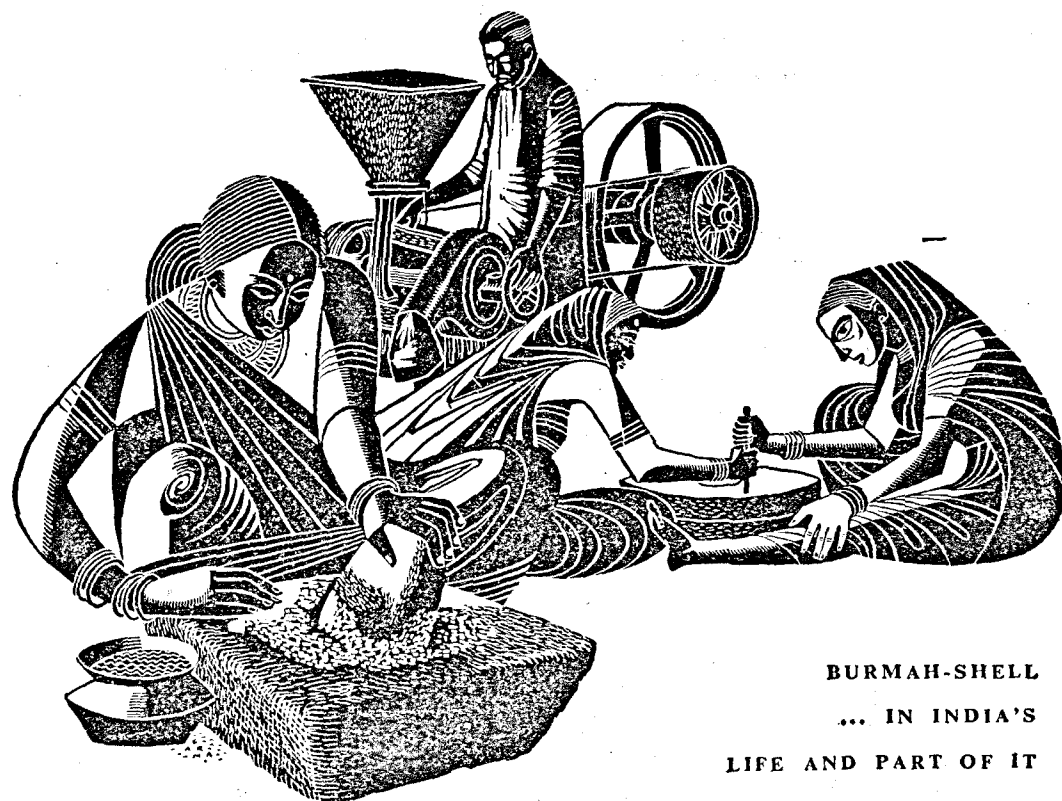
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440

Hydrocarbons and other coal tar derivatives would be:

	Metric tons a Year
Benzene, crude but already part-purified	10,000.0
Benzene-Ligroin mixture	22.4
Carbazol	2.5
o-Cresol	0.8
Ligroin	11.2
Naphtha C	1.9
Naphthalene, hot-pressed	2,444.0
Naphthalene, pure	180.0
Gamma Picoline	11.0
Piperidine	0.2
Pyridine	26.3
Pyridine II	6.5
Xylene crude	607.3
Xylene pure	16.7
Xylenol	9.3

Others, raw materials and intermediates, would be:

	Metric tons a Year
Ethanol	450.0
Glycerol	212.5
Amylose AN (modified starch)	11.2
	673.7

The manufacture of the following is not recommended because it would be too intricate and costly, and the quantity needed in India is too small.

1. Fast Blue BB Base (requirements 30 tons a year)
2. J Acid Urea (requirements, 16.3 tons a year)
3. Beta-naphthylamine (quantity required, 36.8 tons a year)
4. Diphenylether (quantity required, 34.1 tons a year)
5. Cyanuric chloride (quantity required, 10.2 tons a year)
6. Phenyl isocyanate (quantity required, 10.7 tons a year)
7. Diethyl metanilic acid (quantity required, 17 tons a year)
8. 3-Chloro-2-toluidine (quantity required, 74.6 tons a year)

According to rough estimates, each of the two factories will cost Rs. 8 crores, half of which will be needed for plant and machinery.

Surplus Labour in Ordnance Factories

The Finance Minister, Mr. T. T. Krishnamachari, discussing the question of automatic looms for the textile industry, spoke of "automation without tears". Others have now taken up the refrain by demanding "industrialisation without tears". The problem is whether this is possible, and, if so, at what cost. The long overdue retrenchment of surplus workers in ordnance factories, followed by a strike, has spotlighted the issue. The Defence Minister, Dr. K. N. Katju, made a very well-reasoned statement in Parliament on the subject. He said that there has for some time been a large and redundant labour force in the ordnance factories. The tax-payer had been paying Rs. 6 lakhs a month to maintain it in idleness. Apart

from other considerations, Dr. Katju said that this payment for idleness was demoralising the whole set-up and might have unfortunate repercussions on the defence organisation. The Prime Minister, intervening, added that everything would be done, and was being done, to find other jobs for the retrenched civil personnel of ordnance factories. Despite these appeals and assurances, many who sympathise with the surplus staff have gone on strike to coerce the Government to maintain 6,000 men in idleness at the country's expense.

The trouble-shooters, namely, the communist members of Parliament, have been raising the question of labourers working on river development projects, who should normally be retrenched after the projects have been completed. The plea is being made that they too should be kept in employment.

This affects the whole basis of labour policy. The accepted principle so far has been that a worker has a vested right in a piece of work and must go out to seek other employment after the work has been completed. An hotel, for example, is being constructed in New Delhi and an army of masons, carpenters and others now working on it will have to look for other jobs after the building has been completed. Efforts will, and should, be made to provide them with work on other projects, but to claim that they must be kept on the labour roll of the hotel even after building operations have ceased would be to propound a new law for labour in India. This is exactly what is being suggested for the ordnance factories. These 6,000 men were employed because of the war, and have continued to draw their salaries although the war ended over 11 years ago. It is argued that the men who are to be retrenched have wives and children, who would suffer if the former lost their jobs. But, firstly, the men, when taking up employment, knew that it was temporary and was only for the duration of the war. Secondly, the tax-payer, who pays to maintain them in idleness, may not be a bachelor either.

Demobilised Soldiers

In 1946, there were 12 million men in the Indian forces, as against less than a million today. Nearly 11 million men have thus been demobilised or retrenched, during the last ten years without anybody shedding a tear for them. The civilian, some say, has deprived the soldier by elbowing him out from the employment exchanges which were specially created for the latter. These men mostly came from the rural areas. The point raised here is, why was not similar sympathy shown the soldier? One reply may be that a soldier did not "create wealth" and was in the nature of a "parasite." But so are these 6,000 men from the ordnance factories. The basic fact is that a soldier who volunteers to stake his life for the country is not placed on an equal footing with the civilian. The issue raised by the strikers is of fundamental importance—whether a worker has a vested right in a job which he has entered in the clear knowledge that it is temporary and therefore terminable? Secondly, whether the policy for employment has any regard for productivity? The country cannot afford to boost employment for its own sake; it cannot have thousands of men merely digging holes and then filling them up.

Effect on Exports

The Ministries of Finance and Commerce in general, and the Finance Minister, Mr. Krishnamachari, in particular, have been greatly perturbed over the foreign exchange position. Plans to stimulate exports are being examined. These plans should take into consideration the cost of production of a commodity. This, in turn, depends on labour costs. Has any study been made about labour costs in relation to productivity in India?

The Board of Trade Journal of Britain recently published a study of the competitive strength of West German and British exports, in which it said: "Comparative labour costs per unit of output, which are what must be considered here, depend on four factors: (a) earnings; (b) paid holidays; (c) social security payments and other additions to wages; and (d) differences in productivity." Since the inauguration of the first five year plan, emphasis has often been laid on statistics. Considerable literature has been produced to show a rise in the standard of living, per capita income and so on. But there is hardly any study of comparative productivity at the beginning of the two five year plans. Such a study should help in understanding the point raised by the Defence Minister, Dr. Katju, that the productivity of permanent staff in the ordnance factories is being undermined by the large force of parasites maintained at the public expense.

In the ultimate analysis, it seems that democracy in India is fast coming to mean the rule of the nuisance potential. A soldier, for example, is not allowed to organise himself into trade unions, so he has no nuisance value. He is demobilised without tears. His civilian counterpart in the same department can organise himself, with the result that everybody from the Prime Minister downwards issues appeals and assurances that everything is being done to absorb the idlers. The case of the liquor trade further illustrates the point. Completely disregarding the unemployment aspect, and the economic consequences, prohibition is being enforced simply because men in the liquor trade are not organised. Yet, in the name of employment, crores are being spent on khadi because its advocates have a nuisance value.

Equalising Coal Prices

The Government's plan to equalise the freight structure for coal, and thereby equalise its prices,

should have far-reaching effects on the economies of certain areas in India and of their populations. Since the time of Adam Smith, the value of territorial division of labour has been recognised. The location of industries has so far been influenced by the location of raw materials in general, and of coal in particular. It is because of coal that industries have been concentrated in the West Bengal-Bihar region. With the new plan in action, it might be worthwhile setting up a steel plant in even, say, Rajasthan.

Two important issues arise. Firstly, the price of coal affects the price of all the manufactured articles which depend on coal. The Indian consumer may not count for much, but the foreign consumer does count, for he cannot be coerced into paying high and uncompetitive prices. And it is he who enables India to earn foreign exchange. Some instances can be cited. A foreigner refuses to eat Indian sugar, in spite of its sweetness, nor can he be persuaded to own an Indian-made motor-car, unless prices are reduced to competitive levels. India is already being pushed out of the world textile market by Japanese competition. The point worth considering is whether the equalisation of coal prices will add to the cost of production, particularly of exportable commodities. It may be added that if the policy of the Government is to create equality of opportunity not only for each Indian but also for each State, it should, for example, take early steps to equalise the opportunities for producing sugar in such a manner that Uttar Pradesh and Madras become equal, not in prices but in profits. As it is, it will be interpreted as a plan to lure away industries originally allocated to West Bengal and Bihar, and to deprive these two States of the chief advantages nature has given them over the others.

Talks on Plan for Next Year

The Planning Commission is formulating the 1957-58 plan, and discussions are in progress. Enquiries show that the one year plan will be based on the availability of resources, particularly foreign exchange. In the allocation of priorities, some projects may be held over and others may be slowed down. Efforts are being made to avoid non-development expenditure.

Higher Technical Institutes

The U.N.E.S.C.O.-sponsored Higher Technical Institute in Bombay will start functioning this year. Pending the construction of the Institute buildings in Bowati, near Bombay, arrangements are being made to house lecturers and install equipment somewhere else in the vicinity. The U.N.E.S.C.O. venture is being assisted by Russia. Six Russian professors, assisted by Professor Wilkins of the U.K. and Dr. W. J. Ellis, head of U.N.E.S.C.O. in India, toured the country last May and selected Bowati as the site for the Institute. Fifteen Russian professors, with their interpreters and equipment, are expected to reach India in time for the inauguration of the Institute in November.

The German Government has given the initial personnel and equipment for the third higher technical institute to be located in north India. The first institute is already functioning in Kharagpur, West Bengal. The site for the third institute is now being selected. The likely choice is Kanpur or Allahabad.

Shortage of Consumer Goods

Newsprint, paints, varnishes and rubber tyres are some of the consumer goods which are in short supply at present. Efforts are being made to stimulate their import. Such a course is not possible for cotton textiles, firstly, because of political considerations, and secondly, because of the higher prices of foreign, coarse and medium cloth. This situation, which has largely been created by the advocates of the *Ambar Charkha*, has seriously affected foreign exchange earnings. On the one hand, foreign exchange is needed to import certain categories of consumer goods which are in short supply. On the other, there has been a decline in earnings because of a decline in exports of cotton textiles. This in turn is largely due to higher home demand for cloth and to intensified Japanese competition. The Government may be driven to build a buffer stock of cotton textiles as well by creating additional spinning capacity in mills. An immediate revision of the targets for cloth production is proposed.

Australian Sheep in India

India is a possible market for 10,000 Australian Polwarth sheep. This is the estimate of Mr. S. M. Carr, stud stock expert of the New Zealand Loan and Mercantile Co. Ltd., who recently visited this country. He inspected the Polwarths sent here two years ago from the Riverina area of Australia. This original shipment of 500 sheep was made through the U.N. Food and Agriculture Organisation. The Indian Government has found the Polwarths so satisfactory that it has asked for two more shipments, states Mr. Carr. The first flock is running on good country in Kashmir, at the foot of the Himalayas. On the basis of his talks with Government officials, Mr. Carr believes that there may be a market for about 10,000 Polwarths in India. The Government is working on a sheep and wool development drive. While the wool yield of native sheep ranges from about 1 lb. to 2 lbs. a head improved varieties can yield about 6 lbs. The Polwarth, one of the few sheep breeds evolved in modern times, takes its name from the district in western Victoria where it was developed in the 1880's. It is the product of a Merino-Lincoln cross, and is a dual purpose wool-and-meat type noted for soft-handling comeback wool.

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COMMONWEALTH ECONOMIC TALKS TO FOLLOW

(FROM OUR LONDON CORRESPONDENT)

MR. MACMILLAN, the Chancellor of the Exchequer, left London by air on Thursday night for the United States, accompanied by Sir Edward Boyle, Economic Secretary to the Treasury, and a team of senior officials from the Treasury and the Bank of England. The main purpose of the trip is to attend the annual meetings of the International Monetary Fund and the World Bank, but of no less importance, and of even greater interest, will be the usual discussions which follow after these international meetings, between the Commonwealth Finance Ministers and their advisers. These usually cover a lot of ground, since they are not based on any fixed agenda, and this time will probably be even more diverse than is normal in view of the many current problems which face the Commonwealth countries in the financial and economic spheres. Mr. Macmillan will surely be called upon to explain the progress of his anti-inflationary measures, how they have been affected by the Suez situation, and especially his future intentions with regard to the credit squeeze and the repercussions thereof on the financing of development in other parts of the Commonwealth.

The disclosure that the Chancellor may be joined for the Commonwealth discussions by Mr. Peter Thorneycroft, the President of the Board of Trade, suggests that the most important of the subjects to be considered will be the British Government's attitude towards the Western European plan to form a Customs Union or a free-trade area. Continental countries have been pushing this idea vigorously of late and a working party of the O.E.E.C. will start examination next week of the details of a common market, and how the United Kingdom might be associated therewith, while the Federation of British Industries—at the request of Mr. Thorneycroft, who has been giving the whole question considerable thought recently—is finding out the views of the business world on the idea. Any British participation in such a free trade area in Western Europe, even if it were only partial, would be of considerable concern to other Commonwealth countries. They have been kept informed of developments so far, but a full exchange of views at first hand would be of greater value to all concerned.

Some "Facts" for Labour

Before he left for Washington, Mr. Macmillan took advantage of the opportunity presented by an engagement to speak to his constituents at Bromley to make a fresh and up-to-date assessment of the economic situation, and incidentally to reply to some of the criticisms of the Government's policy voiced at the Trades Union Congress. Contrary to expectations, it was not a fighting speech; indeed, it was almost conciliatory. Basically, there was no serious disagreement between him and the T.U.C. leaders on Britain's economic problems, the two main ones being the movement of labour from one job to another and of how to keep prices steady. The division came on how the second of these was to be achieved. There was a view that any appeal to commonsense or reason was foolish and that the only thing to do was to take action which would enforce it, and particularly building control and the greater use of import control. Mr. Macmillan did not reject control if they were likely to achieve results, and the crisis justified them, but he warned against unemployment and the return to rationing which would be inevitable. In support of the success of the policy the Government was following the Chancellor interspersed his speech with some interesting figures. Average take-home pay for a worker is now about 45 percent higher than in 1951. Prices have risen only about 25 percent, leaving the worker with a clear gain of over 15 percent or a rate of increase more than enough to double the ordinary man's standard of living in 25 years. Since the war, production has gone up by about 30 percent, money incomes by 90 percent, with the result that our costs of production have recently risen twice as fast as the Americans' while the Germans' have not risen at all. "At Brighton," Mr. Macmillan said, "I was criticised because I was neglecting exports. But during the first eight months of this year the value of total recorded exports was 12 percent higher than in the same period last year, the value of imports was only 1 1/2 percent higher. We have not got the export surplus we want, but we have moved a long way towards it, and there are still more jobs than there are people available. It is because we must continue this improvement that I am so anxious that we must be sensible about wages and prices."

The British Employers' Confederation, on the other hand, has come forward with an outspoken statement criticising the T.U.C. for its policy on wages and its rejection of the Chancellor of the Exchequer's plea for restraint, which it says was supported by "false" arguments and was injurious to the national economy.

August Trade Figures Reassessed

The full figures of Britain's overseas trade in August have now been made available, and they furnish an opportunity for at least a partial revision of the unfavourable impression created by the preliminary returns. Disregarding the seasonal trend and excluding the special silver shipments to the United States, the Board of Trade finds the "underlying increase" of exports in July and August together as being close on 10 percent in value and rather more than 6 percent in volume, which is more or less in line with the increase shown in the first half of this year. The August decline in exports was fairly widely spread among various types of goods, but the fall was heaviest in cars and aircraft. On the import side the increase was against the normal seasonal trend, but was more than covered by an unusually heavy arrival of oil during the month. The commodity pattern largely followed the July trend (which was relatively low). One explanation for the sharp increase in the trade gap was the fall in re-exports, which at £82 million was the lowest total since July last year.

On the basis of this reassessment the Board of Trade says the August figures do not justify any anxiety, but what is not so good is the fact that after moving in Britain's favour for three months the terms of trade in August remained steady at 97, having come back to this figure from 102 in April. Both import and export indices were unchanged at 103 and 106, respectively (1954 average = 100). Within the manufactured goods class on the export side, however, the index for engineering products rose by 2 points to 108—and this is the sphere in which we are meeting the strongest competition.

Steel Industry's Plans

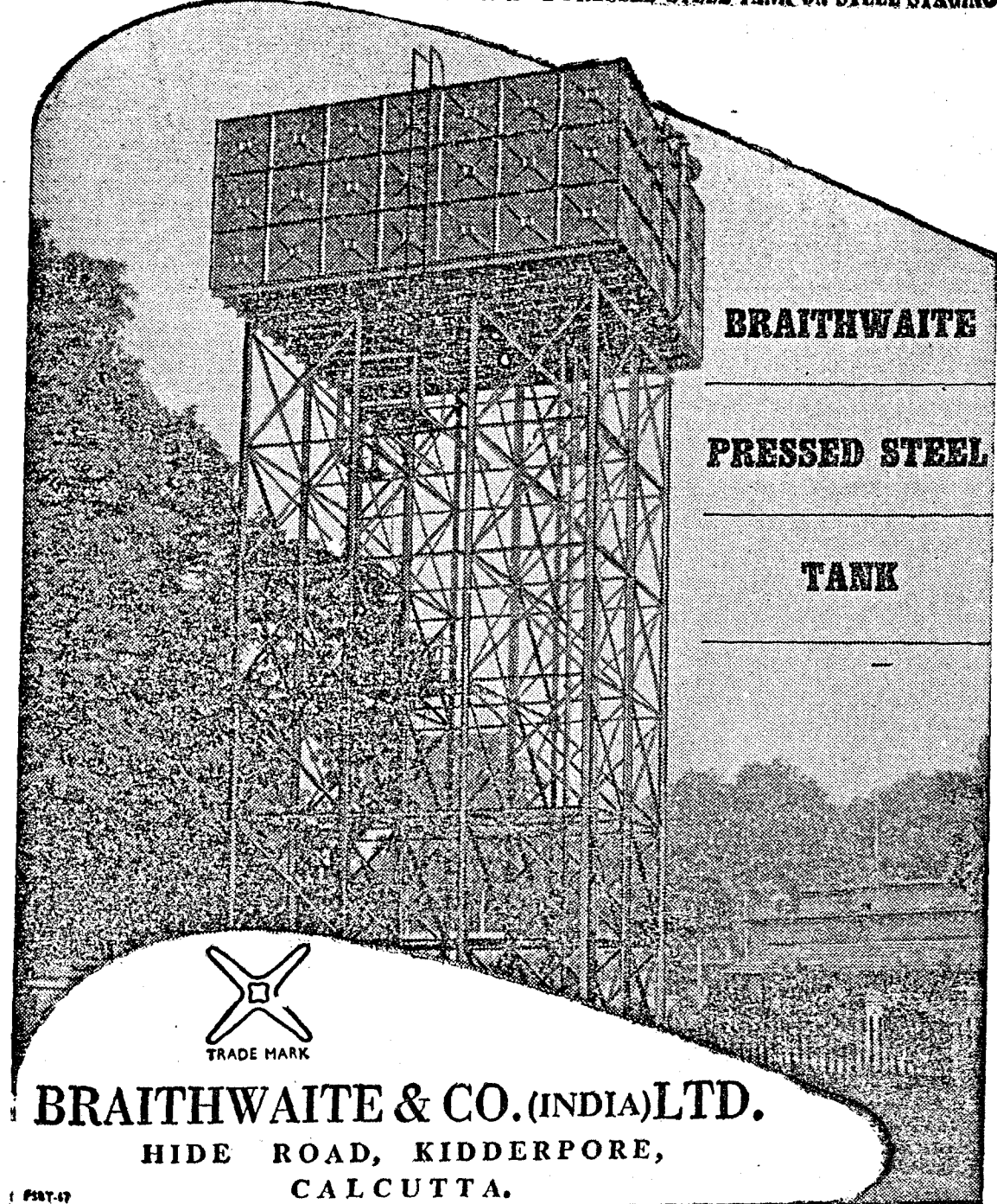
The steel industry has once again revised its expansion plans upwards, according to the annual report of the Iron and Steel Board to the President of the Board of Trade. As a result of new plant brought into operation last year it is now estimated that the steel industry has the capacity to produce 21.3 million ingot tons in 1956. The plan provided for an output of something over 22 million tons by 1958, but as a result of certain new projects and adaptations it is now thought that production in 1958 may rise to about 23.5 million ingot tons. Whether the possible output for 1956 will actually be reached depends on the effect of the ban on overtime by maintenance workers. The expansion plan had been based on the expectation that the steel demand for the manufacture of durable consumer goods (including cars) for the home market would increase by about 10 percent a year or twice as fast as the needs of the capital goods industries. But the expansion over the past two years has been much more rapid, averaging more than 20 percent a year. This exceeded all the estimates made by Government departments, by the metal-using industries themselves, by the steel industry, and by the Board. A study is now being made of the probable level of demand for steel in the early 1960s. In due course a new plan for the development of the steel industry in the years following 1958 will be drawn up. "Substantial additions" to the industry's productive capacity will become necessary again after 1958, the Board states. Some major projects which will affect the capacity after that year have already been approved since the end of 1955 or are now under consideration. The Iron and Steel Board has been told by the Government that there should be no postponement of any schemes which were essential to maintain or increase steel production. Only expenditure which had no direct bearing on production should be restrained. In fact, the capital expenditure of the steel industry is rising sharply. "From an examination recently made by the Board, investment in 1956 is likely to be substantially greater than in recent years," the report states.

India to Build Jet Aircraft and Engines

It was announced in London the other day that the Government of India has ordered 25 Folland Gnat light jet fighters and will also manufacture Gnats under licence at the works of Hindustan Aircraft Ltd., in Bangalore. Deliveries of the British-built aircraft will begin in April, and will be spread over a period of about two years. To facilitate the start of production in India, Folland will supply a number of components and detail parts and will train Indian technicians, both at the factory at Hamble, near Southampton, and in India.

The Indian Government has also signed a long-term agreement with Bristol Aero Engines Ltd., which includes authority to manufacture in India, under licence, the full range of Bristol "Orpheus" turbojet engines. The "Orpheus" will power both British-built and Indian-built Gnats. The "Orpheus" engines will be produced at what will be India's first jet engine factory, near Bangalore, where there are already facilities for the overhaul and maintenance of aircraft engines. Negotiations between the Bristol company and the Indian Government began early last year. The British Minister of Supply, Mr. Reginald Maudling, welcomed "this example of collaboration between the Government of India and Britain's aviation industry," and said that it had the full support of the British Government. He added: "India is now entering for the first time the highly specialised field of precision engineering for aviation, and the agreements mark the start of a new industry in India—gas turbine manufacture."

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Bombay

HEAVY CHEMICALS OUTPUT
MAY RISE THIS YEARASIC DEVELOPMENT PROBLEMS
(FROM OUR BOMBAY CORRESPONDENT)

THE heavy chemicals industry continues to make satisfactory progress. Preliminary estimates indicate that the final production figures at the end of this year both for soda ash and caustic soda will show an improvement over 1955. Although the monthly output with an average of 6,473 tons of soda ash so far this year indicates only a fractional increase over that for last year, industry circles here believe that barring unforeseen circumstances, production will pick up in the next few months and the 1955 total of 77,272 tons will be exceeded. The improvement in caustic soda has been more noticeable. The monthly rate of production rose from 2,854 tons last year to 3,231 tons for the first quarter of 1956, recording a net gain of 377 tons a month. An encouraging feature is that the soda ash industry has been able to reduce its cost of production. Manufacturing costs fell from Rs. 271 in 1952-1953 to Rs. 250 a ton in 1953-1954, and now it is expected that a figure of Rs. 233.31 a ton will soon be reached. These figures exclude the return on block and interest on working capital.

This is indeed a remarkable achievement considering that the raw material prices have remained static while labour costs have risen considerably. The fall is ascribed to technical improvements within the Indian industry and to the economies effected by an increase in production. It is to be hoped that foreign technical experience will be available for the country's new soda ash units envisaged under the second five year plan. The chief difficulty of course lies in designing plant. Packaged soda ash plants are just not available. Blueprints have to be specially drawn up to suit the requirements of each individual manufacturer taking into account local conditions and the quality of raw materials available. Each unit has to be designed separately because each unit is fabricated by a different engineering manufacturer. There are about nine major units manufacturing soda ash in the ammonia soda process now universally used, and balancing them presents another problem. If all the units have not been designed to work in consonance or if there is any defect in adjustment, the entire process is thrown out of gear. It is only now that the two existing plants have been able to rationalise their manufacturing equipment. These are some of the technical pitfalls which the proposed new units will have to guard against.

Expansion Plan of Tatas

It seems that further economies in the cost of production will be possible when Tata's expansion plans to increase output from 140 tons a day to 200 tons a day are complete. But equally it seems that this will be the final drop and costs will stabilise at the new level for an indefinite period. Although production is scheduled to be increased under the second five year plan, the additional quantity will be manufactured by three new plants which have yet to come into existence. The distribution of production over five plants, therefore, means that the industry will consist of medium-sized units whose production costs must remain higher than those of the large-scale units normally associated with the soda ash industry in the technologically advanced countries. It would be logical, therefore, to infer that the imported product will continue to be cheaper and the Indian industry will need to be protected for an almost indefinite period.

The present policy of medium-sized units is a sound one provided it is only an interim measure. A dispersal of the industry is necessary considering the size of the country, the distance between the present manufacturing and consuming centres, and the heavy freight charges. But demand is likely to outstrip the envisaged increased production even before the new units are commissioned. A secondary plan of expansion will, therefore, be necessary and it may then be thought appropriate to sanction extension to the units in operation rather than to set up additional plants. It should, therefore, be possible, in due course, to convert the present medium-sized industry into a large-scale industry which would compare favourably with the units installed in Britain and the United States. Meanwhile, it would be worthwhile to pay the price of protection. Another welcome development is that the new plant in Dalmianagar, which will have a rated capacity of 100 tons a day, will confine itself to the production of heavy soda ash. The demand for the grade is estimated at approximately 40,000 tons a year. Heavy ash is used by the glass and the bichromate industries. At present, the entire quantity is imported from abroad because the two units have so far concentrated on the production of light ash.

Caustic Soda Manufacture

While the soda ash industry is now set on its logical course of development, there is a complication in the case of caustic soda. The problem relates to manufacturing processes. There are two methods of producing caustic soda. The first is the electrolytic process by which a solution of brine is electrolysed which gives rise to caustic soda, chlorine and hydrogen. The second process is the causticising process by which a solution of soda ash is treated with lime and this reaction results in caustic soda and calcium carbonate. The first process is the more economical and is commonly used in the modern caustic soda industry. But a problem is posed in this country by the chlorine which is a by-product of the electrolytic

method. For every one ton of caustic soda manufactured by this process, 9/10th of a ton of chlorine is simultaneously produced. The demand for chlorine in terms of its orthodox has been estimated at 9,000 tons a year while the quantity actually generated seems astronomical in comparison. This is a serious problem, for the disposal of surplus chlorine is no easy matter.

In spite of the fact that Tatas have set up a benzene hexachloride plant which consumes an appreciable quantity of chlorine, they are still faced with the problem of a surplus. They have, therefore, been compelled to manufacture a part of their caustic soda output by the wasteful causticisation process. The same considerations apply to the new plants and at least two of the three proposed soda ash units will be compelled to reserve 50 percent of their output for conversion into caustic soda by this uneconomical method. The caustic soda industry is, therefore, faced with a serious handicap which will persist until adequate uses are found for chlorine. But it seems extraordinary that the Government should make it a condition that the new soda ash plants must divert as much as 50 percent of their output to a use which is fundamentally uneconomic. Would it not be advantageous in the long run to continue to import this additional quantity of caustic soda at a cheaper price from abroad till the chlorine problem is solved and allow the soda ash industry an unobstructed field of development? If the soda ash industry had reached a stage of overproduction, there would be a case for such a diversion, but this stage of course has not been reached.

The fact is that the development of the basic heavy chemical industry has reached a stage where it must have new outlets if it is to develop further or even consolidate its existing position. The development of consumer industries is now an urgent necessity. An extremely strong case exists for the development of the fine and intermediate chemicals industries. These fine chemicals and intermediate chemicals are needed by a number of ultimate industries which are now functioning in this country; for example, the pharmaceuticals, dyestuffs and the plastic industries which at present depend on imported intermediates. In effect, the basic industry and the ultimate industry exist, but the intermediate industry which links the two is still missing. This is a vital link without which the overall chemical industry cannot flourish. A wide and a lucrative field of development lies ahead which also offers a challenge to free enterprise.

Sharing Cloth Excise Duty Burden

The textile muddle is now becoming serious. The recent increase in the excise duty on cloth has had wide repercussions, and business conditions in the textile market remain abnormal. Ahmedabad millowners have already announced their willingness to absorb the entire increase, but the Bombay industry feels differently. The Bombay Millowners Association Committee passed a resolution urging member mills to share the burden of the increase with their respective wholesale dealers on a fifty-fifty basis provided the latter give a guarantee that no part of the increase will be passed on to the consumer. Most mills, it is reported, are willing to adopt this suggestion, but an influential section of the wholesale trade is unwilling to co-operate. The Working Committee of the Bombay Piecegoods Merchants Mahajan summoned an extraordinary general meeting at which a resolution was passed requesting the mills to bear the entire burden of the new duty or, in the alternative, to offer the merchants the option of cancelling their existing contracts. It is contended for the trade that the profit on wholesale transactions works out to a bare 2 percent on an average on the actual turnover and dealers, therefore, will have to sustain heavy losses if any part of the increased excise duty falls on them. It seems unlikely that the Bombay mills will accede to this request at the present stage in spite of the precedent set in Ahmedabad. The general feeling in mill circles here is that Ahmedabad will have to have second thoughts and sheer financial circumstances will force the mills there to reconsider their position in due course.

Meanwhile, a stalemate exists. The season has begun, but buyers are holding off their purchases till the situation clarifies. The brisk activity usually associated with this time of year is absent, and the textile trade is practically at a standstill in circumstances of accumulating stocks. The recent action of the Government in issuing a fair retail price schedule has further complicated the situation. Although this was published initially in the eastern zone of the country, it is believed that similar action and similar prices will soon be posted on an all-India basis and the Bombay mill industry has already lodged a protest with the Government on the ground that the suggested fair prices bear no relation to the realities, and are, in fact, extremely unfair. At the other end, retail establishments have openly expressed their inability to conform to this schedule and fear unnecessary friction with their customers. In computing these prices, which appear to be unreasonably low, the Government, it is presumed, has applied the Tariff Board formula of 1952, but it is not clear if it has given adequate consideration to the changed conditions of production. Irrespective of the merits of the schedule, however, it is difficult to see what useful purpose would be served by it, unsupported as it is by legal authority. The only result so far has been to create suspicion in the mind of the consumer against the retail merchant and ultimately against the mill industry.

Increase in Prices and Demand

There is no doubt that cloth prices have risen, and steeply so, in recent months, but this would

appear to be the logical consequence of a number of factors which are now in operation. Obviously, an inflationary tendency must manifest itself in a rise in the general price level, particularly of foodstuffs and cloth. A part of the increase in textile prices must, therefore, be put down to this factor. Secondly, it seems beyond doubt that the demand has risen at a faster rate than supply. Assuming an annual per capita consumption of 17 yards, the total internal offtake would be in the neighbourhood of 6,460 million yards, and if the export target of 1,000 million yards is taken into account, the overall requirement of the country must then be estimated at 7,460 million yards. Against this, the actual textile production last year, including the output of the small-scale industry, amounted to 6,847 million yards. It would, therefore, appear that there is a deficit of approximately 600 million yards. Although the production of cloth has increased and the mill output amounted to 3,056 million yards in the first seven months of this year, with July hitting a record figure of 478 million yards, the demand has also registered a further rise. Stocks with mills soon after the all-time high output of July amounted to no more than 148,678 bales, which represent only two weeks' production. In normal times, mills usually carry stocks equivalent to the output of five to six weeks. This would indicate that the pressure of demand is being well sustained. This pressure is likely to be intensified with the increase in population and with the steep up in individual expenditure due to extra second plan incomes. The laws of supply and demand will, therefore, operate in full strength. An increase in the price level will be a logical outcome of this almost unrestrained pressure.

Profits and Controls

The charge that the mills are capitalising on the present scarcity in order to make abnormal profits, ignores the fact that the cost of production has also risen in terms of increased labour charges, higher prices of raw cotton and mill stores in general. It is doubtful if the excessive profits which the Government seems so anxious to mop up do in fact exist. If this be true, then the enhanced excise duty must eventually sieve through to the consumer. Assuming that the enhanced excise duty succeeds in checking abnormal mill profits, if they exist, how would this restrain the retailer from adjusting his prices to the rising level of demand? It will merely mean that the retailer will be free to take full advantage of the situation to the exclusion of the millowner, while the consumer will be left in exactly the same position as now. The only feasible solution would seem to be the imposition of price controls at every stage. Although such a method is to be deplored because of the unwholesome practices which creep in with it, it is the only effective way of stabilising prices at a reasonable level and to curb inflationary tendencies. But before any controls are imposed, it would be necessary to conduct a thorough enquiry and to ensure that adequate allowance is made for the increased costs of production and the increases which are likely in the immediate future. The price formula would have to be linked to the cost of industrial materials index and labour earnings. It may also be worthwhile to consider the feasibility of statutorily earmarking a percentage of the mill profits for the rehabilitation of plant. Obsolete and outworn plant is a fundamental weakness of the Indian textile industry which must be removed at the earliest possible opportunity. This would seem to be a satisfactory method of financing replacements without imposing any undue burden on the industry's capital resources.

The long-term solution is not of course to increase production and this has been repeatedly pointed out by the industry in informal statements and informal approaches to the Planning Commission. But the mill industry was allowed to expand till June this year when an announcement was made permitting the installation of 14,600 new looms, but the output from these looms is to be reserved for the export market. Even if this supply were to be diverted to the home market, it would be totally inadequate to meet the situation. The wiser course would seem to be to permit expansion on a much bigger scale and to reduce the burden of responsibility proposed for the small-scale industry. Meanwhile, conditions of scarcity will continue. The mills are already working to full capacity and a third shift seems impracticable because of worker resistance and the disproportionate increase in production costs. After all, nearly 20 percent of the machinery installed in India's mills is worn out and there is a limit to the strain that can be put on it.

Indian Cotton for Lancashire

The growing importance of India as supplier of raw cotton to Lancashire is now apparent. This follows the continued drop in supplies from Egypt, and it is believed that by the end of this year, British payments to India for cotton will exceed considerably those to Egypt for the first time in history. Already the quantity of cotton received from India so far this year exceeds Egyptian supplies. According to official statistics, during the first eight months of this year, Britain imported from India 369,618 cantals worth £2,979,390, an increase of nearly 50,000 cantals and over £240,000 in value for the corresponding period of last year. During the same period, supplies from Egypt dropped in quantity from 248,862 to 185,030 cantals and in value from just over £4,500,000 to £2,986,032. In the season ended August this year, India's exports of raw cotton exceeded her imports. Exports amounted to 600,000 bales and imports to 598,030 bales as against 330,000 bales and 625,672 bales respectively in the previous season.

Uttar Pradesh

SALES TAX CONCESSIONS ON
FOOD AND CLOTHGRAIN DEALERS CRITICISE
CHANGES

(FROM OUR LUCKNOW CORRESPONDENT)

SUBSTANTIAL sales tax concessions and exemptions have been announced by the Finance Minister, Hafiz Muhammad Ibrahim, on cloth and foodgrains. Foodgrains have now been exempted from sales tax and foodgrain dealers are, instead, required to pay an exemption fee according to a slab system. At present, a dealer with a turnover of Rs. 12,000 has to pay a tax of Rs. 375. In future he will have to pay only Rs. 150 on the same turnover, the exemption fee being calculated on the basis of three pies to the rupee. The present multi-point tax on ata, suji and maida has been reduced from six pies in the rupee to three pies, single point. The maximum exemption fee payable by the foodgrain dealers has been fixed at Rs. 8,000. The U.P. Grain Dealers Association has taken a highly critical view of these changes as, in its opinion, the real purpose behind them is only to give an impression to the people that foodgrains are no longer taxed. In fact, according to a spokesman of the Association, the exemption fee will operate as a multi-point tax, because every dealer has to pay the fee which will ultimately be passed on to the consumer. He also contends that the incidence on the consumer will be nine pies in the rupee and not three pies as suggested by the Finance Minister. The grain dealers, however, are willing to accept the arrangement provided the transactions between one wholesaler and another of value ranging between Rs. 1 lakh and Rs. 8 lakhs are not included in the turnover. Otherwise, they propose to continue their agitation.

The other major concession announced by the Finance Minister relates to a 50 percent rebate on cloth imported from mills outside the State. He also told the State Legislature that eventually the sales tax on cloth would disappear when it is merged by the Centre with the excise duty. Cloth dealers too are not satisfied with the concession for two reasons. Firstly, the rebate does not apply to cloth manufactured in U.P. itself. And secondly, it makes no change in the rate of sales tax on cloth in U.P. which is fixed at one anna in the rupee compared with three pies and six pies in the rupee in neighbouring States like Rajasthan, Madhya Bharat, Punjab and Delhi. Relief to cloth dealers, however, has been given in another way by major reductions in the license fee payable by them. The drop in annual income to the exchequer on these concessions is estimated at Rs. 20 lakhs.

Electricity in U.P.

The U.P. Electricity (Temporary Powers of Control) Act has been given a further lease of life for two years. Uttar Pradesh has not set up an Electricity Board as required under the Central Act of 1948, but an undertaking has been given by the Government that the Board will be brought into being in the financial year 1957-58. For some time past, it has been stated, the Government has been experiencing difficulties in dealing with situations caused by the failure of licensees to discharge fully the obligations imposed on them by the terms of their licenses. According to the Minister for Power, the Government has also been receiving complaints of inefficiency of staff, irregular supply of energy, and threats of closure of power houses for one reason or the other. The Government has now taken powers to deal with such situations by incorporating in the State Act, Section 4 of the Indian Electricity Act, 1910.

Having abolished the zamindari system in the rural areas in one of the most extensive land reform measures to be undertaken in any State since Independence, the U.P. Government is now pushing through a Bill for similar abolition of intermediaries in urban areas. Against the Rs. 137 crores which had to be paid as compensation to the dispossessed zamindars in the rural areas, it is estimated that the sum payable to urban zamindars as compensation will be Rs. 2 crores. A Bill introduced in the Legislature in this connection last week provides that compensation up to Rs. 50 would be payable in cash and the rest in bonds. The measure would affect about 15 million acres of agricultural land out of a total of about 45 million acres throughout the State. The number of urban zamindars who will be affected is placed at 145,448. The Bill does not take into account uncultivable land in the urban areas as the price of such land varies from town to town and it is difficult to fix the rate of compensation. The compensation to which an urban zamindar would be entitled is fixed at a flat rate of 16 times his net assets instead of on a sliding scale, as under the Act for rural areas. The Bill does not seek to interfere with possession or rights in unoccupied areas. In order to obviate hardship to lessees who had taken out leases on land for building purposes but have let it out temporarily for cultivation, it has been provided in the Bill that such lessees will be able to oust their sub-tenants and utilise the land for building purposes.

Rationalisation in Kanpur Mills

The Kanpur Textiles Mills Rationalisation Inquiry Committee, appointed under the Chairmanship of Mr. Justice Bind Basni Prasad has

year, has signed its report and submitted it to the Government. The report, it is understood, runs into 500 pages and there are appendices and a note of dissent which runs into another 300 pages. It is believed that on two-thirds of the recommendations there has been unanimity among the members. Mr. Bagla of the Swadeshi Cotton Mills and Mr. Bell of the Elgin Mills represented the employers on the Committee while labour was represented by Mr. Ganesh Dutt Bajpai of the Suti Mill Mazdoor Sabha and Mr. Kashinath Pandey of the I.N.T.U.C. Four experts also worked with the Committee. The report deals with three categories of workers—spinners, weavers and doffers and clerks. These categories constitute 48 percent of the labour in the seven mills covered by the report. According to Mr. Bind Basni Prasad, the report should pave the way for rationalisation among other categories of workers also as death of precedents had so far blocked work in this direction.

Minute of Dissent

Mr. Ganesh Dutt Bajpai, in his minute of dissent, is understood to have raised the question of wages and workload. The chairman's ruling on the differences between representatives of employers and labour is, it is learnt, that "while improvements will certainly improve the working of the looms, all the improvements suggested need not be mandatory." On the question of technical improvements, employers maintain that besides the cost of automatic warp machines being prohibitive (Rs. 450 a loom) it was not the practice to install these devices on plain Lancashire looms unless they were used to manufacture very fine quality cloth. The chairman is understood to have ruled that it would be best to experiment first with a view to finding out how the weaver reacts to it and what effects there might be on the quality of cloth, production, efficiency and wages.

On the number of operations to be done each hour, the chairman has struck a middle course and ruled that there should be 96 operations, whereas the labour representatives had demanded 80 and the employers' representatives 134. The question of substitute workers on machines permanently vacated also created serious differences of opinion. The employers wanted rationalisation to be introduced on such machines straightaway. Labour's demand was that workers should be made permanent before rationalisation was introduced on these machines. The chairman is understood to have expressed the view that since rationalisation on machines worked by substitute labour, through natural wastage, would take about 10 years, the employers' view might be accepted on the point.



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MAKING SOAP WITH NON-EDIBLE OILS

CENTRAL AID FOR COTTAGE UNITS

A PROGRAMME to provide whole-time employment to 4,000 workers in the cottage soap industry, using non-edible oils, has been approved by the Government of India. The programme will also provide employment to 100,000 workers for two months. Financial assistance amounting to Rs. 46.41 lakhs has been sanctioned by the Union Ministry of Production to the All-India Khadi and Village Industries Board for implementing the programme during the current financial year. The programme proposes the setting up of 165 compact oil-crushing and soap-making units of three different sizes. This is in addition to the 67 units which were sanctioned in the last two financial years. Some of these have started production, while others are under construction. Of the 165 units, 15 will have four oil-crushing centres each, 30 units two oil-crushing centres each, and the rest one oil-crushing centre each. Each unit will also have a soap-making centre. The units will be set up by statutory State Boards, co-operative societies and registered bodies, which will receive from the All-India Board loans and grants for meeting the capital cost. They will also be given loans for providing working capital for the units.

A loan of Rs. 5 lakhs has been sanctioned to the Board for being disbursed to existing soap-making and oil-crushing centres as against Rs. 4 lakhs in the last financial year. The new loan will be given to the existing centres which had repaid the earlier loans within the stipulated period, for expansion of works or for collection of non-edible oil-bearing seeds, etc. A production subsidy on neem and other non-edible oils at the rate of one anna a seer is to be given and a sum of Rs. 223,000 as grant has been sanctioned for the purpose.

Training of Personnel

To meet the requirements of trained personnel for the existing and proposed centres, the training programme is being enlarged. Training of supervisors-chemists, managers of oil-pressing centres and apprentices is being arranged in several places. During the current financial year, training is to be given to 100 supervisors-chemists for soap-making centres, 300 managers of oil-pressing centres and 200 apprentices for soap-making and oil-crushing. Five training institutions are to be given grants amounting to Rs. 22,500 for implementing the training programme. A model centre for soap-making has been set up in the Nasik Vidyalaya for providing training. The manufacture of soap from non-edible oils is to be introduced as a craft in 100 schools. For this, 100 teachers are to be trained under the programme. In addition, grants are to be given to educational institutions so as to encourage students to make an interest in the technique of manufacturing soap. An amount of Rs. 25,000 has been provided as grant for conducting experiments and research on non-edible oils for producing soap. As manufacture of soap with non-edible oils is a departure from present practice, it is necessary to educate public opinion and popularise the use of such soaps.

EXPORT DUTY ON LINSEED OIL ABOLISHED

The Government of India has removed the export duty of Rs. 250 a ton on linseed oil.

SUGAR PRODUCTION AND DESPATCHES

Production and despatches of indigenous sugar from factories amounted to 1,857,000 tons and 1,525,000 tons up to 15th September, 1956, in the current season, against 1,587,000 tons and 1,037,000 tons respectively in the corresponding period of the previous season. Stocks with factories on 15th September, 1956, were 746,000 tons, compared with 596,000 tons last year.

WHOLESALE PRICE INDEX FALLS

THE official wholesale price index (base: year ended August, 1939=100) declined by 0.3 per cent to 420.4 during the week ended 8th September, 1956, compared with 421.5 for the previous week. The index was, however, higher by 0.6 per cent and 19.0 per cent respectively when compared with the corresponding weeks of last month and a year ago. The Food Articles index went down further by 0.1 per cent to 395.5 due to a fall in the prices of tea for export (-6%), wheat in Jabalpur (-3%) and in Hapur (-1%) and sugar (-1%) in spite of an advance in the prices of tea for internal consumption (+6%), coffee (+5%), and rice in Calcutta (+1%). A fall of 0.5 per cent to 508.3 in the index for Industrial Raw Materials was brought about by a decline in the prices of linseed (-3%) and raw jute, rapeseed and lac (-2% each), although the prices of raw silk (+11%), gingellyseed in Jhansi (+3%) and manganese ore (average export price) (+1%) rose. The Semi-Manufactures index also declined by 0.4 per cent to 408.6. Items which showed significant changes were: Gingelly oil (-9%), linseed oil (-7%), mustard oil (-4%), buffalo hides and groundnut oil (-2% each) and gingelly cake (+5%). The Manufactures index stood at 391.4 as compared with 391.2 for the previous week. The prices of jute manufactures (+1%) witnessed a rise while those of glass and chemicals (-1% each) were marked down. The index for the Miscellaneous group moved down by 2.2 per cent to 552.4 because of a decrease in the

prices of chillies and tobacco both in Calcutta (-6% each) and black pepper cochineal (-1%). Chillies in Patna (+3%), however, showed an increase.

INDEX NUMBERS BY GROUPS AND SUB-GROUPS
(Base: Year ended August 1939=100)

Groups and Sub-Groups	8-9-56	1-9-56	11-8-56	10-9-55
I. Food Articles:	395.5	395.9	397.7	315.2
Cereals	511	511	502	382
Pulses	395	396	391	263
Others	250	251	264*	233
II. Industrial Raw Materials:	508.3	510.7	497.7(R)	392.8
Fibres	481	484	474	395
Oilseeds	578	580	566	375
Minerals	529	528	489(R)	419
Oilcakes	489	479	467	342
Others	422	424	425(R)	421
III. Semi-Manu- factures:	408.6	410.3	405.0	324.1
Leather	375	374	383	327
Mineral oils	208	208	208	202
Vegetable oils	565	565	576	362
Cotton yarn	505	504	495	497
Metals	329	329	330	259
Others	361	361	361	330
IV. Manufactures:	391.4	391.2	387.2	308.7
Textiles	427	427	420	403
Jute	422	419	390*	398
Cotton	432*	432*	430*	402*
Rayon and silk	470*	470*	470*	474*
Woollen	266	266	266	278
Metals products	388	388	388	352
Others	294	294	294	286
V. Miscellaneous:	552.4	564.8	567.0	554.2
All Commodities:	420.4	421.5	417.9	353.3

R=Revised * =Estimated.

MIDDLE CLASS COST OF LIVING INDEX NUMBER FOR CALCUTTA

(Base: August, 1939)

THE Middle Class Cost of Living Indices, by groups, have now been brought up to August, 1956. As compared with July, the August Indices for Food, and Fuel and Lighting reveal rises of 4 points and 9 points, while those for Clothing and

Miscellaneous remain unchanged at 534 and 283 points.

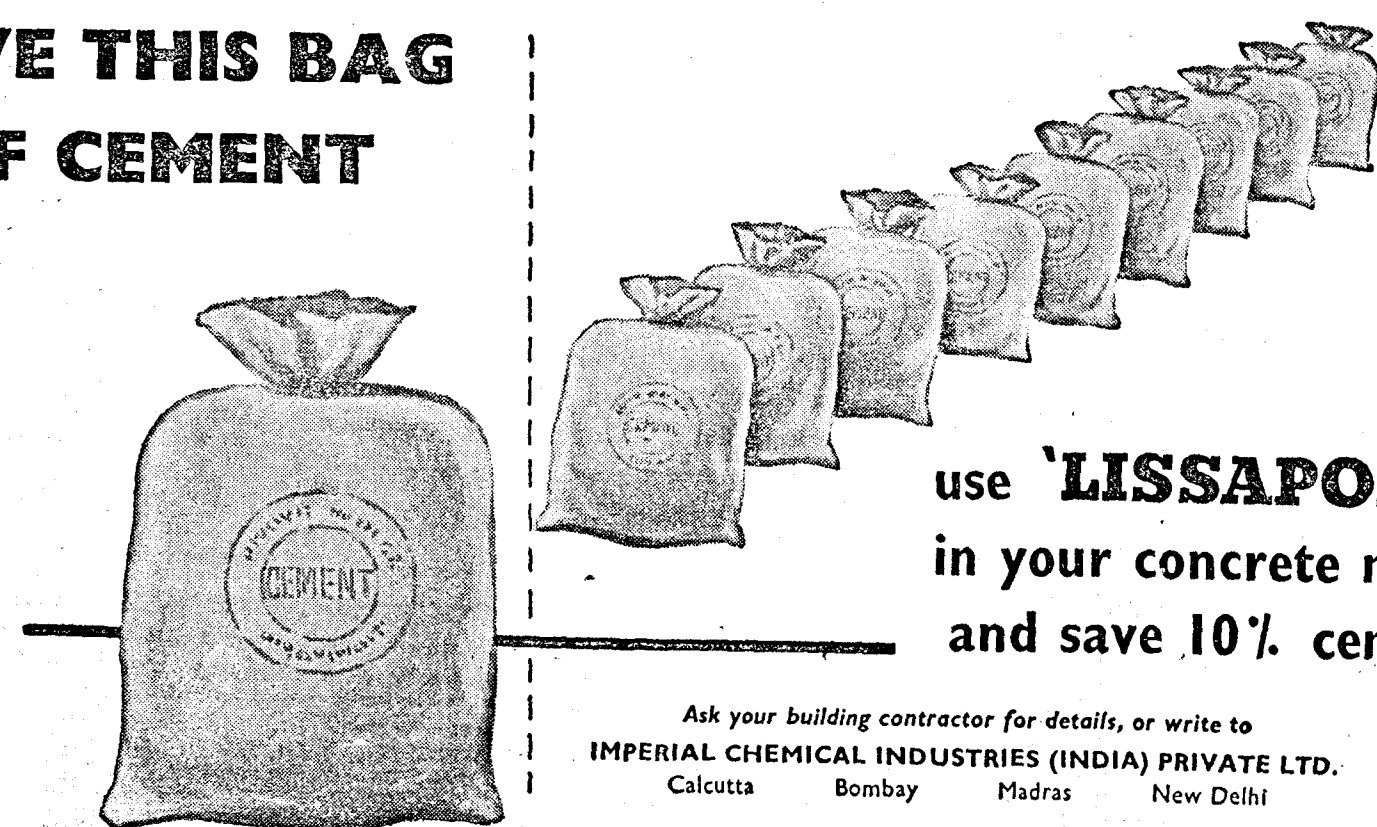
Correlating all the factors, the Middle Class Cost of Living Index for Calcutta shows that the cost of living increased by 3 points during August, 1956.

Middle Class Cost of Living Index Number for Calcutta. Prices in August, 1939=100

Groups	Weights	GROUP INDICES												
		Aug., 1955	Sept. 1955	Oct., 1955	Nov. 1955	Dec., 1955	Jan., 1956	Feb., 1956	March 1956	April, 1956	May, 1956	June, 1956	July 1956	Aug., 1956
Food	53.6	447	450	453	455	455	446	442	453	461	470	475	480	484
Fuel and Lighting	4.4	239	239	239	239	239	239	239	239	239	239	239	259	268
Clothing	12.4	497	497	503	503	503	507	507	520	520	526	526	534	534
Miscellaneous	29.6	282	282	282	282	282	282	282	283	283	283	283	283	283
Combined Index*	100.0	396	397	399	401	401	396	394	402	406	411	414	418	421

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Jute

DULL WEEK FOR GUNNIES AND FIBRE

LITTLE BUYING INTEREST SO PRICES FALL

THE past week has been the dulllest for some time. Although prices have moved through a fairly wide range, this has been due not to any real goods activity but to speculation. The tendency, with one or two exceptions, has been for prices to decline. In the absence of any large overseas interest, there has been very little confidence in the market. The notable exception was early in the week, when it was reported that the Argentine was showing interest in hessian. As is usual when this buyer features in the news, prices advanced rapidly. The Argentine's current buying policy, however, is vastly different from that of previous years. It is now so worked that it has little effect on prices, and the reaction to the news was more the result of wishful thinking among speculators than of direct purchases. It was rumoured that Australia was again interested in woolpacks, and the combination of bullish factors succeeded in forcing up both sacking and hessian. The trade was not allowed to enjoy this state of affairs for long, however, as speculators soon stepped in to try and take advantage of the rise. Once the legitimate business was completed, heavy selling pressure in the fatka market depressed prices, and for the remainder of the session rates gradually declined with speculators predominant.

The fibre markets were slow to react to the changes in goods, so that over the week raw jute rates dropped by only 8 annas a maund. Buyers showed very little interest on account of the weak goods market and the small business that was reported was confined, in the main, to Indian mills. These purchases were invariably made at below the quoted rates. Sellers were reluctant to discount to any great extent as many of them still held bullish ideas on the basis of upcountry reports and the continued restrictions on the movement of jute from Pakistan. The latest raw jute arrival figures tend to confirm sellers' ideas on the latter point. In the first two months of the current season, arrivals from Pakistan were 86,400 bales less than in the corresponding period of last year, although arrivals in August were almost double those of July. Against this, arrivals from Indian stations were nearly double those of last year, making an increase in the grand total of 219,000 bales. Mills' consumption of raw jute has increased in the same period by over 100,000 bales, so the situation, on paper, appears to be quite healthy. But operators are taking a long view and are gambling on the possibility that the eventual shortfall of Pakistan jute will not be covered by the increase in indigenous fibre. Prices of Pakistan jute at present are high compared with Indian jute, and as long as the disparity continues, there seems to be little likelihood of a substantial fall in current Indian rates. The weather has considerably restricted the movement of jute, both upcountry and in the Calcutta area. This is particularly so in the Daissee areas. There not only is it impossible for imports to be handled, but sellers have been unable to dry their present holdings, so supplies to mills have been held up.

THE JUTE MARKETS

Manufactured Goods: Opening prices in the jute goods market were depressed last Thursday. With no real goods business, all sections recorded substantial losses. September shipment B Twills dropped by Re. 1 to Rs. 113-8 a 100 bags, and January-March shipment by 14 annas to Rs. 113. Forty-inch 10oz. hessian lost 8 or 10 annas for the near and forward positions to rule at Rs. 43-5 and Rs. 41-14 a 100 yards respectively. Speculative activity and heavy fatka selling pressure were mainly responsible for this fall, but towards the close sentiment improved on interest from overseas buyers. Friday's opening brought about a considerable improvement. Heavy goods prices moved up rapidly and were about Re. 1 higher than on the previous day. Hessian followed with a 6 or 8 annas rise. Business was done at this level, but the scale of operations was not as large as had been expected. Once the Argentinean and Australian requirements were satisfied, prices fell back almost as rapidly, and by Saturday the previous day's gains were almost completely nullified. At this stage, September B Twills stood at Rs. 113-14, with forward shipment at a discount of 14 annas. Forty-inch 10oz. hessian operated at Rs. 43-8 for September shipment and Rs. 42 for January-March shipment. Heavy speculative activity over the week-end depressed the markets still further, and a sharper fall was prevented only by local shipper covering. Even so, sacking lost 12 annas or Re. 1, and hessian about 8 annas at the opening on Monday morning. During the day, quiet conditions prevailed. On Tuesday, all markets were closed on account of the hartal. Opening quotations on Wednesday morning, which were purely nominal, were as follows:

	September	October	Oct.-Dec.	Jan.-Mar.
	Rs.	Rs.	Rs.	Rs.
40in. 8oz.	35-12	35	34-10	33-12
40in. 10oz.	43	42-13	32-8	41-10
B Twills	113	113-2	113	112
Heavy Cees (Plain)	112-4	114	113-12	112-8
A Twills	136-12	137-4	137-8	137-4
Liverpools	125-12	126-4	126-8	126
Cornacks	113-4	113-10	113-10	113

Raw Jute: The fibre markets were almost completely neglected throughout the past week, buyers taking only a limited interest in view of the weak trend in gunnies. Indian mills appeared to be the only interests willing to do business and several purchases were reported for forward shipment at 8 or 12 annas below the market rate. Opening quotations on Thursday morning showed a drop of 8 annas a maund from last week's closing prices, and Dhubri-Northern jute was quoted at Rs. 29 a maund basis Bottoms for September-October shipment. The majority of sellers, although keen for business, were reluctant to discount prices to any great extent in view of the steadier upcountry markets, so there was a wide difference in sellers' and buyers' ideas. Lower and Upper Assam jute were almost completely neglected. Sellers showed a preference for business in Murshidabad District Tossa, where prices appeared to be lower than in other regions, but this fibre is not popular with many buyers as it normally contains a fair amount of jungli jute.

Mills' interest was limited to small lots of Dhubri-Northern jute at Rs. 28-8 to Rs. 28-12 for September-October shipment, and ready bills of lading at Rs. 29 a maund, basis Bottoms. Western area fibre changed hands at prices ranging from Rs. 28 to Rs. 28-4 and jungli at Rs. 27-8 to Rs. 28 a maund, all for September-October shipment. Small lots of Daissee were purchased at Rs. 30 to Rs. 31 a maund for seven to ten days' delivery, while jettty purchases rose as high as Rs. 31-8. Daissee Mesta was done at Rs. 27 a maund.

At the close, the market was unchanged, and opening quotations on Wednesday morning were as follows:

Indian Jute (New Crop):	Landed at Mills Rs. a md basis Bottoms.	Shipment. Sept.-Oct.
Lower Assam	29	"
Northern	29	"
Murshidabad White	28	"
Daissee	30	"
Daissee White	29	"
Daissee Mesta	27-8	"
Local Northern	28-8	"
Bimil	27-8 for F.A.Q.	"

Tossa is quoted at 8 annas or Re. 1 a maund above the price of white jute.

Pakistan Jute (New Crop):	Rs. a md.	Shipment. Sept.-Oct.
Jat	32-8	"
District	32	"
Northern	31-8	"
Pucca:	Rs. a bale	Shipment. Sept.-Oct.
Mill Firsts 2/3	210	"
Export Firsts 2/3	190	"
Export Lightnings	175	"
Jat Cuttings	128	Oct.-Nov.

The Cossipore markets are a little easier, but prices have been pegged as a result of mill interest and local purchases. All imports have been taken up on arrival, thus preventing any accumulation of stocks. During the week, wagon arrivals dropped to under 600, mostly from the Western and Murshidabad districts. At the close, quotations were based on Kishenganj jute at Rs. 28-8 a maund basis Bottoms.

Mofussil: Imports into the main upcountry agencies have shown a rapid decline, partly due to communication difficulties. Prices have also dropped and in Dhubri were based on Rs. 25 a maund basis Bottoms. Only small business has been reported, mainly of a covering nature, and markets are quiet.

THE FOREIGN JUTE MARKETS

IN THE GRIP OF ANXIETY

(FROM OUR DUNDEE CORRESPONDENT)

THOUGH members of the jute industry have experienced many periods of uncertainty about the future, seldom have these been more acute than now. Spinners here are apprehensive about the situation and they believe that they may be called upon to pay heavier freight rates, which may be as much as a few pounds a ton if their jute has to be sent round by the Cape. So far as the time factor is concerned, there should not be much delay, probably about 10 days, but the question of the jute being shipped from Pakistan is also an important matter. Many complaints are being heard this season about shipments being late and spinners are not now so keen to do further business in yarns. Some are getting filled up with orders to the end of the year, and most of them are now refusing to sell beyond that. The raw jute market has gone soft, after being very firm, with Mill Firsts rising to £100, lowest mentioned, and Mill Lightnings at £90, while Mill Hearts were at £86 and Continental Hearts £82, October-November, cif. U.K. Last week, the rates were £88, £88, £84 and £80 respectively, but there were only one or two sellers quoting these lowest limits. Business has been done more freely here of late, and as high as £98 has been paid for Mill Lightnings, afloat, as well as £97 and £94 reported to have been done. The delay in shipments from Pakistan is causing much trouble, and it may get worse. Dark jute is

only slightly above the minima in some cases, with others at minima. Crack Daissee-2/3 is at £91 10s, and grade £85, with grade Tossa-2/3 at £101 and fours at £91, cif. U.K., October-November.

Jute yarns are very firm on the basis of 14,77d a lb. for common 8lb. cops and 15,35d for 8lb. spools, at which a good business has been done, mainly in the weaving yarns, for delivery over the next three months. This is the result of much more business in jute cloth at 12,80d a yard for 40in. 10oz. hessians and 10,51d for 8oz. Calcutta goods have more or less maintained their firm undertone at 66s 3d for 40in. 10oz. and 51s 3d for 7 1/2 oz. October and 66s and 51s November-December, with B Twills at 174s and 173s respectively, all f.o.b. Calcutta.

U.S. BURLAP CONSUMPTION AND STOCKS

U.S. burlap consumption increased sharply during August. At an estimated 83 million yards, it was at its highest level since October 1953. A considerable increase in the use of burlap bags for export grain and flour, together with a further switching from multiwall paper bags to burlap bags on returnable bag programmes, seems to have accounted for last month's good performance. Undoubtedly, the lower levels of burlap prices and their relative stability, which continued so long, converted many users from other methods of packaging to burlap bags, principally for returnable bag programmes. If, however, prices do not return to more competitive levels, there is the danger that such burlap business may not continue. U.S. burlap stocks increased by an estimated 15 million yards last month. At an estimated 259 million yards, 139 million yards were spots and 120 million yards were afloats. Appearing below are two tables which include the August figures: (1) based on member reports to the Textile Bag Manufacturers Association and the Burlap and Jute Association and (2) projected to represent the estimated consumption and stocks for the entire industry:

U.S. Burlap Consumption (as reported to TBMA) (Millions of Yds.)		U.S. Burlap Consumption (Estimated Industry Total) (Millions of Yds.)	
1956	1955	1956	1955
Jan. 68	58	Jan. 72	62
Feb. 64	61	Feb. 68	65
Mar. 64	68	Mar. 71	71
Apr. 65	60	Apr. 69	63
May 69	69	May 73	73
June 59	71	June 62	75
July 59	53	July 61	56
Aug. 79	69	Aug. 83	73
Total	530	Total	559
Mo. Av. 66	64	Mo. Av. 70	67
Sept. 68	68	Sept. 70	70
Oct. 70	70	Oct. 74	74
Nov. 67	67	Nov. 70	70
Dec. 70	70	Dec. 74	74
Total	784	Total	826
Mo. Av.	65	Mo. Av.	69

U.S. Burlap Stocks (As reported to TBMA) (Millions of Yds.)		U.S. Burlap Stocks (Estimated Industry Total) (Millions of Yds.)	
1956	1955	1956	1955
Jan. 213	217	Jan. 243	245
Feb. 214	227	Feb. 245	256
Mar. 224	224	Mar. 253	254
Apr. 224	232	Apr. 255	258
May 216	230	May 247	261
June 216	221	June 240	252
July 219	323	July 244	245
Aug. 228	209	Aug. 259	237
Sept. 211	211	Sept. 240	240
Oct. 210	210	Oct. 239	239
Nov. 211	211	Nov. 239	239
Dec. 215	215	Dec. 247	247

AUSTRALIAN BAG MANUFACTURERS WANT PROTECTION

Jute bag manufacturers in Australia have demanded a protective tariff, reports the Indian Central Jute Committee. At a recent session of the Australian Tariff Board in Perth, it was urged on behalf of the Chamber of Manufacturers that an import duty of 30 percent should be imposed on jute bags, sacks, packs and bales arriving in Australia. The Board was told that the local industry had now the capacity to satisfy the entire internal demand for such goods. The Chairman of the Board felt that he would have to consider whether the incidence of the cost as a result of the proposed protective measure would be high to users.

SLIGHT INCREASE IN FRENCH OUTPUT AND EXPORTS OF JUTE GOODS

Production and exports of jute goods by the French jute industry during the first five months of the current year were slightly higher than in the corresponding period of 1955. At an estimated 77,891 tons, of which 44,665 tons were yarns and 33,226 tons fabrics, output during January-May 1956 was 1 percent higher than in the similar 1955 period.

Calcutta Markets

STRONG GENERAL DEMAND
AT TEA EXPORT SALE

GOOD SUPPORT FOR DUSTS

AT Sale No. 16, held on 24th and 25th September, offerings at the Export auction consisted of 57,000 packages. There was a very strong and general demand. Both export and internal buyers were competing strongly. Mediums and Low Medium Assams sold well and were generally 1 to 2 annas dearer, but buyers followed quality closely. Fannings were again a very strong feature and were dearer, especially the black types which were often as much as 4 annas above last rates. Commons and commonest types were in good demand and were 1 to 1 anna dearer. There was much more demand for C.T.C. Assams, which were 8 to 10 annas dearer, while orthodox B.O.P.s and O.F.s. were considerably dearer depending on quality. Darjeeling met with a fair demand but were generally 2 annas easier, while Leaf grades were about firm on last rates.

Quotations

	1956.	1955
	Rs.	Rs.
Clean Black Pekoe	1 13 0	2 5 0
Plain B.P.	1 9 6 to 1 10 0	1 10 6
Medium Assam B.P.	2 0 0	1 14 6
Best C.T.C. Assam B.P.	3 8 0 to 3 10 0	3 4 0 to 3 6 0

At the Internal Sale, Dust offerings consisted of 16,372 chests, for which there was a very strong and general demand. The strongest feature of the Sale was clean black types suitable for the Middle East and these were generally 2 annas to 3 annas

dearer, while the few best C.T.C. Assams on offer also sold well. The remaining C.T.C.s, however, were rather irregular but generally declined by 2 to 3 annas, while Mediums with quality and the better Commons advanced by 1 anna to 2 annas and sometimes more.

	1956	1955
	Rs.	Rs.
Medium Doars Dust	2 1 0	1 10 0 to 1 11 0
Medium Assam Grainy	2 2 0 to 2 3 0	1 13 to 1 13 6
Dust	2 8 0	
Best Assam C.T.C.	3 4 0 to 3 8 0	2 10 0 to 2 12 6

Leaf offerings consisted of 887 packages for which there was a good demand at prices which were generally fully firm to dearer.

SUGAR MARKET STEADY

During the week ended 26th September, sugar sales in the Calcutta market averaged 5,000 bags daily. Arrivals a day were 500 bags only and stocks totalled 110,000 bags. Rates for ready sugar ex-Kantapur delivery were Rs. 32 for ordinary grain and Rs. 33 for big grain. The market showed a rise of annas 4 to annas 6 at the beginning of the week on the report of falling arrivals, and remained steady throughout.

LINSEED IMPROVES

After a fairly quiet week with prices more or less unchanged, a steadier tendency set in at the close of the past week following the Government's announcement on the removal of the export duty on linseed oil. This decision is especially welcome because of the lifeless condition which has

prevailed in the oil market ever since the duty was imposed earlier in the year. Although it is hoped that exports will commence shortly, local prices have been somewhat higher than the current U.K. rate of £116 a ton. The initial local reaction expressed itself in an advance of 8 annas a maund on seed prices, and Re. 1 a maund on oil. With conditions unsettled, however, little activity has been recorded at these levels. Seeds were very scarce, and only small quantities were available from time to time. Latest quotations were as follows: September-October Rs. 24 a maund.

HIDES AND SKINS FIRM

The market in skins continued firm. Stocks were less than in the previous week.

Bazaar Sales

(Between 18th September and 24th September, 1956)

Cowhides: Wet Salted (Ord.) 25,000 pcs. on the basis of Rs. 7 to Rs. 8-4; Wet salted (slaughtered) 17,500 pcs. on the basis of Rs. 12 to Rs. 20.
Goatskins: Wet Salted (Daissee, killed) 61,000 pcs. on the basis of Rs. 205 to Rs. 260 and Rs. 330 to Rs. 340; Assam-Dinajpur 49,000 pcs. on the basis of Rs. 177-8 to Rs. 260; Purneah-Kissenganj 2,000 pcs. on the basis of Rs. 215; Muzafferpore 7,500 pcs. on the basis of Rs. 220 to Rs. 225.

Bazaar Stocks

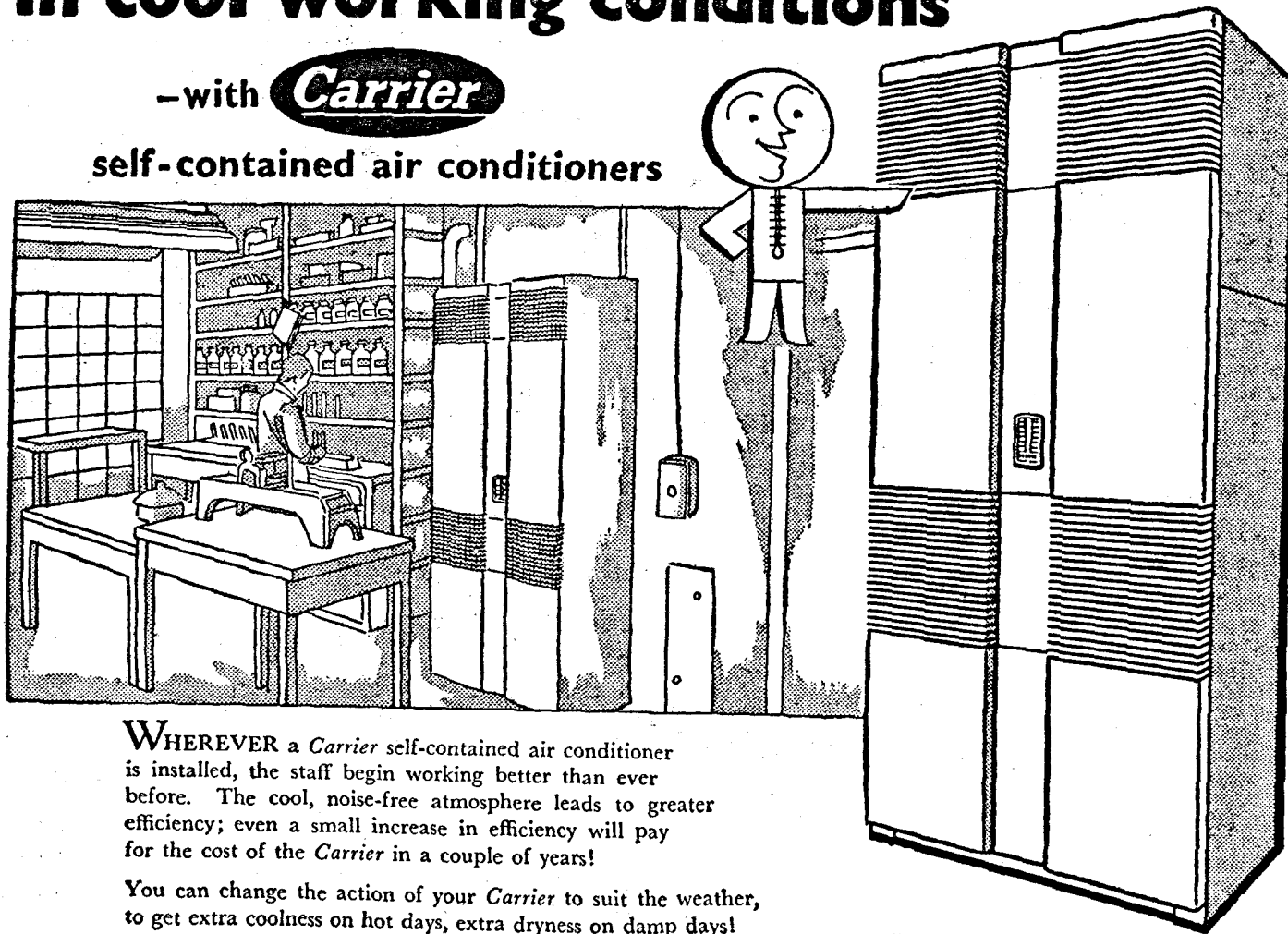
(20th September, 1956)

Cowhides: Wet Salted 1,32,500 pcs.
Goatskins: Wet Salted (Daissee, Killed) 27,000 pcs.; Assam-Dinajpur-Jalpaiguri - Murshidabad 50,000 pcs.; Muzafferpore-Patna-Pakur-Purneah-Kissenganj 73,500 pcs.

For offices and industrial establishments

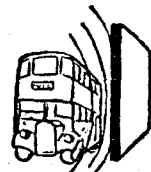
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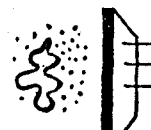
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Plantation Topics

PROSPECTS FOR COFFEE
DEVELOPMENT PLAN
ENQUIRY REPORT ON TEA
INDUSTRY CRITICISED

(FROM A SOUTH INDIAN CORRESPONDENT)

ARRANGEMENTS are in progress for the implementation of the Coffee Board's development plan, which has been already approved by the Central Government. The plan, it may be recalled, envisages an increase of production by 9,690 tons to 35,690 tons at the end of the first five years, and again by 33,220 tons to 59,220 tons by the end of 15 years. Financial assistance will be given for the development and expansion of the coffee area, the details of which were reported in the 13th September issue of *Capital*. A total of 139,800 acres are expected to be brought under intensive cultivation and new plantings will be made on 23,700 acres. About the scheme of assistance a thing to be noted is that financial assistance for extension of acreage is limited to the existing coffee growers only. If present arrangements work according to plan, loans would be advanced to the planters by February next year to enable them to make timely arrangements for the new season. The targets laid down in the plan are based on an estimated average production of 26,000 tons which is far below the turnover of over 33,500 tons of the 1955-56 season. The 1956-57 season's crop prospects, it is said, are equally bright. Preliminary estimates place the crop at about 34,000 tons. The industry has entered a phase in which an average crop of over 30,000 tons can be safely expected. So the target to be reached at the end of the first five years of the coffee plan, i.e. 35,690 tons, will not prove difficult unless natural calamities go against the growers.

Criticism of Planters

The South Indian planters' first reaction to the Plantation Enquiry Commission's report on the tea industry has been summed up in an editorial of the *Planters' Chronicle* of 15th of September, based on the skeleton report officially provided. The criticisms can be summarised as follows: The Commission's criticism of the managing agency system in tea industry is unwarranted in view of the recent amendments to the Company Law. One cannot overlook the great service rendered by the agency houses to the tea industry, especially the relief financing extended to tea companies during the period of the economic crisis. The Commission's suggestions that the remuneration paid to the managing agents and secretaries be reduced, the commissions paid to managers be abolished and that they be given a consolidated salary, the managerial staff be Indianised and that the salary structure of the managerial cadre be rationalised in an effort to cut down the cost of production, reveal a lack of understanding and proper appreciation of the industry's problems. Managers are given commission as an incentive to efficient production and good management. The planters have no objection to progressive Indianisation of the managerial staff, if suitable personnel are available. In rationalising the salary structure, they feel there is the risk of losing some of the ablest and experienced men in the industry, if it means the scaling down of the prevailing level of salaries. The planters are surprised at the Commission's not referring to the numerous provisions for labour welfare while enumerating the factors responsible for the high cost of production.

Tea Replanting Fund

The tea replanting fund proposed by the Commission in its report fails to impress the planters. They see many practical difficulties. There is no guarantee that the contributors to the tea replanting fund will be eligible to get back the full amount they subscribed. On the other hand there is every possibility that the funds contributed by the more efficient estates may be utilised in part to meet the replanting expenditure of the less efficient units. This proposal will also put a heavy burden in the form of administration on the Tea Board. The planters question the advisability of entrusting the Tea Board with the task of packing and distributing 50 percent of the dust tea marketed in India. The Commission's recommendation that the export quota system, which is now in vogue in India, should be abolished is welcomed by the planters.

COCHIN TEA SALES

At Dust Sale S, the 500,000 lbs. of tea on offer met with good demand but prices were irregular. Medium dusts were fully firm to occasionally dearer, while the best liquorings were about steady. Commons were irregular and occasionally easier, but the Middle East types were strong and dearer.

RISE IN TOBACCO AREA AND PRODUCTION

The all-India final estimate of tobacco, 1955-56, places the year's area and production at 921,000 acres and 259,000 tons as against the partially revised estimate of 846,000 acres and 244,000 tons for 1954-55, according to the Directorate of Economics and Statistics, Union Ministry of Food and Agriculture. This shows an increase of 75,000 acres or 8.9 percent in area and 15,000 tons or 6.1 percent in production over last year. The increase in area and production of tobacco during 1955-56 has been shared by most of the tobacco-growing States. The increase is particularly marked in Bombay. The increases during 1955-56 are attributed to better climatic conditions.

LONDON TEA SALES

AT last week's London tea sales the 41,390 packages on offer realised an average price of 5s 2.77d a lb., against 5s 0.46d in the previous sale and 5s 5.85d a year ago. Plain broken pekoe was quoted at 3s 2d a lb. against 3s 1d at last sale. Prices obtained by some of the companies are given below:

	No. of packages	Average per lb.
Amalgamated	1,293	4/8
Anglo-American	1,836	3/10
Assam Doars	942	4/9
Assam Frontier	534	9/9 1/2
Attaree Khat	132	8/5 1/2
Borhat	366	7/1 1/2
Budla Beta	630	10/10 1/2
Buxa Doars	376	6/5
Central Provinces	620	5/9
Chubwa	516	11/1
Chulsa	448	4/3 1/2
Consolidated Estates	503	6/9 1/2
Cons. Tea and Lands	864	6/6 1/2
Doars	606	4/7
Eastern Produce	936	6/6
Itakhooli	126	10/9
Jetinga Valley	234	3/3 1/2
Jhazie	371	7/7 1/2
Kanan Devan	1,938	4/9
Lungla	564	2/10 1/2
Lunuvu	592	5/11 1/2
Makum	162	10/6 1/2
Malayalam	1,408	3/4
Moabund	156	12/1 1/2
Namdang	120	11/3
New Dumbula	438	6/1 1/2
Rajawella	435	7/2 1/2
Scottish Ceylon	384	5/4 1/2
Scottish Tea and Lands	555	8/7
Standard	276	8/4 1/2
Tingri	276	9/1 1/2
United Planters	558	6/8

U.K. Tea Stock Falls

U.K. tea stocks in London and provincial warehouses for the week ended 14th September, totalled 109,127,370 lbs. against 111,803,450 lb. in the previous week. The total amount to be landed on the same date was 11,409,750 lbs., deliveries during the week were 10,540,090 lbs. and landings in the same period were 7,864,010 lbs. Total afloat on the same date

was 43,943,017 lbs. including from Calcutta 31,360,860 lbs. from Chittagong 1,507,710 lbs. from Cochin 3,188,947 lbs. and from Colombo 7,865,500 lbs.

COLOMBO RUBBER PRICES

The following prices have been issued by the Rubber Board of India from the weekly market report published by the Colombo Brokers Association:

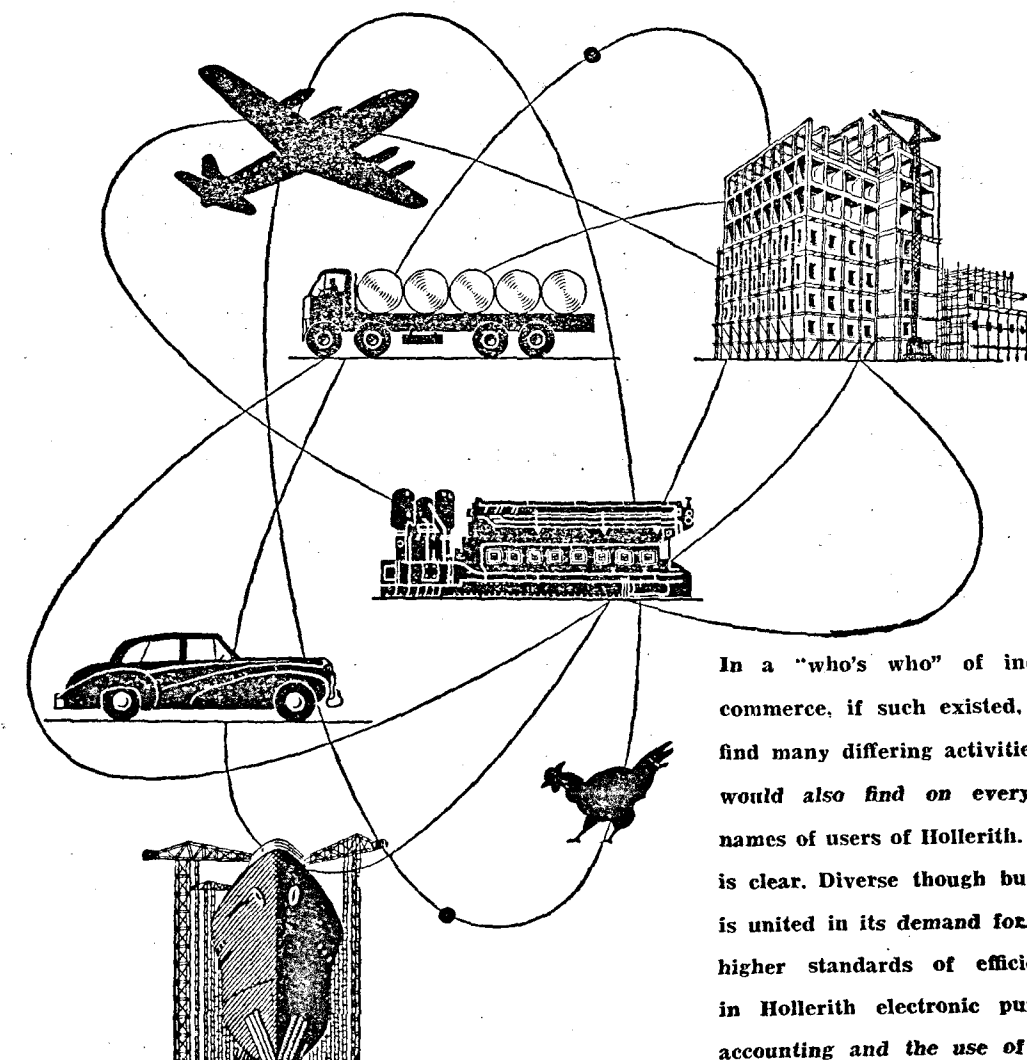
	Closing Prices on 14-9-56 (Rupees a lb.)	Average prices for the period (Rupees a lb.)
Sheet:		
No. 1	1.41	1.41
No. 2	1.38	1.38
No. 3	1.35	1.35
No. 4	1.11	1.11
No. 5	1.06	1.06
Sheet Cutting 1	1.05	
Sheet Cuttings 2	1.00	
Crepe:		
Water White	—	—
R.M.A. No. 1X	1.37/38	1.36 1/2
R.M.A. No. 1	1.35/37	1.35 1/2
Crepe No. 2	1.30 1/2	
Crepe No. 3	1.21 1/2	
Scrap Crepes:		
Sc. Crepe No. 1	88 Nom.	.87
Sc. Crepe No. 2	84/87	.83 1/2
Sc. Crepe No. 3	76/80	.77 1/2
Flat Bark	72/75	.72 1/2
Sc. Crepe 3X	80	

To arrive at f.o.b. Colombo prices add 53.45 cents a lb. for rubber other than scrap crepe and 31.45 cents for scrap crepe to the above market prices.



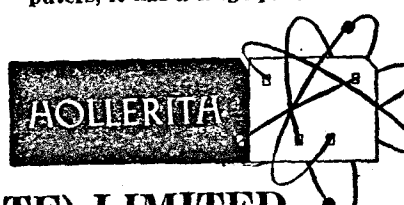
20, STRAND ROAD, CALCUTTA-1.

Phones 22-5589 & 22-5464.



In a "who's who" of industry and commerce, if such existed, you would find many differing activities—and you would also find on every page the names of users of Hollerith. The reason is clear. Diverse though business is, it is united in its demand for higher and higher standards of efficiency...and in Hollerith electronic punched card accounting and the use of Hec Computers, it has a large part of the answer.

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CALCUTTA: 17, Chittaranjan Avenue. (P.O. Box 615). Telephone: 23-354/5.
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COMPANY AND PUBLIC NOTICES

THE PATHEMARA TEA CO. LTD.

THE Annual Ordinary General Meeting of the Shareholders will be held at the Registered Office of the Company, No. 14, Old Court House Street, Calcutta, on Tuesday, the 23rd day of October, 1956, at 2-50 p.m., for the following purposes:—

- (1) To receive and adopt the Directors' Report and the audited Accounts for the year ended 31st December, 1955.
- (2) To elect a Director in place of the retiring Director.
- (3) To elect Auditors for the ensuing year, and to fix their remuneration.

And as special business:—

- (4) To consider and if thought fit to pass the following resolution, namely:—

"That the Books, Registers and other documents required to be kept by the Company and referred to in Sections 49, 144, 163, 196, 301, 304, 307 and 372 of the Companies Act, 1956, shall be available for inspection at the Registered Office of the Company, by the persons respectively referred to in those Sections as being entitled to inspection, between the hours of 10 a.m. and 12 noon on each business day upon twenty-four hours' written notice of intention to inspect, such notice indicating what books, documents and registers are intended to be inspected."

The Share Transfer Book of the Company will be closed from 18th October, 1956 to 23rd October, 1956, both days inclusive.

OCTAVIUS STEEL & CO. LTD.

A. H. GALLOWAY,
Managing Director,
Managing Agents.

Calcutta, 21st September, 1956.

NOTE:—

A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member.

EXPLANATORY STATEMENT

With reference to the resolution relating to inspection of Books, Registers and other documents referred to in the accompanying notice, the Companies Act, 1956 provides that the Company may impose reasonable restrictions on such inspection but so that not less than two hours in each day are allowed for inspection, and the resolution is being moved in order to comply accordingly with the Act.

THE INDIAN IRON AND STEEL CO. LTD.

NOTICE is hereby given that the Board of Directors have sanctioned payment of dividend on the Preference Share Capital of the Company at the rate of 5% per annum for the half-year ended 30th September, 1956.

The Preference Share Registers will be closed from the 5th to the 10th October, 1956, both days inclusive. Payment will be made on or after the 1st November, 1956, to those Preference Shareholders whose names are on the Company's Register on the 10th October, 1956, or in accordance with their instructions.

By Order of the Board,
MARTIN BURN LTD.,
F. G. LIVERSIDGE,
Managing Director,
Managing Agents.

12, Mission Row,
Calcutta,
27th September, 1956.

THE KARANPURA COLLIERIES LIMITED.

NOTICE is hereby given that the Thirty-eighth Annual General Meeting of the Shareholders will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta, on Saturday, the 29th September, 1956, at 10-30 A.M., for the purpose of receiving the Report of the Directors, passing the Audited Accounts for the year ended 29th February, 1956, declaring the Dividends recommended by the Directors, electing a Director and appointing Auditors.

The Share Transfer Registers of the Company will be closed from the 15th to the 29th September, 1956, both days inclusive.

By Order of the Board.

BIRD & CO. (PRIVATE) LIMITED,
Managing Agents.

Calcutta, 30th August, 1956.

NOTE (1) A member entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote in his stead. Such proxy need not be a member of the Company.

(2) The Dividend, if sanctioned, will be paid on or after 6th October, 1956, to those shareholders so entitled whose names appear in the Company's books on 29th September, 1956, or to their mandates. No application for Dividend Warrants will be necessary.

THE TELIOJAN TEA COMPANY, LIMITED.

NOTICE is hereby given that the 35th Annual General Meeting of the Shareholders of The Teliojan Tea Company Limited, will be held at McLeod House, No. 3, Netaji Subhas Road, Calcutta, the Registered Office of the Company, on Thursday the 25th October 1956, at 3-50 P.M. for the following purposes:—

1. To consider the Profit and Loss Account for the year ended the 31st December 1955, and the Balance Sheet as at that date, and the Reports of the Directors and the Auditors.
2. To declare a Dividend.
3. To appoint a Director in place of Mr. J. Davies who retires by rotation and who, being eligible, offers himself for re-appointment.
4. To appoint Auditors for the year ending 31st December, 1956, and to fix their remuneration.

The Share Transfer Books of the Company will be closed from 10th October, 1956 to 25th October, 1956, both days inclusive.

By Order of the Board,
McLEOD & CO. LTD.,
A. T. DOIG,
Managing Director,
Managing Agents.

3, Netaji Subhas Road,
Calcutta, 22nd September, 1956.

NOTE: 1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member.

2. Payment of the proposed Dividend, if declared, will be made on or after 2nd November 1956, only to those members, whose names are registered in the Books of the Company on the 25th October, 1956, or to their Mandatees.

No application for Warrants will be necessary. Claims on behalf of holders of Shares on blank transfer will not be entertained.

THE BORMAH JAN TEA CO. (1936) LTD.

NOTICE is hereby given that the 21st Annual General Meeting of the Shareholders of The Bormah Jan Tea Company (1936) Ltd., will be held at McLeod House, No. 3, Netaji Subhas Road, Calcutta, the Registered Office of the Company, on Thursday, the 25th October, 1956, at 3-40 P.M. for the following purposes:—

1. To consider the Profit and Loss Account for the year ended the 31st December, 1955, and the Balance Sheet as at that date, and the Reports of the Directors and the Auditors.
2. To declare Dividends.
3. To appoint a Director in place of Mr. J. Davies who retires by rotation and who, being eligible, offers himself for re-appointment.
4. To appoint Auditors for the year ending 31st December, 1956, and to fix their remuneration.

As Special Business:

5. To consider, and if thought fit, to pass the following resolution which will be proposed as a Special Resolution in conformity with the provisions of Section 261 of the Companies Act, 1956:—

"That Mr. G. T. Routledge be and is hereby appointed a Director of the Company."

Special Notice dated 13th September 1956, of intention to propose the foregoing resolution as a Special Resolution has been received by the Company wherein it is stated that a special Notice of the Special Resolution is given to satisfy the requirements of Sections 190 and 261(1)(f), (2) and (3) of the Companies Act, 1956, for the reason that Mr. G. T. Routledge, the proposed candidate for a Directorship, is a Director of Amluckie Tea Co. Ltd., a subsidiary of McLeod & Co. Ltd., the Managing Agents to the Company and he is therefore an associate of the Managing Agents within the definition in Section 2(3)(c)(i) of the Companies Act, 1956.

6. To consider and, if thought fit, to pass the following Resolution:—

"That the Board of Directors be and is hereby permitted with effect from the commencement of the Companies Act, 1956, to borrow moneys from time to time for the carrying on of the business of the Company notwithstanding that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) will exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose."

The Share Transfer Books of the Company will be closed from 10th October, 1956 to 25th October, 1956, both days inclusive.

By Order of the Board,
McLEOD & CO. LTD.,
A. T. DOIG,
Managing Director,
Managing Agents.

3, Netaji Subhas Road,
Calcutta, 22nd September, 1956.

NOTE: 1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member.

2. Payment of the proposed Dividends, if declared, will be made on or after 2nd November, 1956, only to those members whose names are registered in the Books of the Company on the 25th October, 1956, or to their Mandatees.

No application for Warrants will be necessary. Claims on behalf of holders of Shares on blank transfer will not be entertained.

EXPLANATORY STATEMENTS

1. In the Special Notice given to the Company of the resolution being Item No. 5 of the above Notice, it is stated that Mr. G. T. Routledge is an associate of the Managing Agents within the meaning of the Companies Act, 1956, and therefore he can only be appointed a Director by a Special Resolution of which Special Notice has been given under the provisions of Section 261 of the Act.

2. The Resolution being Item No. 6 of the above Notice is intended to provide the Board of Directors with authority to enable them to borrow moneys from time to time for the Company's business in excess of the statutory limit being the paid-up capital of the Company and its free reserves, pursuant to Section 293(1)(d) of the Companies Act, 1956.

BAGHMARI TEA COMPANY, LIMITED

NOTICE is hereby given that the 38th Annual General Meeting of the Shareholders of Baghmari Tea Company, Limited, will be held at McLeod House, No. 3, Netaji Subhas Road, Calcutta, the Registered Office of the Company, on Thursday, the 25th October, 1956, at 4 P.M. for the following purposes:—

1. To consider the Profit and Loss Account for the year ended the 31st December, 1955, and the Balance Sheet as at that date, and the Reports of the Directors and the Auditors.
2. To declare a Dividend.
3. To appoint a Director in place of Mr. J. Davies who retires by rotation and who, being eligible, offers himself for re-appointment.
4. To appoint Auditors for the year ending 31st December, 1956, and to fix their remuneration.

As Special Business:

5. To consider, and if thought fit, to pass the following resolution which will be proposed as a Special Resolution in conformity with the provisions of Section 261 of the Companies Act, 1956:—

"That Mr. G. T. Routledge be and is hereby appointed a Director of the Company."

Special Notice dated 6th September 1956, of intention to propose the foregoing resolution as a Special Resolution has been received by the Company wherein it is stated that a Special Notice of the Special Resolution is given to satisfy the requirements of Sections 190 and 261(1)(f), (2) and (3) of the Companies Act, 1956, for the reason that Mr. G. T. Routledge, the proposed candidate for a Directorship, is a Director of Amluckie Tea Co. Ltd., a subsidiary of McLeod & Co. Ltd., the Managing Agents to the Company and he is therefore an associate of the Managing Agents within the definition in Section 2(3)(c)(i) of the Companies Act, 1956.

6. To consider and, if thought fit, to pass the following Resolution:—

"That the Board of Directors be and is hereby permitted with effect from the commencement of the Companies Act, 1956, to borrow moneys from time to time for the carrying on of the business of the Company notwithstanding that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) will exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose."

The Share Transfer Books of the Company will be closed from 10th October, 1956 to 25th October, 1956, both days inclusive.

By Order of the Board,
McLEOD & CO. LTD.,
A. T. DOIG,
Managing Director,
Managing Agents.

3, Netaji Subhas Road,
Calcutta, 22nd September, 1956.

NOTE: 1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member.

2. Payment of the proposed Dividend, if declared will be made on or after 2nd November, 1956, only to those members whose names are registered in the Books of the Company on the 25th October, 1956, or to their Mandatees.

EXPLANATORY STATEMENTS

1. In the Special Notice given to the Company of the resolution being Item No. 5 of the above Notice, it is stated that Mr. G. T. Routledge is an associate of the Managing Agents within the meaning of the Companies Act, 1956, and therefore he can only be appointed a Director by a Special Resolution of which Special Notice has been given under the provisions of Section 261 of the Act.

2. The Resolution being Item No. 6 of the above Notice is intended to provide the Board of Directors with authority to enable them to borrow moneys from time to time for the Company's business in excess of the statutory limit being the paid-up capital of the Company and its free reserves, pursuant to Section 293(1)(d) of the Companies Act, 1956.

SUNGMA TEA COMPANY, LIMITED.

NOTICE is hereby given that the 75th Annual General Meeting of the Shareholders of Sungma Tea Company, Limited, will be held at McLeod House, No. 3, Netaji Subhas Road, Calcutta, the Registered Office of the Company, on Thursday, the 25th October, 1956, at 4-10 P.M., for the following purposes:—

1. To consider the Profit and Loss Account for the year ended the 31st December, 1955, and the Balance Sheet as at that date, and the Reports of the Directors and the Auditors.
2. To appoint a Director in place of Mr. P. Banyard who retires by rotation and who, being eligible, offers himself for re-appointment.
3. To appoint Auditors for the year ending 31st December, 1956, and to fix their remuneration.

As special business.

4. To consider, and if thought fit, to pass the following resolution which will be proposed as a special resolution in conformity with the provisions of Section 261 of the Companies Act, 1956:—

"That Mr. G. T. Routledge be and is hereby appointed a Director of the Company."

Special notice dated the 13th September, 1956 of intention to propose the foregoing resolution as a special resolution has been received by the Company wherein it is stated that a special notice of the special resolution is given to satisfy the requirements of Sections 190 and 261(1)(f), (2) and (3) of the Companies Act, 1956, for the reason that Mr. G. T. Routledge, the proposed candidate for the directorship, is a director of Amluckie Tea Company Limited a subsidiary of McLeod & Company Limited, the Managing Agents to the Company and he is therefore an associate of the Managing Agents within the definition in Section 2(3)(c)(i) of the Companies Act, 1956.

5. To consider and, if thought fit, to pass the following Resolution:—

"That the Board of Directors be and is hereby permitted with effect from the commencement of the Companies Act, 1956, to borrow moneys from time to time for the carrying on of the business of the Company notwithstanding that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) will exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose."

course of business) will exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose."

The Share Transfer Books of the Company will be closed from 10th October, 1956 to 25th October, 1956, both days inclusive.

By Order of the Board,
McLEOD & CO. LTD.,
A. T. DOIG,
Managing Director,
Managing Agents.

3, Netaji Subhas Road,
Calcutta, 22nd September, 1956.

NOTE: A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member.

EXPLANATORY STATEMENTS

1. In the Special Notice given to the Company of the resolution being Item No. 4 of the above Notice, it is stated that Mr. G. T. Routledge is an associate of the Managing Agents within the meaning of the Companies Act, 1956, and therefore he can only be appointed a director by a Special Resolution of which special notice has been given under the provisions of Section 261 of the Act.

2. The Resolution being Item No. 5 of the above Notice is intended to provide the Board of Directors with authority to enable them to borrow moneys from time to time for the Company's business in excess of the statutory limit being the paid-up capital of the Company and its free reserves, pursuant to Section 293(1)(d) of the Companies Act, 1956.

THE INVESTMENT & FINANCE CO. LTD.

THE Board of Directors has decided to recommend to the forthcoming General Meeting of Shareholders, the following Dividends for the half-year ended 26th February, 1956:—

ON the 1st Cumulative Preference Shares at 5% per annum without any deduction in respect of taxation payable by the Company.

ON the 2nd Cumulative Preference Shares at 6% per annum, less Income Tax and Surcharge thereon.

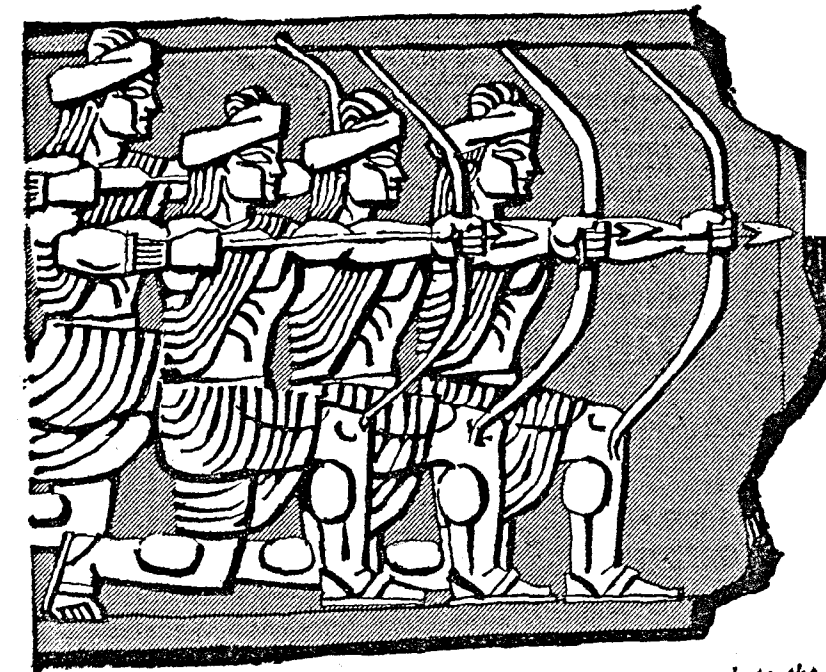
ON the Ordinary Shares at 7½% per annum without any deduction in respect of taxation payable by the Company.

By Order of the Board,
D. P. DUNDERDALE,
Chairman.

Chartered Bank Buildings,
Calcutta, 24th September, 1956.

Surprise at Thermopylae

When Xerxes, the mighty Persian emperor, invaded Greece in 480 B.C. he had with him a company of Indian archers. These Indian archers used a new weapon—a steel-tipped arrow which had been brought all the way from India. History records that the Greek army was surprised by the superior arms of Xerxes and was defeated in the battle of Thermopylae.



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For irrigation, culverts, water supply and drainage—of all classes and sizes.

PORCELAIN SANITARY WARES
Indian and European closets, wash-basins, urinals etc. Also Insulators, Acid-resistant tiles etc.

DALMIA CEMENT (BHARAT) LIMITED
DALMIAPURAM (TIRUCHIRAPPALLI).

JOINT STOCK COMPANIES PREFERENCE SHARES

Dividends are cumulative and shares carry a preferential claim on the property for the payment of capital and on the profits for dividend except in case of companies marked otherwise. Months against names of companies indicate approximately times of payment of dividends.

Year of Issue	NAMES	Amount Issued in 000's Rs.	Rate per cent	Paid-up per Share Rs.	Market Quotations		Year of Issue	NAMES	Amount Issued in 000's Rs.	Rate per cent	Paid-up per Share Rs.	Market Quotations	
					26-9-56 Rs.	A year ago Rs.						26-9-56 Rs.	A year ago Rs.
BANK.													
1901	Allahabad Bank (May Nov.)	15.00	6	100	120	132	1920	Birds' Investments (Dec.)	24.00	5 1/2	100	79	80
COAL.													
1905	Bengal Nagpur (Feb. Aug.)	11.25	7	100	105	118	1895-99	Bombay Steam Navigation (July)	15.00	5 1/2	100	152	15
1896-97	Borra (June Dec.)	4.00	6 1/2	100	103	119	1903-50	Britannia Biscuit (Feb. Aug.)	15	8	10	152	15
1901-29	Burrakur (June Dec.)	22.98	7	100	109	127	1909-11	British Ceylon Corporation (14) (Apr. Mar.)	7.50	6	5	92	11 1/2
1946	Burrakur (June Dec.)	4.50	6 1/2	10	77	84	1937	British India Corporation (Feb.)	81.00	8	100	124	138
1895	Equitable (Mar. Sept.)	1.00	6	100	104	117	1906	Burn Eng (1st & 2nd) (Feb. Aug.)	13.00	7	100	138	143
1931	Khas Kajora (Mar. Sept.)	1.33	5	10	10	10	1938	Burn Engineering (Feb. Aug.)	15.00	6	100	116	123
1920	New Beerhood (Jan. July)	2.00	7	10	12	131	1937	Calcutta Electric Supply (Mar. Sept.)	21.900	5	21	11 1/2	12 1/2
1898-99	Ondal (June Dec.)	2.00	6 1/2	100	110	115	1906	Calcutta Silk Manufacturing (July Jan.)	2.00	6	100	55	60
COTTON MILLS.													
1906	Ahmedabad Advance (Apr. Oct.)	10.00	5	100	110	110	1905-24	Calcutta Tramways (Jan. July)	2.500	5 1/2	21	9 1/2	8 1/2
1884	Bangalore (Jan. July)	5.00	6	100	125	128 1/2	1946	Carew & Co (January)	8.00	6 1/2	100	101	105
1938	Basanti (Oct.)	5.00	6 1/2	10	8	8	1940	Cawnpore Sugar Works (Feb. Aug.)	10.00	8	100	127	143
1906	Bengal-Nagpur (Apr. Oct.)	3.00	7	100	99	116	1937	Chrestien Mica Industries Ltd.	30.00	5 1/2	100	58	65 1/2
1900	Bowreah "A" (Apr. Oct.)	6.00	8	100	126	135	1940	Dacca Electric Supply (July)	6.00	6	10	58	58 1/2
1900	Bowreah "B" (6 (1) (Apr. Oct.)	6.00	7	100	66 1/2	76	1937	Dalmia Cement (Bharat)	3.500	6	100	101	102
1919	Bradbury "B" (Jan. Dec.)	14.75	7	250	324 1/2	324 1/2	1945	Dalmia Cement (Bharat)	2.372	6	40	39 1/2	39
1920	Buckingham & Carnatic (Jan. July)	21.00	7 1/2	100	144	144	1945	Dalmia Flour Mills (Oct.)	9.00	7 1/2	100	133	133
1928	Cambodia (July)	2.00	7 1/2	100	122 1/2	133 1/2	1946	Deshgarh Power Supply "A" (Jan.)	16.00	5	100	102	102
1912	Central India (Apr. Oct.)	50.00	5	500	531 1/2	531 1/2	1935	Deshgarh Power Supply "B" (Jan.)	12.00	4 1/2	100	68	64 1/2
1912	Delhi Cloth & General (Oct.)	20.00	4 1/2	25	20	20	1940	Duncan Brothers & Co. Ltd.	45.00	4	100	62	71 1/2
1912	Elgin (May Nov.)	11.00	8	100	135 1/2	143	1948	Dunlop Rubber "First" (Jan. July)	30.00	6	100	125	126
1943	Elgin "B"	4.20	5	10	91	91	1926	Dunlop Rubber "Second" (Apr.)	40.00	6 1/2	100	93 1/2	101
1919	Elphinstone (May Nov.)	25.00	7 1/2	100	87 1/2	87 1/2	1928-29	East India Distilleries (Jan. July)	2.000	7	21	17 1/2	17 1/2
1919	Kesoram (June Dec.)	20.00	7	100	130	133	1897	Eastern Investments Ltd (Apr.)	2.500	5 1/2	100	...	...
1925	Khatu Makani (Nov.)	10.00	6	100	88	88	1928	General Investment & Trust (Feb. Aug.)	1.00	5	100	75	77 1/2
1927	Kothari (Nov.)	12.00	6	10	103	104	1947	General Investment & Trust (Feb. Aug.)	1.00	6 1/2	100	65	70
1900	Muir (Feb. Aug.)	30.00	6	100	87	89	1946	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	73
1913	New Great Eastern (Mar.)	3.00	5 1/2	200	185	185	1947	Gladstone Lyall & Co. Ltd.	15.00	6 1/2	100	66	66
1920	New Victoria (Apr. Oct.)	26.05	6	5	51 1/2	51 1/2	1948	Godfrey Phillips India Ltd.	30.00	5 1/2	100	68 1/2	64 1/2
1933	Palani Andavar (Mar.)	2.00	7	50	58 1/2	58 1/2	1946	Gwallior Sugar (Redeemable) (Dec.)	6.75	7	100	68	68 1/2
1935	Swadeshi (Bombay) (May)	15.00	5	100	90 1/2	115	1940	Gwallior Sugar (Dec.)	5.00	7	100	68	65 1/2
1927	Swadeshi (Cawnpore) (Mar.)	35.00	6	100	113	120	1940	Humayan Properties Ltd. (Nov.)	12.00	6	10	10	11
1931	Vasanta (Apr. Oct.)	3.00	6 1/2	100	113	120	1936	Indian Aluminium (Mar. Sept.)	40.00	5 1/2	100	84	75
1908	Vishnu (Apr.)	16.00	7	500	550	550	1945	Indo Burma Petroleum (Jan. July)	50.00	7 1/2	100	104 1/2	107
JUTE MILLS.													
1927	Agarpara (Jan. July)	10.00	7	100	107	110 1/2	1927	Indian General Navy & Railways	2.244	6	100	85	82
1905	Alexandra (Feb. Aug.)	9.00	7	100	97 1/2	106	1929	Indian Cable Co. (Nov.)	12.88	6	10	33 1/2	27
1896	Alliance (Mar. Sept.)	15.00	6	100	97	103 1/2	1932	Indian Standard Wagon (Aug. or Sept.)	1.968	7	100	140	139
1917	Anglo-India (May Nov.)	40.00	7	100	107	119	1936	Indian Iron & Steel	2.69 1/2	5	100	108	111 1/2
1908	Auckland (July Jan.)	10.00	5 1/2	100	76	98	1946	Investment and Finance (Feb. Aug.)	2.00	5	100	75	77 1/2
1945	Auckland (July Jan.)	15.00	4 1/2	100	78 1/2	76	1935	Investment and Finance (Feb. Aug.)	2.00	6 1/2	100	65	70
1918	Bally (Jan. July)	20.00	7	100	105	115	1945	James Wright (Jan. July)	1.30	6	50	41	40
1896	Barnagore (Oct. Dec.)	2.00	5 1/2	100	111	122 1/2	1937	Jardine Henderson Ltd.	50.00	5 1/2	100	66 1/2	81
1906	Belvedere (Jan. July)	7.00	7	100	111	122 1/2	1946	Jessop & Co.	10.00	5	100	101	105 1/2
1940	Bengal (June Dec.)	10.00	5 1/2	100	79 1/2	79 1/2	1945	Jupiter General Insurance (Sept.)	4.99	8 1/2	10	...	...
1919	Birla (June Dec.)	23.64	7 1/2	100	101	102 1/2	1916	Kumardhubi Engineering (June)	12.00	5	100	103 1/2	107
1896	Budge Budge (May Nov.)	9.00	7	100	111	120	1915	Do. Fireclay & Silica (June)	2.00	7	100	116	116
1934	Calcutta (Jan. July)	6.00	6 1/2	100	78	90	1915	Martin Burn Ltd.	30.00	5	100	105	107 1/2
1919	Caledonian (June Dec.)	10.00	7	100	109	118	1946	McLeod & Co.	10.00	5 1/2	100	69	73
1919	Cheviot (June Dec.)	5.00	7	100	111	116	1930	McLeod & Co.	40.00	5	100	75	83
1928	Chitavalah (Mar. Dec.)	5.00	7	100	91	116	1936	Metallurgical & Industrial (Sept.)	20.00	6	100	99	89 1/2
1900	Clive (First) (May Dec.)	8.00	6	100	91	92	1940	Metal Box Co of India Ltd.	30.00	6 1/2	100	96	97
1903	Clive "A" (Second) (May Dec.)	8.00	7	100	98	105	1949	Midnapore Zemindary (Feb.)	8.75	5	100	92	92
1903-12	Dalhousie (July Jan.)	15.00	7	100	102	117	1938	Mysore Chemical Mfg (Sept.)	2.00	5	10	9 1/2	8 1/2
1897	Delta (June Dec.)	5.00	5	100	105	94	1930	National Insulated Cable	10.00	5 1/2	100	...	...
1912	Empire (Jan. July)	10.00	7	100	109	118	1942	National Tobacco (June Dec.)	25.00	5	100	79	80 1/2
1898-99	Fort Gloster (Jan. July)	14.00	7	100	115	84	1944	National Tobacco (Jan. Dec.)	20.00	4 1/2	100	70	71
1948	Fort Gloster (2nd)	7.00	5	100	115	128 1/2	1946	Northern India Oil (Jan. July)	2.00	6	100	48	56
1911	Fort William (May Nov.)	10.00	7	100	115	128 1/2	1936	Poona Electric Supply Co. Ltd. (June Dec.)	4.00	7	100	103 1/2	103 1/2
1916	Ganges (June Dec.)	6.00	8	100	101	130	1935	Premier Construction "First" (Apr.)	10.00	6 1/2	100	104	104
1895-96	Gourepore (June Dec.)	26.50	6	100	91	103	1936	Premier Construction "Second" (Apr.)	15.00	6 1/2	100	99 1/2	99 1/2
1935	Hastings (Aug. Feb.)	25.00	6	100	100	108	1922	Purtapore (Sugar) (Oct.)	6.00	10	10	16 1/2	16
1913	Hooghly (July)	11.00	10	10	13 1/2	14 1/2	1936	Rammugger Cane & Sugar (Aug.)	4.00	6	100	99 1/2	105 1/2
1890	Howrah (Jan. July)	8.75	7	100	102	123	1933-36	Rohtas Industries (April)	20.00	7	100	124	130 1/2
1903-06	Howrah "A" (Jan. July)	17.50	7	100	107	117	1936	Rohtas Industries "B" (Apr.)	86.00	4 1/2	100	64	68 1/2
1919	Hukumchand (June Dec.)	40.00	7	100	108 1/2	113 1/2	1944-46	Shaw Wallace & Co. Ltd.	75.00	6 1/2	100	77	85
1898-94	Kamarhatti (Apr. Oct.)	16.00	6	100	91	105	1937	Shree Gopal Paper	7.50	6	100	119 1/2	126 1/2
1900	Kankarnath (Apr. Oct.)	10.00	6	100	102	105	1936-38	Shree Krishna Gyanoday Sugar "A" (Oct.)	6.00	6	100	89	101
1935	Kedarnath (Jan. July)	2.00	7	100	85	95	1906	Shree Krishna Gyanoday Sugar "B" (B.)	12.00	5	100	75	80
1907	Kelvin (Mar. Sept.)	10.00	7	100	110	133	1906	Smith Stanistreet (Chemists) (Nov.)	5.00	10	50	70	66 1/2
1907	Khardah (May Nov.)	9.00	6	100	99	114	1932	South Behar Sugar (Oct.)	5.00	7	100	161 1/2	161 1/2
1900-13	Kinnison (July Jan.)	15.00	7	100	101	114	1936	Spencer & Co. "A" (Provisions) (Jan. July)	23.20	6 1/2	10	91	91
1910	Lansdowne (July Jan.)	15.00	7	100	104	115	1923	Spencer & Co. "B" (Provisions) (Jan. July)	36.80	8 1/2	10	103	11
1912	Lawrence "A" (July Jan.)	5.00	7	100	99	91 1/2	1937	Star Paper (Apr. Oct.)	10.00	5	100	82	82
1906-07	Lawrence "B" (July Jan.)	10.00	5 1/2	100	99	91 1/2	1937	Surat Electricity (Apr.)	5.00	6 1/2	100	131	131
1945	Naihati (July Jan.)	7.50	7	100	118	120	1925	Tata Chemicals (Nov.)	60.00	5	100	117 1/2	117 1/2
1917	Naihati (Jan. Jan.)	10.00	4 1/2	100	75	79 1/2	1939	Tata Hydro Electric Power (Sept. Mar.)	89.28	7	100	121 1/2	121 1/2
1915	Nellimaria (Apr. Oct.)	5.00	7	100	97 1/2	104	1910	Tata Iron & Steel (First) (Nov.)	75.00	6 1/2	150	160	163 1/2
1919	New Central (Jan. July)	33.00	6	100	105 1/2	114	1910	Tata Iron & Steel (Second) (May)	69.32	7 1/2	100	121 1/2</	

COAL COMPANIES

O. Po. F and Dd indicate Ordinary Preferred Ordinary Founders' and Deferred shares respectively. P next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent	Paid-up per share	Latest Market Quotations as available until
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954 1955 1956	Rs.	26-9-56 19-9-56 A year ago
25,50,000	26,43,478	24,50,000	6,60,570	Amalgamated	3-9	236	6,83,393	26,953	31-5 61-71	10	23 23 24
1,00,00,000	1,96,15,238	1,40,49,223	18,85,659	Bengal P	4-10	2	26,18,996	7,31,563	71-71 81-81	200	507 530 542
4,49,350	4,08,193	70,000	2,24,303	Bengal Bhatpee	6-12	2	15,149	15,149	11-11	10	16 16 11
2,23,000	2,48,193	5,30,654	3,64,478	Bengal Nagpur P	6-12	2	15,149	15,149	11-11	10	16 16 11
15,97,000	14,16,665	6,91,475	32,32,761	Bhailorah	9	152	8,13,899	39,978	...	10	7 7 7
40,00,000	68,01,474	20,23,225	32,85,320	Bhulanbararee P	6-12	106	2,52,221	27,433	...	10	7 7 7
7,15,000	15,53,221	14,29,045	68,704	Bhulanbararee P	6-12	106	2,52,221	27,433	...	10	7 7 7
16,00,000	38,97,275	24,18,636	7,185	Bokarc & Ramgur	6-12	315	1,21,936	79,196	...	10	24 24 30
7,50,000	18,56,839	24,29,026	11,60,066	Borra P	6-12	106	2,14,682	84,207	...	10	15 15 14
90,92,489	2,38,29,968	1,75,17,502	25,32,133	Burakur P	6-12	21	11,90,330	1,15,376	...	10	7 7 7
49,97,000	35,80,075	750	1,75,962	Central India	3	166	1,33,037	14,019	...	10	12 12 11
8,00,000	16,67,373	13,30,519	1,75,962	Central Kurkend P	6-12	323	34,743	82,768	...	10	12 12 11
6,00,000	1,43,676	1,32,536	3,39,989	Churulia	6-12	106	6,374	1,129	...	10	33 33 32
2,240,000	2,236,131	1,20,000	3,39,989	Dheme Main	6-12	19	70,801	2,43,279	...	10	33 33 32
29,63,760	1,02,83,132	76,84,250	2,372,456	East Indian	6-12	19	2,137,640	259,767	...	10	16 16 14
10,00,000	6,74,708	2,07,486	31,79,507	Equitable P	6-12	307	12,979	24,844	...	10	23 23 22
6,50,000	5,06,856	3,72,978	3,72,978	Chusick & Muslia	6-12	20	2,401	2,401	...	10	23 23 22
8,00,000	2,81,843	6,75,000	5,09,494	Jurdar Kajora	6-12	19	2,58,582	65,461	...	10	20 20 17
3,50,000	6,31,240	5,66,816	1,407	Huriladih	2-8	2	1,38,130	2,21,237	...	10	20 20 17
15,00,000	31,71,936	24,32,396	25,61,314	Kalanpahari	6-12	21	49,116	17,839	...	10	21 20 19
20,00,000	24,60,896	1,77,175	26,967	Karanpura Development	2	21	2,26,982	6,965	...	10	119 119 128
5,00,000	10,29,548	16,60,000	11,25,332	Karanpura Collieries P	1-7	2	5,92,347	1,33,475	...	10	62 62 53
1,38,400	6,75,000	95,000	11,80,294	Katras Jheriah	6-12	326	49,776	1,918	...	10	91 91 91
5,65,750	10,84,977	85,000	9,599	Khas Kajora P	6-12	326	49,776	1,918	...	10	21 21 31
7,48,240	2,62,429	1,90,000	5,04,429	Mundulpur	6-12	326	49,776	1,918	...	10	7 7 7
7,00,000	5,13,418	26,617	61,461	Nazira	3-9	5	50,011	6,071	...	10	10 10 10
17,76,230	31,15,787	20,01,763	3,78,338	New Bansdeopur	4-10	2	2,64,716	94,383	...	10	11 11 10
6,00,000	11,71,307	75,000	40,447	New Beerbhoom P	3-9	202	23,330	2,233	...	10	23 23 23
2,50,000	7,69,623	1,75,500	10,12,916	New Manbhoom	1-7	306	7,954	32,184	...	10	19 19 18
1,15,000	4,42,488	2,85,193	1,53,246	North West	3-9	2	51,420	15,950	...	10	17 17 17
1,57,500									...	10	17 17 17
7,50,000	1,20,000	12,19,987	23,26,757	Ondal P	6-12	106	22,197	56,946	...	10	15 15 14
8,34,000	9,21,342	10,862	3,46,015	Parasee P	6-12	207	1,08,075	8,019	...	10	14 14 12
15,75,000	12,40,000	16,00,000	12,21,654	Pench	6-12	207	1,08,075	8,019	...	10	21 21 21
2,50,000	2,62,429	7,500	1,15,627	Pench Valley	6-12	2	2,008	18,581	...	10	21 21 21
23,99,500	37,59,038	19,17,105	39,198	Raneegunge	3-9	79	1,83,814	16,846	...	10	13 13 12
13,50,000	7,98,001	9,28,385	14,29,643	Rewa	6-12	236	4,96,775	26,029	...	10	23 23 23
20,00,000	23,74,261	7,52,027	1,01,427	Samla	12	48	1,80,660	31,543	...	10	14 14 16
2,50,000	1,56,194	1,34,374	11,350	Searsale	6-12	353	22,112	49,299	...	10	7 7 7
2,80,000	10,92,193	8,36,508	7,87,737	Seepore P	6-12	106	2,408	7,503	...	10	11 11 11
8,00,000	2,62,429	5,00,000	6,32,757	Sendra	6-12	106	2,408	7,503	...	10	11 11 11
17,50,000	22,81,985	10,75,016	63,654	South Karanpura	2-8	21	59,079	51,533	...	10	9 9 7
8,00,000	1,43,000	13,69,395	21,89,900	Standard	6-12	106	47,444	17,347	...	10	23 23 23
10,00,000	15,58,085	15,375	3,917	Talcher	0	277	22,889	3,85,056	...	10	3 3 3
3,50,000	4,96,000	3,53,000	2,17,164	Union	6-12	278	4,033	44,167	...	10	14 14 14
49,98,000	33,66,550	2,17,164	40,060	Western Bengal	3	166	4,09,468	7,262	...	10	6 6 6
7,00,000	32,55,152	1,38,190		West Jamuria	6-12	19	1,31,849	122	...	10	11 11 11

N = Nominal

COTTON MILLS

Paid-up Capital Ordinary	Number of Spindles	Number of Looms	Net Block Account	Reserve & other Funds	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent	Paid-up per share	Latest Market Quotations as available until
Rs.			Rs.	Rs.	Rs.				Rs.	Rs.	1953 1954 1955	Rs.	26-9-56 19-9-56 A year ago
15,00,000	14,108	356	14,62,919	1,73,478	11,90,008	Basanti P	12	49	1,97,268	41,227	21	10	61 61 51
32,72,340	22,197	505	27,69,676	23,18,909	24,551	Benares P	3-9	120	1,27,187	4,79,347	...	10	18 18 11
7,11,280	36,000	932	17,17,120	2,20,369	30,842	Bengal Luxmi	3	27	3,06,176	47,818	...	10	40 40 40
27,30,000	31,476	624	23,53,000	15,50,000	3,84,224	Bengal Nagpur P	6-12	236	5,23,338	18,199	...	10	9 9 9
15,00,000	38,764	923	21,35,500	1,09,84,251	1,34,542	Birla Cotton	3	12	5,23,338	4,25,221	...	10	30 30 30
6,00,000	42,872	641	37,54,142	22,72,588	1,44,948	Bowrent P	6-12	138	84,028	23,47,377	...	10	150 150 390
30,00,000	22,000	510	8,43,453	29,51,420	1,00,393	Cawnpore Textiles	3	25	6,73,253	36,767	...	10	5 9 9
3,27,22,900	1,01,808	2,762	9,94,63,168	2,74,48,393	2,94,83,803	Delhi Cloth & Genl. P.	6	238	1,81,41,278	82,759	...	10	7 7 36
1,00,563	42,944	518	34,12,181	27,19,255	1,53,884	Dunbar	6-12	138	9,92,376	1,37,951	...	10	279 279 247
12,00,000	54,000	1,209	22,44,751	66,33,360	43,06,583	Elgin P	9	25	32,80,464	93,386	...	10	27 27 22
1,20,00,000	59,250	1,872	2,38,99,575	1,60,53,952	47,29,268	Kesoram P	3	22	37,41,719	2,45,435	...	10	18 18 15
6,00,000	33,864	864	17,48,143	9,75,679	74,08,655	Mohini P	12	45	9,53,316	5,158	...	10	25 25 25
30,00,000	88,000	1,825	47,44,546	12,65,055	92,65,055	Muir P	12	208	18,77,941	7,77,296	...	10	88 88 118
22,89,382	78,848	1,367	43,25,577	26,00,968	1,45,701	New Victoria P	12	237	18,83,371	13,76,473	...	10	14 14 14
19,47,750											...	10	15 15 12
5,00,000	23,196	795	22,57,946	18,38,739	2,02,179	Rampooria Cotton	6	4	6,16,936	1,094	...	10	21 21 21
17,50,000	1,14,836	2,077	2,83,77,688	2,65,04,931	32,30,412	Swadeshi (Cawnpore) P	12	333	43,71,838	7,09,029	...	10	12 12 11
1,57,50,000											...	10	10 10 10
40,50,000	48,754	1,310	91,31,708	1,89,73,217	43,99,979	Bangalore W C Silk P	12	26	56,34,938	2,38,649	...	10	58 58 51
1,78,47,800	1,20,012	2,770	3,20,71,606	1,87,39,278	23,80,514	Bukingham Carnatic P	12	26	1,01,66,075	2,38,445	...	10	202 202 169
20,00,000	28,000		18,03,003	20,32,074	11,26,239	Cambodia P	12	210	1,96,274	27,933	...	10	14 14 13
12,00,000	23,864		6,41,058	9,00,000	36,53,502	Coimbatore Cotton	12	188	6,53,750	61,404	...	10	392 392 322
20,76,900	72,832	407	47,91,212	7,98,881	22,227	Coimbatore Spg & Wvg	6	46	7,32,342	10,23,340	...	10	110 111 77
6,50,000	50,640	295	12,25,505	17,90,000	58,77,434	Kaleeswarar	12	139	2,05,780	7,677	...	10	335 335 290
24,00,000	30,512	200	52,38,868	16,25,000	7,43,757	Kothari Textile P	6	141	3,25,924	29,382	...	10	30 30 14
23,64,000	48,756		15,01,051	21,70,200	78,350	Lakshmi	12	186	31,41,248	2,209	...	10	25 25 158
1,75,02,480	4,65,324		2,15,02,107	4,13,81,878	31,04,681	Madura	12	108	77,86,509	18,86,813	...	10	15 51 52
12,00,000	21,856		8,43,189	5,35,363	10,32,898	Malabar Spg & Wvg	12	240	88,939	84,039	...	10	113 113 115
60,00,000	24,252		20,49,993	69,00,000	19,91,755	Mettur Industries	3	29	48,44,863	45,835	...	10	473 480 360
13,61,780	6,000		14,13,993	9,59,270	1,34,863	Mysore Spun Silk	5	142	1,753	3,986	...	10	61 61 31
4,00,000	20,137		3,36,608	5,00,000	24,24,908	Palani Andavar P	12	30	7,39,437	2,687	...	10	172 172 120
7,79,700	15,540	416	5,42,118	2,43,421	2,65,911	Sataram Spg & Wvg	3	164	87,724	3,083	...	10	60 60 60
7,00,000	28,104	270	12,98,563	18,23,501	11,71,924	Vasanta P	12	47	16,37,450		...	10	340 340 245

† Liquid Assets.

BOMBAY COTTON MILLS

O. Po. C. and Dd. indicate Ordinary Preferred Ordinary Founders' and Deferred shares respectively. P next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary Rs.	Number of		Net Block Account Rs.	Reserve & other Funds Rs.	Cash & Securities Rs.	NAMES OF MILLS	Accounts closed	Managing Agents	Net Profits including taxation Rs.	Carry forward Rs.	Dividends per cent			Paid-up per share Rs.	Latest Market Quotations as available until		
	spindles	Looms									1952	1951	1950		25-9-56	18-9-56	A year ago Rs.
33.00.000	49,652	1,016	78,85,647	23,92,600	13,11,943	Ahmedabad Advance F	6	229	2,04,749	4,408	10	5	7	100	200	200	143½
50.00.000	49,254	896	20,17,010	9,99,960	10,78,394	Apollis	12	269	1,49,501	-2,24,486	Nil	Nil	2	100	23½	23½	2,53/64
40.00.000	41,135	886	56,44,989	24,00,000	94,33,977	Beharali Ramcharan	3	350	-4,14,858	45,646	Nil	..	10	500	54½	54½	54½
2,50,98,842	4,211	4,92,50,220	6,29,32,051	3,63,58,662	Bombay Dyeing, etc.	12	199	54,80,350	73,129	9	8	10	250	631½	635½	521½	204½
19,00.000	35,052	848	4,48,713	25,25,750	14,44,104	Bradbury P.	3	262	11,48,139	80,375	40	..	..	500	190	190	204½
20.00.000	28,848	496	26,33,370	5,00,000	58,709	Broach Fine Counts	3	43	13,78,597	11,47,692	..	..	..	250	..	..	..
1,09,42,800	1,18,296	2,760	84,77,147	2,63,96,826	32,49,549	Century	6	289	30,09,708	34,956	22	22	22	100	553½	550½	420½
46,87,500	1,15,188	2,062	91,53,966	36,73,074	27,90,255	Central India P.	6	649	39,632	3,703	5	2	3	100	153½	151	131
49,00.000	44,592	894	47,53,651	16,00,666	58,070	Colaba Land & Mill	12	288	-12,83,292	33,84,399	Nil	..	..	100	94½	94½	62½
26,00.000	24,316	719	13,26,021	32,52,434	1,01,653	Coorla	3	58	7,46,029	1,28,751	7½	..	..	100	118½	118½	118½
34,00.000	43,512	815	13,26,021	32,52,434	18,49,860	Dawn	12	262	2,92,571	1,07,563	..	..	..	100	91	91	90½
25,00.000	49,164	920	8,87,007	27,15,000	26,87,929	Edward Textiles	12	260	9,18,679	30,166	7½	..	..	100	50	50	50
40,00.000	33,848	782	24,22,107	1,00,000	33,29,338	Elphinstone P.	12	59	19,96,991	49,379	..	..	..	100	351	354	262
40,00.000	46,072	784	22,83,224	28,21,478	41,47,258	Finlay	12	341	61,17,097	85,682	..	..	..	100	243½	242	221½
39,04,700	77,966	1,172	19,78,309	42,25,176	23,64,706	Gokak	12	66	12,85,523	85,195	17	..	..	100	351	354	262
50,00.000	71,672	1,387	61,31,586	2,46,297	52,000	Hind Mills Ltd. P.	6	156	5,20,791	1,801	4½	4	..	100	243½	242	221½
12,00.000	40,856	1,116	64,14,595	68,13,239	10,75,932	Hindustan	3	305	4,27,894	6,195	..	..	..	1,000	3,825	3,825	3,825
2,00,00.000	2,48,870	6,498	4,41,45,022	3,84,70,706	31,62,629	India United	12	15	1,32,22,197	5,89,816	..	..	..	10	12½	12½	11½
50,00.000	47,824	1,202	75,60,490	61,57,161	4,26,274	Indian	8	305	..	..	..	..	..	1,000	3,830	3,830	3,830
50,00.000	50,074	1,426	48,56,928	57,98,513	..	Indore Malwa United	12	103	..	47,407	..	..	..	100	95	95	95
6,66,000	22,664	459	6,64,300	48,64,818	28,76,437	Khandesh	12	122	1,96,715	63,148	6	..	..	1,000	..	..	..
29,92,500	65,260	1,514	50,33,012	49,54,660	24,68,047	Khatav Makanji P.	6	149	4,92,850	22,865	10	..	..	100	227½	227½	211½
1,00,00.000	1,11,464	1,846	88,73,299	1,34,00,000	8,16,145	Kohinoor	12	146	31,21,795	33,940	20	18	18	100	366½	364	325
32,00.000	51,972	1,213	35,78,446	77,40,640	9,87,456	Lakshmi P.	12	44	13,97,807	14,780	15	13½	17	250	650	650	550
29,59,700	36,416	551	39,80,598	19,58,091	12,15,175	Minerva	12	126	1,98,449	16,589	7	5	6	100	200	185	179½
94,91,850	52,408	1,021	74,34,442	75,31,527	17,44,404	Model Mills Nagpur	6	78	47,76,26	27,241	3	14	14	100	268½	268	233
51,75,000	1,665	565	53,42,444	32,62,000	67,504	Morarjee Goculdas	6	104	12,50,550	26,751	12	14	14	100	122½	122½	110
24,83,500	48,794	500	43,79,635	50,54,445	30,78,517	Mysore Spg & Mfg P	3	261	49,43,379	19,401	20	17	12-18*	60	100	100	100
24,00.000	45,944	432	23,52,760	7,45,706	10,79,300	New City of Bombay	12	42	15,67,753	8,456	..	..	..	100	1409	1409	1409
30,00.000	46,884	1,029	22,77,098	25,72,444	27,32,568	New Great Eastern P.	12	42	12,48,697	153	..	..	..	100	250½	250	168
49,94,100	24,108	469	51,31,024	99,86,658	25,25,828	Jemanshahi	10	273	12,88,408	1,79,408	..	..	..	100	151½	151	133/64
48,00.000	54,244	728	53,94,222	35,02,899	1,54,21,522	Phoenix	12	118	21,027	27,380	..	..	..	100	144	144	144
6,00.000	9,520	277	89,277	41,43,561	3,28,231	Sassoon & Alliance Silk	12	257	2,10,343	8,507	..	..	..	10	35	35	35
25,00.000	60,240	1,288	47,75,324	60,49,474	45,94,677	Sassoon Spinning	12	338	22,21,696	1,145	12½	..	..	1,000	1,800	1,700	1,680
16,00.000	1,11,360	2,234	11,66,629	1,51,25,293	38,22,524	Sholapur	3	183	24,07,865	1,95,119	..	..	..	50	204	205	164½
42,00.000	34,840	1,276	15,38,540	49,02,106	1,51,25,293	Sholapur	3	183	24,07,865	1,95,119	..	..	..	100	221½	223½	246½
60,00.000	65,668	1,540	33,29,221	95,08,251	18,83,695	Sree Nivas Cotton P.	12	327	22,00,610	1,53,662	14	8	10	100	266½	251	252
1,00,00.000	65,040	2,400	1,24,92,659	94,75,000	36,68,495	Svadeshi P.	12	269	15,47,509	67,611	16	8	10	100	452½	445½	365
24,00.000	31,450	528	46,34,466	56,58,670	12,465	Swan	12	341	8,25,350	4,485	6	10	16	25	57½	57½	665
32,78,938	63,248	1,800	110,89,972	57,21,006	17,34,476	Tata	12	269	8,25,350	4,485	6	10	16	100	185	190	161½
34,50,280	54,280	1,495	59,56,889	36,84,372	6,70,046	Vishnu P.	12	44	7,77,492	23,125	4	4	8	100	3,875	3,875	3,875
12,00.000	45,508	1,308	62,07,441	12,11,933	31,81,227	Western India	3	305	12,00,985	8,027	..	..	..	1,000	3,875	3,875	3,875

O., Po., C. and Dd indicate Ordinary, Preferred Ordinary, Contributory and Deferred Shares respectively. P. next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up Capital Share	Latest Market Quotations as available until		
									1952	1953	1954		26-9-56	10-9-56	A year ago
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.				Rs.	Rs.	Rs.	
MININGS.															
22,369,796		£1,73,459	£2,534,298	Burma Mines Ltd.	12	153	£608	£304	Nil	..	..	3 1/2	3 1/2	3 1/2	
30,00,000	43,47,289	22,78,383	34,23,759	Chrestien Mica Industries Ltd P	12	312	11,97,133	10,883	6 1/2	7 1/2	..	10 1/2	17	17 1/2	
15,00,000Dd									7 1/2	7 1/2	..	5Dd	8 1/2	8 1/2	
2,318,088	£238,426	£57,484	£112,883	Consolidated Fin Mines	3	67	£10,533	£22,219	7 1/2	7 1/2	..	3 1/2	2 1/2	2 1/2	
£914,200	£876,054	£1,853,056	£1,376,103	Indian Copper Corporation	12	98	£1,299,804	£117,083	10	25	45	2 1/2	7	6 1/2	
29,19,430D	61,58,847	2,01,886	13,723	Metal Corpn P	3	343	-2,39,779	-4,51,131	Nil	Nil	..	10C	11 1/2	8 1/2	
2,63,873D									Nil	Nil	..	1Dd	3 1/2	3 1/2	
20,00,000	23,37,496	35,58,897	32,52,617	Orissa Minerals Development	6-12	21	4,40,034	1,18,835	20-21	10-11	10-10	10	25 1/2	25 1/2	
£375,000	£445,323	£317,481	£234,026	Lavoy Fin Dredging	12	14	£9,059	£19,118	Nil	Nil	..	2 1/2	8	11	
CEMENT, LIME, SLATE, ETC.															
43,14,600D	41,51,412	21,43,429	29,64,072	Assam Bengal Cement	3	80	1,70,813	6,44,675	..	..	..	10C	7 1/2	7 1/2	
70,976Dd									6 1/2	10	..	1Dd	13	13	
31,70,655	35,31,055	11,49,392	14,292	Bengal Potteries	12	155	1,85,228	17,540	6 1/2	10	..	2 1/2	3 1/2	3 1/2	
10,00,000	24,67,605	12,22,725	3,09,949	Bisra Stone Lime	3-9	21	5,35,222	9,142	3 1/2-5	5-8 1/2	3 1/2-..	10	40	40	
60,00,000									10	10	12 1/2	10C	15 1/2	15 1/2	
26,50,000C	62,91,611	98,26,915	2,11,38,276	Dalmia Cement (Bharat) P.	12	123	56,57,138	2,87,998	10	10	10	2 1/2	5 1/2	5 1/2	
5,00,000Dd									10	10	10	1Dd	17	17	
15,00,000	77,49,749	72,13,923	2,14,327	Kumardhubi Fireclay & Silica P	12	21	6,05,311	49,404	Nil-15	Nil-15	15	10	22	22	
6,00,000	10,01,502	8,62,360	80,359	Reliance Firebrick & Pottery	2-8	..	1,10,349	19,001	Nil-15	Nil-15	10-10	10	20	20	
75,00,000	59,94,174	2,425,000	6,74,212	Sona Valley Portland Cement	12	..	7,89,487	41,841	7 1/2	7 1/2	..	6	9 1/2	9 1/2	
3,22,560	1,63,551	61,267	2,27,012	Sutna Stone & Lime	6-12	3	69,598	652	5 1/2-5 1/2	5 1/2-5 1/2	5 1/2-6 1/2	10	16 1/2	16 1/2	
CHEMICAL INDUSTRIES															
62,00,000	1,50,41,342	42,71,273	68,948	Alkali & Chemical Corp of India	9	121	19,39,845	1,19,168	6	6	8	10	23 1/2	23 1/2	
40,00,000	21,91,251	15,000	61,675	Bathgate & Co Ltd P.	12	324	-3,54,305	-22,19,370	Nil	..	..	10	2 1/2	2 1/2	
11,45,800C									6	6	6	100	100	100	
11,08,900A	56,08,902	43,35,000	1,49,08,704	Bengal Chemical & Pharm. P.	4	245	14,18,430	11,70,500	6	6	6	100	100	101	
22,34,700B									Nil	Nil	Nil	6	2 1/2	2 1/2	
4,95,000	82,695	69,070	15,903	Frank Ross P	2	129	46,893	858	10	10	20	6	11	11	
5,00,000	4,29,261	10,45,949	2,27,103	Smith Stanistreet P.	6	191	4,25,803	83,968	10	10	10	10	11	11	
ELECTRIC LIGHTING POWERS.															
19,99,600	47,69,341	26,19,782	22,94,558	Agra Electric Supply	3-9	32	3,05,594	46,384	6-5	5-5	5-5	100	158	158	
8,00,000	26,10,897	6,35,896	4,84,486	Bareilly Electric Supply	6-12	32	3,37,783	20,990	4 1/2-5	5-5	5-5	10	141	141	
17,00,000	80,72,095	22,47,869	11,75,299	Benares Electric Light Power	6-12	32	5,94,018	38,507	6 1/2-6 1/2	6 1/2-6 1/2	6 1/2-6 1/2	10	172	172	
5,91,360	10,66,663	3,90,855	85,418	Benares Electric Supply	12	202	1,44,138	41,819	6	6	..	8	8 1/2	8 1/2	
£4,262,646	£18,897,213	£7,242,300	£593,358	Almatta Electric Supply P.	12	90	£1,52,226	£136,163	6	6	6	6	13 1/2	13 1/2	
6,60,040	17,68,438	5,34,904	93,194	Uttack Electric Supply	12	202	1,24,836	26,455	Nil	3	..	10	4	4	
17,51,050	38,10,419	10,41,599	3,39,348	Dacca Electric Supply P.	12	202	3,89,244	12,706	..	..	..	10	4 1/2	9 1/2	
5,21,640	8,42,506	1,65,000	3,937	Jhansi Electric Supply	12	168	71,309	..	5 1/2	..	..	10	9 1/2	9 1/2	
22,49,550	42,84,132	14,91,999	6,31,532	Jubbulpore Electric Supply	3-9	32	2,14,454	27,327	5 1/2	5 1/2	5 1/2	10	14 1/2	14 1/2	
4,95,000	5,44,854	2,51,058	1,13,239	Mirzapur Electric Supply	12	202	58,676	..	5 1/2	..	..	9	9	15	
5,82,390	17,12,129	1,78,813	83,869	Muzafferpore Electric Supply	12	202	73,159	-7,070	Nil	Nil	..	10	7 1/2	7 1/2	
6,99,700	5,43,057	77,521	3,49,185	Muthia Electric Supply	6-9	329	30,021	2,295	3-3	3-3	..	10	9 1/2	9 1/2	
35,07,380	85,46,049	37,10,223	11,51,661	Patna Electric Supply	12	202	7,40,283	68,005	7 1/2	7 1/2	..	10	11 1/2	13	
3,00,000	2,87,192	92,919	2,24,719	Saugor Electric Supply	6-12	32	26,549	2,248	2 1/2-2 1/2	2 1/2-2 1/2	2 1/2-2 1/2	10	8 1/2	8 1/2	
9,10,000	1,75,951	2,72,300	1,20,999	Subbanapur Electric P.	9	202	65,624	14,394	5	5	..	10	12	12	
16,80,000	27,99,505	5,36,596	3,38,039	Silua (Jherria) Electric	12	21	3,28,874	44,269	7 1/2	7 1/2	..	10	15 1/2	15 1/2	
56,00,000	£62,42,470	35,82,369	13,28,419	United Provinces Electric	3-9	32	5,39,988	80,998	5-5	5-5	5-5	100	13 1/2	13 1/2	
5,98,500	7,78,128	2,07,439	7,77,619	Upper Ganges Valley Elec.	6-12	32	93,211	8,097	4 1/2-4 1/2	4 1/2-4 1/2	4 1/2-4 1/2	10	20 1/2	20 1/2	
4,97,500	9,83,503	4,45,371	6,17,317	Upper Jumna Valley Elec.	3-9	32	65,313	28,289	6 1/2-6 1/2	6 1/2-6 1/2	6 1/2-6 1/2	10	20 1/2	19 1/2	
ENGINEERING & METAL															
6,00,000	1,74,689	6,49,870	2,10,157	Arthur Butler (Mozufferpore) P	10	300	1,52,744	1,01,965	..	..	..	10	9 1/2	9 1/2	
50,00,000	51,82,373	16,49,587	1,37,153	Bhartia Electric Steel	12	31	£17,212	3,99,940	..	..	..	10	17 1/2	18 1/2	
39,61,853	60,13,020	60,13,020	42,18,134	Braithwaite India	12	289	27,02,716	3,59,761	14 2/3	16 1/2	25	7	30	26	
12,00,000	11,00,577	20,90,831	2,21,294	Bridg & Roof	6-12	24	6,16,247	1,51,297	7 1/2	7 1/2	7 1/2-7 1/2	10	38 1/2	38 1/2	
19,38,670	43,02,291	6,50,000	2,34,387	Britannia Building & Iron P	8	109	2,46,547	17,197	6	6	10	10	8 1/2	8 1/2	
10,00,000	17,90,445	30,75,000	17,787	Britannia Engineering	12	165	7,37,822	1,36,319	15	15	15	10	9 1/2	9 1/2	
5,00,000	5,44,177	1,00,000	6,594	British India Electric Cons.	6-12	24	91,780	-5,26,929	Nil-15	Nil-15	Nil-15	10	312	358	
84,00,000	1,37,50,426	94,65,000	8,62,721	Burn P. (Engineering)	4	32	40,53,237	96,435	15	10	15	100	372	297	
12,50,000	18,91,142	17,75,000	31,705	Hooghly Docking	12	32	1,81,646	46,167	15	12 1/2	..	50	142	137	
38,94,590	23,07,106	6,65,000	5,918	Indian Galvanizing	12	24	5,46,700	41,267	3	4	10	10	21 1/2	21 1/2	
5,13,37,080	15,50,80,816	9,24,19,315	2,60,33,539	Indian Iron & Steel P.	3	32	1,12,98,649	4,64,401	10	10	10	50	36	35 1/2	
3,95,000C	3,90,976	40,000	3,47,063	Indian Malleable Casting	3	222	-26,894	-82,872	..	..	..	1Dd	7 1/2	4 1/2	
1,54,00,000Dd	15,53,438	31,62,575	16,65,276	Indian Standard Waron P.	3	32	33,58,193	37,445	19	19	25	25	22 1/2	212	
19,49,250	35,89,979	2,73,15,122	1,64,34,729	Indian Steel & Wire Products	3	32	13,11,485	2,58,850	30	30	30	100	191	173	
32,00,000C	45,57,847	57,91,388	15,31,617	Jessop & Co P.	10	290	47,27,193	14,130	15	15	15	100	37 1/2	37 1/2	
51,00,000	44,15,822	43,12,118	1,56,283	Kumardhubi Engineering P.	11	21	6,23,372	2,14,25	16 1/2	16 1/2	16 2/3	9	9 1/2	12	
10,50,000	4,44,410	29,21,646	7,20,534	Marshall Sons (India)	8	170	99,627	93,713	12 1/2	12 1/2	..	2	6 1/2	7 1/2	
45,00,000	34,04,643	11,08,299	2,93,371	National Iron and Steel	8	182	1,08,383	8,99,513	15	15	..	4	7 1/2	6 1/2	
6,00,000	9,22,727	6,10,321	1,36,193	Saran Engineering	3	25	1,69,352	9,264	15 1/2	12 1/2	6 1/2	4	23 1/2	23 1/2	
60,00,000	1,55,63,547	3,51,516	12,57,737	Textile Machinery	12	22	9,44,777	1,47,573	7 1/2	10	..	100	23 1/2	25 1/2	
SUGAR, BREWERIES, ETC.															
14,00,000	10,57,296	15,41,237	1,34,061	Balarampur Sugar	6	25	1,73,882	20,880	Nil	15	15	5	7 1/2	7 1/2	
19,49,025	9,79,539	1,42,483	1,42,483	Belsund Sugar	9	127	1,38,925	49,906	15	15	15	10	17	17	
15,00,000	4,67,680	13,50,000	20,40,455	Bharat Sugar P.	6	316	4,40,260	13,206	10	10	..	10	..	..	
33,57,580	22,31,255	36,89,916	26,47,199	Buland	10	92	14,37,927	8,477	Nil	7 1/2	2 1/2	10	20 1/2	20 1/2	
32,00,000	44,63,474	27,37,630	3,59,362	Carew (Sugar) P.	6	158	2,65,567	82,023	20	7 1/2	7 1/2	10	26 1/2	26 1/2	
30,00,000	14,38,021	27,83,051	16,43,647	Cawnpore Sugar P.	10	25	12,47,968	24,019	10	15	15	10	22 1/2	22 1/2	
13,00,000	19,35,655	38,04,891	2,09,143	Champanan Sugar	8	171	6,61,957	1,12,387	15	15	15	10	6	6	
26,00,000	35,28,769	33,35,766	8,55,327	Dharmadham	3	110	7,60,601	8,143	10	10	11 1/2	100	27	27	
16,20,630	12,59,649	18,38,916	41,32,151	Dwer Meakin (Breweries) P.	8	237	-57,978	8,819	..	..	..	100	7 1/2	7 1/2	
15,93,000	23,89,532	2,24,658	3,84,913	Gwallor Sugar P.	8	237	-57,978	8,819	..	..	..	100	7 1/2	7 1/2	

† Liquid Assets

MISCELLANEOUS COMPANIES—Contd.

O, Po, C and Dd indicate Ordinary, Preferred Ordinary, Contributory and Deferred Shares respectively. P next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Agents refer to the Key (last page)															
Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
									1954	1955	1956		26-9-56	19-9-56	A year ago
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.				Rs.	Rs.	Rs.	Rs.
SUGAR BREWERIES ETC.															
11.00.000	6.45.722	3.75.000	10.90.564	New Savan Sugar and Gur	5	140	95.437	52.205	..	..	..	10	6 1/2	6 1/2	6 1/2
9.00.000	7.28.559	17.64.369	58.734	Purtabpur Sugar P.	10	25	508.340	6.871	7 1/2	7 1/2	..	10	15 1/2	15 1/2	17 1/2
15.59.820	26.32.127	35.30.000	4.84.356	Ramnagpur Cane & Sugar P.	3	1	18.11.504	20.350	15	20	..	10	27 1/2	27 1/2	26 1/2
19.99.600	25.52.553	39.88.218	13.92.915	Raza Sugar	10	92	10.78.193	3.144	..	..	..	10	20 1/2	20 1/2	20 1/2
6.30.000	4.42.169	6.54.762	1.85.115	Ryam Sugar P.	6	25	1.43.798	24.340	5	..	..	10	20 1/2	20 1/2	20 1/2
11.99.000	15.94.631	19.37.429	98.312	Samastipur Central Sugar	6	25	1.43.798	8.477	5	Nil	..	10	13 1/2	13 1/2	16 1/2
20.30.000	72.62.286	36.66.708	1.63.444	Shree Krishna Gyanoday Sugar P.	7	335	12.99.571	34.046	15	17 1/2	..	10	12 1/2	12 1/2	17 1/2
7.94.500	13.54.858	11.65.175	11.16.368	Shree Sitaram Sugar	6	140	1.90.057	7.991	..	..	..	10	14 1/2	14 1/2	14 1/2
9.99.950	14.54.274	1.54.304	1.42.696	Sitalpore Sugar	6	94	1.39.515	1.39.515	Nil	Nil	..	10	4 1/2	4 1/2	6 1/2
16.00.000	6.07.804	7.99.778	4.22.572	United Provinces	9	341	4.23.880	39.061	12 1/2	..	..	10	21 1/2	21 1/2	22 1/2
8.00.000	38.92.308	21.57.556	3.60.236	Upper Ganges Sugar P.	6	227	10.24.525	82.931	25	25	..	10	9 1/2	9 1/2	70
14.00.000	14.24.740	23.74.426	10.72.924	Upper India Sugar	4	302	16.80.986	86.393	15	20	..	100AC 121BC	280	280	127
7.00.000B												28 1/2	28 1/2	15	15
MISCELLANEOUS															
8.00.000	2.20.232	1.56.200	9.53.526 1/2	A Firpo (Restaurateurs)	10	85	84.518	4.475	..	..	..	10	4 1/2	4 1/2	7 1/2
1.20.00.000	1.40.80.994	6.21.715	51.361	Air India Ltd.	12	269	6.02.785	14.30.401	..	..	..	100	..	..	..
2.00.00.000	2.38.39.656	68.01.534	50.022	Air India International Ltd.	12	322	10.51.340	30.205	..	..	..	100	..	..	..
47.50.000	1.31.03.534	15.00.000	5.97.941	Aluminium Corp. P.	3	132	12.82.024	32.582	Nil	Nil	..	100	12 1/2	12 1/2	7 1/2
2.50.000D												21Dd	6 1/2	5 1/2	2 1/2
20.00.000	42.43.917	14.50.000	55.36.059	Anderson Wright Ltd. P.	12	1	4.94.322	24.401	7 1/2	..	..	10	11 1/2	11 1/2	11 1/2
30.00.000	10.11.675	37.63.719	14.41.313	Angelo Bros.	4	268	11.84.131	3.43.961	12 1/2	20	..	10	23 1/2	23 1/2	23 1/2
30.30.400	17.54.434	27.66.265	5.49.634	Assam Match	12	274	8.35.902	1.18.395	12 1/2	12 1/2	..	10	20 1/2	20 1/2	19 1/2
13.99.998	21.25.615	23.30.285	64.182	Assam Saw Mills & Timber	9	21	97.045	5.14.537	Nil	Nil	..	3	4 1/2	4 1/2	5 1/2
20.00.000	61.61.507	23.00.000	61.84.607	Associated Hotels of India P.	8	204	8.82.993	32.683	2	4	..	10	12 1/2	11 1/2	5
80.01.400	33.50.000	1.09.53.000	1.12.08.422	Balmer Lawrie & Co.	12	304	32.12.152	5.03.129	13	12 1/2	..	100	17 1/2	17 1/2	16 1/2
12.00.000	2.65.000	8.24.890	1.08.023	Baraek Coke	3-9	128	2.16.123	22.708	7 1/2	7 1/2	..	100	19 1/2	19 1/2	21 1/2
6.00.000	76.414	Nil	30.72.417	Bengal Timber Trading P.	6	128	6.43.104	1.19.103	..	..	..	100	44	44	43
50.00.000	19.53.822	Nil	19.59.059	Bharat Airways Ltd.	6	22	3.19.589	3.19.229	..	..	..	10	5 1/2	5 1/2	3 1/2
20.00.000	7.95.437	..	62.81.006	Birds Investments P.	9	160	5.89.372	1.15.707	12 1/2	12 1/2	..	10	17 1/2	17 1/2	18 1/2
45.97.020	76.85.085	31.11.814	2.09.476	Britannia Biscuit P.	3	50	8.14.261	1.79.277	10	10	..	10	15 1/2	15 1/2	14 1/2
22.50.000	13.98.796	43.18.775	3.38.973	British Ceylon Corporation P.	12	6	27.75.295	1.85.955	..	..	..	7 1/2	10 1/2	10 1/2	11 1/2
3.25.00.000	59.89.738	1.18.50.524	2.50.83.639	British India Corporation P.	12	33	30.23.938	27.36.584	11	Nil	..	5	11 1/2	11 1/2	10 1/2
32.50.000A												10A	7 1/2	7 1/2	7 1/2
32.50.000B	2.10.569	5.83.876	1.16.62.849	Calcutta Gas Co. (Propr.) Ltd. P.	9	235	6.87.704	22.189	5	6	..	10B	..	..	..
5.00.000	5.92.780	2.40.684	1.02.576	Calcutta Silk Manufacturing P.	3-9	213	45.711	22.586	..	..	..	10	4 1/2	4 1/2	5
90.00.000	17.68.710	67.71.188	2.49.58.018	Duncan Brothers & Co. Ltd.	12	169	48.24.539	4.28.060	12	..	..	100	120	140	142
1.60.00.000	2.34.09.046	3.14.86.174	4.04.79.333	Dunlop Rubber Co. (India) P.	12	96	96.72.154	11.71.685	15	15	..	10	30 1/2	29 1/2	38 1/2
51.26.000	54.12.212	1.48.29.523	1.48.29.523	Eastern Investments Ltd. P.	12	21	12.83.240	3.06.138	9	9	..	100	147	146 1/2	170
40.00.000	13.79.357	4.33.826	1.02.21.711	F & C Oster (India) Ltd. P.	3	84	4.26.249	5.26.954	..	..	..	10	12	12 1/2	16 1/2
80.00.000	12.88.300	21.97.641	86.55.360	French Motor Car	3	51	8.97.594	1.20.757	12 1/2	12 1/2	..	20	21 1/2	21 1/2	21
14.00.000	14.92.000	10.02.000	11.384	Ganges Rope	3-9	19	89.571	27.194	7 1/2	7 1/2	..	100	186	186	194
2.25.000	..	37.892	5.12.210	General Investments Trust P.	2-8	21	45.701	8.851	2 1/2	2 1/2	..	75	43	43	43
65.00.000	34.18.813	42.00.000	1.09.15.528	Gillanders Arbuthnot & Co. Ltd. P.	3	105	29.71.809	1.51.360	7 1/2	14	..	10	14	14 1/2	13 1/2
20.00.000	27.68.049	5.00.324	12.84.357	Gladstone Lysal & Co. Ltd. P.	12	209	7.02.792	34.255	..	..	..	10	25 1/2	25 1/2	..
40.00.000	31.71.333	7.81.000	98.384	Godfrey Phillips (India) Ltd. P.	12	310	19.01.201	11.96.811	10	20	..	10	25 1/2	25 1/2	20 1/2
30.00.000	32.90.010	17.22.203	6.22.424	Great Eastern Hotel	3	225	5.30.579	16.373	..	..	..	250	239	239	229
10.00.000	17.38.764	1.61.173	9.221	Hindustan Ice & Cold Storage	9	..	43.377	24.274	..	..	..	5	1 1/2	1 1/2	1 1/2
35.20.000	31.95.729	19.00.000	19.72.453	Hoare Miller & Co. Ltd.	12	294	91.339	67.868	Nil	..	..	10	6	6 1/2	7 1/2
18.16.00.000	7.42.66.399	7.88.86.788	5.50.32.187	Imperial Tobacco	3	325	3.66.59.515	24.94.274	6	8	..	10	15 1/2	15 1/2	14 1/2
1.90.00.000	2.41.97.583	53.33.999	10.13.114	Indian Aluminium Co. Ltd. P.	12	293	26.79.662	14.18.074	Nil	9	..	10	19 1/2	20	..
1.52.89.220	98.34.740	1.62.50.000	3.90.322	Indian Cable P.	3	34	77.23.781	28.98.462	10	12 1/2	..	10	35 1/2	36	29 1/2
83.75.000	22.07.260	2.21.285	11.69.467	Indian National Airways	12	93	36.302	12.62.971	..	..	..	100	6 1/2	6 1/2	4 1/2
1.25.000												100	6 1/2	6 1/2	4 1/2
8.27.970												100	6 1/2	6 1/2	4 1/2
20.00.000	4.64.735	18.15.467	10.03.705	Indian Rubber Manufacturers P.	3	173	1.79.618	32.610	5	5	..	10	17 1/2	17 1/2	12 1/2
5.00.000		235.580	12.40.384	Indian Wood Products	9	88	17.28.038	2.76.619	27 1/2	30	..	10	48	40 1/2	42 1/2
2.40.000	15.362	4.46.244	3.20.757	Investments and Finance P.	2-8	21	1.07.254	7.890	2 1/2	2 1/2	..	100	65	65	65
5.87.500				Ivan Jones Ltd.	9	194	1.39.321	36.496	..	..	..	2	3 1/2	3 1/2	3 1/2
1.17.500Dd	2.23.827	2.97.161	6.66.885	James Wright P.	12	281	62.875	5.299	5	..	..	50	4 1/2	4 1/2	4 1/2
2.00.00.000	51.23.900	55.00.000	3.73.43.97	Jardine Henderson Ltd. P.	3	39	41.68.361	4.70.107	7 1/2	7 1/2	..	100	95 1/2	96	119 1/2
6.34.000												50	2 1/2	2 1/2	3
65.00.000Dd	3.17.362	6.02.958	3.21.61	Macfarlane & Co.	3	133	14.078	4.849	..	..	..	100	2 1/2	2 1/2	3
1.50.00.000												100	2 1/2	2 1/2	3
1.37.53.000	62.21.000	44.53.211	3.30.53.361	Macneill & Barry Ltd. P.	3	334	37.93.020	6.21.756	7 1/2	7 1/2	..	100			

Contents

Government Financial Control	473
Calcutta Port	461
Transport in Second Plan	469
Wool Export Quotas	476
South Arcot Lignite Project	470
Tenancy Reform in Madras	477
First Plan in Hyderabad	482
U.K. and World Bank Loans	475
Without Prejudice 464	Engineering 478
Ditcher's Diary 465	Jute 479
Money 467	Commodity Markets 475
Stocks and Shares 471	Plantation Topics 481
City Cable 478	Calcutta Markets 482

As a contrast to the strictly limited success of the I.M.F., the World Bank must be ranked as one of the most important international institutions which emerged from the war. Its most significant feature is the way in which it has been able to channel private investment, which would otherwise have remained within its own national boundaries, into public development projects in economically backward countries. It is estimated that out of the average \$400 million a year which the Bank has been lending, half this amount has been raised on the world's capital markets. This is a remarkable achievement. It has helped to offset the reluctance which private capital has felt since the war—and justifiably—in placing itself at the mercy of newly-formed national governments whose creditworthiness has usually varied in inverse proportion to their needs. Most of the private capital has come from United States investors, whose traditionally sound business requirements will no doubt be satisfied by the fact that the institution they have supported made a profit last year of over \$29 million and brought its reserves to a figure of \$228 million. This is all entirely satisfactory. But it would be a pity if the opportunity were not taken to expand such a prosperous business, and preferably into activities which have previously been thought too risky. That is why the new International Finance Corporation is such a welcome development. The aim of this institution will be to lend to private industry. There is no need to fear that its scope will be limited. The requirements of its parent organisation have always been stringent, and similar caution may well restrict the Corporation's activities for the next year or two. But there is no reason why courage should not grow with experience and if the World Bank's record of not one single default can be repeated, it no doubt will. Both institutions will be of immense value to countries like India in furthering economic development.

If it proves to be nothing worse, the Suez problem will represent an unaccountable risk for holders of sterling for as long as it lasts. If oil shipments, for instance, are stopped, the loss for Britain will not be far short of \$225 million in a full year. If the situation deteriorates to the point where pipeline supplies are interfered with too, the total cost of replacing Middle Eastern with dollar oil could amount to \$500 million a year for the

30	S. W. J. Penn—United Breweries Ltd. Bangalore-1.	326	Sri J. D. Shagari—11, 13, 15, 17, 19, 21, 23, 25, 27, 29, 31, 33, 35, 37, 39, 41, 43, 45, 47, 49, 51, 53, 55, 57, 59, 61, 63, 65, 67, 69, 71, 73, 75, 77, 79, 81, 83, 85, 87, 89, 91, 93, 95, 97, 99, 101, 103, 105, 107, 109, 111, 113, 115, 117, 119, 121, 123, 125, 127, 129, 131, 133, 135, 137, 139, 141, 143, 145, 147, 149, 151, 153, 155, 157, 159, 161, 163, 165, 167, 169, 171, 173, 175, 177, 179, 181, 183, 185, 187, 189, 191, 193, 195, 197, 199, 201, 203, 205, 207, 209, 211, 213, 215, 217, 219, 221, 223, 225, 227, 229, 231, 233, 235, 237, 239, 241, 243, 245, 247, 249, 251, 253, 255, 257, 259, 261, 263, 265, 267, 269, 271, 273, 275, 277, 279, 281, 283, 285, 287, 289, 291, 293, 295, 297, 299, 301, 303, 305, 307, 309, 311, 313, 315, 317, 319, 321, 323, 325, 327, 329, 331, 333, 335, 337, 339, 341, 343, 345, 347, 349, 351, 353, 355, 357, 359, 361, 363, 365, 367, 369, 371, 373, 375, 377, 379, 381, 383, 385, 387, 389, 391, 393, 395, 397, 399, 401, 403, 405, 407, 409, 411, 413, 415, 417, 419, 421, 423, 425, 427, 429, 431, 433, 435, 437, 439, 441, 443, 445, 447, 449, 451, 453, 455, 457, 459, 461, 463, 465, 467, 469, 471, 473, 475, 477, 479, 481, 483, 485, 487, 489, 491, 493, 495, 497, 499, 501, 503, 505, 507, 509, 511, 513, 515, 517, 519, 521, 523, 525, 527, 529, 531, 533, 535, 537, 539, 541, 543, 545, 547, 549, 551, 553, 555, 557, 559, 561, 563, 565, 567, 569, 571, 573, 575, 577, 579, 581, 583, 585, 587, 589, 591, 593, 595, 597, 599, 601, 603, 605, 607, 609, 611, 613, 615, 617, 619, 621, 623, 625, 627, 629, 631, 633, 635, 637, 639, 641, 643, 645, 647, 649, 651, 653, 655, 657, 659, 661, 663, 665, 667, 669, 671, 673, 675, 677, 679, 681, 683, 685, 687, 689, 691, 693, 695, 697, 699, 701, 703, 705, 707, 709, 711, 713, 715, 717, 719, 721, 723, 725, 727, 729, 731, 733, 735, 737, 739, 741, 743, 745, 747, 749, 751, 753, 755, 757, 759, 761, 763, 765, 767, 769, 771, 773, 775, 777, 779, 781, 783, 785, 787, 789, 791, 793, 795, 797, 799, 801, 803, 805, 807, 809, 811, 813, 815, 817, 819, 821, 823, 825, 827, 829, 831, 833, 835, 837, 839, 841, 843, 845, 847, 849, 851, 853, 855, 857, 859, 861, 863, 865, 867, 869, 871, 873, 875, 877, 879, 881, 883, 885, 887, 889, 891, 893, 895, 897, 899, 901, 903, 905, 907, 909, 911, 913, 915, 917, 919, 921, 923, 925, 927, 929, 931, 933, 935, 937, 939, 941, 943, 945, 947, 949, 951, 953, 955, 957, 959, 961, 963, 965, 967, 969, 971, 973, 975, 977, 979, 981, 983, 985, 987, 989, 991, 993, 995, 997, 999, 1001, 1003, 1005, 1007, 1009, 1011, 1013, 1015, 1017, 1019, 1021, 1023, 1025, 1027, 1029, 1031, 1033, 1035, 1037, 1039, 1041, 1043, 1045, 1047, 1049, 1051, 1053, 1055, 1057, 1059, 1061, 1063, 1065, 1067, 1069, 1071, 1073, 1075, 1077, 1079, 1081, 1083, 1085, 1087, 1089, 1091, 1093, 1095, 1097, 1099, 1101, 1103, 1105, 1107, 1109, 1111, 1113, 1115, 1117, 1119, 1121, 1123, 1125, 1127, 1129, 1131, 1133, 1135, 1137, 1139, 1141, 1143, 1145, 1147, 1149, 1151, 1153, 1155, 1157, 1159, 1161, 1163, 1165, 1167, 1169, 1171, 1173, 1175, 1177, 1179, 1181, 1183, 1185, 1187, 1189, 1191, 1193, 1195, 1197, 1199, 1201, 1203, 1205, 1207, 1209, 1211, 1213, 1215, 1217, 1219, 1221, 1223, 1225, 1227, 1229, 1231, 1233, 1235, 1237, 1239, 1241, 1243, 1245, 1247, 1249, 1251, 1253, 1255, 1257, 1259, 1261, 1263, 1265, 1267, 1269, 1271, 1273, 1275, 1277, 1279, 1281, 1283, 1285, 1287, 1289, 1291, 1293, 1295, 1297, 1299, 1301, 1303, 1305, 1307, 1309, 1311, 1313, 1315, 1317, 1319, 1321, 1323, 1325, 1327, 1329, 1331, 1333, 1335, 1337, 1339, 1341, 1343, 1345, 1347, 1349, 1351, 1353, 1355, 1357, 1359, 1361, 1363, 1365, 1367, 1369, 1371, 1373, 1375, 1377, 1379, 1381, 1383, 1385, 1387, 1389, 1391, 1393, 1395, 1397, 1399, 1401, 1403, 1405, 1407, 1409, 1411, 1413, 1415, 1417, 1419, 1421, 1423, 1425, 1427, 1429, 1431, 1433, 1435, 1437, 1439, 1441, 1443, 1445, 1447, 1449, 1451, 1453, 1455, 1457, 1459, 1461, 1463, 1465, 1467, 1469, 1471, 1473, 1475, 1477, 1479, 1481, 1483, 1485, 1487, 1489, 1491, 1493, 1495, 1497, 1499, 1501, 1503, 1505, 1507, 1509, 1511, 1513, 1515, 1517, 1519, 1521, 1523, 1525, 1527, 1529, 1531, 1533, 1535,
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consideration in a port already notorious for its inadequacies—inadequacies which arise to a large extent from labour indiscipline itself, and which, if they continue, will steadily undermine the port's working, finances and growth.

During the first five year plan, the main object of schemes for Calcutta port was to replace the facilities which had deteriorated through use. Some provision was also made to install new facilities in accordance with the changing patterns of trade and to cater to some extent for the large increase in traffic which was expected as a result of accelerated industrial development. As the Commissioners point out, only schemes which were considered very urgent and "inescapable" were included in the first plan; restriction of scope became necessary, they say, because of the shortage of time and money. A fairly large number of projects which were essential from a long-range point of view had to be kept in abeyance for inclusion in the second plan. But the plea of a shortage of money might now seem slightly incongruous in light of the fact that, during 1951-56, the Commissioners were able to use barely 30 percent of the funds allotted for development. It is worth noting that the schemes for those five years were originally estimated to cost Rs. 8 crores; more were added later, with the result that the estimate rose to Rs. 12.07 crores. Of this, only Rs. 3.97 crores was to be provided by the Commissioners; the rest was to come from the Central Government in the form of loans carrying no interest for the first seven years and repayable in 23 equated instalments with interest. But ultimately, of the total estimated outlay, only Rs. 3.49 crores was spent until the end of March this year, and of the latter, as much as Rs. 3.07 crores came from the Government of India.

The Commissioners' explanation for this remarkable short-fall in expenditure on developing a port which badly needs development, centres mainly on three points: too little time, difficulties in getting equipment and materials, and certain changes in the time that instalment payments became due to suppliers (which may or may not indicate delays on the part of the latter). It is pointed out, for instance, that the execution of the projects was taken in hand after two years of the plan period had passed. Some large projects, such as the construction of quarters, general cargo berths and a suction dredger were included at a later stage in the development schemes. Such equipment as cranes, dredger, launches and tugs could not be procured against orders and had to be manufactured. Difficulties were also experienced in getting materials like steel and pipes, and there were "other delays in the execution of works." As for instalment payments, it is stated that they become due when progress on construction reaches a certain stage; if the first instalment of Rs. 42 lakhs on a new suction dredger was provided for in the revised estimates for 1955-56, but the actual instalment did not become payable until May 1956, the reason presumably is that the manufacture of the dredger was delayed.

It would be interesting to know how development plans for Calcutta port are framed. The progress of its first plan schemes seems to suggest that the procedure is to ask for the money; get it sanctioned; be able to use less than a third of what has been sanctioned; and finally say that there was too little time to use the whole lot. It would be discouraging to contemplate the consequences if all the State projects and enterprises which have been lined up before the Planning Commission with their begging bowls were to follow the same procedures and produce the same results. The conclusion seems difficult to escape that the Calcutta Port Commissioners have for many years, like the Government of India now, looked upon the "five" in five year plans as a slightly superfluous item which need not be taken too seriously. If the attitude were to persist during the second and later plans, not only would industrial expansion in eastern India suffer seriously but exports (the chief of which pass through Calcutta) would certainly suffer.

All this does not suggest that Calcutta port has too much money. The fact is that it has too little in relation to development requirements. There is an urgent need for it to conserve resources, and to get more; but the need for organisational efficiency, which may permit the money allotted for a particular period to be usefully spent within that period, appears no less urgent. It is this aspect of the question to which attention may profitably be directed if the port's strong case for more vigorous development is not to be undermined by past tardiness, present quibbling and future sloth.

CURRENT COIN

Index of Industrial Activity.—Corrected for seasonal fluctuations, Capital's Index of Indian Industrial Activity shows a decline of 5.0 points during April, 1956. Mainly contributing to the decrease were jute manufactures, steel ingots, cement, paper and electricity. Cheque clearances declined.

Satisfactory Year for Imperial Tobacco.—In his speech (published on a later page of this issue of Capital) to the 45th annual general meeting of shareholders last week, the chairman of the Imperial Tobacco Company of India Ltd., Mr. G. H. J. Clarke, was able to report a satisfactory year for the company. The increase in sales noted in the previous year has been maintained and, subject to approval, a final dividend of 4 percent is contemplated. The company has declared, as a matter of policy, that an adequate level of reserves will be maintained to safeguard the real capital position under present conditions of mild inflation throughout the economy. Referring to the weight of taxation on tobacco products, Mr. Clarke supported strongly the plea of his predecessor, Mr. E. H. Hare, that the Government should consult the tobacco industry on the best ways of applying tobacco and cigarette excise duties when these are being planned. The methods used at present, Mr. Clarke maintained, "have severely inhibited the natural growth of sales" with adverse effects on the overall yield from such taxation. He regretted that the States had continued to levy sales tax on tobacco and tobacco products at varying rates when they are already subject to high duties imposed by the Centre. Mr. Clarke voiced his anxieties about the behaviour of certain minority elements in the company's labour force whose tactics "not only adversely affect overall output but also the earnings of the individual worker". On the whole, however, relations with the staff have been good, and it remains the company's policy, in such a highly mechanised industry, to maintain a high standard of working conditions and provision of adequate amenities. This was one item of costs in which, Mr. Clarke warned, increases are taking place. He also mentioned such questions as raw material prices. These have still to be fully reflected in production costs. In particular, Mr. Clarke mentioned the higher prices of leaf tobacco in south India this year.

Indian Raw Jute Consumption.—The problem of adequate raw jute supply at reasonable rates, which caused so much worry last year due to Pakistan's peculiar raw jute price policy, was discussed at some length by Mr. D. S. Kuthari in his address from the chair to the seventh annual general meeting of the Jute Brokers Association held this week. Last season's Indian crop, he said, was the largest of the last four years, yet India had to rely on Pakistan for "a large proportion of her requirements". The total consumption between July, 1955 and June, 1956 was 6,340,000 bales, which Mr. Kuthari said was also the highest for the past four years. Pakistan's share of the supply was 1,308,000 bales. This means that in spite of her best efforts, India still has to depend on raw jute supply from across the border. As the experience of the past year has shown, this dependence, Mr. Kuthari stressed, "is highly detrimental to the jute trade in general." Consumption statistics show that the average monthly offtake of raw jute by the mills during the period March, 1956 to June, 1956 was about 554,000 bales. At this rate, India will have to import raw jute this year also. Mr. Kuthari did not discuss whether the re-sealing of looms will appreciably reduce imports, but even if that happens, it cannot still be said that a permanent solution has been found. The permanent solution, as Mr. Kuthari rightly emphasised, is the one which has so often been stressed in the leading articles of this newspaper. It lies in raising internal production and supply qualitatively and quantitatively, particularly the former. Mr. Kuthari urged the Government to "take every possible step to increase the cultivation of jute so that India can become self-sufficient in her raw jute requirements". His plea will find wide support from all concerned in this country.

South Indian Railways.—The railway system in south India is to see some changes in the near future. At a recent Press conference, Mr. K. B. Mathur, Member of the Railway Board, pointed out that the increase in rail traffic requires the early conversion of the present metre-gauge system to broad gauge. Though nothing was said about speed, it is clear that faster trains, to compete with buses now running up to distances of 125 miles in south India, will be called for. While it was claimed in the past that the Peninsula will be crossed by the metre gauge line from Masulipatam to Marmagao via Hubli, it is realised that the old metre-gauge system (the corduroy rail-

roads preferred by the pioneers) will not stand up to new demands. The remodelling of the Vijayawada yards is treated as the prelude to extensive reorganisation. Track now being doubled on the broad gauge and the conversion of the lines from Gudur Renigunta to broad gauge will be taken up. The line from Vijayawada to Masulipatam is being turned over to broad gauge. The growth of iron ore traffic from several districts to minor ports like Masulipatam and Kakinada is one reason. Another is the increased congestion in Madras port, attention to which was drawn by the London Financial Times before enquiries were made locally. One result will be the displacement of metre-gauge wagons by broad-gauge ones. The preponderance of metre gauge in the Southern Railway will gradually disappear, but that implies early strengthening of track before heavier rails are laid. Extensions may not be required if the lines in Mysore and Tamil districts are converted soon into the standard gauge. The change is perhaps due to visits of Indian railway officials to foreign countries as well as to the realisation that break of gauge is the major handicap for goods traffic. Longer trains, carrying greater loads, will ensure economy and the loco position has greatly eased.

Railway Earnings Rise.—The Railway Board's figures relating to the Indian Railways' gross earnings during the current financial year show an appreciable rise over those of the same period last year. The total from 1st April, 1956 to 31st August, 1956 (taking the actuals up to July and adding the approximate for August) was Rs. 139.53 crores, representing an increase of Rs. 12.79 crores over the actuals of Rs. 126.74 crores for the previous year's corresponding period. The approximate figure for August, 1956 amounted to Rs. 26.30 crores against Rs. 26.35 crores in July, 1956 and Rs. 24.60 crores in August, 1955. Of the Rs. 139.53 crores earned during the first five months of this year, coaching accounted for Rs. 58.88 crores and goods for Rs. 78.84 crores, showing a rise of Rs. 3.60 crores and Rs. 9.33 crores respectively over the corresponding figures for the previous year. These were, however, slightly offset by a fall of Rs. 14 lakhs in earnings of "others" which were Rs. 1.81 crores against Rs. 1.95 crores. Corresponding to the rises in earnings, there was an appreciable increase in the tonnage lifted, the figures for April-August periods being as follows: on the broad gauge 32,432,000 tons (30,837,000) and on the metre gauge 8,493,000 tons (7,730,000). During August, 1956 and the previous month, the respective figures were: 6,806,000 tons (6,432,000) on the broad gauge and 1,557,000 tons (1,529,000) on the metre gauge. Wagon loadings also showed improvement, they increasing during the month by 3.97 percent on the broad gauge and 5.21 percent on the metre gauge during July, 1956. For the period, April to August, 1956, the improvements were respectively 7.41 percent and 11.7 percent compared with those of the same period in 1955-56. The commodity-wise figures of the movement show a mixed pattern; the railways were able to move, among other important commodities, 8.85 percent more coal, 100.7 percent more raw jute, 76.8 percent more sugarcane, while the movements of grain and pulses, cotton manufactures, jute manufactures and pig iron declined by 1.16 percent, 9.59 percent, 35.2 percent and 31.0 percent respectively.

Distribution of Chemicals.—It was Mr. O. N. Jajodia's complaint at this week's annual general meeting of the Indian Chemical Merchants Association, which he addressed from the chair, that while the Government is giving all its attention to the question of raising the domestic output of chemicals and their overall supply, an improper policy of distribution among various consuming interests is being followed. He referred specifically to the policy of canalising the import of caustic soda and soda ash which, he mentioned, had actually resulted in the consumers paying higher prices than they would have done otherwise. This result was due to the fact that the import was not being handled through the normal channels of trade. He suggested that the reversal of the policy could be the only corrective and urged that established importers be given import licenses subject to reasonably prescribed ceilings. Referring to the current report that the Government is considering a proposal to import sulphur on its own account, Mr. Jajodia said that surplus was being sold in the market at a normal profit at present, and the Government's direct handling of its distribution would not benefit anyone. On the other hand, it might have the same result as the policy of canalising the import of caustic soda and soda ash. Moreover, it will mean the loss of livelihood for the existing traders. For these reasons he felt, the existing channel of trade should not be displaced. The indigenous production of chemicals has been rising, although it is still a long way short of total demand, and a number of new items such as calcium carbide, stabilised bleaching powder, D.D.T., ammonium chloride, ferric

chloride, titanium dioxide and some others are being produced within the country.

Covering Atomic Risks.—Since October of last year a committee, set up by those insurance companies who are members of the British Insurance Association together with Lloyd's underwriters, has been making an intensive study of the insurance problems arising out of the industrial use of atomic energy, with particular reference to the new atomic power stations that are to be erected by the Central Electricity Authority. The committee has been in touch with the United Kingdom Atomic Energy Authority, from which source useful information concerning the hazards involved has been obtained. The completion of the first stage of the work of the committee has resulted in its reaching the interesting conclusions that the fire and explosion hazards involved in the operation of the new atomic power stations will differ little from those encountered in many modern industrial or power production plants. The hazard of possible radio-active contamination involving both damage to the power station itself and liability to third parties is, however, a new one attaching to these power stations and one that must be faced. Since the estimated cost of the next two stations to be erected by the Central Electricity Authority might exceed the figure of £30 million each, it is obvious that large sums insured must be expected. The committee has pointed out that, though the possibility of a catastrophe cannot be ignored, its likelihood is exceedingly remote. The committee considers that the insurance of these risks is a practical possibility for insurers who, recognising these developments as of the greatest importance in British industrial progress, will no doubt feel a responsibility to afford cover in respect of the new risks involved. Quite apart from power stations, other risks involving fissile materials are already being insured, radio-active isotopes used in certain stages of manufacture being insured in transit and in the manufactory. Marine underwriters can apply the findings of the B.I.S. and Lloyd's committee to their own branch. Two possibilities stand out: the operation of ships by

PUJA HOLIDAYS

Because of the Puja holidays, there will be no issue of CAPITAL on 18th October, 1956. The first issue to be published after the holidays will be dated 25th October, 1956.

atomic power and its attendant hazards, and the risk of damage and contamination to vessels by reason of an atomic explosion, intentional or not. The equipment of merchant vessels with atomic power is certainly nearer realisation than could have been imagined only a few years ago, but is still in the future, and before such vessels become common some time will elapse. In Great Britain, by 1975, 42 power stations will have been built if all goes according to plan, apart from privately-owned reactors, and in the U.S.A. and elsewhere as great, or a greater, project is in preparation. The possible spread of damage and contamination could, given a catastrophe, be enormous.

Fewer Looms in Cotton Mills.—According to returns received by the International Federation of Cotton and Allied Textile Industries, and estimates which it has made, the number of power-looms in cotton mills throughout the world at 31st January, 1956, was 2,870,302, or 19,127 less than a year previously. Ordinary looms decreased by 51,242, but there were increases of 30,907 automatics and 1,208 semi-automatics. The total number of looms in the United Kingdom on 31st January is given as 312,606, against 333,820 a year previously. Automatic looms increased by 483 to 39,640, and looms with automatic attachments increased by 517 to 5,548. There was a fall from 289,632 to 267,418 in ordinary looms. Other returns show that 762 looms of all kinds were being erected in British mills as increases of productive capacity and 2,021 as replacements, and all these are expected to be brought into operation this year. The totals include 1,372 automatic looms and 136 with automatic attachments. Reductions are also shown in the numbers of looms in place in Belgium, France, Germany, Italy and the United States, while increases are recorded of 32,479 for Japan, 8,022 for Turkey and 3,479 for Pakistan. There were increases of 5,813 for South America as a whole, and 2,135 for Africa. A total of 19,659 looms was being erected in the world at the date of the returns, comprising 15,243 automatic and only 4,400 ordinary looms. During 1957-58 a further 14,893 looms are known to be on order and these are all in addition to looms already in place. Most of these also are automatic looms. The greatest increases in weaving capacity are taking place in Pakistan, Turkey and Brazil. The

International Federation's returns also include figures of the idle looms and the average hours worked each week by looms in operation in different countries. In hours worked each week the United Kingdom comes at the bottom of the list, with 36.87, and Hongkong comes at the top with 145.66. Some of the figures are given in the following table:

LOOM ACTIVITY		
	Average hours per week	Total idle looms
United Kingdom	36.87	76,242
Europe as a whole	62.19	152,890
Africa	96.42	335
North America	104.80	12,650
South America	86.70	36,990
Asia	111.88	42,358

The United Kingdom had the largest number of idle looms. Other countries which had large numbers of looms idle when the returns were taken included Brazil, with 35,904, Italy with 34,647, France, with 33,026, and the United States with 11,320.

CORRESPONDENCE

HINDU NATIONALISM

(To the Editor of "CAPITAL")

Sir,

I have read your comments on my *Spectator* article with interest. The article was a straightforward piece of political reporting. All I was trying to do was to give the reasons which underlay my impression that Hindu nationalism is the real "glue" which sticks India together, and to explain to people here that the secular State laid down in the Indian Constitution is not anti-religious. I have a profound respect for Hindu culture, and I am sorry if you should form the impression that I was intending to attack it in any way. Its revival as a political influence seems to me essential as well as inevitable; and why you should think that I condemn it as a "baleful" shadow I can't imagine.

Similarly, in my remarks about *panch shila*. Surely, to find its roots in Hindu political philosophy is not to argue against its truth or its applicability to international conditions?

I can understand an old-fashioned atheist (of the type now about extinct) objecting to my analysis of the part which Hindu socio-religious traditions play in the life of modern India. But if I were a Hindu, I should be very proud of what is happening.

Naturally, I don't take my ideas about India from Pakistani sources (any more than I take my ideas about Pakistan from Indian sources). But I was reviewing a book on Pakistan by a Pakistani; and it seemed to me to be an interesting exercise to compare his ideas about India with what I saw and heard for myself in India earlier this year.

Of course there is a revival of Hindu nationalism in Free India. Why on earth shouldn't there be? And why should not India be proud of it?

Yours, etc.

L. F. RUSHBROOK WILLIAMS

Silchester, England

11th September, 1956.

SCIENCE AND COMMONSENSE

WHETHER the plague which admittedly has made its appearance in Bombay comes here or not, there is no doubt that the "scare" will be productive of good. We understand that Burra Bazar and other similar parts of Calcutta are being put in order, the rubbish and filth removed, and the houses white-washed. This is a step in the right direction, and the plague or no plague, cannot but be beneficial in the long run. We are somewhat in sympathy with the remarks of the *Indian Mirror*. It says: "Our Health Officer may be a very good scientist and may yet achieve fame in the world of science by some remarkable discovery in his laboratory. But meanwhile the urgent sanitary wants of Calcutta are not being attended to, and the real danger lurks in the existing deplorable condition of this populous city." It seems to us that we are having a great deal too much science, and far too little common sense. We want the streets to be swept, houses to be cleaned, refuse to be removed and the sewers flushed; and if we were satisfied that this would be done effectively and properly, we should be inclined to run the risk of the diseases which are inseparable from Eastern climes, without being inoculated with all kinds of bacteria and other abominations that modern science seems to consider are necessary to preserve life.

FROM

CAPITAL

7th October, 1896.

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Reserve Fund and other Reserves Rs. 4,01,81,217
Deposits as at 31-12-55 .. Rs. 1,28,96,40,383

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B. BARKER

Manager

Without Prejudice

THE MEANING AND SCOPE OF INDUSTRIAL DISPUTE

JURISDICTION OF CONCILIATION OFFICERS

(FROM OUR LEGAL CORRESPONDENT)

"IF there is no industrial dispute, the conciliation officer has no jurisdiction to initiate a proceeding under the Industrial Disputes Act." That reads like a platitude and a self-evident truth. But it is not. It is a fact, but not a self-evident one always. Conciliation officers quite often do start proceedings without such jurisdiction, and it is not so unusual as it should be for employers to submit to it without realising that it is within their power to prevent the proceedings going on, until it is too late to do any thing about it. There have been two points of view as to the equal duty of employers in this respect. It has been argued that it is the duty of an employer who wishes to stop the conciliation officer getting to work in the mistaken belief that there is an industrial dispute for him to investigate, to point out to him that there is in fact no industrial dispute to attract his jurisdiction, and to state the grounds for that contention. The other point of view is that it is for the conciliation officer himself to find out whether an industrial dispute exists so as to enable him to start a conciliation proceeding under the Act. Whichever of these two viewpoints is correct (and there appears little doubt in the light of the decision we propose later to discuss that the latter one is), it is certain that the first course pays dividends and that that is where an efficient welfare officer comes in.

We can hardly call the following a problem, because it is so bespattered with clues that its solution should be obvious. We will consider first that word "dispute" in its statutory, colloquial and dictionary meaning, for the Tribunals

and High Courts have at various times considered all three. "An industrial dispute," says the Act, "is any dispute or difference.....which is connected with the employment or non-employment or the terms of employment or with the conditions of labour of any person." Thus the Act. The Oxford Dictionary sums it up almost ideally, "Dispute: Conflict of opinion not yet decided." And if we add to the above Mr. Barwell's valuable elaboration of the meaning of the word in its statutory sense, the reader has all he ought to need, save the facts, to perceive where the conciliation officer in this case went wrong and had to be put right by the High Court. "For a dispute to arise, the two parties, viz., the employer and his workmen, must both come into conflict and a difference must ensue therefrom. It will be improper to assume that a dispute can come into existence by a one-sided demand or a unilateral action by one of the parties, which demand or action has neither been referred to the other party, nor even communicated to that party, and in respect of which there was no opportunity, nor any occasion for the other party to express any view or indicate any positive or negative relation thereto." [C. P. Sarathy v State of Madras and others (A.I.R. 1951, Mad. 191)].

And now a reminder on the duties of conciliation officers. "Where any industrial dispute exists or is apprehended, the conciliation officer..... shall hold conciliation proceedings in the prescribed manner." [Section 12(1)]. "The conciliation officer shall, for the purpose of bringing about a settlement of the dispute without delay, investigate the dispute.....for the purpose of inducing the parties to come to a fair and amicable settlement of the dispute." [Section 12(2)]. If no settlement is arrived at, the conciliation officer must report fully to the Government, which may refer the matter to a Tribunal. [Section 12 (3 and 4)].

Two things stand out here. One is that the key word is "dispute". Repeated over and over again, the word is of the essence of the conciliation officer's jurisdiction. Not a one-sided demand, not a unilateral action by one of the parties but a

conflict and a difference between two parties or, as the dictionary puts it, "a conflict of opinion not yet decided" between employer and employee. The second point is this. A conciliation officer's functions, once they are lawfully put into operation, are of great importance, since they may bring about all the expense, delay and harassment of long-drawn-out Tribunal, Appellate Tribunal, High Court, and even Supreme Court proceedings. Wherefore it has to be seen that a conciliation officer does not start this ponderous machine running where he has no right to do so.

That brings us to the facts in an interesting illustrative case. It was an application to the Patna High Court by Messrs. B. A. and Brothers, a firm having its head office at 2 and 3 Clive Row, Calcutta, dealing in patent medicines and other medicinal preparations; and the petitioner was the firm's manager, having sole and exclusive charge of its Patna branch. The case concerned a clerk in the office of the Patna branch on 5th February, 1948, on a salary of Rs. 50 a month. The services of this clerk had to be dispensed with, with effect from 26th September, 1948, when he was given full salary for the month of September as also one month's further salary in lieu of notice. After receiving the payment, the clerk granted a receipt as token of final settlement. But some three weeks later, the clerk filed an application before the Assistant Labour Commissioner, Patna, requesting his intervention. Five months passed, and then on 15th March, 1953, a notice was issued to Messrs. B. A. and Brothers, Patna, from the office of the Assistant Commissioner of Labour, Patna, informing them that the Conciliation Officer and Assistant Commissioner of Labour, Patna, would hold conciliation proceedings on 31st March, 1952, at 3 p.m. in his office and requesting the firm to send a representative to participate in the proceedings. The manager appeared at the hearing and explained to the officer concerned the circumstances attending the dismissal of the clerk and also, so it was alleged, pointed out that the so-called "dispute" was no dispute at all. Nevertheless, the Labour authorities went ahead. On 18th June, 1952, the Assistant Commissioner of Labour, Patna, wrote to the manager "on the subject of the wrongful dismissal of Sri Rara Brikshna Singh" (the clerk), intimating that on 23rd June, 1952, a conciliation proceeding would be held under Section 12, Industrial Disputes Act, at 11 a.m. in his office in Patna. The manager was requested to send his accredited representative with all relevant papers and with necessary authority on his behalf. These proceedings were, after some discussion, adjourned to 10th July, 1952. So the machinery of the Act was now set in motion, and was now creaking along towards the Industrial Tribunal.

The firm decided to try to bring the machinery to a stop. They took steps before the Patna High Court to have the conciliation proceeding quashed under Articles 226 of the Constitution. "Industrial dispute," said Sinha J. in the High Court (Rai J. concurring), "as defined in Section 2(k) must be construed to mean not a dispute between an individual workman and the management but a dispute which, though it may originate in an action with regard to an individual workman, has developed into a dispute in which the majority of the workmen in the establishment are interested. In the present case, there is no material to hold that, apart from the opposite party (the clerk) making a request to the Assistant Commissioner of Labour, there was any industrial dispute within the meaning of Section 2(k) of the Act. He was dismissed and was given full pay for the month in which he was dismissed, plus the pay of a month in lieu of notice. He accepted the payment and gave a receipt in token of his acceptance..... If there is no industrial dispute, the conciliation officer has no jurisdiction to initiate a proceeding under the Industrial Disputes Act.....Certainly there was no 'industrial dispute'.....It is for the conciliation officer himself to find out whether there is any such industrial dispute as defined in Section 2(k) of the Act to enable him to start a conciliation proceeding under the Act, and if it is found that there is no 'industrial dispute,' such proceeding must be quashed as being without jurisdiction." The proceedings purporting to be conciliation proceedings were all set aside accordingly.

This case shows how important it is to keep an expert eye on proceedings under the Act from the very start, and not to assume that because the authorities charged with the administration of the Act say that a thing is so, they are necessarily correct. Messrs. B. A. and Brothers performed a public service. They could, no doubt, by admitting the conciliation officer's jurisdiction, have settled this paltry claim for a song. Instead, on a matter of principle, they incurred the expense, delay and general inconvenience of recourse to the High Court. If they had not done so, we should not have been able to record the following trenchant hint to the authorities by their lordships, Sinha and Rai JJ. "The Act has been brought into existence with as much speed as possible in the interest of both the management and the workmen. It is therefore necessary that proceedings under the Act should be started with the utmost circumspection so that unnecessary harassment may not be caused to the management and public time wasted in starting proceedings without careful ascertainment of the facts on which the jurisdiction is founded."

1956, A.I.R. Patna. (September). 320.

Barwell and Kar on Service in Industry. Vol. 2. p. 515 at seq.

LAST week's London Centenary Dinner of the British India Steam Navigation Company was, I am informed, in every way an appropriate commemoration of a great occasion. Sir William Currie presided, and the principal guest of the three hundred and fifty distinguished men of business and affairs who received invitations, was Lord Waverley, Chairman of the Port of London Authority and, as Sir John Anderson, a former Governor of Bengal. Of the many points which emerged from the speeches, two are, I think, of some special interest. One is that long before the Persian Gulf assumed its present importance as an oil-producing area, regular services by the B.I.S.N. virtually opened up its trade with the rest of the world with whom the shipping company was practically its sole means of contact. Secondly, the original Mackinnon of Mackinnon Mackenzie & Co., was one of the founding fathers of British trade in and with the East African territories. We are so often apt to think of this famous firm in its historic Indian setting that we overlook the fact that its trading activities spread over three continents and embrace many other activities besides shipping. The growth of the British India line over the last hundred years has proceeded alongside the development of the trade of the Indian Ocean, though its services have extended far into the other six of the seven seas. Both for itself, and for other shipping lines, it has produced several generations of magnificent seamen, and among the greetings which came by telegram to the London dinner was one from the present master of the Queen Mary, himself an old B.I. officer. Britons and Asians served through two world wars on B.I. ships, of which a heavy toll was taken by enemy action. One of the first cargoes to pass through the Suez Canal from south to north was carried by a B.I. steamer.

London was not the only place where the centenary of the B.I.S.N. has been celebrated in the past week or two. Calcutta, the home of the company, had a share in commemorating the happy occasion only last week. Many of those who foregathered were probably aware of the rôle the line has played in the life of this city. Others may not have been, but I am glad to see their opportunity will come. A book by Mr. George Blake is now in preparation and should make interesting reading. The history of this company is that of Indian shipping generally, from the day in 1856 when a young Scotsman named William Mackinnon formed the Calcutta and Burmah Steam-Navigation Company in response to John Company's offer of a contract for the carriage of mails between this city and Rangoon, to the present much-changed times. It was from this venture that the B.I., as it is known everywhere there are ships and seafarers, grew into the great organisation it is today. The process was not a painless one. Many an uneconomic run was tried out and subsequently abandoned because it did not pay. Although many of India's seaports must owe a great deal of their present prosperity to the enterprise of whichever one of the series of distinguished Burra sahibs was in charge of affairs at the time, others which once featured on the company's schedules have simply languished and been forgotten. In 1863, for instance, the following monthly services had been established by firm contract: Calcutta to Bombay calling at Bimlipatam, Vizagapatam, Conconada, Madras, Negapatam, Tuticorn, Masulipatam, Cochín, Bayapore, Cannanore, Mangalore and Sheddahgar. Pondicherry and Colombo were ports of call at the Company's option. How many of these ports found their way

A DITCHER'S DIARY

on the list because the authorities wanted them there and not because the company found them profitable, must be left to the imagination, but some are rarely heard of now. Calcutta's prosperity was already established when the first B.I. ship sailed up the Hooghly, but there is no doubt how much it has owed to the company since then. The long list of B.I. ships, and there have been four hundred and fifty nine of them, reads like a roll of honour in the service of commerce and war. It is a proud record with which to start the second hundred years of a useful and vigorous life.

I see that a new edition of Sidney Smith's letters has just been published by the Oxford University Press. I have not seen a copy yet, but I suppose that need not deter me from commenting on it. After all, it was Smith himself who said, "I never read a book before reviewing it; it prejudices one so." If this strikes the reader as levity, I shall plead that I have had occasion in the past to dip into his letters in a different edition, and feel confident that the present one is bound to provide many an hour of pleasant re-reading. For, although Smith professed not to like letter-writing—"Correspondences are like small-clothes before the invention of suspenders: it is impossible to keep them up"—much of the wit which made him the most brilliant conversationalist of his time found its way into his letters. My reasons for mentioning him are threefold. He was a notable journalist and founded the famous *Edinburgh Review*; was that rather unlikely phenomenon, a wit in clerical clothing; and finally, through his family, was remotely connected with India and even this city. One of his brothers was Advocate General and another Supreme Court Judge of the Adawlat Court here and a third, Accountant General of Madras. As a journalist, he was perpetually involved in controversies and, since he was a good man and had few faults, he was always on the side of toleration, justice and reason. Although a parson, he had none of the asceticism of one about him. He was easily satisfied with the best in food and drink and, for him, the ultimate in heavenly bliss was eating "pâtés de foie gras to the sound of trumpets". He loved London and hated the country which he called "a healthy grave". Again, "In the country I always fear that creation will expire before tea-time." As for his witty correspondence, here are two examples. "How very odd, dear Lady Holland," he once wrote, "to ask me to dine with you on Sunday the 9th, when I am coming to stay with you from the 5th to the 12th! It is rather like giving a gentleman an assignation for Wednesday, when you are going to marry him the preceding Sunday—an attempt to combine the stimulus of gallantry with the security of connubial relations." On another occasion he sent out an invitation to breakfast: "I have a breakfast of philosophers tomorrow at ten punctually; muffins and metaphysics, crumpets and contradiction. Will you come?"

Calcutta has not been able to pioneer a movement like the Forum of Free Enterprise for a number of reasons, but there is no doubting the interest there is in it here or the part which this city can play. I shall be surprised if Mr. A. D. Shroff goes back to Bombay with any other impression. His visit, together with that of Mr. Masani a fortnight ago, has done much to explain the aims of the Forum and give people in Calcutta

some idea of what they can do to help. The impression I got from listening to him was that the movement has a big future before it. And the reason for that is its emphasis on freedom and democracy, both of which tend to have been forgotten since the first flush of enthusiasm which followed Independence. It is clear enough to anybody who has eyes to see that India is moving away from these virtues, inevitably sometimes, because rapid economic advance is worth many sacrifices. But whether through apathy, or because there is no tradition of democratic freedom in this country and therefore little popular demand for its preservation, the encroachments of the State have gone far beyond what can now be excused on grounds of economic expediency. That is why the Forum is one of the most important developments in India's social and economic life since the war. It provides a rallying point for those who realise that prosperity will avail this country little if it loses its liberty in the process. After all, not every domination needs be a foreign one. I suspect the movement will increase in popularity in direct proportion to the State's intrusion upon the activities of the business community. That is not surprising because it is there where it is noticed most. But it would be a pity if the Forum became associated exclusively in the public mind with the purely selfish interests of private business. The real defence of free enterprise is that it is part of the liberal way of living, a way which is far more creative of happiness and prosperity than the authoritarian.

I noticed that the news of the new London-Transatlantic telephone link received scant attention in the daily press. The reason, I suppose, is that by now we are so used to science's miracles, we no longer marvel at them. But it would be a pity to let the occasion pass without recalling how much this achievement owes to the imagination and energy of one American business man, Cyrus Field. When, in 1854, a British engineer named Gisborne was seeking financial support for laying a cable between Newfoundland and New York, Field conceived the wholly improbable idea of laying one between Newfoundland and Ireland. Within days he had persuaded financiers in Liverpool, Manchester and London to put up an initial £350,000 for his Atlantic Telegraph Construction and Maintenance Company. The technical development which brought such a wild notion within the scope of the practicable was, of course, the discovery of gutta percha as a water-resistant insulator, but the enormous cable, which contained no less than 367,000 miles of copper wire, snapped as it was being laid out. This was the first of the two major setbacks which occurred before the project could be completed. The news of success was not then restricted to inconspicuous corners of the daily newspapers. "Public celebrations were held in both London and New York and Queen Victoria and the President of the United States exchanged messages of congratulation. But in the middle of it all the cable stopped working and defied all efforts to get it going again. Field suffered six years of oblivion and the world forgot his project. But in 1866 his fourth attempt was wholly successful and "Young America was wed to the Old World". Field's perseverance proved that it is the human qualities that count, even in scientific matters. And it is a lesson which is useful to remember in an age which takes its miracles for granted.

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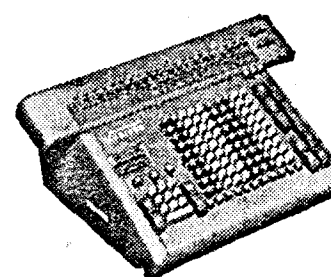
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THE IMPERIAL TOBACCO COMPANY OF INDIA LIMITED

Speech by the Chairman, Mr. G. H. J. Clarke, at the Forty-Fifth Annual General Meeting of the Company on the 27th September, 1956.

Ladies and Gentlemen:

I have pleasure in welcoming you to this the Forty-Fifth Annual General Meeting of the Company.

The meeting was originally convened for the 14th September, 1956 and I wish to express the Board's regrets that the accidental omission of the hour of the meeting in the original Notice made deferment advisable in the interests of the shareholders. An explanatory statement has been sent to you.

With your approval we shall take the Notice convening this Meeting, the Report of the Directors and the Accounts which have been circulated, as read and the Assistant Secretary will now read the Auditors' Report.

Since the last Annual General Meeting, Mr. E. H. Hare has resigned from the Board after serving your Company for over 30 years, latterly as the Chairman of the Board.

Mr. W. E. Nicholson, who had served, mainly in the tobacco growing areas of Southern India, for over 33 years, resigned from the Board early this year.

We wish them both much happiness in well-earned retirement.

Following Mr. Hare's resignation, I was elected Chairman in December 1955.

In April of this year, Mr. C. N. Kirkus, Mr. N. Shiva Rao and Mr. E. G. Willis were appointed to the Board.

These three gentlemen bring to their new duties and increased responsibilities an extensive experience and expert knowledge of your Company's business in its various aspects and they will, I know, make a substantial contribution to the progress of your Company.

The Accounts in your possession give a comprehensive picture of the financial results of the Company's trading during the year under review and I believe you will regard these results as most satisfactory.

Sales

In the tobacco industry, as in many others, the volume of sales is a decisive factor in contributing to a company's financial prosperity and I am pleased to report that the increase in sales volume, to which Mr. Hare referred in his speech last year, was fully maintained throughout the whole of the year now under review.

That increase has called for further investment in both fixed and current assets as reflected in the Balance Sheet, although in the case of fixed assets some element of the increased investment was occasioned by higher costs of new machinery.

Having regard to the fact that the bulk of the Company's investments are short-dated, that item on the Balance Sheet read with the cash position indicates a satisfactory degree of liquidity.

Consequent upon the introduction, under the Finance Act, 1956, of a tax on distributed profits, provision has had to be made in the Accounts now presented for the tax liability in respect of the profits distributed by way of dividend out of the profits for the year to 31st March, 1956 as well as in respect of the two interim dividends for the year under review, all of which were distributed during the year to 31st March, 1956. The additional tax burden arising from these distributions amounts to Rs. 13,26,500 and is included in the charge for Income and Super Tax in the Profit & Loss Account, a charge which in total approximates very closely to the amount left available for disposal by the Board out of the results of the year's trading.

The appropriations made by the Board and their recommendation as to the Final Dividend are set forth in the Report of the Directors on page 4 of the Report and Accounts, and at this stage I need only say that these appropriations continue to reflect the application of the Board's financial policy to which Mr. Hare referred in some detail in his speech last year. The final dividend of 4%, if approved, will now be payable on 28th September, 1956.

There are already evident to us all signs of a mild inflationary tendency in the country's economy and whilst we welcome the broad aims of the Second Five-Year Plan, with its promise of a better standard of living for all in this land, it behoves us to have clearly in mind the implications that the execution of the Plan carries in the way of possible inflationary pressure at some points in the economy. It will therefore continue to be the policy of your Board to ensure that the Company's Reserves are maintained at a level adequate to safeguard the real capital position.

I have referred earlier in my speech to the increased volume of sales during the year under review and to the benefit derived therefrom by the Company.

The revenues of the Central Government have also benefited directly through the medium of increased collections of Tobacco and Cigarette Excise Duties on that greater volume of sales.

Taxation

It has always been the contention of the tobacco industry and of your Company in particular that frequent increases in the rates of taxation of tobacco products were bound to have an adverse effect on consumer demand. That point of view has been supported in the past when sudden, too frequent increases in Tobacco and Cigarette Excise Duties have severely inhibited the natural growth of sales in following years, with consequent adverse effect on the overall yield from such taxation to the revenues of the Central Government.

In the year under review, the benefit accruing to the Central Government from increased collections of the duties has arisen, as I have said, directly from

the increased volume of sales and gives support to the further contention of the industry that a satisfactory measure of increase in tax collections will arise naturally from an expanding volume of sales.

There can be no question of challenging the right of a Government to tax tobacco and its products, but I do wish to support, most strongly, the point made by Mr. Hare in his speech last year that, in fairness to the consumer and in order to avoid any permanent damage to a sound revenue-producing source, Government should consult with the tobacco industry as to the best method of applying the incidence of this type of taxation. Failure to do so not only harms the tobacco industry, as well as those it employs and those it serves, but also defeats the intention of Government.

During the year under review, the States have continued to levy Sales Taxes on tobacco products at varying, though high, rates and it is greatly to be regretted that tobacco and tobacco products, already subject to high duties imposed by the Centre, have not yet been totally exempted from sales and local taxation.

A high proportion of your Company's sales is made in the form of a single cigarette for a single sale and there can be no question but that a multiplicity of State and local taxation rates, on top of the Central duties, seriously hampers the growth of our industry and greatly restricts the yield from taxation to the Central Government.

Andhra Act

An example of a type of State taxation damaging to the tobacco industry as a whole and to the economy of this country is to be found in the Andhra Act of 1955 amending the Madras General Sales Tax and the Madras Tobacco (Taxation of Sales and Registration) Acts as applied to the State of Andhra. The 1955 Act imposed a tax at the rate of 7½ paise in the rupee on first purchases of certain varieties of raw tobacco. Not only does this impose an additional and heavy burden on cigarette manufacturers in this country but, at a time when competition in overseas markets is unusually keen, it places Indian grown tobaccos at a price disadvantage in these markets and may therefore seriously affect this country's valuable export trade in that commodity. The Government of Andhra State promised to review the operation of this tax; and it was greatly hoped that the tax would be removed in the overall interest. Such hopes however have been considerably dimmed by the passing of a further Act imposing a tax on country varieties of tobacco, formerly excluded, but however logical it may be to extend the application of the tax to all varieties of tobacco, the tax remains damaging to the industry as a whole and to the economy of this country.

I have intentionally laid considerable emphasis on this subject of taxation of tobacco products because whilst of vital interest to your Company, the effects of its application and incidence are of equal interest to the Central Government.

The first five months of the current trading year again record an increase in sales volume but I would remind you of the following factors which are likely to affect our costs and so offset the financial benefits of that increased volume.

The effects of rising raw material costs have yet to be fully reflected in our production costs; in particular, we had to pay higher prices for leaf tobacco in Southern India this year and grade out-turns are likely to be disappointing.

Furthermore, the mounting costs of wages and of the provision of amenities for our workers have an inflationary effect on production costs and unless these increased wages and amenities are matched by increased production on the part of those receiving them, the Company's prosperity, and theirs, must suffer.

Staff Relations

Relations between the Management and the workers have been very good throughout the year. Nevertheless, your Company, no doubt in common with other manufacturers, has suffered an occasional loss in production through the ill-advised tactics adopted by small groups of workers, often without the support of their recognised labour union.

In an industry so highly mechanized as ours, we have always set great store by the maintenance of a high standard of working conditions, of good relations with labour and the provision of adequate amenities; all of which further the aims and objectives of the Second Five-Year Plan; but we are entitled to expect that all workers will reciprocate by giving of their best to increase production.

I must say that there is increasing and encouraging evidence that both workers and their representatives are beginning to share our conviction that such differences as may arise from time to time between factory managements and workers are more readily capable of settlement by direct negotiation rather than by the adoption of tactics which not only adversely affect overall output but also the earnings of the individual worker.

Whilst, therefore, I am hopeful that rising costs of production will not offset the benefits of expanding sales, I would be failing in my duty to you if I did not warn you of the significance of the upward trend in costs. Your Directors have felt justified, however, in the light of the results of the first five months' trading of the current year, in declaring an Interim Dividend of 2%, free of income tax.

I now beg formally to move the adoption of the Report and Accounts for the year ended 31st March, 1956 including the payment on the 28th September next of a Final Dividend of 4% on the income tax, on the issued Ordinary Shares of the Company.

I shall now ask a member to second the Resolution and when that has been done, if anyone has any question to put or comment to make on the Accounts, it will be a convenient time to do so.

RESERVE BANK

ISSUE DEPARTMENT

(In 000's of Rupees)

	Week Ended 26-9-56	21-9-56	30-9-56
Liabilities—			
Notes in Banking Dept.	41,30.86	31,56.16	32,60.99
Notes in Circulation	14,09,23.17	14,17,70.83	12,80,22.29
Total Notes issued	14,50,54.03	14,49,26.99	13,12,33.28
Assets—			
A Gold Coin and Bullion	40,01.71	40,01.71	40,01.71
Foreign Securities	5,86,73.79	5,96,73.79	6,71,81.60
Total of A	6,26,75.50	6,36,75.50	7,11,83.31
B Rupee Coin	1,20,07.02	1,18,79.98	1,12,05.18
Rupee Securities	7,03,11.51	6,53,71.51	4,68,94.79
Total	14,50,54.03	14,49,26.99	13,12,33.28

BANKING DEPARTMENT

Liabilities—			
Capital Paid-up	5,00.00	5,00.00	5,00.00
Reserve Fund	5,00.00	5,00.00	5,00.00
National Agricultural Credit (Long-term) Fund	15,00.00	15,00.00	—
National Agricultural Credit (Stabilisation) Fund	1,00.00	1,00.00	—
Deposits—			
(a) Central Govt.	71,38.67	67,43.25	58,03.89
(b) Other Govts.	19,05.62	23,35.18	11,64.32
(c) Banks	52,64.47	52,55.03	62,77.05
(d) Others	12,45.57	13,80.85	16,37.43
Bills Payable	8,57.09	8,87.03	5,28.09
Other Liabilities	17,37.79	17,06.26	17,57.90
Total	2,07,49.21	2,09,69.60	1,81,68.59
Assets—			
Rupee Coin	41,30.86	31,56.16	32,60.99
Subsidiary Coin	11,35.62	11,82.79	7,98.43
Bills Discounted Int.	5.65	10.28	6.21
Govt. of India Treasury Bills	3,88.51	4,05.48	13,65.48
Balances held abroad	28,32.59	26,39.82	47,65.84
Loans to Govt.	2,84.35	2,84.35	2,02.00
Other Loans etc.	86,81.31	90,68.61	23,11.10
Investments	29,24.24	42,36.82	49,85.49
Other Assets	11,80.17	11,56.26	12,01.20
Total	2,07,49.21	2,09,69.60	1,81,68.59

SCHEDULED BANKS

(In 000's of Rupees)

	21-9-56	14-9-56	23-9-56
Liabilities—			
(a) Borrowings from Banks	9,75.85	11,28.96	12,05.40
(b) Others	6,22,12.95	6,27,85.34	5,96,64.93
Time Liabilities—			
(a) Borrowings from Banks	2,25.80	2,10.80	3,39.00
(b) Others	4,58,79.06	4,58,45.82	4,11,64.34
Borrowings from State Bank Demand Liabilities	11,98.41	12,60.10	5,16.44
Time Liabilities	35,98.07	37,27.81	33,82.08
Cash	49,30.26	51,00.01	55,33.40
Balances with the Reserve Banks	49,30.26	51,00.01	55,33.40
Balances with other banks in current accounts	10,00.10	10,25.61	10,64.36
Money at calls and short notice	11,92.21	14,44.58	18,55.58
Investments in Central and State Govt. Securities	3,73,47.82	3,71,13.96	3,81,44.45
Advances	6,10,25.69	6,12,51.13	4,95,65.98
Inland Bills purchased and discounted	95,75.40	92,87.18	58,68.43
Foreign Bills purchased and discounted	45,46.27	46,40.88	44,83.99

CLEARING HOUSE RETURNS

	Rs (thousands)	Rs (thousands)	Rs (thousands)
Week ended	Calcutta	Bombay	
28-9-56	49,96.35	59,15.34	
21-9-56	67,33.74	66,36.70	
14-9-56	61,25.00	58,47.12	
7-9-56	69,97.75	75,34.51	

STATE BANK OF PAKISTAN

ISSUE DEPARTMENT

(In 000's of Rupees)

	Week ended 14-9-56	Week ended 7-9-56
Liabilities—		
Notes in Banking Department	7,03.15	7,23.64
Notes in Circulation	2,85,43.74	2,85,26.26
Total Notes issued	2,92,46.89	2,92,49.90
Assets—		
A Gold Coin and Bullion	11,33.41	11,33.41
Sterling Securities	93,44.02	93,44.02
Government of India Securities	16,68.25	16,68.25
India Notes representing assets receivable from the Reserve Bank of India	43,02.58	43,02.58
B. Rupee Coin	6,23.63	6,23.63
Govt. of Pakistan Securities	1,15,84.94	1,15,84.94
Held with Reserve Bank of India pending transfer to Pakistan	19.02	19.02
Gold Coin and Bullion	4,40.63	4,40.63
Sterling Securities	1,00.90	1,00.90
Govt. of India Securities	29.51	29.51
Rupee Coin	29.51	29.51
Total	2,92,46.89	2,92,49.90

BANKING DEPARTMENT

Liabilities—			
Capital Paid-up	3,00.00	3,00.00	3,00.00
Reserve Fund	3,00.00	3,00.00	3,00.00
Deposits—			
(a) Central Government	35,46.61	32,55.09	
(b) Provincial Government	7,88.10	8,95.95	
(c) Banks	16,10.74	16,74.95	
(d) Others	5,31.52	5,41.75	
Bills Payable	45.48	73.13	
Other Liabilities	7,81.70	6,90.73	
Total	79,04.75	77,31.60	
Assets—			
Notes	7,03.15	7,23.64	
Rupee Coin	—	—	
(a) Pakistan	11	10	
Subsidiary Coin	—	—	
(b) India	16	16	
Bills Purchased and Discounted—			
(a) Internal	—	—	
(c) Govt. Treasury Bills	2,63.35	1,13.31	
Loans and Advances to Govt.	—	—	
Provincial Govt. Debtor Balances	—	—	
Other Loans and Advances	6,36.95	5,18.45	
Investments	52,35.85	54,07.53	
Other Assets	10,15.15	9,68.41	
Total	79,04.75	77,31.60	

Finance in India and Abroad

THE CALCUTTA MONEY MARKET

DEMAND UNCHANGED

Wednesday, 3rd October

THE limited number of days in which business has been transacted in the past week, and the general feeling of slackness appropriate to a holiday season, have meant that there has been little change in demand for financial accommodation. Funds continue to return from the sugar industry and from grains and seeds storage. The requirements of the jute industry have been maintained. A fair quantity of advances are still bound up in Pujah cloth stocks, but there has been little increase in the past few days. The interbank market is unchanged and the call rate remains at 3½ percent.

A fair business is reported from the bill market this week, with tea and gunny documents in evidence. Remittance has been good. Sterling continues its stronger tendency as tension over the Suez Canal situation eases.

Bullion was firm on short-covering because of poor arrivals. Silver advanced from the previous week's level of Rs. 172-15 to Rs. 173-1.

Gold improved from Rs. 104 to Rs. 104-8 in sympathy with silver. The sovereign, at Rs. 68-4, showed a gain of 6 annas.

During the week ended 28th September, Government of India Treasury Bills for Rs. 39,25,00,000 were sold in favour of the Reserve Bank.

A drop of Rs. 8.48 crores to Rs. 1,409.23 crores in notes in circulation was the main feature of the return of the Reserve Bank of India for the week ended 28th September, 1956. The total note issue was Rs. 1,27 crores higher at Rs. 1,450.54 crores. Notes held in the Banking Department consequently rose by Rs. 9.75 crores to Rs. 41.31 crores. Foreign securities declined by Rs. 10 crores to Rs. 586.74 crores, but rupee securities were up by Rs. 10 crores to Rs. 703.72 crores. Deposits of the Government of India rose by Rs. 3.96 crores to Rs. 71.39 crores, but other Government accounts were Rs. 4.89 crores lower at Rs. 19.06 crores. Balances of commercial banks, at Rs. 52.64 crores showed a rise of Rs. 9 lakhs. Investments decreased by Rs. 10.03 crores to Rs. 32.34 crores. Other loans and advances dropped from Rs. 90.69 crores to Rs. 86.81 crores, of which advances to scheduled banks against usance bills totalled Rs. 36.37 crores (Rs. 40.65 crores). These advances amounted to Rs. 273.35 crores since 1st January, 1956. Ways and means advances remained unchanged at Rs. 2.84 crores.

The return of the State Bank of India for the week ended 21st September, 1956, shows a drop of Rs. 85 lakhs in total deposits to Rs. 227.36 crores. Investments in Government securities and other authorised investments are up by Rs. 1 lakh and Rs. 5 lakhs to Rs. 95.86 crores and Rs. 11.61 crores, respectively. Advances including loans, cash credits and overdrafts, and bills discounted and purchased, have decreased by Rs. 1.54 crores to Rs. 131.67 crores. Cash and balances are, in consequence, shown at Rs. 17.15 crores, or Rs. 1.60 crores less.

The statement of the position of scheduled banks for the week ended 21st September, 1956, shows Demand and Time liabilities at Rs. 631.89 crores (Rs. 9.76 crores on account of borrowings from banks) and Rs. 461.05 crores (Rs. 2.25 crores), compared with Rs. 639.14 crores (Rs. 11.29 crores) and Rs. 460.57 crores (Rs. 2.11 crores), respectively, in the previous week. Cash and balances with the Reserve Bank have decreased by Rs. 1.30 crores and Rs. 1.79 crores to Rs. 35.98 crores and Rs. 49.30 crores, respectively. There is a rise of Rs. 2.34 crores in investments to Rs. 373.48 crores. Advances and bills discounted at Rs. 751.48 crores show a drop of Rs. 31 lakhs. The ratios to total liabilities of cash and balances, and of advances and discounts, are, in consequence, shown at 7.8 percent and 69.8 percent against 8.0 percent and 68.4 percent.

According to the landborne trade returns received in the Department of Commercial Intelligence and Statistics, the provisional figures of the total value of foreign trade of India by land with Pakistan, Afghanistan, Iran and Burma during August, 1956, are as follows (in lakhs of rupees):

	Imports from	Exports to
Eastern Pakistan	124	33
Western Pakistan	26	11
Other Countries	29	4
Total	179	48

Total trade amounted to Rs. 227 lakhs. Trade in treasure was nil and re-exports were negligible. There was thus an adverse balance of trade amounting to Rs. 131 lakhs.

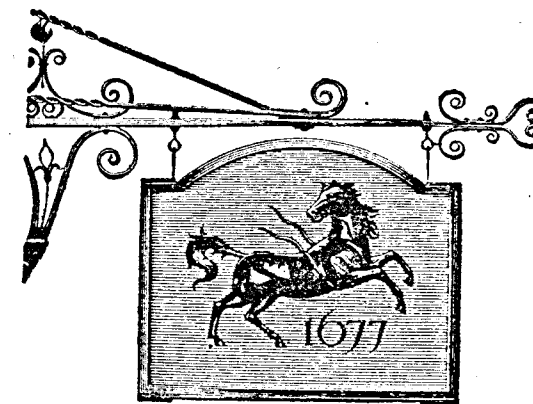
I.F.C. LOANS TO INDUSTRY INCREASE

SUGAR AND TEXTILE MAJOR BORROWERS

INDUSTRY is seeking the assistance of the Industrial Finance Corporation of India in an ever-increasing measure, so the amount of loans sanctioned by the Corporation has been increasing. According to the eighth annual report of the Corporation, just published, the aggregate amount of loans sanctioned during the year ended 30th June, 1956, was Rs. 15.13 crores, which is more than double that of the previous year. Applications received during the year numbered 86 and the loans asked for totalled Rs. 27,70,01,800 as against 46 and Rs. 11.27 crores respectively of the previous year. Just over half the number of applications, as well as of the amount asked for, came from the sugar and textile industries. The remaining applications covered other major industries such as engineering, chemicals, cement and paper. A significant feature of the applications from the sugar industry was that by far the greater portion of the loans was sought by co-operative sugar factories located in Bombay, Mysore, Assam and Punjab. The loans sanctioned to sugar co-operatives totalled Rs. 5.5 crores and three applications received from them for a total amount of Rs. 1.3 crores were pending the issue of sanction at the end of the year. In pursuance of the policy of the Government to encourage the establishment of co-operative enterprises, the Central and State Governments have agreed to guarantee the loans that were sanctioned by the Corporation during the year to sugar co-operatives on 50-50 basis.

Loans and Repayments

Since its inception, the Corporation has sanctioned loans totalling Rs. 43,20,75,000. Of this amount, Rs. 16,73,19,677 has been disbursed so far. During the last eight years 115 applications from new undertakings, namely, factories that went into production after 15th August, 1947, were sanctioned, covering amounts totalling Rs. 25,70,50,000. During the same period, 93 applications for loans from old undertakings for renovation, modernisation and expansion amounting to Rs. 17,50,25,000 were sanctioned. According to the schedules of repayment of principal, the total amount due to the Corporation at the end of the year was Rs. 2,24,76,000, of which a sum of Rs. 1,68,70,152 was received. The amount in default is Rs. 48,65,848 only, constituting 21.6 percent of the



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amount due. Only six companies accounted for the bulk of the defaults. The assets of one of these companies have been sold and those of another have been leased out. Similar steps are contemplated in respect of one or two of the others.

The total amount of interest charged and to be received on loans sanctioned since the beginning of the Corporation was Rs. 2,80,88,922-6-10 of which a sum of Rs. 2,62,91,257-5-10 has been received. The amount in default is only Rs. 17,72,312-1-6. The amount in default is only Rs. 17,72,312-1-6, constituting less than 6.4 percent of the amount due. Three companies including the Sodepore Glass Works Ltd., accounted for the larger portion of the defaults. One company has been granted extension of time to pay the arrears of interest amounting to Rs. 25,352-15-6. To reduce the time-lag between the sanction and disbursement of loans, and also to reduce the legal charges to borrowers, the Corporation has, as an experimental measure, appointed its own full-time law officers at two of its branches. These officers will hereafter examine the title to the properties to be mortgaged to the Corporation and draft the loan documents. If this experiment proves successful, law officers will soon be appointed at the other branches of the Corporation also. To bring about a closer liaison between the Corporation and the Controller of Capital Issues in granting loans and in sanctioning capital issues to industrial concerns, a suitable procedure for mutual exchange of information has been evolved.

Several amendments were made to the Industrial Finance Corporation Act in September, 1955. By virtue of one of the amendments, power is now vested in the Corporation not merely to sell the property mortgaged to it but also, in suitable cases, to lease it, so that after re-imbursement itself its dues from the lease money, the Corporation will return the property intact to the loanee concern the shareholders of which will thereby be enabled to realise their investments. Pursuant to another amendment, a whole-time paid chairman has been appointed in place of the part-time

honorary chairman. By another amendment, the Corporation is now able to raise funds by borrowing from the Central Government.

During the year under review, two more State Financial Corporations were established, in Andhra and Orissa, raising the total number of State Financial Corporations to 13. The Industrial Finance Corporation is represented by its managers on the boards of directors of these State Corporations. An Indian company, under the name of Indo-Asahi Glass Company Ltd. has arranged to buy the entire assets of the Sodepore Glass Works Ltd. Considerable progress has already been made towards completing the sale transaction. It is expected that the factory which will run in co-operation with a reputed Japanese firm of glass manufacturers will be able to go into production before long.

LONDON FINANCIAL LETTER

RAISING THE PRICE OF GOLD

By Air Mail.

ALTHOUGH to some observers in Britain, South Africa's annual plea to the International Monetary Fund for an increase in the price of gold seems a matter of routine, to others it appears that the plea gathers circumstantial force each year. It is assumed that the South African advocate knew in advance that the American authorities would again reject the proposal—and, of course, lacking their concurrence, a rise in the international price of the metal is impossible; yet the renewed initiative is approved in London, even if the argument that some marginal mines will have to close at the present price does not particularly impress. Inflation, which has made the prewar price of gold so unrealistic, is weaker in Britain and various other countries than it was a year ago, but it must be resisted as firmly as ever, and the inflationary implication of a rise in the price of gold is still a strong argument against

such a move. On the other hand, it is increasingly obvious that the relation between the world's stock of monetary gold and the world's total of international payments has become utterly remote, so that even small proportional changes in balances of payments can unduly strain reserves. As there is no logical limit to the growth of trade, it must at some point become impossible to use gold for its traditional monetary function unless the value of the world's stock, responding only slowly to changes in quantity, can be substantially written up.

There is not a particular moment when such a change seems to have become suddenly opportune, but a gradual change of circumstances can, eventually, perhaps, overcome America's opposition. While America was buying most of the world's newly-mined gold, she had an obvious interest in keeping the price low; but for some years past, she has been selling more than she has been buying. Moreover, a large total of American obligations to other countries has been accumulating in the U.S.A., and the possibility of converting a substantial part of the debts into gold may impress upon the American authorities that the monetary value of even their stock of gold is not unquestionably adequate. The inflationary effects of a rise in the price of gold could certainly be neutralised with the aid of modern techniques. It may be that the strongest objection to a rise is that which is least discussed, because it is political; Russia has evidently the largest stock of gold in the world outside of America and is evidently the largest producer in the world outside of South Africa—so revised independent estimates suggest.

Interest Rates Stay High

The reduction of the West German bank rate from 5½ percent to 5 percent did not cause so much as a tremor in London. An abnormal and unnecessary creditor position, which was embarrassing even the West German authorities, was sufficient explanation of a move which was recognised to be against the international trend. Moreover, the rates at which West German industry borrows are much higher than comparable rates in Britain. Bank rate is now a half-point higher in Britain than in Western Germany, but other rates are much closer to Bank rate in Britain than in Western Germany. The economic position in the U.K., viewed without consideration of international politics, seems to favour a reduction of interest rates. Production is weakening; stocks of materials are no longer being built up, while stocks of finished goods are accumulating; and plans for expansion of industry are being curtailed. On the side of consumption, the continuing increase in wage rates is not as effective as had been supposed, because basic wages are being supplemented less by overtime pay and more is being saved. Hire-purchase debts were reduced about 13 percent in the first seven months of this year; repayments are in excess of new borrowings. Total consumption, in real terms, has not increased this year, compared with the same period of last year.

The domestic scene has the appearance of stagnation, while, generally (though not in August), the external position is being strengthened by expansion of exports. This is approximately the situation that was expected when the restraints on inflation were first imposed. The check on internal expansion was seen as undesirable in itself but necessary. It was not felt that the economy should be allowed to subside too far; declining production, which seems now to be in prospect, is essentially unhealthy. From the Treasury's viewpoint, moreover, interest rates such as those now ruling—nearly 5½ percent—has to be paid on Treasury bills—are far too expensive. It was expected, therefore, that about this time a reduction of Bank rate would be considered. On the contrary, because the Government's plan to reduce expenditure (from the levels of last April's estimates) by at least £100 million has collapsed under the impact of the Suez crisis, and because organised labour is in open rebellion against the wage freeze, "further measures" are being actively considered.

An Outdated Statute

Bankers are following with keen professional interest a discussion that has arisen from the efforts of Pye, one of the biggest radio and electronic firms, to reduce the clerical work involved in paying wages. Indirectly, moreover, the subject bears on saving. This company's procedure was—and is again—the same as that of others. Clerks are sent to the bank to collect large amounts of cash, having checked it, they return under guard; the money is re-counted, sorted, and put into envelopes for the employees. Pye worked out that this procedure cost 90 man-hours a £15,000 handled. It decided, if the workers were agreeable, to pay its wages by cheque. Few employees had bank accounts; so bearer cheques would have to be used. Local tradesmen agreed to cash the cheques; and the employees were quite willing to be paid in that form. Special cheques were designed for use with the company's punch-card machines. The new method came into operation in January 1954. It worked smoothly, and very economically, until recently. In the meantime, legal opinion had decided that the company was contravening the Truck Act of 1831, and that if in a court of law, judgment went against it, the way would be open for a flood of claims for "unpaid" wages. The Truck Act (as further developed in 1887) provides that the entire amount of an employee's wages must be paid in current coin of the realm. The abuse against which the worker was supposed to be protected was payment "in kind", but the wording of the Act seems to exclude payment by cheque. Repeal of the Act, it is argued, would enable the use of bank accounts to extend widely in the wage earnings class, and so, indirectly, promote saving.

TRANSPORT PROBLEMS IN THE SECOND PLAN

CONFLICTING CLAIMS OF RAILWAYS AND ROAD VEHICLES

By Dr. M. N. Ghosh

THE transport problem has assumed great importance and urgency in the second five year plan, because of the heavy demands of industrial expansion on the country's transport system. The lack of unused capacity on the railways as also in other modes of transport, makes it worse. The adequacy of the investment programme on the railways has, therefore, been questioned by many. The question of providing alternative modes of transport to cope with the new heavy traffic has not been given the importance it deserves in the draft plan, although lately, due to the campaign of road-transport interests, the possibility of finding alternate means of transport is being considered seriously. The questions involved in this relate to the investment needed and the costs for a given volume of freight turnover in the latter mode of transport. Conflicting claims have been made by the proponents of the railway and road transport case on the scope of economy that the respective means of transport offer.

Mr. K. B. Mathur, Member (Transportation) Railway Board, has stated that considering rolling stock and vehicles alone, capital needed for carrying one million tons of goods 300 miles by rail would be Rs. 4 crores to Rs. 5 crores, while for road transport, the capital cost would be Rs. 11.6 crores. Mr. E. V. Vaughn, vice-president of the Indian Road Transport Association, has stated the opposite case. Working on the basis of allotments for the railways during the second plan, he concludes that the total railway investment for carrying one million tons of goods will be Rs. 115 crores plus the cost of extra wagons and other special rolling stock at the rate of Rs. 4½ crores. The corresponding investment in road transport would be Rs. 4½ crores only, outside the cost of building new roads which is about one-eighth of that of a mile of railway track.

The estimates given above are widely divergent. Although it is possible to verify Mr. Mathur's estimate by an analysis of operations, i.e., considering the engines needed for goods train services (train engines, shunting engines, etc.) and wagons for the actual volume of freight turnover and the present prices of engines and wagons, it is not so easy to verify the other side's case. On the basis of operations in 1949-50, the capital cost for the transportation of one million tons of goods over 300 miles in the broad-gauge railways (i.e. 300 million ton miles) works out to Rs. 2.1 crores for engines and Rs. 2.5 crores for wagons. The corresponding estimate for road transport may be obtained from an analysis of actual operation of the existing road transport organisation. The estimates of Mr. Mathur and of Mr. Vaughn are both theoretical, calculated on the basis of the daily volume of freight carried by a truck. Mr. Vaughn has rightly stressed the real nature of the present railway plan with large investments for the replacement of worn-out tracks and rolling stock and for the increase in the traffic capacity of the track by double-line electrification, dieselisation etc. The comparisons merely on the basis of rolling stock and vehicles is improper, in his view.

However, considering the rolling stock and vehicles only the relative position of the railways and road transport cannot be stated in as simple a manner as they have done. This is because their calculations ignore the composition of goods, i.e., the loading characteristics of different classes of goods, which ultimately is the final justification for the class rates in the railways; weight alone does not determine rolling stock needs and the costs of operation. The investment estimates have been considered on the basis of the actual operating conditions in the railways and the structure of commodities handled. But the commodities usually transported in a truck are lighter on an average than those by the railways, and a straightforward comparison is, therefore, statistically inadmissible. All goods are considered homogenous for transportation purposes which they are not. In fact, lighter goods need more rolling stock on the railways for the same volume of traffic (ton miles) than heavier goods. The average load a broad-gauge wagon for different classes of commodities may be roughly given as follows:

Heavy merchandise (including coal)	20 tons.
Light merchandise	10 tons.
Miscellaneous (small)	5 tons.
Average wagon load	15 tons.

The specific minimum wagon loads also vary considerably.

MINIMUM WEIGHTS FOR WAGON LOADS (MAUND)			
Commodities.	B.G.	M.G.	Class of charge-changes from time to time.
Coal	600		
Loose Cotton (pressed)	120	100	R.R./14
Unpressed fibres	200	160	R.R./8
Firewood	270	220	R.R./1
Fresh Fruits	270	220	R.R./3
Gunnies	270	220	R.R./7
Safety matches	200	160	R.R./15
Dry grass for fodder	160	120	

I.R.C.A. Goods Tariff No. 28. Appendix H.

Considering miscellaneous commodities, it is found that the wagons needed would be about

three times those for the average of commodities. Again, the number of wagons in a train cannot be increased beyond a limit, because the gross weight has to be related to the tractive power of locomotives and also because of the difficulties in marshalling yards which may reduce the efficiency of wagon usage generally, through goods trains excepted. Thus we may assume that the net ton miles of freight for miscellaneous commodities a train mile is as low as one-third of those for average commodities. Shunting operations also depend upon the number of wagons so that, on the whole, we may assume that miscellaneous commodities need three times as many engines as the average commodity need on the railway. Thus the volume of investment in the railway rolling stock for carrying 300 million ton miles of miscellaneous commodities would be about Rs. 13.8 crores, while for light and heavy merchandise, it would be Rs. 6.9 crores and Rs. 3.5 crores respectively.

Nature of Road Goods Traffic

As already noticed, the composition of goods usually handled by road vehicles is generally of a lighter nature. The reason for this is easily understood. It is due to the rating system in the railways in which there is possibly an element of subsidisation in favour of coal and other heavy merchandise such as grain, etcetera, and which is made up by increasing the rates on miscellaneous and light commodities. Economically, this is perfectly justifiable since the system aids the growth of the economy by fostering the development of basic industries. However, it enables truck operators to compete in the transportation of such high-rated commodities. The capital needs for road transport is thus based on the existing pattern of road traffic which is composed mainly of light commodities.

We have no factual data on the loading capacity of motor trucks for bulky commodities, but the way trucks are loaded, it is likely that loading characteristics of different commodities are not as great as those on the railway. Considering Mr. Mathur's estimate of Rs. 11.5 crores for carrying 300 million ton miles by road vehicles, and assuming that the average commodity carried by road vehicles corresponds to the light merchandise in the railway classification, the investment needed for carrying miscellaneous commodities may not be 50 percent higher than Rs. 11.5 crores, i.e. Rs. 17.25 crores, while for light merchandise it will be Rs. 11.5 crores. If trucks with trailers are considered the amount of investment would be still less, because the cost of a trailer is about one-third a unit of space and load than the truck itself, while the more powerful engine needed for this would not increase the cost of a truck very much. Thus if trucks with trailers are used, the capital needed for 300 million ton miles of traffic would be about two-thirds of the above estimates, e.g. Rs. 11.5 and Rs. 7.7 crores for miscellaneous and light goods respectively.

These calculations are based on the average haulage of goods. However the degree of rolling stock usage depends upon the length of haul, since considerable time is spent by a wagon in loading and unloading, so that wagon time needed a mile for short hauls is greater than for long hauls. It will be possible to calculate the exact nature of this dependence from detailed data on operations which are not available. Assuming the average time for each loading and unloading operation to be 24 hours (on the basis of six hours of time for unloading from the following day-break after the arrival of a consignment) we may roughly calculate the wagon requirements for a given volume of short-haul traffic. Thus during the average time of nine days between two successive loadings of a wagon (wagon turnaround), two days are spent in loading and unloading and 2½ days are spent in empty journey. The capital needs for rolling

stock for short hauls of 30, 60 and 90 miles may be calculated on this basis.

Similarly, the number of trucks needed for a given volume of road goods traffic depends upon the length of haul, as loading and unloading take time. The average haul of a truck is much smaller than that of a railway wagon and may only be about 30 miles for highway traffic and would be even less if urban traffic is included. It may also be assumed that truck service for a distance of 30 miles requires two hours of running time and two hours for loading and unloading. Calculations on this basis gives the capital investment needs for rolling stock and vehicles for light merchandise and miscellaneous traffic for hauls of 30, 60, 90 and 270 miles as the table below shows:

CAPITAL INVESTMENT FOR 300 MILLION TON MILES (VEHICLE AND ROLLING STOCK) (IN CRORES)

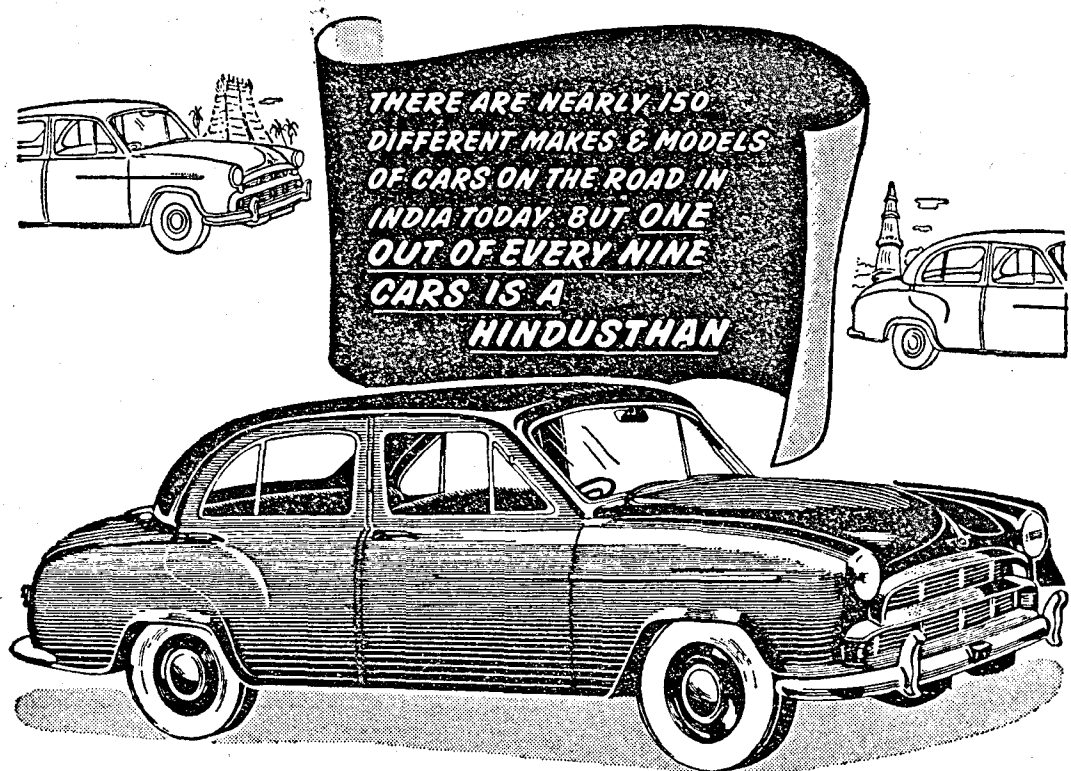
Length of haul	Light merchandise		Miscellaneous	
	Rail	Road*	Rail	Road*
270	6.9		13.8	
30	13.9-20.5	7.7	27.9-41.2	11.5
60	10.0-12.9	5.8	20.1-25.8	8.6
90	8.7-10.4	5.1	17.4-20.7	7.5

So far, the investments needed for the extension of track and line capacities on the one hand and the construction of new roads on the other, have been ignored. However, as Mr. Vaughn has pointed out, the cost of constructing roads would be about one-eighth of that of a mile of railway track, this ratio will be much higher if the existing track is used by increasing the line capacity by constructing double lines, better signaling arrangements, etcetera. Another very important factor for goods traffic is the godown space needed for storage. The godowns are already congested. The railway plan has allocated a large sum for the extension of storage facilities—about 10 percent of the allocations for rolling stock. Very little of such investment would be needed for road transport as goods will move directly from the source to the consignee's establishment.

On the whole, it appears that for light and miscellaneous commodities and for short hauls, road traffic needs less capital investment than the railways. The operational costs of the railways also depend upon the nature of commodities and the distance of haulage, so that for light and miscellaneous commodities and for short hauls, the cost a ton-mile is likely to be much higher than the average cost a ton-mile, especially when the cost of depositing and removing from railway terminals is taken into account. For such traffic, road vehicles can compete successfully with the railways, whenever proper roads exist, and in fact, they do in spite of various restraints. For heavy merchandise including coal and other minerals and for long distances, the railways will perhaps retain their advantage for decades, as the experience of the U.S.A., Russia and other advanced European countries show. Thus in Russia, in spite of its being the second largest producer of mineral oil in the world, the volume of goods traffic by road formed only 3.5 percent of the total traffic in 1955. To formulate an efficient and economic plan of the allocation of traffic between the different modes of transport it is necessary to have a co-ordination of these services and to make a factual study of existing road facilities, railway tracks and the volume and character of the Traffic for zones around industrial centres and ports, where such co-ordination of transport is urgently needed.

* Only large trucks with trailers are considered and Mr. Mathur's estimates have been used. Mr. Vaughn's estimate would reduce the estimates given here by 60 percent.

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THE SOUTH ARCOT LIGNITE PROJECT

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THE Government of India, as was announced some time ago by the Production Minister, Mr. K. C. Reddy, has decided to go ahead with the lignite project in the South Arcot district of Madras. It is a multi-purpose project from which coal, electric power and fertilisers will be produced. In Western Germany, I reported recently, the coal deposits are successfully exploited. The coal extracted from the deposits serves several purposes.

One part of the raw coal will be used to feed the power station. Another will be crushed and screened to feed the drying plant, which will reduce its water content of approximately 53-55 percent to 10-15 percent. The dried coal will then be conveyed to a briquetting factory. It is planned to produce from the Madras coal very high-grade briquettes, yielding an abrasion-proof, lumpy coke after low-temperature carbonisation. In addition, it will be possible to produce briquettes suitable for direct use in industrial plants. The use of Madras lignite for such a purpose, it is said, will involve certain difficulties, because the briquettes are not weather-resisting, that is to say, they can easily be disintegrated by moisture, which can only be prevented if special measures are taken. The disintegration can be avoided if the briquettes

are not directly used, but converted into coke by low-temperature carbonisation. The lump coke produced by low temperature carbonisation is at all events weather-resisting. It has the same combustible properties as charcoal and may, therefore, be used for such purposes as domestic and first-rate industrial fuel. It may also be used to advantage for smelting Salem iron ore in the Krupp-Renn process.

Liquid Products

The liquid products obtained from low-temperature carbonisation may be converted by distillation and refining into road tar, diesel oil, fuel oil and gasoline. By applying the Bergius process of hydrogenation all the liquid products may be worked up into high-grade gasoline. Briquettes or granular dried coal or the briquette chips may be subjected to pressure gasification with oxygen and either be gasified to high-grade town and pipe-line gas, or the gas produced can be converted into synthesis gas which may subsequently be used for the production of urea and other fertiliser salts. The liquid products obtained from gasification, namely the tar oils, may be worked up in the same manner as the tar oils from low temperature carbonisation. Moreover, it is possible to recover raw phenols from both low temperature carbonisation and gasification.

As a matter of fact, Madras lignite with a 53 percent to 55 percent water content has as low a calorific value as nearly all younger brown coals so that its transportation is only worthwhile if the destination is not far away from the mine.

Besides, its moulding value, compared with garden-mould, is so low that a utilisation for qualified purposes is impossible. In Germany and Australia, brown coals are, therefore, dried and briquetted. According to the local conditions, indirect dries heated with low-pressure steam, or direct drying processes operated with fire gases have had to be developed. In order to overcome the difficulties of weather on brown coal, and at the same time to recover its valuable bitumina in the form of tar oils, the briquettes are subjected to low-temperature carbonisation.

Low-temperature carbonisation means careful heating of fuel in various temperatures up to 450°C. In the absence of oxygen, products such as tar oils, semi-coke and low-temperature carbonisation gas, are recovered through this process. Liquid hydro-carbon, high in paraffin and hydrogen content in the form of tar middle oil and gas naphtha which are subsequently worked up into saleable products are then recovered by hydrogenation under pressure, or by treatment with selective solvents. The combustible gases formed during low-temperature carbonisation and the mostly small-sized semi-coke are by-products which may be used as high-calorific fuel in working up plants for tar oils, in power stations or in other industrial plants. A high grade lumpy fuel with no smoke is produced by a special process out of dry brown coal powder with a low residual water content which is also pressed into the making of stable briquettes.

Smokeless Coke

These briquettes maintain their shape and high bulk density during subsequent low-temperature carbonisation in a shaft furnace, heated directly with recycle gases. This coke which, because of its high calorific value, burns smokeless like charcoal, may, therefore, be used for various purposes in industry and, especially, in households. Low-temperature carbonisation gas and liquid hydro-carbons are recovered as valuable by-products.

Gases with a high heating power may be recovered from pre-dried granular or briquetted brown coal. The latest development of the gasification technique relates to gasification by oxygen and steam under high pressure of solid fuels which include brown coal. This technique makes it possible to recover directly, and virtually to an unlimited extent, gas equivalent to coke-oven gas or town gas with a standard purity. The gas may, by appropriate treatment, be produced also in such a composition that it can be used as a basis for synthetic processes. In India, for example, it may be utilised economically as finished gas for ammonia synthesis. Urea may be produced from the ammonia and from the waste carbon dioxide to be recovered as a by-product. Urea is assuming increasing importance as a fertiliser and cattle feed extender. Besides, it is more and more used for the manufacture of plastics and glue.

Importance of Phenol

The tar oils, obtained in a large quantity as a high quality by-product, are worked up in the same manner as those recovered from low-temperature carbonisation. Low-temperature carbonisation, hydrogenation and gasification plants of the brown coal industry release phenol-containing effluents, which are not allowed to be discharged into the rivers for biological reasons. The introduction of modern extraction processes makes it economically possible to purify these effluents and to recover at the same time valuable raw phenols. The phenols are the basic material for the production of bakelite from which a variety of articles for daily use are manufactured. The fabrication of pressed plates for use in the building industry and the manufacture of furniture might become of particular importance for India, since this will permit the utilisation of waste timber.

Stocks and Shares

SPECULATIVES CLOSE WEAKER ON PRE-HOLIDAY LIQUIDATION

INDIAN IRON DIVIDEND ANNOUNCEMENT DISAPPOINTS OPERATORS

Monday Evening.

THE speculative section of the Calcutta stock market remained fairly steady up to today's clearing. The chief reason for this was the anticipation of a possible increase in the Indian Iron dividend expected to be announced this morning. When the announcement proved to be disappointing (Mr. Leslie Martin's statement is reviewed below) prices sagged and a pre-holiday slackness settled over the market. Indian Coppers encountered some profit-taking, but closed at Rs. 7-2 on expectation that the next quotation will be ex-rights. Other speculatives were featureless.

Investment shares have tended to hold their values in spite of the approach of the holidays. Little business has been done however, and the tea, coal and jute sections have been distinctly dull. Engineering and miscellaneous shares have been fairly well supported. Government securities continue weak.

In a circular letter addressed to shareholders of the Indian Iron and Steel Company, the Chairman, Mr. Leslie Martin, reports that the Government of India has refused to approve an increase in this year's rate of dividend. The Board of Directors of the Company, Mr. Martin explained, has made continual representations to the Government on this issue, but without result. Since the sanctioning of the proposed rights issue at a premium of 35 percent, shareholders have expressed concern at the unfavourable position in which the company has been placed compared with others. Subsequent representations from the managing agents have also failed and the Government's attitude is now confirmed in a letter dated 22nd September, 1956. The letter, signed by the Minister for Home Affairs and Heavy Industry, Pandit Pant, refers to a letter from the Ministry of Commerce and Industry dated 27th April, 1956 and states that: "In view of the heavy debt of the company and the need to conserve resources for approved expansion schemes, the Government is unable to agree to any increase in the dividend of the company at this stage and the reason why this was not made a condition precedent to the grant of a loan to the Indian Iron and Steel Company was that it had been made clear to the company in the course of the loan negotiations that the Government of India should be consulted in the matter of distribution of profits earned". The Minister explained that any increase in the dividend to be paid to shareholders at this stage would not be in their or the public interest. He also mentioned that two loans taken by the company from the Government—one interest free—were still outstanding. The company has already borrowed from the World Bank and is approaching this institution again for a fresh loan which would need a guarantee by the Government of India. In the circumstances, the Minister considered, instead of increasing the rate of dividend all available resources should be mobilised to complete the expansion programme. The Minister said: "By continuing the rate of dividend at the present level for some time, the economic and financial position of the company will be further strengthened and I feel sure that when the shareholders fully appreciate this point, they will readily agree to give their fullest support to this policy".

Details of the week's trading follow.

Business in Government securities was at a low ebb this week with sellers predominating. Three percent Conversion Loan 1946-86 was unchanged at Rs. 75-2 and Non-terminable Paper was lower at Rs. 75. Fluctuations in other dated stocks were minor. Among short-dated issues, 3% 1957 and 1958 were quoted at Rs. 99-11 and Rs. 99-9, respectively. Among medium-dated loans, 3% 1963-65 and 1964 were marked at Rs. 94-6 and Rs. 95-2, while 2% 1960 were on offer at Rs. 96-6. In National Plan loans, 3% 1961 was done at Rs. 99-2, as were 3% 1964 at Rs. 98-9; 3% 1967 met with scattered interest around Rs. 98-5. In the long-dated group, 3% 1970-75 were traded at Rs. 89-8 and 3% 1974 was transacted at Rs. 98-8. Business in State loans was restricted, but 4% 1968 Madras and U.P. Loans improved to Rs. 99-4 each.

Routine business was transacted in miscellaneous shares, with Calcutta Electric quoting Rs. 11-5 and Indian Aluminium done at Rs. 84.

United Commercial came to hand at Rs. 56-8 in the banking group, and United Bank of India "D" shares changed hands around Rs. 4-8.

Except for Burrakurs, which were maintained around Rs. 16 on professional interest, there was little interest in the coal section, following the strike in the Raniganj coalfield. Western Bengal came to hand at Rs. 6-8, as did Rewa at Rs. 23-6. Bharat was transacted at Rs. 7-8.

Interest in jutes was limited, except for Reliance and Bally which improved to Rs. 10-12 and Rs. 213 respectively, on interested support. National changed hands at Rs. 25-6 and Nellimarla were done at Rs. 10-14. Belvedere were on offer at Rs. 213 and Dalhousie made Rs. 181. Kamarhatti

"A" were transacted at Rs. 141, as were New Central at Rs. 16-8 ex-dividend.

Indian Copper were maintained at Rs. 7-2 on a report that the scrip will be quoted on ex-rights basis when the market reopens on 4th October. Western Stock Investment came to hand at Re. 1.

In the engineering section, Indian Iron were lowered to Rs. 35-11 on selling pressure and Indian Standard Wagon backed to Rs. 224 on profit-taking, the company having declared a one-for-one scrip issue. Indian Galvanizing were fractionally better at Rs. 23-2. Realising reduced Jessop to Rs. 38-2 and Richardson & Cruddas to Rs. 27-13. Kumardhubi were done at Rs. 9-14, but Textile Machinery declined to Rs. 23-5 on profit-taking.

Cement shares met with demand, Asoka Cement making Rs. 13 and Sone Valley Rs. 9-14. Rohtas were done at Rs. 23. Miscellaneous industrials were selectively firm, with National Insulated Cable rising to Rs. 26-8 and National Carbon to Rs. 30-4. B.I.C. were back to Rs. 11-6, and India Steamship to Rs. 10-10 on profit-taking. Dunlop Rubber realised Rs. 29-12 and Indian Aluminium were traded at Rs. 19-13. Variations in paper shares were minor. Orient Paper came to hand at Rs. 39-5 and Shree Gopal were done at Rs. 17-13.

Tea shares met with increased support and prices gained fractionally. Among Assam gardens, Betjan came to hand at Rs. 57 and Brooke Bond improved to Rs. 21-14. In the Doars group, Hantapara jumped to Rs. 235 and Hasimara were better at Rs. 34-4. Among Cachar estates, Central Cachar were transacted at Rs. 74-8.

The MACHINERY MANUFACTURERS CORPORATION has earned a profit of Rs. 10.42 lakhs for the year ended last March, against Rs. 9.15 lakhs. Depreciation absorbs Rs. 9.28 lakhs, against nil. Arrears of preference dividends up to 31st March, 1953.

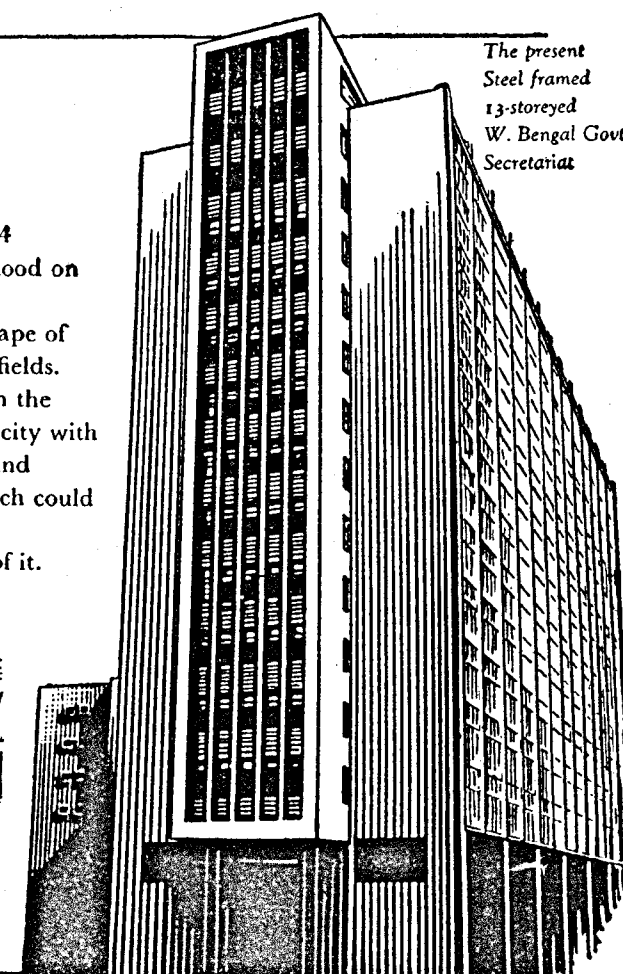
"Where now the city stands,
there was once naught but the city's site." OVID

Calcutta

On August 24 1690, when Job Charnock stood on the banks of the Hooghly, he saw before him a depressing landscape of mud hovels, swamps, and paddy fields. On that very site has risen in the course of the years a pulsating city with heavy industry, modern transport and busy docks—a metropolis which could have made little progress but for STEEL—thousands of tons of it.



Scene before the old Secretariat—18th century



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Experts of the Government of India and representatives of the Associated Electrical Industries of the U.K., who are technical consultants for the Government's heavy electrical equipment project, have agreed on the items which are to be manufactured at the first stage of production. The factory, which is to be located near Bhopal, is expected to go into production by 1960, and will attain its full capacity by 1967. The schedule of manufacture includes A.C. and D.C. rotating machinery, rectifiers, transformers, switchgears, traction and control gears, industrial control gears, D.C. motor starters, capacitors and water wheel turbines. It has also been decided to take up the manufacture of switchboard instruments, meters and relays, insulating materials and steam tur-

A Calcutta firm whose scheme for the manufacture of bus bodies and pick-up bodies was approved early this year is now to be allowed to manufacture van bodies and diesel and oil tankers also. Another Calcutta firm is to be licenced for the

In operating efficiency, the Travancore-Cochin Financial Corporation shows a good record, the ratio of administrative expenses to total income during 1954-55 and 1955-56 being 15 percent and 12 percent respectively. The record of the Saurashtra State Financial Corporation is also good. The operating results for the first year in each of the 12 corporations show that the bulk of their earnings was absorbed by administrative expenses. The ratio of net profits available for distribution as dividends to paid-up capital varies between 0.14 percent and 2.22 percent, the latter ratio being recorded by Travancore-Cochin Financial Corporation during 1955-56. This excludes the Madhya Bharat Financial Corporation, which suffered a loss on its first year's working. The ratio of subventions received from State Governments to total

dividends distributed by the 12 corporations during the period under review ranges between 37 percent and 100 percent. So far, the largest amount of subventions, totalling Rs. 5.13 lakhs, has been taken by the Punjab State Financial Corporation. It is closely followed by the Bombay State Financial Corporation with Rs. 5.12 lakhs. The Saurashtra Corporation has obtained a subvention of Rs. 4.81 lakhs and the West Bengal one Rs. 4.68 lakhs. Others, in order of the amounts of subventions received, are Hyderabad (Rs. 3.72 lakhs), Travancore-Cochin (Rs. 2.95 lakhs) Assam (Rs. 2.85 lakhs), Rajasthan (Rs. 1.80 lakhs), Bihar (Rs. 1.64 lakhs), Uttar Pradesh (Rs. 1.39 lakhs), Andhra (Rs. 37,000) and Madhya Bharat (Rs. 34,000).

Only about 27 percent of the available funds have so far been utilised for loans and advances by these corporations. Let alone the high proportion of investments in Government securities and deposits with banks in the first year of the working, even in subsequent years these have remained quite substantial. The percentage of loans and advances (including bank deposits) to total investments (including bank deposits) is the highest in the case of the Travancore-Cochin Financial Corporation, at 60.71 percent. Next comes Bombay with 59.19 percent. Other Corporations have invested much less than 50 percent in loans and advances.

Only the Hyderabad and Saurashtra Financial Corporations have so far taken up debentures in other companies, as permitted by Section 25(e) of the State Financial Corporations Act. The total amount of debentures held by Hyderabad is Rs. 10 lakhs, and by Saurashtra Rs. 3.75 lakhs. The total number of applications so far received by the 12 Corporations comes to 1,073, asking for loans of

Rs. 18.3 crores. Of these, 860 applications have been actually considered. The total amount of loans sanctioned up to 31st March, 1956, is Rs. 5.5 crores which works out to 41 percent of the amount of loans applied for in the 860 applications considered. Considering the loan operations of individual Corporations, it is noticed that the highest percentage of loans sanctioned to the loans asked for on applications considered is recorded by the Travancore-Cochin Financial Corporation. This percentage works out to 79. Against this, the lowest, 16.41 percent, is in West Bengal. Of the total amount of loans sanctioned, Rs. 2.8 crores have actually been disbursed to industrial concerns by these Corporations. The percentage of loans disbursed to loans sanctioned works out to 50.5.

New Pattern of Foreign Trade

A new pattern of external trade is being evolved these days. The Government has a number of bilateral agreements with Communist countries, which by and large have not added much to the quantum of India's foreign trade. It is stated the operation of State trading at one end and private trading at the other is largely responsible for the inadequate results. The State Trading Corporation, it is claimed, is bridging the gulf; it deals at Governmental level with the Communist countries and thereby provides an agency for the private sector here to trade with them. By this method, some of the lacunae have been removed. The needs of foreign importers are satisfied by assembling supplies against their indent orders. Quality control is introduced in all transactions and the settlement of disputes at Governmental level is assured. Speedy supplies are made. The private

sector, it is asserted, is not sidetracked or superseded. The State Trading Corporation acts as an intermediary, and by this method, it has secured, for example, a contract from Russia for the supply of shoes worth Rs. 1 crore. Russia is also buying handicraft products through the Corporation. The Corporation has purchased a ship from Yugoslavia for Rs. 90 lakhs, half of which will be paid in Indian rupees. The Japanese Industrial Mission which is here is negotiating a long-term agreement for the purchase of iron ore. The State Trading Corporation has offered to sell one million tons in addition to what is being offered by the private sector. Japan may supply steel, machinery and equipment in return.

Secretariat Appointments

Mr. S. Ranganathan has become Secretary to the Commerce and Consumer Industries Ministry. He belongs to the pool of financial and commercial officers created before the war. He has served in the Central Board of Revenue and in the old Ministry of Commerce. He has done much to get coastal trade reserved for Indian shipping and to reform the insurance law.

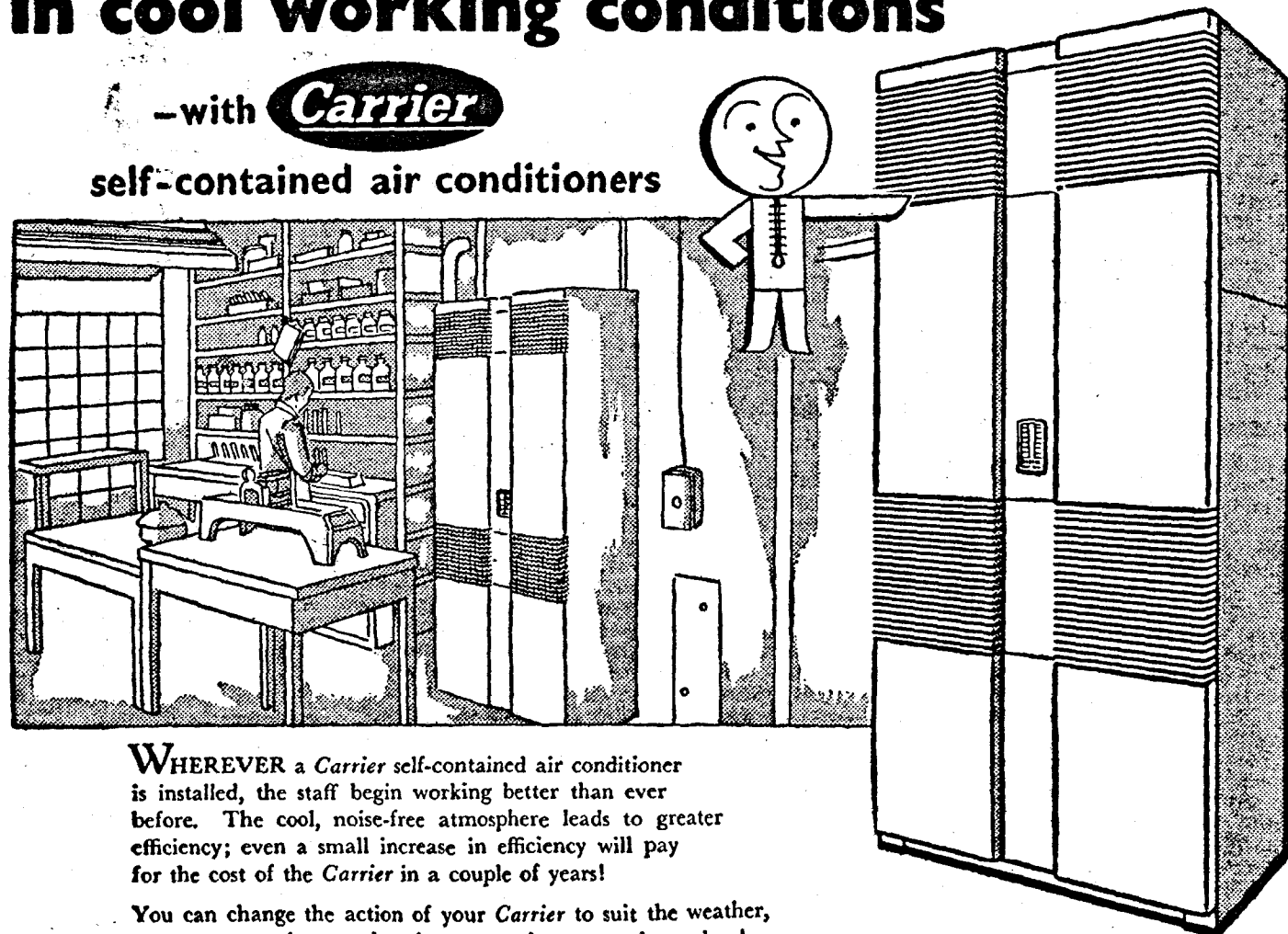
Mr. L. K. Jha has become officiating Secretary to the Heavy Industries Ministry.

Mr. Reddy to Tour Europe

The Production Minister, Mr. K. C. Reddy, will leave on 10th October for a three-week tour of certain European countries, including Russia, Western Germany and Britain. He will be accompanied by the Coal Development Commissioner, Mr. R. S. Krishnaswamy, and a technician from Sindri, Mr. Chakravarti.

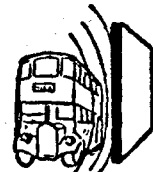
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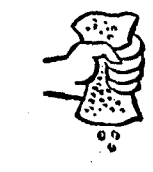
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WORLD BANK BORROWERS BUY LESS FROM U. K. PURCHASES FROM GERMANY GO UP

(FROM OUR LONDON CORRESPONDENT)

BRITISH industry has been given much food for thought in the past week, and it is to be hoped the thinking will be done by all sections and that it will be productive of revised policies. The annual report of the World Bank discloses that last year its borrowers reduced by almost half their purchases from this country, and that our loss turned out to be a gain for Germany. At the same time, about two-thirds of all the World Bank funds made available in recent years have been for transport and electric power developments, always regarded as our principal export industries. Finally, we learn that about half the Bank's loans have gone to Commonwealth countries where we might have expected to enjoy special consideration, but apparently price and delivery date factors have proved more important in the context of the World Bank's conditions. The actual figures are not without interest. Total borrowings in the year ended June, 1956, were roughly £100 million, of which 13.2 percent was spent in the U.K., against 23.9 percent of the 1955 total, while Germany's share rose from 6.4 percent to 14.1 percent.

There are lessons to be learnt from the World Bank report, as there are from some very frank remarks made by Mr. Francis E. Rogers in a farewell speech he made to journalists on the closing down of the U.S. Technical Assistance Programme in London, of which he has been the head for the last five and a half years. His main criticisms were that inefficient firms are being shielded by their more efficient colleagues, that there is too much "complacency" and not enough "competition" in some industries, and that our consumer goods are often of poor quality and workmanship. He thought that inferior firms should be given the choice of "going to the wall" or growing more efficient. There was need for better management, better trade union practice, and better utilisation of resources. The Federation of British Industries has lost no time in replying to Mr. Rogers's strictures, which it regards as being "utterly exaggerated", for it is simply not true that manufacturers in general are "cosseted" and "complacent." The figures of our export trade, it points out, prove that we can stand up to competition even with United States manufacturers and even in the United States market. It is quite wrong to suggest, as Mr. Rogers does, that the inefficiencies of a few are characteristic of the average.

Production Level Stagnant

Another sobering thought is furnished by the latest figures relating to the level of industrial production. The Treasury has revised the index figure for June (1948=100) a point upwards to 141. The July figure is given at 126 and for August it is estimated to be 115-116, as against 118 in August of last year. There were more holiday days this August than there were in the same month last year, so a better way of judging how the production level is going is to compare the eight-month average for the two years. In 1955 this worked out at 134. This year it is only 135. The levelling-off of the overall index disguises a considerable shift of emphasis between different industries. Taking July and August together, the output of coal and bricks was virtually the same as last year. That of crude steel was 2 percent up and of sulphuric acid 71 percent up, while 12 percent more electricity was generated. On the other hand, the output of cars was 24 percent less than last year's (partly owing to the strike); of commercial vehicles 20 percent less; of cotton yarns 10 percent less; and of man-made fibres 1 percent less.

In the face of these warnings, the persistence with which many trade unions are pressing wage claims—especially as industrial profits are declining, as has been disclosed by the half-yearly progress reports of I.C.I. and G.E.C. last week—seems particularly unfortunate. They lend support, however, for the F.B.I. President's appeal to employers and trade unions alike to exercise "responsibility" during coming months. Sir Graham Hayman, who was speaking at Bradford, said industry was making a real effort to keep prices steady, and the fruits of the policy of price restraint were already reflected in a more stable price level. But to defeat inflation and restore the real value of the pound, far more drastic action was needed than price restraint. In particular, the policy could not be successful unless there was co-operation from labour. Sir Graham said that it was misleading to talk of a wage freeze. The incentive of higher wages—where they could be afforded—was more than ever desirable to encourage mobility and to provide incentives for skill and efficiency. "But I feel sure," he went on, "that using the fruits of greater productivity to keep prices steady is at the present time the fairest and most effective way of distributing the benefits of an increase in the national income." Restraint was only another name for responsibility. He appealed to both sides of industry to show the greatest sense of responsibility during the coming months. The future was critical. A plateau was a poor resting place if the only way off it led down a precipice.

Free Trade

These developments are all of interest in view of the Commonwealth discussions in Washington on the West European free market proposal, to ex-

plain which Mr. Thorneycroft has now joined the Chancellor of the Exchequer in America. The F.B.I. has been considering this question for some time at the request of the President of the Board of Trade, and Sir Graham made a cautious reference to the subject at Bradford. He said the implications of the plan were profoundly important and far-reaching. Imperial preference had been an immense "growth factor" among members of the Commonwealth, and although it might well diminish over the years as the members developed and broadened their economies, its value was still too great "to justify its being jettisoned in favour of a common market in Europe." On the other hand—and here is the other horn of the dilemma for British industry—Sir Graham was aware that our exports to Europe were of great importance. "We cannot ignore the implications of a customs union between western European countries which might well endanger our trading position in that area." At this stage it was not a matter of choice between one system and another. The problem was really to consider participation in a European common market, in order to preserve and expand our interests in that area while at the same time preserving the essentials of imperial preference. "It may be that a formula can be worked out which reconciles these two systems," he concluded.

A report is now being drafted for the consideration of the Grand Council of the F.B.I. on 10th October and that will no doubt influence the British Government's final decision on the matter, as will the views of the Commonwealth Finance Ministers expressed in Washington.

Commonwealth Bankers to Meet

Although no important decisions need be expected, keen interest will be taken in the discussions to take place in London early in October between the heads of the various Commonwealth central banks. Many of the Commonwealth central bank Governors will be returning through London from the Washington meeting of the International Monetary Fund and the World Bank, and the Governor of the Bank of England has taken the opportunity of inviting them to spend some days in London to discuss recent experience of monetary policy. Problems facing the central banks in Commonwealth countries vary a great deal and the coming talks may well afford fresh light and guidance. The discussions will supplement the regular exchange of informal visits and correspondence between the Bank of England and other Commonwealth central banks.

Freight Rates via Suez

The 15 percent surcharge on freight rates between European and most countries east of Suez has been suspended. It was imposed week before last because of the Suez crisis. The announcement by the three Shipping Conferences which imposed the increase said the great majority of their vessels were getting through the Suez Canal without serious delay. Some ships had been diverted and others re-routed round the Cape. The existing pilot service had handled the rest. The warning was added that the danger remained that the surcharge might have to be re-imposed. The three Conferences include most of the major British lines operating between Britain and the Far East. Insurance rates have also been cut. On 28th September London underwriters announced reductions of 2s. 6d. a £100 for cargoes through the Canal. They are now rated at 3s. 3s. a £100 against the 5s. 9d. fixed last week and a minimum of 9d. before the present dispute.

Lloyds Bank Surprises

The directors of Lloyds Bank, through Sir Oliver Franks, their chairman, sprang a surprise on the City by announcing last week that they have decided to simplify the capital structure and, more or less as a *quid pro quo*, recommend a final dividend for the current year of 7 percent against the 6 percent paid last year. Explaining the proposals, Sir Oliver pointed out that in the past ten years Lloyds Bank had steadily built up its reserve strength. He did not think that the depreciation of Government security holdings had any serious effect on the bank's financial position. It was now possible to eliminate the reserve liability of £54

million without impairing "the bank's credit and standing." In fact, the uncalled liability of £3 15s. on the £5 A share can only be called up in the event of a winding-up, and then only if needed to meet the liabilities of the bank. That is now regarded as such a remote contingency that it need not be insured against. Apart from cancelling the uncalled liability on the A shares, which will reduce them to a nominal 25s. fully paid, the directors also propose to consolidate them into £1 shares. Next, the nominal value of the B stock units is to be reduced from £1 to 8s. 4d. and the resulting units will be amalgamated with the A shares to form a single class of fully paid shares of £1 each. The B shares have a maximum but not fixed dividend of 5 percent without any priority. Apparently, many thousands of them are held in very small amounts, and they cause undue trouble. The tidying up of the capital structure will make an increase of capital much easier. Sir Oliver Franks was careful to say that no such plan was implied in the present announcement. Meanwhile, Lloyds Bank will have a more popular and more marketable type of share. As for the raising of the dividends to an annual rate of 13 percent against 12 percent, this is equivalent to about 16 percent on the former capital. Sir Oliver commented that this was the "all but final step towards restoring the rate of 16 percent from which the dividend was reduced 21 years ago."

Cotton Still Presses Its Case

Sir Raymond Streat, the chairman of the Cotton Board, loses no opportunity to press Lancashire's claims for protection against cheap imports. At the convention of the National Association of Outfitters at Harrogate he told delegates that many countries which formerly provided large markets for the British cotton industry had erected high tariff barriers to help develop an industry of their own. We could have born this, but in the past two years the home market had been flooded with cheap goods from India and Hongkong. Those countries, said Sir Raymond, enjoyed free entry into our market; the British cotton industry was appealing to the Government for a change of policy to grant it some protection in the same way as other industries.

Sir Raymond continued, "I think it is true to say that the British cotton industry is practically the only major industry of any modern country which has to face a substantial flood of imports without any protection at all. This must be combated. We do not want to rely on goodwill, but on our own energy and resources, and we are, in fact, embarking on many new endeavours to counter these adverse trends."

In this country to-day the community at large was enjoying the highest standard of living Britain had ever known. There was a uniformity of consumer purchasing power which was really a miracle, and lifted our society to a level of economic and social achievement unequalled in any country in the world. A great opportunity existed for those who dealt in articles of clothing to pursue their rightful claim to a full share of that increased purchasing power."

Brevities

Up to 13s. a lb. for high grade Northern India teas has now been paid at the London auctions. These top rank teas are now selling at levels ruling during the famous boom two years ago. Even the low grades are now catching up. Their price is around 3s. 6d. a lb. against a low of 2s. 9d. two or three months ago.

Several hundreds of guests, many from Indian and Far East ports, attended two dinners in London last week to mark the centenary of the British India Steam Navigation Company and each received a book, written by George Blake, the Scottish novelist, on the company's fascinating history.

Further representations have been made by the Mysore Gold Mining Co., Champion Reef Gold Mines of India and Nundydroog Mines to the Government of India and the Government of Mysore about the Mysore Government's proposal to nationalise the mines and the compensation to be paid. Stockholders have been advised to await a further announcement, which is expected to be made in the near future.

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Bombay

WOOL TRADE WELCOMES MORE EXPORT QUOTAS

THE PROBLEM OF INCREASING YIELDS

(FROM OUR BOMBAY CORRESPONDENT)

THE Government's decision to issue further export quotas for wool during the period October 1956 to 31st March 1957 has been welcomed in trade circles here. The previous export quota has been almost exhausted and shippers have found it difficult to enter into fresh business. The turnover in the export trade has therefore been negligible in the past few weeks. Meanwhile, the Yellow season has begun in north India and reports reaching Bombay indicate that the daily arrivals in the Delhi market now amount to 250 maunds. Prices, however, have been slightly easy because of the increased competition among stockholders to dispose of their previous seasons' purchases. Exporters here have been quoted Rs. 2.12 a lb. f.o.r. Bombay for the Delhi, Beawar, and Punjab qualities of Yellow while White varieties are nominally placed at around Rs. 3.5 a lb. Greys are quoted at around Rs. 1.4 and Light Greys at Rs. 1-8 a lb.

Indian wool, with its characteristic springiness, is today rated the best carpet wool in the world. With this naturally superior product, India has built up a modest export trade with other carpet-manufacturing countries. Of these, Britain is India's leading customer and accounts for approximately 50 percent of the country's total annual export. In 1952-1953 when there were no export restrictions on wool, 37,966,013 pounds were exported abroad netting the equivalent of Rs. 84,102,214 in foreign exchange—an all-time record. It is possible that this record would have been broken in subsequent seasons but the Government clamped down on exports with the object of ensuring an adequate supply of wool for the domestic manufacturing industry. Indirectly, wool contributed in the same year another Rs. 36,861,025 towards the foreign exchange earnings of the country in the form of carpet exports. It is clear, therefore, that there is considerable scope for further expansion and sheep farming, if scientifically developed can be a valuable asset to the country's economy.

India's sheep population is estimated at 40 million head and the annual wool production is computed at 58 million lbs, which represents one and a half percent of the total world clip. The average annual yield works out to 1.45 lbs a head, which is deplorably low compared with 6 lbs a head in New Zealand for a comparable quality of wool. This disparity in yields is all the more marked considering that India has the unusual advantage of two main clips in a year, the White or the spring clip and the Yellow or autumn clip. In certain areas a third and a fourth clip are also obtained in between the two main clips. In the other wool-producing countries of the world only a single clip is obtained in a year. The fact of the matter is that under the existing set-up wool production in India is conducted on haphazard lines. It is in the hands of poverty-stricken shepherds who have neither the facilities nor the necessary knowledge for sheep farming. They are a floating population and wander from one place to another in search of water and pastureland. Cross-breeding and the improvement of stock is therefore impossible. The Rajasthan stock is the best in India and accounts for nearly 40 percent of the country's total output. Also, the Rajasthan yields are the highest in the country and are estimated at 4 lbs a head each year. The yields in the south, Cutch, Saurashtra, the Punjab and Uttar Pradesh are extremely poor and in some

cases are no more than 1 lb. a head in the whole year. The quality is much below the normal standard. It is believed that cross-breeding with Rajasthan rams would increase the yield considerably and would also result in a markedly superior product. The Government's research stations in the wool producing states of the country are conducting cross-breeding experiments and promising results have been obtained. In Rajasthan, for instance, four distinct indigenous breeds have been established and the qualities of their wools graded. In addition, the Government has a Sheep and Wool Department on which Rs. 15 lakhs is spent each year. Experts of the Food and Agricultural Organisation have also visited the country to advise on sheep and wool development.

Need for Settling

But it is impossible to take any concrete steps unless the shepherd population of the country is settled on compact sheep farms which have adequate grazing facilities and an abundant supply of water. Planned experiments and planned production imply settled conditions and this is the crux of the problem. It is now proposed to include sheep farming as an integral part of the community development projects wherever possible. Advantage should also be taken of the multi-purpose projects which will bring vast areas of arid land under irrigation. Some of these could be earmarked as pasture lands and the nomadic shepherd community settled on specially demarcated areas to develop, under competent supervision, a potentially lucrative industry. Any rational locating of sheep farms would have to take climatic considerations into account for generally the higher the altitude and the lower the temperature, the better the quality of wool. For example, the wool produced in the hilly tracts of Kashmir is similar to the better types of New Zealand and is far superior to the wool which is sheared on the plains. It is this wool which enables the Kashmiri workmen to weave their exquisite fabrics which are in demand in the luxury markets of the world. Similarly, the wool imported from Tibet and Nepal is of good quality with a long staple and of fine texture. About 9 million lbs. of wool are imported from these two countries every year. Of this quantity, 3 million lbs. are consumed by the domestic mill industry for weaving piecegoods and blankets after blending with the coarser domestic wools. The balance is re-exported to Britain and the Continent.

The export trade is highly organised and the Liverpool market continues to sell Indian wools on an auction basis. In addition, the practice of selling on a firm contract basis has also been established. But local marketing is most unsatisfactory. The shepherd brings his wool to the nearest market and sells it to the middleman after much haggling. The middleman cleans the wool and, in turn, sells it to the exporter. In the first stage of the transaction the price is an uncertain factor and is largely governed by the needs and the circumstances of the shepherd. Neither is satisfactory grading possible under such a procedure. It is obvious that with proper development India can establish herself firmly in the wool markets of the world and build for herself an enviable export market and in the process rehabilitate a sizeable section of the community.

The Cotton Crop

The 1956-1957 cotton crop is estimated at 5,500,000 bales. Reports indicate that the first all-India estimate puts the current year's area at 14,602,000 acres as against the adjusted first estimate of 13,175,000 acres for last year. This shows an increase of 10.7 percent. The increase has occurred mostly in Americans, Dholleras, Jarilla, Bengals and Southrons. On the other hand, the production of Omras has declined. These reports introduced an easier trend in the futures market but curiously the ready market has not moved in

sympathy. The disparity between the two sections now stands at approximately Rs. 80 a candy. It is possible that apart from reports of a bumper crop, the market has deliberately been kept low by operators in order to avoid government action similar to last year's. But if the disparity continues at this level for any length of time it is feared that the link between the two sections of the trade may be severed leading to fresh complications. There have been no restraining factors in the ready market and premiums have been paid for popular varieties over the official ceilings. The trade believes that the government will extend the credit squeeze to cotton also and the banks will be advised to demand a margin of 50 percent on advances against cotton. Meanwhile, the wholesale textile market continues slack. There has been hardly any demand from upcountry centres and prices have declined by about 5 percent. This is believed to be a temporary phase and once the problem of the enhanced excise duty is settled, demand is expected to revive and the present fall restored.

Tata Hydro-Electric's Results

The annual report issued by the Tata Hydro-Electric Power Supply Co. Ltd., indicates that the company's profits rose from Rs. 25,00,587 in 1954-1955 to Rs. 27,95,640 in 1955-1956 recording a net increase of Rs. 2,95,053, or 11.8 percent over the previous year. This increase was possible despite the fact that the total expenditure was Rs. 7,96,791 in excess over the previous year. The increase is accounted for mainly by the increased cost of thermal power purchases and interest on a short term loan. The report indicates that power generation and sales, inclusive of the thermal energy purchased, were the highest ever. Satisfactory monsoons over the past two or three years have helped in conserving hydro resources, with the result that during 1955-1956 over 1,300 million units were generated and 322 million additional units purchased from the Electricity Board's installations at Chola. The total energy sales were 1,395 million units, besides which it was possible to return to the railways approximately 45 million units replacing in kind almost all the energy supplied by them during 1953-1954. Technical expansion has also been satisfactory. Progress on the construction of the first 50/62.5 Mw unit at the Trombay thermal stations has been according to schedule. Unless unexpected hitches occur, the first unit is expected to be in commercial operation by November this year to be followed by the second unit in April 1957.

After considerable delay, a part of the land required for the construction of the Carnac receiving station was acquired at the end of March. All equipment has been ordered and a part of it has already arrived. The main building, which will house the switchgear and control room, is under construction. The work is being expedited to enable a part of the load for south Bombay to be transferred to it as soon as possible. The 100 Kv overhead lines from Trombay to Sewree Fort were completed and the work of laying two 100 Kv underground cables, each 4.75 miles in length, between Sewree Fort and the Carnac receiving station, will be completed and connected by the end of the year. Two 30,000 Kva transformers were commissioned into service at Parel for adequate 22Kv supplies to sub-stations and a third 16,000 Kva transformer was brought into service for supplies to the two oil refineries, Indian Rare Earths and the Atomic Energy Reactor Plant.

Various measures have been taken to build up the system transmission and distribution capacities to keep pace with the rapid industrial development in the Bombay-Poona region and the higher load demands expected with the commissioning of the Trombay thermal station. These measures include the provision of 6.6 Kv metal enclosed air blast switchgear for the Parel receiving station in replacement of the 40-year old switchgear, now obsolete in design and inadequate in rupturing capacity; the replacement by stages of the old underground feeder cables near the Parel receiving station which serves the textile industry among others; the rewinding of the sixth generator at the Khopoli generating station which when completed will complete the remodelling and result in the station operating at a much higher efficiency and peaking capacity; the construction of a 110 Kv transmission line between the Dharavi and the Parel receiving stations; the replacement of the 35-year old 21,000 Kva, 100/22 Kv power transformer banks at Dharavi by two 60 Mva transformers; the existing 100 Kv breakers and switchgear for the transformers and outgoing feeders will be replaced by new switchgear to suit operating conditions when the Koyna hydro-electric station is interlinked with the system; the reconstruction of the Bhira-Dharavi 110 Kv lines via Khopoli to replace the existing black steel tower line. In addition to laying some new feeders to meet the increased load demands, plans are being worked out for reorganising and reinforcing the entire underground distribution network so as to relieve the overloading of old cables which have been in service for long periods. Despite these expansion plans, electricity will continue to be scarce in Bombay. The Government of Bombay, having intimated applications for allotment of the capacity of the first unit from Trombay, have received demands exceeding 222,000 Kw including certain reservations proposed by the Government for their own requirements and for essential consumers. The indications are that the load demand will continue to increase steadily until it absorbs the entire additional power to be generated by the two new sets at Trombay.

Madras

TENANCY REFORM LAW IN MADRAS STATE

SECURITY OF TENURE AND FAIR RENT ASSURED

(FROM OUR MADRAS CORRESPONDENT)

THE Madras Tenants Protection Bill was passed quickly by the Legislative Assembly, after the Select Committee had scrutinised it, and given its approval to most of the clauses. The minor changes it made left the objects and reasons as they originally were. The landowner's right to resume the personal cultivation of his land has been conceded up to a point in the Act. The old rent can still be fixed by the owner, provided he has obtained the tenant's consent to it. It is expected that this provision might benefit the small landowner, if he has no other income. Landowners with less than 13½ acres are distinguished from those who have larger holdings. Some Congress M.L.A.s appreciated the troubles of small owners, but suggested that the fixity of tenure be conferred on crop-sharing tenants in ryotwari areas. In the main, the new law gives all cultivating tenants new and unprecedented rights and restricts the freedom of the owner to vary the rent or charge tenants. In the course of the third reading of the Bill, the Revenue Minister gave the assurance that officers would be impartial and act in accordance with the current theory of social justice.

It has been claimed that the reforms will soon lead to ceilings on land holding and provide eventually for the distribution of land to tenants on payment of compensation. This means that the Transfer of Property Act will undergo big changes. It has however been recognised that the redistribution of land now belonging to larger landlords can come only after the acquisition of the surplus land by the State. Stoppage of eviction (as in Travancore-Cochin State) is however the immediate aim. The owner is entitled to half the gross produce. To an appreciable extent, the special needs of Madras where peasant proprietors are in a majority and where the owner is to some extent a partner in cultivation have been recognised. Further, a rise in wages might reduce the tenants' income. The fall in their number in recent years may justify the reform, but the fact remains that lack of working capital on the part of tenants is the chief obstacle to improvement. Although small landlords have been exempted from the scope of the Act, fragmentation of land by subdivision among coparceners cannot be prevented. But intensive cultivation might follow the reforms. The Government which pushed through the Bill will be able to plead at the coming elections that land reform measures, as promised, have now been extended from Tanjore to all districts. The tenants' demand for a bigger share in the paddy crop raised in the summer has been successfully pressed in certain areas leading to agrarian trouble. The Madras Assembly's decision on fair rents was anticipated by cultivating tenants, and the landowners could not do anything but wait. The measure, of course, does not exceed the recommendations of the official Subramaniam Committee and, in effect, only creates conditions for the security of tenure, fair rents on a uniform basis and checking the process of landlessness among cultivators. Yet no attention has been paid to the problem of "tied" land labourers whose number is increasing.

Sales Tax Administration in Andhra

The recommendations made by the Special Committee set up in Andhra on sales-tax administration centres on evasion: strict penalties are required, stresses the Committee which suggests that dealers who suppress facts should be prosecuted and the penalty collected along with the dues. Commercial Tax Officers should have the right to seize and retain account books in order to make a prompt and penal assessment. The changes are clearly influenced by the example of Madras where the sales-tax authorities have been armed with extra powers to deal with evasion. That harassment is involved has not been denied, although safeguards have been proposed in suitable cases. Appeals against the Department to the Appellate Tribunal are frequent because the payment of tax due is promptly demanded. The report of the Committee does not appear to have considered the plea that the trading community is handicapped by the new revenue law. There have been no estimates of evaded taxes or of the loss of income to the State, which in view of the higher single-point levy on eight specified commodities, should be in a position to collect more. The prices of commodities such as coffee and jaggery have gone up because of the new rates of the tax, and higher sales-tax in Andhra affects the consumer in Madras. The frequent pleas for the rationalisation of sales tax have evidently made no impression on the Government whose policy is solely guided by its need to raise more revenue.

Case for More Industries

The Union Minister for Heavy Industries, Mr. Manubhai Shah's visit to Madras and other places was the occasion for the Madras demand for more industries being pressed again, particularly in places such as Salem and the west coast. A new aluminium plant in 1959 is taken as certain. The Union Minister hinted that a shipyard might be started and the new paper mill could be located in the west coast, while Salem's minerals are regarded favourably. The starting of a rayon plant to produce stape pin has been advocated by mill-owners in Coimbatore. The establishment of a thermal plant to overcome power cuts has been recommended. In fact, this seems the most urgent item for the south at present in view of recurring

reductions in power supply during the summer. Mr. Shah indicated that millowners should take the lead in setting up a thermal plant to supplement hydel power. The more important of promises made by Mr. Shah relate to accelerated work on Neiveli and to the starting of new spinning mills. His fresh assessment of potentialities in the south has not created enthusiasm, but it is noted that Dunlop's proposal to start a new tyre factory near Madras has come without official inspiration. The expansion of the cycle industry to produce 1.1 million cycles will be easy and the tyre factory will raise the consumption of rubber. The shortage of raw rubber is being overcome. At the annual meeting of the Cochin-Malabar Estates Ltd., Mr. Kilgour referred to the fact that the company put through its own development plan, now well advanced as it has 1,584.47 acres of immature rubber. He commented on the scheme for synthetic rubber by pointing out that the replanting scheme drawn up in 1949 would have averted the shortage, and made the synthetic rubber scheme superfluous. He also pointed out that instead of setting up a plant costing Rs. 12 crores near Bareilly to employ 8,000 workers, the Government could raise rubber production by over 20,000 tons a year by planting 80,000 acres providing direct or indirect employment to 200,000 workers in Kerala, where unemployment is so acute. He remarked that spending Rs. 12 crores, of which half will go out on foreign exchange, on a scheme that is perhaps meant to help the oil refineries is strange when the clamour is for aiding small and decentralised industries at present.

Railway Extension

The General Manager of the Southern Railway announced that the new rail line from Ernakulam to Kottayam will be opened in October. The first section of 37 miles of the line to Quilon is ready. By the middle of 1957, the line from Quilon to Mevucakara (30 miles) will be ready. Kottayam has a big trade in rubber. The main interest of the Southern Railway extension plan lies in the proposal to electrify the 100 miles from Madras to Villupuram. The suburban service to Tambaram will be extended. It is perhaps meant to create demand for power from Neiveli. But the fear that the traffic is not enough to justify the scheme has been voiced. The rise in earnings by Rs. 4 crores in 1955-56 may justify development but the area from Madras to Villupuram is well served by road transport, and the traffic density required for early electrification does not exist. The saving in coal does not seem important as against the capital cost of doubling the railway track.

Training for Future Managers

The University diploma course in business

management and business administration has taken its place with that for public administration. The Madras Institute of Management, organised last month, held its first meeting on 20th September. The Madras Finance Minister spoke of the need for qualified managers which the General Manager of the Hindustan Aircraft factory also stressed. Dr. A. L. Mudaliar hoped that scientific management would lead to economies in production. The pooling of knowledge and experience for raising output has become necessary and better management may reduce friction with labour. Mr. Srinagesh pointed out that production per manhour is low in India as compared with China.

New District in Madras State

Although Madras will not have the divisional system of administration, long in vogue in Bombay State, certain changes in its district administration are in the offing. The creation of a new district from the Tamil taluks of south Travancore has been promised. It is taken for granted that its name will be Kanya Kumari, after the Cape, and the headquarters will be located in Nagercoil, only 40 miles from Trivandrum. Though not on the rail route, the town is very well served by road transport and has growing ties with Tirunelveli. The district headquarters town is large and prosperous, and officials transferred from Kerala will have no reasons to complain. The creation of a new district of Pudukottah has been suggested. When the State was merged in 1948 there was a plea that a new district should be constituted with Pudukottah town as its headquarters. It was argued that it would be better than Ramnad constituted by the division of Madura. Pending the publication of the official committee's conclusions on district administration in Madras, some guidance is available from the proposed formation of the three districts in the new Kerala State out of Malabar and Kasargode with headquarters in Cannanore, Kozhikode and Palghat respectively. The Registration department in Madras has long recognised that work in the area is heavy and four district registrars look after the registration of documents in Malabar which has also two District Courts like Tanjore. Whether the Nilgiris should remain a separate district after November has not yet been considered, but the balance of advantage may lie with its inclusion in Coimbatore. Help for developing tourist attractions has been promised, but that semi-English hill district is not at all like the Agency areas to which ordinary laws do not apply. There is however no likelihood of the Board of Revenue here passing out of existence. The Madras Government has often declared that its supervisory functions are inseparable from revenue administration and the collection of sales-tax is another reason for retaining it.

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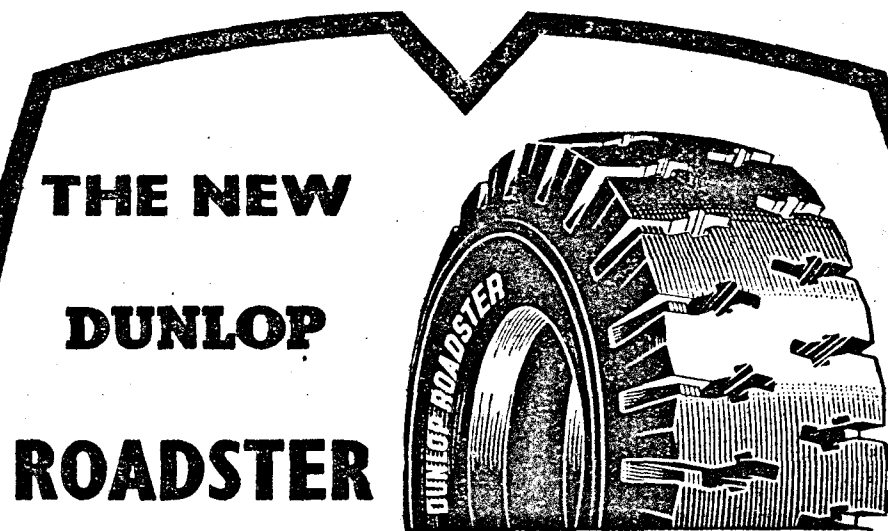
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The Money Market

Stock Market Prospects

The *Investors' Chronicle* market newsletter writes: British industrials are fluctuating narrowly with little indication of their near-term trend. The technical position of oils and kaffirs looks

U.S. Federal Reserve Return

Vegetable Oils Steady

Softer Rubber Market

Tan Hides in Fair Demand

There has been a fair demand for kips in the past week, Messrs. D. B. Vos and Son Limited, a leading firm of hides and kips merchants in London report. The best demand was in 8 to 8½ and 10 to 12 lbs average kips, particularly for better grades and these have been steady to firm. There has been less interest for lightweight kips in which there has been a slightly weaker tendency. Buffaloes have been fairly steady with only a moderate demand, and it is reported that there has been some U.S. buying direct from Madras. Cow-calf and buffalo-calf continue steady with moderate interest.

WORKING CLASS COST OF LIVING INDICES RISE IN JULY

The consumer price index numbers for working class (base shifted to 1949 = 100 except where otherwise indicated) increased in 14 centres during July, 1956, according to the Labour Bureau, Government of India. The maximum rise of six points was recorded by the index in Tinsukia which stood at 114. The index for Mercara appreciated by five points to 106, for Ajmer by four points to 97 and Jharria by three points to 89; for Delhi, Cuttack, Berhampur, Gauhati, Silchar and Patna (base: 1953 = 100) by two points each to 109; 114, 112, 98, 110 and 93 respectively, for Jamshedpur, Dehri-on-Sone, Ludhiana and Madras plantation centres, the indices rose by one point each to 107, 98, 93, 105, respectively. The food group indices appreciated in 13 centres, fuel and lighting indices in eight centres, clothing indices in six centres and miscellaneous group indices in five centres. The index number for Akola declined by one point to 94 mainly due to a recession in the miscellaneous group index. The index number for Jabalpur receded by two points to 101 due to a fall in almost all the group indices. The index number for Monghyr showed only a fractional rise and stood at 89.

EXPORT PROSPECTS FOR ATOMIC EQUIPMENT

Official Assessment

The Authority's own programme of research is focussed on the three successive stages of the nuclear-power programme. For stage one, research and development work on graphite-moderated gas-cooled reactors (like Calder Hall) is still being done but the Authority, which will thereby assist the companies in their tasks. But technical interest is naturally focussed on more novel ideas for the later stages. Among the possibilities now under investigation for stage two, are the pressurised-water reactor and the sodium-graphite reactor, in either of which the heat-rating would be higher than that of the gas-cooled reactor, but both of which would require enriched fuel, which is at present scarce. The sodium-graphite system—using graphite to moderate the reaction and liquid sodium to draw off the heat that it generates—seems at present the more promising, and it is possible that design of a prototype of such a system will be started this year. The third stage is not quite so urgent, and choice of an experimental reactor for it will probably not be made until a year or two hence; still more enterprising researches for it are, therefore, permissible. Most important are the possibilities of "breeding" fuel. The experimental commercial-scale fast breeder reactor now under construction in Dounreay, Scotland, is not a part of the 12-station programme, but its principles may be incorporated in the programme's last stages.

Export Potential

An important consideration with these stage-three reactors is their export potential. It is no secret now that the authorities have revised their no ideas of the export trade that British industry can expect from nuclear equipment in the next decade. "It is reasonable to expect", said the A.E.A. report, "that orders from overseas will follow, rather than precede, the achievement of nuclear power on a competitive basis in this country." But it is questionable whether the type of reactor on which, for her own needs, Britain is necessarily concentrating her main effort at present is the most suitable for export. Few of the countries which are much interested in supplementing their conventional sources of power require installations as large and cumbersome as Calder Hall—though Japan (in circumstances somewhat similar to Britain's) is definitely interested. The stage-three reactors, on the other hand, will be a basis for medium-powered nuclear power-stations, which will be much more readily exportable. It will be years, however, before such stations have been tested in Britain, and in the meantime it seems that the export trade will be mostly in research reactors. Countries as differently situated as western Germany and Australia are in the market for such reactors in Britain, and the Authority is helping to expand the trade by keeping in mind the export potential of any of its major developments. The value of this export trade is probably approaching a rate of, say, £25 million a year. Even so, it is only a modest part of the total export trade of British engineering industries.

LITTLE INTEREST FROM OVERSEAS

BUYERS: FIBRE ALSO EASIER

The fibre markets have followed a similar pattern and although prices have shown little change, there has been an easier tendency throughout the week. The movement of jute was seriously affected by the recent rains, not only locally but also in many upcountry agencies, and this was probably the only thing that prevented prices from falling right back. Mill interest has been insignificant and the fresh business contracted has been of no consequence. The only section that showed any activity was the local Daissee market, where two large groups continued to dominate proceedings, with a buying policy that has been criticised by the rest of the trade. This refers to jetty purchases; Daissee sellers apparently prefer to sell direct to the mill in this fashion as not only do they get a quick cash return for their goods with no brokerage to pay, but they have been able to secure a much better price than the market rate for jute which under a contract guarantee would incur a heavy moisture penalty. This has seriously affected deliveries and offers of jute to other mills, and encouraged malpractices. Many sellers have been experiencing difficulty in getting rid of cuttings as mills are no longer interested in this type of jute, having transferred a large percentage of their looms to hessian. In many cases, they are having difficulty in using up their own line-cuttings, and as most mills were well bought for cuttings early in the season at much lower rates, interest has waned. Sellers of all types of fibre, however, continue to hold bullish ideas, especially since the recent flooding upcountry; they think that there may be a heavy demand for quick delivery jute in the near future should transport be further disrupted. The volume of business concluded during the week was exceedingly small and towards the close the lack of interest had its effect and prices eased.

THE JUTE MARKETS

Manufactured Goods: Tuesday and Wednesday being official holidays, this report only covers four working days. At the opening last Thursday, the markets were firm as a result of hessian business with the U.K. and the U.S.A. Prices in both sections advanced. Heavy goods increased by about 6 annas for September B Twills to be quoted at Rs. 113-6 a 100 bags, and January-March shipment Rs. 112-6. Forty-inch 100z. hessian also showed a similar rise and quotations were based on Rs. 43-7 and Rs. 41-14 a 100 yards, respectively, for the near and forward positions. After the initial rise, prices gradually slipped back and by Friday morning the advantage in the near position had been lost, while the forward section lost half the amount gained the previous day. No further overseas business was reported, and in sympathy with the quieter raw jute markets, prices continued to decline. On Saturday morning, September B Twills had dropped to Rs. 112-3, nearly 1 d. down from the week's opening prices, while 40in 100z. stood at Rs. 42-15, which was 8 annas lower than at the beginning of the week. After the week-end the market was unchanged and opening quotations were as follows:

	September	October	Oct.-Dec.	Jan.-Mar.
	Rs.	Rs.	Rs.	Rs.
40in. 8oz.	36	35-2	34-10	33-12
40in. 10oz.	43	43-2	42-12	41-12
B Twills	112-8	113	113	112-4
Heavy Cees				
(Plain)	111-4	113-8	113	112-4
A Twills	135-8	136	136-8	136
Liverpools	125	125-8	126	125 8
Cornsocks	112-8	113-4	113-4	112-12

Raw Jute : There is very little to report from the raw jute markets. Mills have shown little buying interest as the working margin between jute and gunnies has been severely cut by the fall in goods prices without a corresponding drop in fibre rates. Opening quotations last Thursday were unchanged, and Dhubri-Northern jute was based on Rs. 29 a

At the close, the market was unchanged, and opening quotations on Monday morning were as follows:

Indian Jute (New Crop):	Landed at Mills Rs. a md basis Bottoms.	Shipment.
Lower Assam	28-12	October.
Northern	28-12	"
Murshidabad White	23	"
Daissee	23-3	"
Daissee White	23-8	"
Daissee Mesta	27-8	"
Local Northern	29	"
Bimili	27-3 for F A Q.	"

Tossa is quoted at 3 annas or Re. 1 a maund
above the price of white jute.

Pakistan Jute (New Crop):	Rs. a md.	Shipment.
Jat	32	Oct.-Nov.
District	31-8	"
Northern	31	"
Pucca:	Rs a bale	Shipment.
Mill Firsts 2/3	185	October.
Export Firsts 2/3	170	"
Export Lightnings	155	"
Jat Cuttings	124	"

The Cossipore markets continue to rule steady. Daily business is being conducted, and there is now very little difference in the price of Northern jute and jungli jute. Imports have dropped, and for the first four days of the week only totalled 365 wagons. Daissee business has been brisk, and high prices have been paid for wet Daissee for sale to mills over the jetty.

Mofussil: In the northern Bengal areas, the movement of jute has been entirely suspended due to the floods, and prices have tended to rise. In Dhubri and Assam, jute is moving freely, although animals have been much smaller than was anticipated. All imports have found ready buyers, who still have September or early October contracts to cover. As a result, prices have shown little change. At the close, prices in Dhubri were based on Rs. 24-12 a maund.

THE FOREIGN JUTE MARKETS

PRICES FIRMER

(FROM OUR DUNDEE CORRESPONDENT)

THE markets generally are quiet, but there is a firm undertone in all sections. Shippers are not offering the raw material very freely and in some cases they raised their terms last week by about 20s a ton. In others, there is very little change and the irregularity appears to have the effect of curtailing business. Spinners here are buying only occasionally and usually small quantities. Prices are still on the high side compared with the rates obtainable for jute yarns. Mill Firsts are mentioned by only a few firms and are sold from £99 a ton, with Mill Lightnings ranging from £88 to £91 and Mill Hearts from £84. Export Hearts from £80, crack from £78 to £81, and grade from £84, grade Tossa-2/3 from £101 and four from £91, all c.i.f. U.K., October-November settlement. A number of sales have been made at the prices named and at £100 for grade Tossa-2/3 and £90 for fours. The tendency has been upwards during the past day or two.

Calcutta goods have also been irregular, with speculative selling sometimes to take less than the usual market quotations. Hessians are at 65s 6d for 40in. 10oz. and 50s 6d for 7½oz., October, 64s 6d and 50s November and 64s 3d and 49s 3d December, with B Twills at 172s 6d, 172s and 171s 6d for the respective positions of shipment, all f.o.b. Calcutta. Prices are mentioned for January-March at 63s 9d for 40in. 10oz., 48s 3d for 7½oz. and 171s 3d for B Twills. Spinners have transacted a fair

business in jute yarns and there are none now searching for orders for delivery over the next two months at least. Production is on again at all works and prices rule firm on the basis of 14.77d a lb. for common 8lb. cops in the sizes 8/16 lbs., and at 15.35d for 8lb. spools. Twist is active and reasonably early delivery is difficult to obtain at 17.04d a lb. for 3ply 8lb., while sacking yarns are also well booked up at 12.35d a lb for 24lb. weft. Rove is firm at £99.5s for 48 lbs and £80.15s for 200lbs. Manufacturers are busy and prices are firm at 12.80d a yard for 40in. 10oz. and 10.51d for 8oz. A good enquiry continues to exist for all widths and weights and narrow sackings are in good request.

GUNNY SHIPMENT STATISTICS

The following figures include coastal shipment relating to manufactured jute goods for shipment from the port of Calcutta. These are gross figures based on the shipping bills presented :

	Hessian Bags (Tons)	Cloth (Tons)	Total (Tons)
1st to 25th September, 1956	1,376.8	22,044.4	23,421.2
1st to 25th August, 1956	2,786.5	21,593.3	24,379.8
1st to 25th July, 1956	1,571.6	16,024.2	17,595.8
	Sacking		
1st to 25th September, 1956	16,820.5	1,479.2	18,299.7
1st to 25th August, 1956	28,438.3	2,305.8	30,744.1
1st to 25th July, 1956	16,368.0	1,021.8	17,389.8

Commodity Markets

WHOLESALE PRICE INDEX FALLS

THE official wholesale price index (base: year ended August, 1939=100) declined further by 0.3 percent during the week ended 15th September, 1956, compared with 420.1 (revised) for the previous week. The index was lower by 0.5 percent when compared with the corresponding week of last month, but was higher by 8.4 percent than that of a year ago. The index for food articles went down further by 0.9 percent to 391.5 as compared with 395.0 (revised) for the previous week, due to a fall in the prices of gram in Patna and tea (-4% each), rice and coffee (-2% each) and wheat in Amritsar (-1%). The prices of wheat and gram, both in Hapur, (+2% each) and bajra and dal arhar (+1% each), however, showed a rise. Lower prices of manganese ore (average export price) (-5%), gingelly seed (-6%), rapeseed in Bombay (-1%), and raw jute (-1%) brought down the Industrial Raw Materials index by 0.4 percent to 506.4 as compared with 508.6 (revised) for the previous week, although the prices of groundnuts in Bombay and raw silk (+3% each) and linseed, rapeseed in Calcutta and copra (+2% each), were marked up. The index for Semi-Manufactures stood at 408.7 as against 408.6 for the previous week. Items which recorded significant changes in this group were: gingelly oil (+10%), copper in Bombay (+4%), coconut oil and groundnut oil (+2% each) and mustard oil and castor oil (-2% each). The index for the Manufactures group advanced by 0.2 percent to 391.6 as compared with 390.7 (revised) for the previous week, due to an increase in the prices of jute manufactures (+2%), and glass (+1%). The Miscellaneous group index also moved up by 0.1 percent to 553.5 as compared with 553.0 (revised) for the previous weeks because of an increase in the prices of chillies in Calcutta (+6%) and black pepper in Cochin (+4%) in spite of a fall in the prices of black pepper in Calcutta (-4%) and chillies in Patna (-2%).

INDEX NUMBERS BY GROUPS AND SUB-GROUPS
(Base: Year ended August, 1939=100)

Groups and Sub-Groups	Week ended			
	15-9-56	8-9-56	18-8-56	17-9-55
<i>I Food Articles :</i>	391.5	395.0(R)	401.0(R)	312.9
Cereals	506	511	505	378
Pulses —	393	395	408(R)	268
Others	247	249(R)	264	230
<i>II Industrial Raw Materials :</i>	506.4	508.6(R)	505.1	401.0
Fibres	479	481	475	411
Oilseeds	578	579(R)	582	374
Minerals	517	529	515	419
Others	422	422	426	420
<i>III Semi-Manufactures :</i>	408.7	408.6	409.5	324.5
Leather	373	375	381	329
Mineral oils	208	208	208	202
Vegetable oils	589	585	606	362
Cotton yarn	603	505	498*	408
Metals	329	329	329	259
Oilcakes	438	489	479	344
Others	361	361	361	330
<i>IV. Manufactures :</i>	391.6	390.7(R)	388.0	369.3
Textiles	427	426(R)	422	404
Jute	430	422	398	404
Cotton	430*	430*(R)	430*	402*
Rayon and silk	470*	470*	470*	474
Woolen	266	266	266	278
Metal products	388	388	388	352
Others	295	295(R)	293	286
<i>V Miscellaneous :</i>	553.5	553.0(R)	565.2(R)	556.3
All Commodities :	418.9	420.1(R)	421.1	355.7

R=Revised. * =Estimated.

THE INDIAN BANK LTD.

(ESTABLISHED 1907)

Head Office North Beach Road, MADRAS. I

Branches throughout South India, In Bombay, Calcutta, New Delhi, Colombo, Singapore, F.M.S. & 16 Local Offices

CAPITAL

AUTHORISED	Rs.	1,00,00,000
SUBSCRIBED	Rs.	72,00,000
PAID-UP	Rs.	62,02,615
RESERVE & OTHER FUNDS	Rs.	79,75,000
DEPOSITS (30-6-56)	Rs.	32.08 Crores



ALL TYPES OF BANKING BUSINESS INCLUDING FOREIGN EXCHANGE TRANSACTED

D. P. PARTHASARATHY,
B.A. (Hons.), B.L.,
Secretary.

"CAPITAL" INDEX OF INDIAN INDUSTRIAL ACTIVITY **

The Capital Index of Indian Industrial Activity (Base: 1935) has now been brought up to April, 1956. Compared with the preceding month, there were decreases in cotton consumption 1.4 points, jute manufactures 3.9 points, steel ingots 11.8 points,

pig iron 0.7 points, cement 24.2 points, paper 12.6 points, wagons loaded 11.4 points and electricity 6.3 points, while coal increased by 8.5 points.

The index for cheque clearances declined by

5.1 points, while that for notes in circulation rose by 7.7 points.

Correlating all the factors, the Capital Index of Indian Industrial Activity declined by 5.0 points during April, 1956.

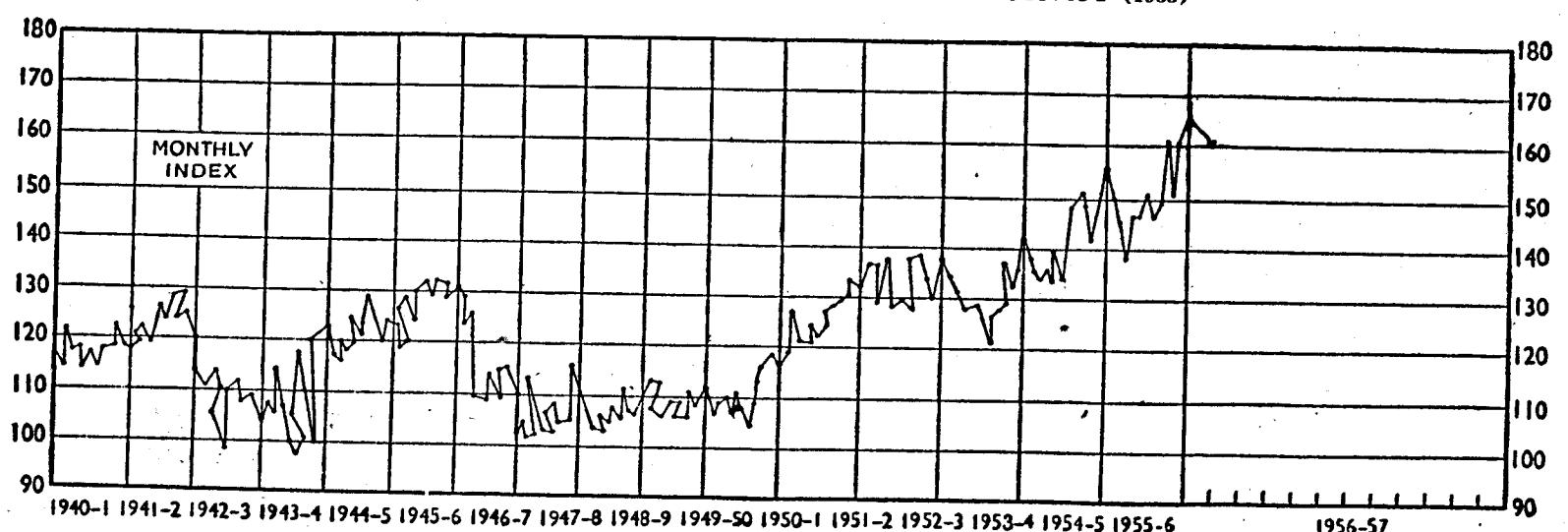
		Industrial Production.						Mineral Production	Total Number of Wagons Loaded (T)	Financial Statistics	Trade Foreign & Coastal		Trade Foreign & Coastal.		General Monthly Index
		Indian Cotton Consumption	Jute Manufactures	Steel Ingots	Pig Iron	Cement	Paper	Coal		Cheque Clearances	Foreign & Coastal		Foreign & Coastal.		
											Exports	Imports	Tonnage Entered	Tonnage Cleared	
		9	9	3	3	3	3	7	24	20	4	3	3	3	
1940-41		128.2	110.8	139.1	136.5	*	183.6	124.5	118.9	91.2	...	107.3(c)	...	138.1(d)	117.3
1941-42		150.3	122.1	157.3	141.6	*	193.2	116.6	117.0	91.0	...	109.2(c)	...	166.5(d)	122.7
1942-43		154.4	117.8	144.2	130.6	*	153.9	114.7	103.1	70.7	...	135.5(c)	...	...	108.8
1943-44		167.3	99.7	149.2	136.3	*	148.0	109.7	104.8	71.7	...	137.7(c)	...	...	109.2
1944-45		159.2	103.2	138.0	125.6	*	155.9	112.1	112.4	95.4	...	180.9(c)	...	...	120.7
1945-46		161.0	106.0	151.8	96.9	*	151.3	127.0	112.2	112.6	...	126.5(c)	...	...	127.5
1946-47		127.5	100.7	139.8	95.5	*	141.2	123.0	101.6	104.5	...	199.8(c)	...	...	115.0
1947-48		126.2	102.1	140.7	105.4	97.6	125.1	127.7	96.7	82.6	...	178.9(c)	...	100.7	107.0
1948-49		149.7	101.8	138.7	99.2	100.1	136.6	126.2	100.6	79.5	...	166.2(c)	...	108.3(d)	107.0
1949-50		123.5	90.2	157.9	116.4	143.4	146.1	146.0	154.9	64.7	...	140.6(c)	...	114.9(d)	109.4
1950-51		113.1	82.1	165.7	112.4	168.7	155.9	154.9	125.3	83.1	...	122.4(c)	...	121.6(d)	110.8
1951-52		126.6	93.2	175.9	125.4	207.8	170.6	169.5	134.1	83.1	...	129.5(c)	...	137.6(d)	125.7
1952-53		141.7	91.0	184.0	119.5	223.6	169.2	172.5	139.6	88.9	...	154.6(c)	...	145.7(d)	132.4
1953-54		145.9	86.5	178.1	115.5	251.4	166.1	170.8	137.0	83.1	...	145.8(c)	...	159.1(d)	130.4
1954-55		152.3	97.2	196.2	112.2	275.9	206.0	179.4	144.2	91.8	...	158.5(c)	...	179.5(d)	141.3
1955-56		157.6	105.2	193.4	122.7	281.2	221.1	184.0	156.4	101.5	...	178.9(c)	...	203.7(d)	151.2
											Notes in Circulation Weight 50		Consumption of Electricity Weight		
September 1952-53		141.5	85.4	185.0	116.3	232.0A	171.6	160.7	130.3	84.1	149.7	749.0A	137.7		
October		139.1	91.6	179.6	116.4	218.9A	168.8	173.6	136.9	83.1	149.6	152.7A	129.2		
November		145.5	85.9	193.0	126.4	231.6A	162.5	174.5	137.0	78.7	149.2	147.6A	129.4		
December		157.7	92.4	191.3	119.3	239.4A	164.3	182.8	145.1	87.9	151.9	152.4A	136.2		
January		147.1	85.2	192.2	129.7	219.3A	165.3	177.4	150.3	86.9	154.2	146.8A	135.5		
February		136.8	89.3	179.9	121.1	204.6A	156.2	163.2	140.5	81.1	153.9	145.3A	128.9		
March		137.8	93.9	189.8	121.1	221.8A	159.4	165.1	150.7	97.0	157.6	150.3A	137.6		
April 1953-54		142.9	96.6	178.3	116.6	213.1A	173.3	182.1	141.0	90.6	159.8	147.4A	134.4		
May		146.2	83.3	179.6	130.1	242.9A	181.2	179.5	137.4	81.5	159.9	152.6A	132.0		
June		146.4	88.3	169.2	107.9	239.2A	185.1	170.8	125.9	80.4	146.5	151.7A	126.2		
July		145.0	87.9	142.7	87.5	252.0A	202.3	129.9	129.9	70.1	136.6	159.3A	125.2		
August		148.3	76.5	135.9	83.0	230.5A	190.8	168.1	131.5	78.1	137.4	161.9A	118.4		
September		144.3	89.1	144.5	94.0	243.2A	199.2	172.6	134.6	75.7	138.3	156.9A	124.5		
October		148.0	79.6	181.2	120.6	237.0A	177.2	171.4	135.1	79.2	141.6	166.7A	127.6		
November		136.4	82.1	204.7	131.3	253.6A	151.2	162.6	135.1	91.1	137.3	166.7A	128.9		
December		150.1	91.3	200.1	127.1	277.4A	150.8	179.3	147.3	83.2	147.2	161.9A	134.3		
January		148.7	78.4	206.6	133.9	272.2A	123.6	165.5	146.7	156.4	156.4	160.0A	132.4		
February		146.3	89.0	189.0	128.9	264.0A	116.9	163.2	137.2	158.1	158.1	165.8A	142.1		
March		147.1	95.3	205.7	125.0	291.8A	141.6	164.8	149.6	98.5	154.7	170.3A	137.7		
April 1954-55		150.6	97.4	185.8	117.6	269.9A	209.5	170.2	140.1	89.1	158.3	174.7A	134.5		
May		150.2	81.9	183.6	124.4	280.1A	214.7	166.9	137.0	82.2	158.3	174.0A	133.7		
June		150.7	90.5	192.1	120.4	264.4A	208.7	169.3	133.6	81.0	160.1	171.9A	132.9		
July		154.1	90.7	195.2	117.6	273.9A	176.9	181.2	137.4	88.7	160.1	175.2A	137.3		
August		152.1	88.6	200.5	122.3	256.4A	167.4	180.4	137.4	84.4	154.7	181.6A	134.7		
September		152.9	96.2	187.2	115.8	271.2A	178.1	184.1	134.4	90.7	150.0	174.5A	147.8		
October		145.6	89.6	195.3	120.3	279.5A	194.3	170.5	137.6	81.2	150.2	182.8A	153.3		
November		156.7	103.6	199.8	126.6	275.0A	227.2	199.6	145.7	100.6	154.2	188.9A	155.7		
December		157.8	110.7	207.2	130.3	298.6A	238.3	198.8	156.4	101.7	159.1	183.7A	147.4		
January		149.8	98.2	211.0	127.6	282.0A	227.2	179.8	159.1	93.0	161.5	181.5A	144.2		
February		149.2	105.2	196.5	123.9	272.8A	210.6	174.2	150.1	93.1	164.3	194.9A	156.7		
March		158.9	111.4	208.1	120.1	285.3A	218.7	178.3	161.1	116.0	174.6	194.9A	149.4		
April 1955-56		154.7	110.2	208.2	129.3	227.8A	216.5	181.4	152.0	100.6	182.3	191.1A	147.5		
May		151.1	94.4	205.1	130.3	281.6A	206.3	178.3	146.0	100.0	186.0	193.2A	139.0		
June		154.4	103.7	195.0	125.5	247.2A	208.4	180.3	140.2	96.7	183.3	198.2A	146.4		
July		160.4	94.7	189.7	119.4	262.0A	222.2	180.7	147.0	98.5	178.5	197.3A	146.8		
August		153.3	92.4	195.4	118.3	260.3A	224.3	189.6	148.4	100.6	177.1	195.7A	151.0		
September		164.9	106.3	191.2	114.6	255.0A	231.8	196.0	146.9	107.8	177.1	201.5A	144.7		
October		165.6	94.1	177.7	100.7	293.7A	209.3	179.9	151.6	95.1	172.4	200.6A	150.0		
November		151.6	107.7	186.3	113.6	293.3A	222.2	186.7	157.3	99.7	170.1	201.9A	161.5		
December		167.3	114.7	214.6	130.6	317.6A	232.2	192.2	169.9	106.4	172.4	217.3A	151.8		
January		151.0	101.2	208.1	133.9	300.6A	221.2	182.3	171.8	86.9	175.1	208.3A	160.9		
February		159.2	118.4	205.4	131.6	295.0A	228.6	179.8	167.9	110.6	181.8	215.1A	165.8		
March		155.9	124.0	215.5	125.0	320.5A	229.9	181.3	178.3	114.8	190.6	223.1A	160.8		
April 1956-57		154.5	120.1	203.7	124.3	296.3A	217.3	189.8	166.9	109.7	198.3	216.3A	160.8		

(a) April, 1935 to March, 1936-100
(b) Averages of eleven months, April to February
(c) Notes in Circulation
(d) Electricity Consumption.

(e) Estimated
(f) Railway Earnings before April 1952
Figures not available
† Official year

† Average of February and March
Annual indices represent averages of monthly figures.
Provisional.
* For construction and earlier figures
Capital 17th March 1938.
A Base January 1948.

"CAPITAL" INDEX OF INDIAN INDUSTRIAL ACTIVITY (1935)



Plantation Topics

RECORD EXPORTS OF INDIAN PEPPER

SUBSTANTIAL IMPORTS BY COMMUNIST COUNTRIES

(FROM A SOUTH INDIAN CORRESPONDENT)

INDIA'S pepper export figures to the end of August, 1956 reveal that during the first ten months of the current season (November, 1955—August, 1956) the country exported 11,700 tons of pepper, the highest for the comparable periods of the previous five seasons. The United States, the largest customer, took comparatively less, but the loss was offset by the exports to communist countries. Russian offtake amounted to roughly 3,000 tons, while China bought about 330 tons. Rumania and Poland, two new customers, together took 90 tons of Indian pepper during this period. It is understood that the trade delegation of the Pepper Export Promotion Council now touring eastern European countries has secured orders for another 130 tons. Market circles expect that the demand from the communist countries will further increase.

In view of the lower prices at which pepper has been traded from the beginning of the season, it is expected that home demand will be more than usual. Certain estimates place home requirements at 10,000 tons as against 7,000 to 8,000 tons consumed last year. Stock position at present seems comfortable, at any rate, from the points of view of the growers and dealers, who are scarcely inclined to sell on a declining market. The uncertainty caused by the Suez crisis may also be encouraging their reserve. One month hence, the new season will begin. Reports on the standing crop are favourable. Trade circles estimate it at about 24,000 tons.

Lemongrass Oil Output

The State Trading Corporation is expected to buy a certain quantity of lemongrass oil for eastern European countries. India is likely to produce 1,200 to 1,400 tons of lemongrass oil this year, the highest on record. The last season's production, which in itself was a record, amounted to something like 1,000 tons. In spite of steep rises in production the price remains more or less steady. The current price of Rs. 97-8 a dozen bottles of 16 oz. each compares with Rs. 95-8 in August 1955.

Crisis in Cashew Industry

All efforts made by the Government to resolve the crisis in the cashew-processing industry in Travancore-Cochin have failed. The processors have gone to the Court against the Government declaring the industry a non-seasonal one. Meanwhile, it is reported that the factory owners have refused to participate in the tripartite conference convened by the Government to find a solution for the crisis. In view of the current uncertainty, cashew processors are indifferent to making contracts for the import of African nuts. Usually, forward buying of imported nuts starts from August so that the processors start getting the supplies from December. The bankers also, it is reported, are very reluctant to finance raw nut imports from Africa. The South Indian Cashew Manufacturers' Association is pessimistic on the prospects of importing even the usual supplies from Africa. Indigenous production is not sufficient to meet processing requirements for more than three months.

TEA CROP REGULATION AGREED ON

At a meeting of the Calcutta Tea Regulation Committee, which comprises the Tea Producing Associations of North East India, held at the Bengal Chamber of Commerce last Thursday, it was unanimously agreed that a substantial curtailment of the 1956 tea crop was necessary in order to regulate supplies. The dates from which members will be recommended to cease plucking will be advised shortly. It was also agreed that members should destroy all residual and waste teas of a quality unfit for sale in the auctions.

TEA EXPORT DUTY UNCHANGED

The Government of India has issued a notification fixing the price of tea, for the purpose of determining the export duty, at Rs. 3-3-0 lb. against Rs. 2-11-5 a lb. fixed on 1st September 1956. There is no change in the existing rate of duty of annas six a lb.

U.K. TEA IMPORTS INCREASE IN AUGUST

Britain imported 40,649,000 lbs of tea in August, compared with 35,090,000 lbs in the same month last year, and India and Ceylon together accounted for some 87 percent of these imports. India sent 22,157,000 lbs (compared with 17,663,000 lbs in the same month last year), for which Britain paid just over £4 million. Ceylon sent 13,539,000 lbs (over 2 million lbs more than was sent in August of last year), to the value of just over £3 million. In the first eight months of this year, Britain's tea imports amounted to 356,033,000 lbs, 30 million lbs more than in the same period last year to the value of £72,201,000. There was a rise of 28 million lbs in imports from India, which sent 200,781,000 lbs worth £39,891,000, in the eight months. Imports from Ceylon increased by 8 million lbs, compared with the same period last year, the figure to the end of August being 92,535,000 lbs, to the value of £22,772,000. British imports of tea from Pakistan were nil in August, but in the eight-month period, she took 6,851,000 lbs. worth £1,137,000.

LONDON TEA SALES

AT last week's London tea sales the 32,100 packages on offer realised an average price of 6s 0.2d a lb. against 5s 2.77d in the previous sale and 5s 5.03d a year ago. Plain broken pekoe was quoted at 3s 6.1d a lb. against 3s 2d in the previous sale. Prices obtained by some of the companies are given below:

	No. of packages	Average per lb.
Amalgamated	1,023	5/2
Amgoorie	131	11/
Anglo-American	1,554	4/8½
Assam Dooars	569	6/5½
Assam Frontier	827	9/5½
Budla Beta	126	10/9½
Chubwa	564	7/9
Chulsa	216	5/3
Consolidated Estates	306	7/7
Cons. Tea and Lands	1,167	5/4½
Dekhari	252	10/7
Doom Dooma	132	10/11
Eastern Produce	696	6/10½
Imperial	354	5/4
Jhanzie	1,085	7/7½
Jokai	912	8/10½
Jorehaut	390	10/
Kanan Devan	2,484	4/11½
Lanka Plants	315	7/9
Lankapara	262	5/8½
Majuli	648	8/1½
Makum	252	9/9½
Malayalam	2,610	4/1½
Nedeem	593	5/4
Pabbojan	198	10/9
Rajawella	372	7/5½
Scottish Tea and Lands	684	8/4½
Single	455	5/10½
Standard	357	8/8½
Travancore	1,224	3/11½
United Planters	606	7/5½
Upper Assam	227	11/5

Calcutta Markets

SUGAR MARKET STEADY

DURING the week ended 1st October, sugar sales in the Calcutta market averaged 2,500 bags a day. Arrivals were 1,000 bags daily and stocks totalled 100,000 bags. Rates for ready sugar ex-Kantapur delivery were Rs. 32 for ordinary grain and Rs. 33 for big grain. The market was steady.

HIDES AND SKINS

The market in skins ruled firm while that of hides was steady. Stocks were less than in the previous week.

Bazaar Sales

(Between 25th September and 1st October 1956)

Cowhides: Wet salted (Ord.) 10,600 pcs on the basis of Rs. 7 to Rs. 8-4; Wet salted (Slaughtered) 12,800 pcs. on the basis of Rs. 11-8 to Rs. 19-8.

Goatskins: Wet salted (Daissee, Killed) 25,200 pcs. on the basis of Rs. 150, Rs. 200 to Rs. 240 and Rs. 330 to Rs. 340; Assam-Dinajpur-Jalpaiguri 5,000 pcs. on the basis of Rs. 225 to Rs. 235; Purnea-Kissenganj 14,100 pcs. on the basis of Rs. 225 to Rs. 245; Pakur-Patna (Ord.) 3,500 pcs. on the basis of Rs. 175 to 185; Muzafferpore 51,500 pcs. on the basis of Rs. 225 to Rs. 245.

Bazaar Stocks

(1st October, 1956)

Cowhides: Wet salted 1,73,060 pcs.

Goatskins: Wet salted (Daissee, Killed) 17,000 pcs.; Assam-Dinajpur-Murshidabad 48,000 pcs.

SHELLAC MARKET DULL

During the week ended 1st October, the market was dull. The range of quotations was as follows:

Pure Buttonlac	Rs. 134, 135, 134 buyers.
Lemon No. 1 Shellac	Rs. 135 buyers.
Lemon No. 2 Shellac	Rs. 131-8 buyers.
F.O. Std. 1 Shellac	Rs. 128-8, 128 buyers.
Pure TN Shellac	Rs. 125 basis done and buyers.
4% I. T. N. Shellac	Rs. 116-8 to 117 buyers.
No. 1 Kusmi Seedlac	Rs. 124-8 value
No. 2 Kusmi Seedlac	Rs. 120 buyers.
Fine Bysaky Seedlac (Manbhumi)	Rs. 118 buyers, 118 done.
Fine Bysaky Seedlac (C.P.)	Rs. 116-8 to 115-8 buyers.
Ordinary Bysaky Seedlac (C.P.)	Under 5% Rs. 111 to 110-8 buyers.
Ordinary Bysaky Seedlac (C.P.)	Rs. 105-8 to 106 buyers.
Kireelac	Rs. 41-8, 41, 41-8 buyers.

Shipments during September until the 26th were 20,424 packages comprising shellac 12,336 packages, seedlac 5,765 packages, buttonlac 372 packages and others 1,951 packages.

CALCUTTA TEA SALES

The Calcutta Tea Sale No. 17 will be held on 4th and 5th October, 2nd and 3rd October being public holidays.

Mr P. G. Bhagat has been appointed Managing Director, Hindustan Steel (Private) Limited, Calcutta, in place of Mr. S. N. Mozumdar, who has proceeded on leave preparatory to retirement.

FIRST PLAN ACHIEVEMENTS IN HYDERABAD

COMMON PEOPLE UNHAPPY ABOUT DISINTEGRATION OF STATE

(FROM A SPECIAL CORRESPONDENT)

THE State's five year plan exhibition provided definite proof that Hyderabad, which will lose its existing identity as a Part B State in November with the States Reorganisation Act coming into force, has made appreciable headway under the first plan, and bids fair to improve its record under the second. Hyderabad was grappling with certain special problems, after emerging from a long period of feudalism, when the first plan was initiated. Yet the measure of success achieved is in no way behind that of others. Although the allocated funds could not be fully spent within the plan period, the physical targets reached are satisfactory on the whole. The main object of the first plan which was to lay the foundation for speedy economic progress in successive plans, has been fully achieved. A noteworthy feature of the second plan, which envisages an outlay of Rs. 99.89 crores as compared with Rs. 45.58 crores in the first, is its emphasis on popular co-operation in the public and the private sector alike, for raising the national wealth. Among large-scale industries in the State, the Singareni Collieries Company Ltd., reached a higher level of production under the first plan. It had planned to expand its output from 1,62,000 tons of coal in 1950 to 1,500,000 tons a year by the end of the plan. The Government also indicated its willingness to lend Rs. 96 lakhs, and though the loan granted was actually Rs. 52.19 lakhs, the company was able to exceed the target, the production in 1955 being 1,550,000 tons. Another enterprise which obtained a loan of Rs. 115.28 lakhs was Sirsilk Ltd. For the expansion of the Central Laboratories belonging to the Department of Scientific and Industrial Research, (the laboratories have contributed greatly to the advancement of local industries by developing modern methods and techniques) a sum of Rs. 27 lakhs was provided, of which only Rs. 17.39 lakhs was expended, mainly on the building programme.

Plan for Large-scale Industry

The second plan for large-scale industries provides Rs. 9.50 crores for minerals and Rs. 1.84 crores for other industries. The break-up of these figures is: expansion of Singareni Collieries Rs. 9.0 crores; expansion of Hutti Gold Mines Rs. 0.5 crores, and expansion of the Praga Tools Corporation Rs. 1.5 crores. A sum of Rs. 20 lakhs has been provided for the establishment of a co-operative sugar mill, and Rs. 10 lakhs for a tannery. Village industries have been allotted Rs. 5.70 crores. Noteworthy among the principal targets of the second plan is that of stepping up coal production from 1,500,000 tons to 3,000,000 tons a year. The production of machine tools is expected to increase in value from Rs. 60 lakhs a year to Rs. 1.5 crores, and gold from 11,000 fine ounces to 30,000 fine ounces. The production of cement, paper and sugar is also to be increased appreciably in the private sector. The co-operative yarn spinning mill, which is to be set up, is expected to produce 6,400 bales of cotton yarn; the proposed co-operative sugar mill to produce 80,000 bags of sugar; and the proposed tannery is expected to produce 288,000 square feet of leather. In the small-scale and cottage industries sector, the second plan aims at increasing the production considerably of handloom cloth, woollen blankets, khadi, leather, vegetable oil, silk, metal goods and handicraft products.

Labour Welfare

As labour is intimately connected with industrial development, the welfare of workers has been and is receiving top priority. Under the industrial housing scheme, financed and subsidised by the Government of India, construction work to the extent of over Rs. 1.5 crores has been carried out under the first plan. Under the low income group housing scheme, an extensive construction programme has been undertaken, for which the Centre has given a loan of Rs. 1 crore. Five schemes for labour welfare, estimated to cost Rs. 33.25 lakhs, have been formulated. Besides the expansion of the administrative machinery of the State's Labour Department to cope with the increasing industrial and commercial activities in the State provision has been made for the establishment of six "A" type and 15 "B" type social welfare centres, opening of workers' educational classes, establishment of libraries in factories for the benefit of workers, expansion of employment opportunities, apprenticeship training for skilled craftsmen, evening classes for industrial workers, and the training of officers.

Impending Break-up

It is yet too early to say what the economic and industrial picture of the Hyderabad State will be when it is broken up and its existing component areas are merged with the different linguistic units. So far as the common man is concerned, he is definitely against the disintegration of the State in which people of various communities and languages have lived together harmoniously for centuries. The consensus of opinion is that the unity of the people of India is best promoted by mixing them up rather than by dividing them on the basis of narrow loyalties.

COMPANY AND PUBLIC NOTICES

THE NEW ASSAM VALLEY TEA COMPANY, LIMITED. NOTICE.

NOTICE is hereby given that an Annual general meeting of the Members of the above Company will be held at the Registered Office of the Company, No. 2, Fairlie Place, Calcutta, on Tuesday, the 30th October, 1956, at 10-30 A.M. for the following purposes:-

AGENDA

1. To receive and consider the Directors' and Auditors' Reports and the Profit and Loss Account for the year ended 31st December, 1955, and the Balance Sheet as at that date.
2. To declare a Dividend.
3. To re-appoint by a resolution which will be proposed as a special resolution a Director who retires by rotation.

Special notice to propose the undernoted resolution as a special resolution in conformity with the provisions of Sections 190 and 261 of the Companies Act, 1956, has been received by the Company in which it is stated that Mr. H. Mackay Tallack is the Managing Director of the Managing Agents' Company and as such an associate of the Managing Agents within the meaning of the Act and a person who can only be appointed or re-appointed a Director of the Company by Special Resolution in conformity with Section 261 of the Act.

To consider, and, if thought fit, to pass, with or without modification, the following resolution:-

(As a Special Resolution). "RESOLVED in conformity with Section 261 of the Companies Act, 1956, that Mr. H. Mackay Tallack be and is hereby re-appointed a Director of the Company liable to retirement by rotation".

4. To appoint Auditors and fix their remuneration.
5. As Special Business:

To consider and, if thought fit, to pass, with or without modification, the following Resolution which will be proposed as an Ordinary Resolution:-

"RESOLVED that the Board of Directors be and is hereby permitted with effect from the commencement of the Companies Act, 1956, to borrow moneys from time to time for carrying on the business of the Company notwithstanding that the moneys to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) will exceed the aggregate of the paid-up Capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose".

The Share Transfer Books of the Company will be closed from 23rd to 30th October, 1956, both days inclusive.

By Order of the Board,
MACNEILL & BARRY LTD.,
A. H. FORSTER,
Secretary,
Managing Agents.

2, Fairlie Place,
Calcutta-1, 21st September, 1956.

Note. A member of the Company who is entitled to attend and vote may appoint a proxy to attend and vote instead of himself. A proxy need not be a member of the Company.

EXPLANATORY STATEMENT

Item No. 5. By the provisions of Section 293(1)(d) of the Companies Act, 1956, the Directors without the consent of the company in general meeting cannot borrow monies in excess of the aggregate of the paid-up capital of the company and its free reserves. An authority is therefore required for your Directors to borrow for the purposes of the company in excess of this statutory limit. The Resolution is intended to provide that authority and to restore the position which prevailed under Article 65 prior to 1st April, 1956.

THE MIRZAPUR ELECTRIC SUPPLY CO. LTD.

A dividend at the rate of 8 annas per share for the year ended 31st December, 1955 without any deduction for income-tax paid by the Company has been declared payable to the shareholders.

OCTAVIUS STEEL & CO. LTD.,
A. H. GALLOWAY,
Managing Director,
Managing Agents.

Calcutta, 28th September, 1956.

THE NEW MONKHOOSHI TEA COMPANY, LIMITED. NOTICE.

NOTICE is hereby given that an Annual general meeting of the Members of the above Company will be held at the Registered Office of the Company, No. 2, Fairlie Place, Calcutta, on Tuesday, the 30th October, 1956, at 10-45 A.M. for the following purposes:-

AGENDA

1. To receive and consider the Directors' and Auditors' Reports and the Profit and Loss Account for the year ended 31st December, 1955, and the Balance Sheet as at that date.
2. To declare a Dividend.
3. To re-appoint by a resolution which will be proposed as a special resolution a Director who retires by rotation.

Special notice to propose the undernoted resolution as a special resolution in conformity with the provisions of Sections 190 and 261 of the Companies Act, 1956, has been received by the Company in which it is stated that Mr. H. Mackay Tallack is the Managing Director of the Managing Agents' Company and as such an associate of the Managing Agents within the meaning of the Act and a person who can only be appointed or re-appointed a Director of the Company by Special Resolution in conformity with Section 261 of the Act.

To consider, and, if thought fit, to pass, with or without modification, the following resolution:-

(As a Special Resolution). "RESOLVED in conformity with Section 261 of the Companies Act, 1956, that Mr. H. Mackay Tallack be and is hereby re-appointed a Director of the Company liable to retirement by rotation".

4. To appoint Auditors and fix their remuneration.
5. As Special Business:

To consider and, if thought fit, to pass, with or without modification, the following Resolution which will be proposed as an Ordinary Resolution:-

"RESOLVED that the Board of Directors be and is hereby permitted with effect from the commencement of the Companies Act, 1956, to borrow moneys from time to time for carrying on the business of the Company notwithstanding that the moneys to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) will exceed the aggregate of the paid-up Capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose".

The Share Transfer Books of the Company will be closed from 23rd to 30th October, 1956, both days inclusive.

By Order of the Board,
MACNEILL & BARRY LTD.,
A. H. FORSTER,
Secretary,
Managing Agents.

2, Fairlie Place,
Calcutta-1, 21st September, 1956.

Note. A member of the Company who is entitled to attend and vote may appoint a proxy to attend and vote instead of himself. A proxy need not be a member of the Company.

EXPLANATORY STATEMENT

Item No. 5. By the provisions of Section 293(1)(d) of the Companies Act, 1956, the Directors without the consent of the company in general meeting cannot borrow monies in excess of the aggregate of the paid-up capital of the company and its free reserves. An authority is therefore required for your Directors to borrow for the purposes of the Company in excess of this statutory limit. The Resolution is intended to provide that authority and to restore the position which prevailed under Article 65 prior to 1st April, 1956.

THE METHONI TEA CO. LTD.

THE Directors have decided to recommend to the forthcoming Annual General Meeting of the Shareholders a dividend of 17½% in respect of the Season 1955, payable without deduction for Income Tax paid by the Company.

OCTAVIUS STEEL & CO. LTD.,
Managing Agents.

Calcutta, 1st October, 1956.

THE METHONI TEA COMPANY LIMITED

THE Annual Ordinary General Meeting of the Shareholders will be held at the Registered Office of the Company, No. 14, Old Court House Street, Calcutta on Wednesday, the 31st day of October, 1956, at 3-30 p.m. for the following purposes:-

- (1) To receive and adopt the Directors' Report and the audited Accounts for the year ended 31st December, 1955.
- (2) To declare a dividend.
- (3) To elect a Director in place of the retiring Director. In this connection, Special Notice is hereby given of the intention to move the Special Resolution at the meeting that is to say.
"That Mr. T. D. Crabb who retires by rotation be and is hereby re-appointed a Director of the Company".
- (4) To elect Auditors for the ensuing year, and to fix their remuneration.

And as special business:-

- (5) To consider and if thought fit to pass the following resolution, namely:-
"That the Books, Registers and other documents required to be kept by the Company and referred to in Sections 49, 144, 163, 196, 301, 304, 307 and 372 of the Companies Act, 1956, shall be available for inspection at the Registered Office of the Company, by the persons respectively referred to in those Sections as being entitled to inspection, between the hours of 10 a.m. and 12 noon on each business day, upon twenty-four hours' written notice of intention to inspect, such notice indicating what books, documents and registers are intended to be inspected".

The Share Transfer Book of the Company will be closed from 24th October, 1956 to 31st October, 1956, both days inclusive.

OCTAVIUS STEEL & CO. LTD.,

A. H. GALLOWAY,
Managing Director,
Managing Agents.

Calcutta, 1st October, 1956.

NOTE:-

- (i) In connection with the business to be transacted under item 3 and item 5 of this Notice, please see annexed Explanatory Statement.
- (ii) A member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member.

EXPLANATORY STATEMENT

Item 3. In the Special Notice given by the Company to the shareholders, under item 3 of the annexed notice for Annual General Meeting, intimation has been given of intention to move a Special Resolution for the re-appointment to the Board of Directors of Mr. T. D. Crabb. Special Notice of such intention has also been given to the Company. Under the provisions of Section 261 (1) (f) of the Companies Act, 1956, Mr. Crabb, who is in office of the Managing Agents of the Company can be appointed to the Board only by Special Resolution. Since he will retire in rotation at the meeting, his re-appointment for compliance with those provisions, will have to be by Special Resolution.

Item 5. With reference to the resolution relating to inspection of Books, Registers and other documents, referred to in the accompanying notice, the Companies Act, 1956—provides that the Company may impose reasonable restrictions on such inspection but so that not less than two hours in each day are allowed for inspection, and the resolution is being moved in order to comply accordingly with the act.

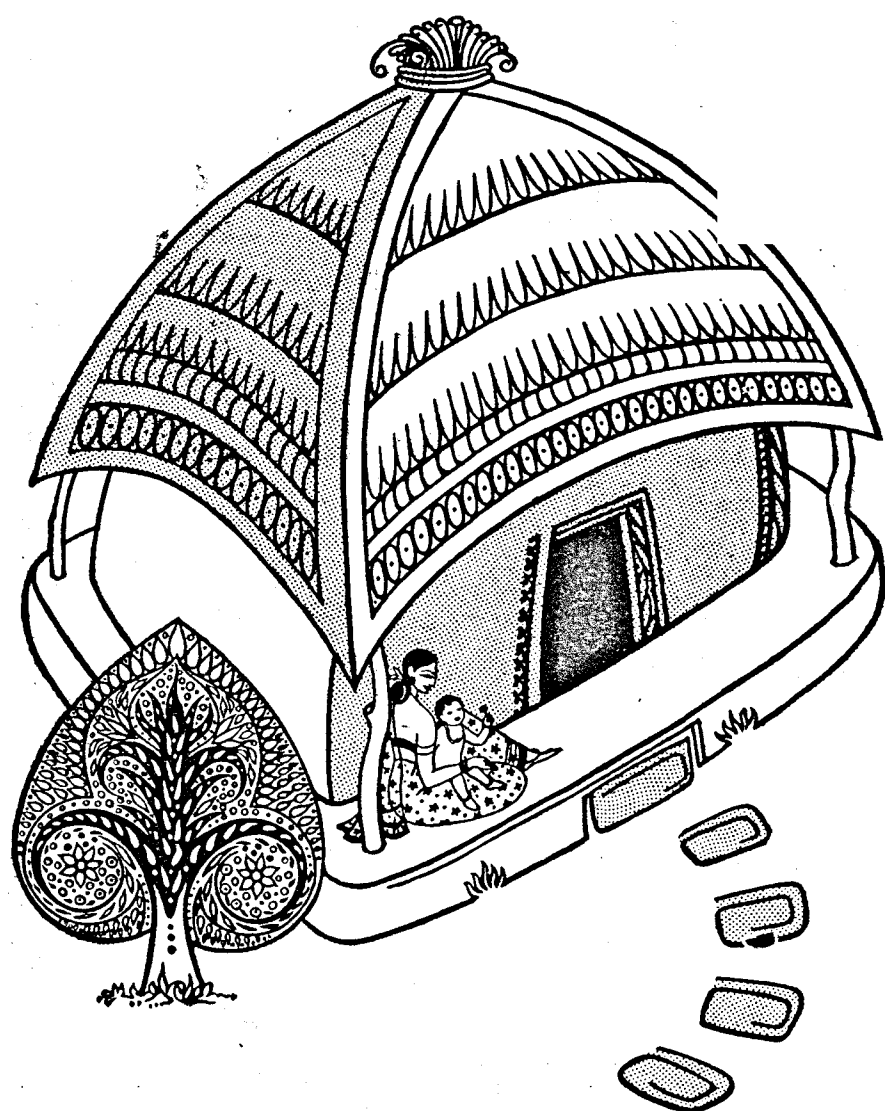
JARDINE HENDERSON, LIMITED.

NOTICE is hereby given that an Interim Dividend at the rate of 2½% per annum, less Indian Income-tax thereon, will be paid to the Registered holders as on the 22nd October, 1956, of the 50,000 Cumulative Preference Shares of Rs. 100 each in the Company in respect of the year ending 31st March, 1957.

The Share Transfer Books of the Preference Shares will be closed from the 15th to the 22nd October, 1956, both days inclusive.

By Order of the Board,
D. FORDWOOD,
Secretary.

4, Clive Row,
Calcutta. 1.
1st October, 1956.



A roof over our heads—a place to rest, to shelter our families from the heat of the sun, from cold winds and driving rain—that is what we all need. Like food, a home is a basic necessity common to peoples of all countries.

A happy home, cherished by everyone, is founded on the common aims and efforts of all members of the family. In India today, a new outlook is born in the family—an outlook devoted to progress. Rapid industrialization is bringing about more employment, a higher standard of living, and more and better homes.

A constant supply of our petroleum products to fast developing industries is vital to this progress.

STANVAC — the name that stands for progress.

STANDARD-VACUUM OIL COMPANY (Incorporated in the U.S.A. with Limited Liability.)



STANVAC 1956

THE SOORAH JUTE MILLS COMPANY LIMITED.

CALCUTTA.

NOTICE is hereby given that an Extraordinary General Meeting of the members of the above-named Company will be held at the Registered Office of the Company at 8, Royal Exchange Place, Calcutta, on Wednesday the 31st October, 1956 at 3-30 P.M. in the afternoon, as special business to consider and if thought fit to pass with or without modification the following resolutions:

SPECIAL RESOLUTIONS

- (a) "RESOLVED that the Authorised Capital of the Company be increased to Rs. 1,00,00,000/- by the creation of 2,00,000 new Ordinary Shares of Rs. 10/- each and 50,000 new Second Preference Shares of Rs. 100/- each with powers to the Directors subject to the articles of association to issue such 50,000 new Second Preference Shares with such preferential or Special rights, privileges or conditions attached thereto as they may decide."

- (b) "RESOLVED that the Memorandum of Association of the Company be altered by adding thereto after clause 3(t) thereof the following two sub-clauses: "3(tt) To establish and support, or aid in the establishment and support of associations, institutions, funds, trusts and conveniences calculated to benefit persons who are or have been employed by or who are serving or have served the Company or its predecessors in business or the dependents or connections of such persons and to grant pensions and allowances and to make payments towards insurance". "3(ttt) To subscribe contribute or guarantee money for any national, charitable, benevolent political, public, general or useful object or fund or for any exhibition".

- (c) "RESOLVED that Article 151(17) of the Company's Articles of Association be deleted and substituted by the two following sub-clauses:

"(17a) To give pensions, gratuities, allowances, bonuses, profit sharing bonuses or benefits or other charitable aids payments or monies to or for the benefit of persons who are or have been employed by or who are serving or have served the company or its predecessors in business or the wives, children, dependents or connections of such person or persons as may appear to the Directors just and proper whether any such persons his widow children or dependents or connections have or have not a legal claim upon the Company."

"(17b) Subject to the provisions of Section 293(1) (e) of the Companies Act, 1956 to establish, maintain support and contribute or subscribe to any national, charitable, benevolent, political, public, general or useful object or fund and any institution, society or club, which may be for the benefit of the Company or may be connected with any town or place where the Company carries on business."

ORDINARY RESOLUTIONS

- (d) "RESOLVED that consent of the Company be and is hereby given to the Board of Directors to contribute and/or subscribe from time to time to any national, political, charitable, benevolent, public or general and other funds not directly relating to the business of the Company or the welfare of its employees, such amounts as may be considered proper by it notwithstanding that such amounts in any financial year may exceed Rs. 25,000/- or 5% of the Company's average net profits, as determined in accordance with the provisions of the Companies Act, 1956, during the three financial years immediately preceding, whichever is greater."

- (e) "RESOLVED that the Books, Registers and other documents of the Company required to be maintained and disclosed under

the provisions of the Companies Act, 1956, shall be kept open for inspection by the persons entitled thereto to the extent and in the manner and on payment of the requisite fees, if any, at the Registered Office of the Company on any working day from Monday to Friday between the hours 3 P.M. to 5 P.M. (S.T.) and on Saturday between 11 A.M. to 1 P.M. (S.T.) provided however, the Register required to be maintained under Section 307 of the Act shall be open for inspection by any member as aforesaid during the period prescribed under Clause (a) of Sub-Section (5) of Section 307 of the Act."

By Order of the Board.

HINDUSTHAN INVESTMENT CORPORATION LTD.,

Managing Agents.

8, Royal Exchange Place, Calcutta.

Dated 17th September, 1956.

- N.B. (i) A member entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.

- (ii) Explanatory statement in regard to the above items of business.

(a) The Company proposes to set up a Staple Fibre Spinning Plant at a suitable place in West Bengal or at Banaras. To meet the finance required for the above project and also for the redemption of the Company's debenture loan which is to be redeemed in September 1957, it is desired to issue 50,000 Second Preference Shares of Rs. 100/- each with such preferential or special rights, privileges or conditions attached thereto, as the Directors may decide. It is, therefore, necessary to increase the present Authorised Capital of the Company by creating new Second Preference Shares. Opportunity has also been taken to create additional Ordinary Shares and thereby increase the Authorised Capital to Rupees one Crore.

- (b, c, & d) In the existing Memorandum of Association of the Company the Objects for which the Company was established do not include the provision for contribution by the company of funds (1) for benefit of employees and their relatives and (2) towards charitable and public objects. Under Article 151 (17) of the Company's Articles however power has been given to the Company's directors to make the above contributions. It is felt therefore, that to suit modern conditions, the lacuna in the Memorandum should be removed and the above objects included therein and Article 151 (17) should also be suitably altered to conform to the change in the Memorandum. Two sub-clauses have been set out in the notice accompanying this explanatory statement detailing the manner in which the Memorandum of Association should be altered for the above purpose. The first sub-clause 3 (tt) deals with the contributions for employees and their relatives and it is felt that having regard to the promotion of goodwill between the company and its employees the inclusion of such a clause should be made. The second sub-clause 3 (ttt) deals with contributions to charitable and public objects. Contributions to non-political charitable objects have for a long time been included in the objects of other companies and it is felt that this Company should also be able to contribute to these funds. As regards political objects or funds the industrial policy of the Government of the day is of vital importance to most industries and particularly to your company which has numerous dealings and transactions with the Government. It is common ground that industrial policies are influenced by political parties who form the Government of the day. It is therefore in the interest of the Company to be able to contribute to the funds of political parties which in the company's opinion will serve the interest of industries in general and of your company in particular.

It is therefore proposed that the second object above referred to should be set out separately in more explicit terms as a new sub-clause 3 (ttt).

Shareholders might be interested to know that under Section 293(1) (e) of the Companies Act 1956 the right

of a company to contribute to funds not directly relating to its business or the welfare of its employees is clearly recognised but it is provided therein that the contributions made by the Board of Directors of a company in such case shall not exceed 5 per cent of its average net profits or Rs. 25,000/- whichever is the higher except with the consent of the Company in general meeting. It is felt that the power given to the directors under Section 293(1) (e) of the Act is inadequate and resolution (d) set out in the Notice is intended to give the directors wider powers to contribute to these funds.

As stated above the existing Article 151(17) of the Company's Articles of Association sets out the power of the Board of Directors to contribute for benefit of employees and also to charitable and public objects. It is proposed to delete this sub-clause and substitute therefor clauses as detailed in the notice conforming to the proposed alterations in the Memorandum of Association.

- (e) Certain Registers and documents required to be maintained and disclosed by the Company under various provisions of the Companies Act, 1956, are to be kept open for inspection to the extent and in the manner during such hours as may be fixed by the Company in General Meeting. It is proposed to fix the days and hours for such inspection by a resolution of the Company and hence this resolution is put before the General Meeting of the Company.

The Directors and Managing Agents of the Company have no interest in the business represented by the foregoing resolutions other than in their capacity as shareholders.

HASTINGS MILL LIMITED.

NOTICE.

THE Annual Ordinary General Meeting of the Company will be held at the Registered Office, at 14, Netaji Subhas Road, Calcutta, on Monday, the 29th October, 1956, at 3-30 P.M. for the following purposes:—

- (1) To receive and consider the Report of the Directors and to pass the audited accounts of the Company for the year ended 31st March, 1956.
- (2) To declare dividends.
- (3) To elect Directors.
- (4) To appoint Auditors for the current year.
- (5) As special business, to consider and if thought fit, to pass with or without modifications, the following resolution which will be proposed as ordinary resolution.

"RESOLVED that consent of the Company be and is hereby given to the Board of Directors to contribute and/or subscribe from time to time to any national, political, charitable, benevolent, public or general and other funds not directly relating to the business of the Company or the welfare of its employees, such amounts as may be considered proper by it notwithstanding that such amounts in any financial year may exceed Rs. 25,000/- or 5% of the Company's average net profits, as determined in accordance with the provisions of the Companies Act, 1956, during the three financial years immediately preceding, whichever is greater."

- (6) To transact any other ordinary business of the Company.

The Share Transfer Books of the Company will remain closed from 16th October, 1956 to 29th October, 1956, both days inclusive.

By Order of the Board,

Per Pro. BANGOR BROS. LTD.,

Sd/- B. D. BANGUR,

Managing Agents.

Calcutta, 24th Sept. 1956.

- N.B.— (i) A Member entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.

- (ii) EXPLANATORY STATEMENT IN REGARD TO SPECIAL BUSINESS TO BE TRANSACTED AT THE MEETING:

The Board of Directors have to give contributions from time to time to various institutions including charitable and other funds not directly related to the business of the Company or to the welfare of its employees and which is at times in excess of the limits as laid down in Section 293 (1) (e) of the Companies Act, 1956. A resolution has, therefore, been proposed to authorise the Directors to contribute to such funds in excess of the above limits.

THE INDIAN STANDARD WAGON COMPANY LIMITED.

NOTICE.

NOTICE is hereby given that the Annual General Meeting (being the Thirty-seventh Ordinary General Meeting) of the Company will be held at the Registered Office, 12, Mission Row, Calcutta at 11 a.m. on Friday the 2nd November, 1956, for the following purposes:

1. To receive and adopt the Audited Accounts for the year ended 31st March, 1956 and the Directors' and Auditors' Reports thereon.
2. To declare Dividends. The dividends if declared will be paid to the shareholders whose names appear in the Company's books on the 2nd November, 1956 or to their mandatories.
3. To appoint Directors in place of those retiring. In this connection notice is hereby given that Special Notice as defined in Section 190 of the Companies Act, 1956 has been received by the Company under Section 281 of that Act, to move the following resolution at the Meeting:—

"That Sir P. P. Ginwala who has attained the age of 81 years be and is hereby appointed a Director of the Company and that it is hereby declared that the age limit laid down in Section 280 of the Companies Act, 1956 shall not apply to him."

4. To appoint Auditors and fix their remuneration.

5. As special business to consider and if thought fit to pass with or without modification the following resolutions which will be proposed as special resolutions. (A) "That sub-clause 3(17) of the Memorandum of Association of the Company be deleted and substituted by the following two sub-clauses:

"(17a) To subscribe, contribute or guarantee money for any national, charitable, benevolent, political, public, general or useful object or fund or for any exhibition".

"(17b) To establish and support, or aid in the establishment and support of associations, institutions, funds, trusts and conveniences calculated to benefit persons who are or have been employed by or who are serving or have served the Company or its predecessors in business or the dependents or connections of such persons and to grant pensions and allowances and to make payments towards insurance".

(B) "That Article 151 (17) of the Company's Articles of Association be deleted and substituted by the two following sub-clauses:—

"(17a) Subject to the provisions of Section 293(1)(e) of the Companies Act 1956 to establish maintain support and contribute or subscribe to any national, charitable, benevolent, political, public, general or useful object or fund and any institution, society or club, which may be for the benefit of the Company or may be connected with any town or place where the Company carries on business."

"(17b) To give pensions, gratuities, allowances, bonuses, profit sharing bonuses or benefits or other charitable aids payments or monies to or for the benefit of persons who are or have been employed by or who are serving or have served the Company or its predecessors in business or the wives, children, dependents or connections of such person or persons as may appear to the Directors just and proper whether any such person his widow children or dependents or connections have or have not a legal claim upon the Company."

The Share Registers and the Transfer Books of the Company will be closed from the 23rd October, 1956 to the 2nd November, 1956, both days inclusive.

A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and a proxy need not be a member.

By Order of the Board,

MARTIN BURN LIMITED,

F. G. LIVERSEDGE,

Managing Director,

Managing Agents.

Calcutta,

28th September, 1956.

EXPLANATORY STATEMENT AS REQUIRED BY SECTION 173 OF THE COMPANIES ACT, 1956.

ITEM No. 3.

Sir P. P. Ginwala who retires by rotation and is otherwise eligible for reappointment, has attained the age of 81 years and Section 280 of the Companies Act provides that he can not be reappointed a Director of the Company except by a resolution of which special notice has been given in accordance with Section 281 of the Act. The Company has received such a special notice from a Member notifying his intention to move the resolution set out in the Notice. Sir P. P. Ginwala joined the Board of Directors of this Company in 1944 and has rendered valuable assistance to the Board as a technical expert. It is in the interest of the Company that the Board should continue to receive the benefit of his long experience and able guidance.

ITEM No. 5.

Clauses 3(17) of the Memorandum and Articles of Association at present reads as follows:—

"To establish and support, or aid in the establishment and support of, associations, institutions, funds, trusts and conveniences calculated to benefit employees or ex-employees of the Company, or its predecessors in business, or the dependents or connections of such persons, and to grant pensions and allowances, and to make payments towards insurance, and to subscribe or guarantee money for charitable or benevolent objects or for any exhibition, or for any public, general or useful object."

This sub-clause deals with two different classes of objects to which the Company may contribute funds, the first relating to associations and funds for benefit of employees and their relatives and the second relating to charitable and public objects. These being two distinct objects it is desirable that they should be set out separately and it is accordingly proposed that the first object should be repeated without enlargement of its scope as a new separate sub-clause 17(b). As regards the second object the existing clause in so far as it relates to subscriptions to public objects is stated in a form too restricted to suit modern conditions. The industrial policy of the Government of the day is of vital importance to most industries and particularly to your Company, the principal buyer of whose products is the Government. It is common ground that industrial policies are influenced by political parties who form the government of the day. It is therefore in the interest of the Company to be able to contribute to the funds of political parties which in the Company's opinion will serve the interest of industries in general and of your Company in particular.

Shareholders might be interested to know that under section 293(1)(e) of the Companies Act 1956 the right of a Company to contribute to funds not directly relating to its business or the welfare of its employees is clearly recognised and it is provided therein that the contributions made by the Board of Directors of a Company in such case shall not exceed 5 per cent of its average net profits or Rs. 25,000/- whichever is the higher.

In the existing clause in the Memorandum it is not quite clear whether the Company could contribute to a political fund and it is desirable that a specific provision in the Memorandum to contribute to such political objects and purposes should be included. It is therefore proposed that the second object above referred to should be set out separately in more explicit terms as a new sub-clause 17(a).

The existing Article 151(17) of the Company's Articles of Association sets out the power of the Board of Directors to carry out the object contained in clause 3(17) of the Company's Memorandum of Association. It is proposed to delete this sub-clause and substitute therefor clauses as detailed in the notice conforming to the proposed alterations in the Memorandum of Association.

The Directors and Managing Agents of the Company have no interest in the business represented by the foregoing resolutions other than in their capacity as shareholders.

MACHINERY MANUFACTURERS CORPORATION LIMITED

NOTICE

THE Tenth Ordinary General Meeting of MACHINERY MANUFACTURERS CORPORATION LIMITED will be held on Friday, 19th October, 1956, at 4-00 P.M. at the Registered Office of the Company, Gateway Building, Apollo Bunder, Fort, Bombay, to transact the following business:

1. To receive and adopt the Directors' Report and Audited Profit & Loss Account and Balance Sheet for the period ended 31st March, 1956.
2. To declare a Dividend.
3. To elect Directors in place of Mr. M. M. Parekh, Mr. J. H. Mehta, and Mr. M. A. Chidambaram, who retire from the Board under Article 114 of the Articles of Association of the Company, but are eligible for re-election.

4. To pass an Ordinary Resolution waiving the age limit prescribed under section 280 of the Companies Act, 1956, in respect of Sir Sobha Singh.
5. To pass the Ordinary and Special Resolutions, details of which, with an Explanatory Statement as required under section 173 of the Companies Act, 1956, have been posted to the shareholders.

6. To appoint Auditors for the current year and to fix their remuneration.

For and on behalf of the Directors,

MACHINERY MANUFACTURERS CORPORATION LIMITED,

K. C. MAHINDRA,

Chairman.

Bombay, August 10, 1956.

Note:— (i) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF, AND A PROXY NEED NOT BE A MEMBER.

- (ii) The Transfer Books of the Company will be closed from 1st October, 1956 to 19th October 1956, both days inclusive.

- (iii) Payment of any dividend declared will be made only to those members whose names are registered in the Books of the Company on the 19th October, 1956. No applications for warrants will be necessary. Claims on behalf of holders of shares on blank transfer will not be entertained.

TO ALL SHAREHOLDERS OF MACHINERY MANUFACTURERS CORPORATION LIMITED AND IN PARTICULAR TO:—

Mrs. Maryam Akhund, Bai Bachubai Sorabji Anklesaria, Messrs. British Cotton Growers Association Ltd., Mrs. Tehmina Hormasji Dalal, Mr. C. De Sousa, Mr. Nadarshaw M. Dinshaw, Mr. R. C. Fernandes, Hon'ble Mr. Gulam Mohamed, Mr. Tikamdas Wadhmal, Mr. Sorabji Hormusji Shahookar, Dr. (Miss) Shaikh Amna, Mr. Zaka Rahmatulla, Mr. Barkatullah Khan, Mr. William Dick Brown, Mr. Andrew Dollar Gillespie, Mr. Donald Gladding, Major Alastair Cameron, Mr. Mirza Ahmed Ispahani, Sir William Roberts, Major General Shura Shum Shere Jung Bahadur Rana, Mr. Nootan Deb Pant, Mr. Mahendra Prasad, Sardar Soma Prasad Upadhyay, Senior Comdg. General Baber Shum Shere, Mr. Pitamber Prasad Pantha, Messrs. John Inglis Company Limited, Rokia Sultan, Sogra Sultan, Khatija Begum, Robaba Khanum, Mr. John Lees, Mr. William Lindsay, Mrs. Stella Byrne, Mr. G. B. Gilby, Mono Shum Shere Jung Bahadur Rana, Major General Nara Shum Shere Jung Bahadur Rana, Mian Aziz Ahmed Khan Bhatti, Rani Jagdamba Kumari Devi, Padma Narsingh Rana, Mohamed Khalil Serage, Bahadur Shum Shere Jung, Maj. General Krishna Shum Shere Jung Bahadur Rana, H. H. Maharani Gamvir Kumari, Bibudhendra Prasad and Mr. Keshava Ram Bhandary.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	Hour I.S.T.
Orissa Minerals Development Co., Ltd.	4-10-56	10-30 a.m.
Bisra Stone Lime Co., Ltd.	4-10-56	11-15 a.m.
Chandpuri Jute Co., Ltd.	4-10-56	Noon
Kinnison Jute Mills Co., Ltd.	5-10-56	10 a.m.
Naihati Jute Mills Co., Ltd.	5-10-56	10-10 a.m.
Lawrence Jute Co., Ltd.	5-10-56	10-20 a.m.
Union Jute Co., Ltd.	5-10-56	10-30 a.m.
Standard Jute Co., Ltd.	5-10-56	10-45 a.m.
Auctioneers Jute Co., Ltd.	5-10-56	10-55 a.m.
Dalhousie Jute Co., Ltd.	5-10-56	11-15 a.m.
Lonsdowne Jute Co., Ltd.	5-10-56	11-30 a.m.
Teesta Valley Tea Co., Ltd.	5-10-56	12-15 p.m.
Dnemo Main Collieries, Ltd.	5-10-56	2-30 p.m.
Hurriladih Coal Co., Ltd.	5-10-56	2-45 p.m.
Equitable Coal Co., Ltd.	5-10-56	3 p.m.
West Jammurahi Coal Co., Ltd.	8-10-56	3 p.m.
Tezporo Tea Co., Ltd.	8-10-56	4 p.m.
Ganges Mfg. Co., Ltd. (Jute)	9-10-56	10-30 a.m.
Gourepore Co., Ltd. (Jute)	9-10-56	11 a.m.
Nuddea Mills Co., Ltd. (Jute)	9-10-56	11-30 a.m.
Ganges Rope Co., Ltd.	9-10-56	Noon
Calcutta Tramways Co., Ltd.*	9-10-56	3 p.m.
Arati Cotton Mills, Ltd.	9-10-56	3 p.m.
Eastern Cachar Tea Co., Ltd.	9-10-56	3-10 p.m.
Hattikhira Tea Co., Ltd.	9-10-56	3-30 p.m.
Mangalore Electric Supply Co., Ltd.	9-10-56	3-30 p.m.
Bridge & Roof Co. (India) Ltd. (E)	15-10-56	Noon
British India Electric Construction Co., Ltd. (E)	15-10-56	12-10 p.m.
Orient Paper Mills Ltd. (E)	15-10-56	3 p.m.
Machinery Manufacturers Corp., Ltd.	19-10-56	4 p.m.
Bengal Flour Mills Co., Ltd. (E)	24-10-56	Noon
Pathemara Tea Co., Ltd.	23-10-56	2-50 p.m.
Jampur Udyog Ltd.	23-10-56	4-30 p.m.
Investment & Finance Co., Ltd.	25-10-56	11 a.m.
General Investment & Trust Co., Ltd.	25-10-56	11-5 a.m.
Bormah Jan Tea Co., (1936), Ltd.	25-10-56	3-40 p.m.
Teloijan Tea Co., Ltd.	25-10-56	3-50 p.m.
Baghmari Tea Co., Ltd.	25-10-56	4 p.m.
Sungma Tea Co., Ltd.	25-10-56	4-10 p.m.
Hastings Mill Ltd. (Jute)	29-10-56	3-30 p.m.
New Assam Valley Tea Co., Ltd.	30-10-56	10-30 a.m.
New Monkhooshi Tea Co., Ltd.	30-10-56	10-45 a.m.
Methoni Tea Co., Ltd.	31-10-56	3-30 p.m.
Soorah Jute Mills Co., Ltd. (E)	31-10-56	3-30 p.m.
Indian Standard Wagon Co., Ltd.	2-11-56	11 a.m.

(E) Extraordinary General Meeting.

* Meeting will be held in London.

DIVIDENDS DECLARED OR PROPOSED.—Hooghly Docking & Engineering Co. Ltd.—12½ p.c.; Indian Standard Wagon Co. Ltd.—30 p.c. (o.) including a bonus of 5 p.c.; Investment & Finance Co. Ltd.—3½ p.c. (o.); Pathemara Tea Co. Ltd.—Nil; Sungma Tea Co. Ltd.—Nil; Teloijan Tea Co. Ltd.—25 p.c. (o.); Bormah Jan Tea Co. (1936) Ltd.—20 p.c. (o.); Baghmari Tea Co. Ltd.—10 p.c.; Tata Power Co. Ltd.—4½ p.c. (f.) (o.); Tata Hydro-Electric Supply Co. Ltd.—4½ p.c. (f.) (o.); Andhra Valley Power Supply Co. Ltd.—4½ p.c. (f.) (o.); Mirzapur Electric Supply Co. Ltd.—Annas 8 per share; Methoni Tea Co. Ltd.—17½ p.c.; General Investment & Trust Co. Ltd.—3½ p.c. (o.).

O.—Ordinary Dividend.	In.—Interim Dividend.
P.—Preference Dividend.	L.—Less Income Tax.
P.O.—Preferred Ordinary Dividend.	F.—Final Dividend.
D.—Deferred Dividend.	Cm.—Cumulative.
1 Less Tax at 8s 6d in the £	

JOINT STOCK COMPANIES PREFERENCE SHARES

Dividends are cumulative and shares carry a preferential claim on the property for the payment of capital and on the profits for dividend except in case of companies marked otherwise. Months against names of companies indicate approximately times of payment of dividends.

Year of Issue	NAMES	Amount Issued in 000's	Rate per cent	Paid-up per Share	Market Quotations		Year of Issue	NAMES	Amount Issued in 000's	Rate per cent	Paid-up per Share	Market Quotations	
					1-10-56	A year ago						1-10-56	A year ago
		Rs.		Rs.	Rs.	Rs.			Rs.		Rs.	Rs.	Rs.
BANK.													
1901	Allahabad Bank (May Nov.)	15.00	6	100	120	135	1920	Birds' Investments (Dec.)	24.00	54T	100	79	80
COAL.													
1905	Bengal Nagpur (Feb. Aug.)	11.25	7	100	105	118	1918	Bombay Steam Navigation (July)	15.00	8T	250	151	15
1896-97	Borraea (June Dec.)	4.00	6	100	103	119	1920	Britannia Biscuit (Feb. Aug.)	15	8	10	151	15
1901-2	Burrakur (June Dec.)	22.98	7	100	109	127	1903-99	British Ceylon Corporation (14) (Apr. Mar.)	7.50	6	5	92	111
1946	Burrakur (June Dec.)	4.50	6T	10	73	81	1903-99	British India Corporation (Feb.)	81.00	8	100	124	138
1895	Equitable (May Nov.)	4.00	6	100	104	117	1903-99	Burn Eng (1st & 2nd) (Feb. Aug.)	13.00	7	100	137	143
1931	Khas Kajora (Mar. Sept.)	1.93	5	10	5	2	1909-11	Burn Engineering (Feb. Aug.)	15.00	6	100	115	123
1920	New Beerboom (Jan. July)	2.00	7	10	12	13	1903-99	Calcutta Electric Supply (Mar. Sept.)	21.900	5	10	111	121
1898-99	Ondal (June Dec.)	2.00	6	100	110	115	1906	Calcutta Silk Manufacturing (July Jan.)	2.00	6	100	55	60
COTTON MILLS.													
1906	Ahmedabad Advance (Apr. Oct.)	10.00	5	100	110	110	1903-24	Carew & Co (January)	8.00	6	100	101	105
1884	Bangalore (Jan. July)	6.00	6	100	125	128	1946	Cawnpore Sugar Works (Feb. Aug.)	10.00	8	100	127	143
1938	Basanti (Oct.)	5.00	6	10	8	8	1940	Chrestien Mica Industries Ltd.	30.00	5T	100	58	65
1896	Benzal Nagpur (Apr. Oct.)	3.00	7	100	99	116	1937	Dacca Electric Supply (July)	6.00	6	10	5	5
1900	Bowreah "A" (Apr. Oct.)	6.00	8	100	126	135	1937	Dalmia Cement (Bharat)	3.500	6	100	101	102
1900	Bowreah "B" (6) (1) (Apr. Oct.)	6.00	7	100	69	76	1945	Dalmia Cement (Bharat)	2.372	6	100	391	39
1919	Bradbury "B" (Jan. Dec.)	14.75	7	250	324	324	1945	Delhi Flour Mills (Oct.)	90	7T	100	133	133
1920	Buckingham & Carnatic (Jan. July)	21.30	7	100	144	133	1916	Deshergarh Power Supply "A" (Jan.)	16.00	5	100	102	107
1928	Cambodia (July)	1.00	7	100	122	125	1935	Deshergarh Power Supply "B" (Jan.)	12.00	4	100	93	91
1912	Central India (Apr. Oct.)	50.00	5	500	531	531	1940	Dunlop Brothers & Co Ltd.	45.00	4	100	62	71
	Delhi Cloth & General (Oct.)	20.00	4	25	20	20	1948	Dunlop Rubber "First" (Jan. July)	30.00	6	100	125	126
							1926	Dunlop Rubber "Second" (Apr.)	40.00	6T	100	93	101
1912	Elgin (May Nov.)	11.00	8	100	135	143	1928-29	East India Distilleries (Jan. July)	2.200	7	100	171	171
1943	Elgin "B"	4.20	5	10	91	91	1897	Eastern Investments Ltd (Apr.)	2.500	5T	100	187	17
1919	Elphinstone (May Nov.)	25.00	7T	100	87	87	1947	General Investment & Trust (Feb. Aug.)	1.00	5	100	75	77
1919	Kesoram (June Dec.)	20.00	7	100	130	133	1928	General Investment & Trust (Feb. Aug.)	1.00	5T	100	65	70
1925	Khatav Mankaji (Nov.)	10.00	6	100	88	88	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	6T	100	55	55
1937	Kothari (Nov.)	12.00	6	100	88	88	1946	Gladstone Lyall & Co	15.00	6T	100	66	68
1909	Muir (Feb. Aug.)	30.00	6	100	80	90	1947	Gladstone Lyall & Co	15.00	6T	100	66	68
1913	New Great Eastern (Mar.)	3.00	5	200	185	185	1940	Godfrey Phillips India Ltd.	30.00	5T	100	68	64
1920	New Victoria (Apr. Oct.)	26.05	6	5	51	51	1940	Gwallior Sugar (Redeemable) (Dec.)	6.75	7	100	68	66
1933	Palani Andavar (Mar.)	2.00	7	50	58	58	1940	Gwallior Sugar (Dec.)	5.00	7	100	68	65
1935	Svadeshi (Bombay) (May)	15.00	5	100	115	115	1940	Humayvan Properties Ltd. (Nov.)	12.00	6	10	10	11
1927	Svadeshi (Cawnpore) (Mar.)	35.00	6	100	90	90	1936	Indian Aluminium (Mar. Sept.)	40.00	5T	100	83	75
1931	Vasanta (Apr. Oct.)	15.00	6	100	115	120	1945	Indo Burma Petroleum (Jan. July)	50.00	7T	100	104	108
1908	Vishnu (Apr.)	16.00	7	500	550	550	1909	Indian Cable Co. (Nov.)	12.88	6	10	33	27
							1923	Indian Standard Wagon (Aug. or Sept.)	1.966	7	100	140	139
							1936	Indian Iron & Steel	2.69.95	5	100	108	111
							1946	Investment and Finance (Feb. Aug.)	2.00	5	100	75	77
							1935	Investment and Finance (Feb. Aug.)	2.00	6T	100	65	70
1927	Agarpara (Jan. July)	10.00	7	100	107	116	1945	James Wright (Jan. July)	1.30	6	50	41	40
1905	Alexandra (Feb. Aug.)	9.00	7	100	97	106	1937	Jardine Henderson Ltd.	50.00	5T	100	66	81
1896	Alliance (Mar. Sept.)	15.00	6	100	97	103	1946	Jessop & Co.	10.00	5	100	101	105
1917	Anglo-India (May Nov.)	40.00	7	100	107	118	1945	Jupiter General Insurance (Sept.)	4.99	6	100	101	105
1908	Auckland (July Jan.)	10.00	5	100	76	98	1916	Kumardhubi Engineering (June)	12.00	5	100	103	107
1943	Auckland (July Jan.)	15.00	4	100	78	76	1915	D. Fireclay & Silica (June)	2.00	7	100	116	106
1918	Bally (Jan. July)	20.00	7	100	105	115	1945	Martin Burn Ltd.	30.00	5	100	105	107
1896	Barnagore (Oct. Dec.)	2.00	5T	100	41	46	1946	McLeod & Co.	10.00	5T	100	69	73
1940	Belvedere (Jan. July)	1.00	7	100	111	122	1930	McLeod & Co.	40.00	5	100	75	83
1919	Bengal (June Dec.)	23.40	7	100	85	92	1936	Mettur Chemical & Industrial (Sept.)	20.00	6	100	99	88
1896	Budze Budze (May Nov.)	7.00	7	100	111	120	1949	Metal Box Co. of India Ltd.	30.00	6T	100	96	97
1934	Calcutta (Jan. July)	6.00	6	100	78	90	1938	Midnapore Zemindary (Feb.)	8.75	5	100	92	92
1919	Caledonian (June Dec.)	10.00	7	100	109	118	1938	Mysore Chemical Mfg (Sept.)	2.00	5	10	92	87
1919	Cheviot (June Dec.)	10.00	7	100	111	118	1930	National Insulated Cable	10.00	5	100	80	81
1928	Chitavalah (Mar. Dec.)	5.00	7	100	110	116	1942	National Tobacco (June Dec.)	25.00	5	100	70	71
1900	Clive (First) (May Dec.)	8.00	6	100	91	92	1944	National Tobacco (Jan. Dec.)	20.00	4	100	70	71
1905	Clive "A" (Second) (May Dec.)	8.00	7	100	98	105	1946	Northern India Oil (Jan. July)	2.00	6	100	48	56
1903-12	Dalhousie (July Jan.)	15.00	7	100	102	115	1936	Poona Electric Supply Co. Ltd. (June Dec.)	4.00	7	100	103	103
1897	Delta (June Dec.)	5.00	5	100	105	94	1935	Premier Construction "First" (Apr.)	10.00	6T	100	104	104
1912	Empire (Jan. July)	10.00	7	100	109	118	1936	Premier Construction "Second" (Apr.)	15.00	6T	100	109	109
1900-98	Fort Gloster (Jan. July)	10.00	7	100	81	83	1922	Purtabore (Sugar) (Oct.)	6.00	10	10	16	16
1948	Fort Gloster (2nd)	7.00	5	100	115	115	1936	Ramnugger Cane & Sugar (Aug.)	4.00	6	100	99	105
1911	Fort William (May Nov.)	10.00	5	100	115	115	1933-36	Rohas Industries (April)	20.00	7	100	125	134
1916	Ganges (June Dec.)	6.00	6	100	101	130	1936	Rohas Industries "B" (Apr.)	86.00	4	100	64	68
1895-04	Gangore (June Dec.)	26.50	6	100	91	103	1944-46	Shaw Wallace & Co. Ltd.	75.00	6T	100	77	85
1935	Hastings (Aug. Feb.)	11.00	6	100	100	107	1937	Shree Gopal Paper	7.50	6	100	119	126
1913	Hoochly (July)	2.00	10	10	13	14	1937	Shree Krishna Gyanodaya Sugar "A" (Oct.)	6.00	6	100	89	101
1903-36	Howrah (Jan. July)	8.75	7	100	102	123	1936-38	Shree Krishna Gyanodaya Sugar "B" (Nov.)	12.00	5	100	75	80
1919	Hukumchand (June Dec.)	17.50	7	100	108	118	1906	Smith Stanistreet (Chemists) (Nov.)	5.00	10	50	70	66
1898-04	Kamarhatti (Apr. Oct.)	16.00	6	100	91	105	1906	South Behar Sugar (Oct.)	5.00	7	100	161	161
1900	Kankarhar (Apr. Oct.)	10.00	6	100	102	105	1906	Spencer & Co. "A" (Provisions) (Jan. July)	23.20	6T	100	103	11
1935	Kedarnath (Jan. July)	2.00	7	100	95	95	1923	Spencer & Co. "B" (Provisions) (Jan. July)	36.80	8T	100	103	11
1905	Kelvin (Mar. Sept.)	10.00	7	100	110	120	1936	Star Paper (Apr. Oct.)	10.00	5	100	82	82
1900-13	Kinnison (May Nov.)	15.00	6	100	99	103	1937	Surat Electricity (Apr.)	5.00	6	100	131	131
1910	Lansdowne (July Jan.)	5.00	7	100	101	114	1925	Tata Chemicals (Nov.)	60.00	5	100	117	117
1912	Lawrence "A" (July Jan.)	5.00	7	100	104	114	1939	Tata Hydro Electric Power (Sept. Mar.)	89.28	7	100	121	121
1906-07	Lawrence "B" (July Jan.)	10.00	5	100	99	93	1910	Tata Iron & Steel (First) (Nov.)	75.00	6T	150	151	163
1905	Nahati (July Jan.)	7.50	7	100	118	120	1910	Tata Iron & Steel (Second) (May)	69.82	7T	100	122	127
1945	Nahati (Jan. July)	10.00	4	100	75	79	1906	Tata Power (May Nov.)	86.97	7	100	127	127
1939	National (May Nov.)	5.00	7	100	119	126	1918	Tezpor-Balipara Tram (1) (June Dec.)	11.50	8	100	145	153
1915	New Central (Jan. July)	5.00	6	100	105	114	1919	Titagur Paper Mills (Mar. Sept.)	11.50	8	100	145	153
1908-09	Northbrook (July Jan.)	15.00	7	100	82	114	1937	Titagur Paper Mills "2nd" (Mar. Sept.)	15.00	4	100	89	92
1935	Rameshwara (Jan. July)	7.00	5	100	10	11	1928	Vellore Electric (Sept. Mar.)	1.25				

COAL COMPANIES

O, P, F and Dd indicate Ordinary Preferred Ordinary Founders' and Deferred shares respectively. P next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
									1954	1955	1956		1-10-56	26-9-56	A year ago
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.				Rs.	Rs.	Rs.	Rs.
25,50,000	26,43,478	24,50,000	6,60,570	Amalgamated	3-9	236	6,83,393	26,953	31-5	61-71	..	10	231	23	241
1,00,00,000	1,96,15,288	1,40,49,223	18,85,659	Bengal P	4-10	2	26,18,986	7,31,563	71-71	81-81	..	200	510	507	520
4,48,350	3,08,193	70,000	2,24,303	Bengal Bhatdee	6-12	2	15,149	4,951	11-11	11-11	..	10	61	61	61
2,25,000	2,48,198	5,30,654	3,64,478	Bengal Nagpur P	6-12	2	50,558	1,07,504	Nil-Nil	Nil-Nil	..	10	16	16	111
15,97,000	14,16,665	6,91,475	13,52,078	Bhailorah	9	152	8,13,899	39,978	61	61	..	10	71	71	81
40,00,000	68,01,474	20,23,235	32,65,320	Bharat Collieries P	6	335	2,52,221	27,433	61	61	..	10	121	121	131
7,15,000	15,63,291	14,29,045	68,704	Bhulanbararee	6-12	106	20,810	1,87,446	Nil-Nil	Nil-Nil	..	10	121	121	131
16,00,000	38,87,275	16,18,636	7,185	Bokare & Ramgur	6-12	315	1,21,936	79,196	10-10	10-10	..	10	241	241	301
7,50,000	18,56,889	24,29,026	11,60,066	Borra P	6-12	106	2,14,682	84,207	10-10	10-10	..	10	16	151	141
90,92,480	2,38,29,968	1,75,17,502	25,32,133	Burrakur P	6-12	21	11,90,330	1,15,376	21-31	31-31	..	10	16	151	141
49,97,000	35,80,075	750	1,75,992	Central India	3	166	1,33,037	14,019	21	21	..	10	71	71	71
8,00,000	16,67,573	13,30,319	15,752	Central Kurkend P	6-12	323	34,743	82,768	..	..	..	10	121	121	111
6,00,000	1,43,676	1,43,676	7,32,536	Churulia	6-12	106	6,374	2,129	11-11	11-11	..	4	21	21	21
16,00,000	23,76,131	1,20,000	35,989	Dhenc Main	6-12	19	70,801	2,43,279	Nil-Nil	Nil-Nil	..	10	31	31	301
2,240,000	2,234,668	2,230,653	2,232,456	East Indian	4	128	1,17,640	2,59,767	181	221	..	10	301	301	32
29,63,760	1,02,83,132	78,84,256	21,79,507	Equitable P	6-12	19	5,71,573	93,266	71-71	71-71	..	10	15	16	141
10,00,000	6,74,708	2,07,486	3,32,972	Ghusick & Muslia	3	307	12,979	2,401	..	..	..	10	21	21	41
6,50,000	5,06,856	33,155	4,95,344	Juzdar Kajora	6-12	20	24,150	2,401	..	..	..	10	15	16	141
8,00,000	5,06,856	33,155	4,95,344	Hurhidah	6-12	19	2,58,582	65,461	71-10	121-11	..	10	231	231	211
3,50,000	6,31,200	5,66,816	1,407	Kalapahari	2-8	2	1,38,130	2,21,237	Nil-Nil	Nil-Nil	..	10	201	201	171
15,00,000	31,71,936	24,32,396	25,61,314	Karanpura Development	6-12	21	49,116	17,839	Nil-Nil	Nil-Nil	..	100	21	21	19
5,00,000	24,60,896	1,77,175	26,967	Karanpura Collieries P	2	21	2,26,982	6,965	Nil	21	5	100	119	119	121
20,00,000	10,29,548	16,60,000	11,25,332	Katras Jheriah	1-7	2	5,92,347	1,33,475	28-28	25-30	35	100	62	62	551
1,38,400	6,75,000	95,000	11,80,294	Khas Kajora P	6-12	326	49,776	1,918	..	..	..	10	91	91	91
5,65,750	10,84,977	85,000	9,950	Mundulpur	6-12	326	79,868	79,868	Nil-	..	..	10	21	21	31
7,48,240	2,62,442	1,50,000	5,04,429	Nazira	12	347	82,501	25,598	..	..	..	10	71	71	71
7,00,000	5,13,418	26,617	11,641	New Banddepur	3-9	5	59,011	6,071	31-71	71-71	..	10	10	10	101
17,76,230	31,15,787	20,01,763	3,78,538	New Beerbhoom P	4-10	2	2,64,716	94,383	31-31	31-5	..	10	191	191	191
6,00,000	11,71,307	75,000	40,447	New Manbhoom	3-9	202	25,330	2,233	Nil-Nil	Nil-Nil	..	10	111	111	101
2,50,000	7,69,623	1,75,500	10,12,916	North Damuda	1-7	306	7,954	32,184	..	..	..	10	21	21	21
1,15,000	4,42,488	2,85,193	1,53,246	North West	3-9	2	51,420	15,950	Nil-Nil	61	71-..	10	19	19	22
1,57,500					6-12	106	22,197	56,646	5-5	5-5	..	10	151	151	181
7,50,000	1,20,000	12,19,981	23,26,757	Ondal P	6-12	106	22,197	56,646	5-5	5-5	..	10	151	151	181
8,34,000	9,21,342	10,862	4,36,015	Parasee P	6-12	207	1,08,075	8,018	31-31	31-31	..	10	141	141	121
15,75,000	12,40,000	16,30,000	2,22,154	Pench Valley	3-9	236	4,18,450	33,343	81-71	71-71	..	10	211	211	241
2,50,000	2,62,406	7,500	11,531	Pure Sitalpur	6-12	5	2,008	18,581	21-21	21-31	..	10	131	131	131
23,99,500	37,59,038	19,17,105	39,198	Raneegunge	3-9	79	1,83,814	16,846	21-21	21-31	..	10	6	6	61
13,50,000	7,98,001	9,28,385	14,29,643	Rewa	6-12	236	4,96,775	26,029	71-61	81-121	..	10	231	231	191
20,00,000	23,74,261	7,52,027	1,01,427	Samla	12	48	1,80,660	31,543	71	71	..	10	14	14	16
2,50,000	1,56,194	1,34,374	11,356	Searsale	1	353	88,009	11,078	25	30	..	10	7	7	141
2,80,000	10,92,193	1,36,598	7,87,726	Seebpore P.	6-12	2	2,42,112	49,299	142-14-17	17-17-10-7	..	10	291	291	291
8,00,000	23,624	5,29,306	6,32,757	Sendra	6-12	106	4,098	7,503	Nil-11	11-11	..	10	111	111	111
17,50,000	22,81,985	10,70,616	63,654	South Karanpura	2-8	21	59,079	51,533	Nil-11	11-11	..	10	91	91	121
8,00,000	1,43,000	13,69,395	21,89,890	Standard	6-12	106	47,444	17,347	71-71	5-5	..	10	231	231	201
10,00,000	15,58,085	15,875	3,910	Talcher	9	277	22,689	3,85,056	Nil	..	..	10	31	31	31
3,50,000	4,66,000	8,176	1,176	Union	6-12	279	4,033	44,167	5-21	21-..	..	10	141	141	171
49,98,000	33,66,550	50,000	2,17,164	Western Bengal	3	166	4,09,468	7,262	31	5	..	10	61	61	61
7,00,000	32,55,152	1,38,190	40,060	West Jamuria	6-12	19	1,31,849	122	Nil-Nil	Nil-..	..	10	11	11	141

N = Nominal

COTTON MILLS

Paid-up Capital Ordinary	Number of		Net Block Account	Reserve & other Funds Premiums & Forfeited Shares If any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotation as available until		
	Spindles	Looms									1953	1954	1955		1-10-56	26-9-56	A year ago
Rs.			Rs.	Rs.	Rs.			Rs.	Rs.	Rs.			Rs.	Rs.	Rs.	Rs.	
15,00,000	14,108	356	14,62,919	1,73,478	11,90,008	Basanti P	12	49	1,97,268	41,227	21	..	10	61	61	51	
32,72,340	22,197	505	27,69,676	23,18,909	24,551	Benares P	3-9	120	1,27,187	4,79,347	..	..	10	11	11	11	
7,11,280	36,000	932	17,17,120	2,20,369	30,842	Bengal Luxmi	3	27	3,66,176	47,818	..	..	10	40	40	40	
27,30,000	31,476	624	25,53,000	15,50,000	3,84,224	Bengal Nagpur P	6-12	236	5,23,389	18,199	21-Nil	Nil	10	91	91	91	
15,30,000	38,764	922	15,35,500	1,09,84,251	21,32,642	Birla Cotton	3	22	5,28,332	4,25,221	30	30	100	301	301	901	
6,00,000	42,872	641	37,54,142	22,72,588	1,44,948	Bowree P	6-12	138	84,028	23,47,373	Nil-Nil	Nil-Nil	100	150	150	390	
30,00,000	22,900	510	8,43,453	29,51,420	1,00,393	Cawnpore Textiles	3	25	6,73,253	36,767	111	10	Nil-5	5	9	9	
2,27,22,900	1,01,808	2,762	9,94,63,168	2,74,48,393	2,94,83,803	Delhi Cloth & Genl. P.	6	238	1,81,41,278	82,759	9	9	25	371	371	371	
1,00,000	42,944	518	34,12,181	25,71,925	1,53,884	Dunbar	6-12	138	9,92,376	1,37,951	Nil-Nil	Nil-Nil	100	271	271	251	
63,00,000	54,300	1,202	22,44,751	68,33,860	43,06,583	Elgin P	9	25	32,80,464	93,366	15	10	10	271	271	211	
1,29,00,000	59,250	1,872	2,38,99,575	1,69,53,852	47,29,268	Kesoram P	3	22	37,41,719	2,45,435	111	81	81	20	18	16	
6,00,000	35,864	864	17,48,143	9,75,679	74,08,655	Mohini P	12	45	9,53,316	5,158	..	..	10	..	..	..	
30,00,000	38,000	1,825	47,44,546	52,19,601	32,65,055	Muir P	12	208	18,77,941	7,77,290	..	..	100	88	88	118	
22,89,882	18,848	1,367	43,25,577	26,00,968	1,45,701	New Victoria P	12	237	18,83,371	13,76,473	Nil	..	100	210	210	111	
5,07,958	23,196	795	22,57,946	18,38,739	2,02,179	Rampooria Cotton	6	4	6,16,936	1,094	6	61	10	151	151	12	
5,09,000	1,14,836	2,077	2,83,77,688	2,65,04,931	32,30,412	Swadeshi (Cawnpore) P	12	333	43,71,838	7,09,029	Nil	71	100	121	121	11	
1,57,50,000	..	..	..	..	..	..	..	..	..	..	9	111	111	100	121	121	
40,50,000	48,754	1,310	91,31,708	1,89,73,217	43,89,979	Bangalore W C Silk P	12	26	56,34,938	2,38,649	25	30	100	581	581	521	
1,78,47,800	1,20,212	2,770	3,20,71,600	1,87,39,278	23,80,514	Buckingham Carnatic P	12	26	1,01,66,075	2,38,445	10	10	100	202	202	172	
20,00,000	28,000	..	18,33,003	20,32,074	11,26,239	Cambodia P	12	210	1,96,274	27,593	71	Nil	5	10	141	141	
12,00,000	25,864	..	35,52,500	35,52,500	35,52,500	Coimbatore Cotton	12	188	5,63,765	18,490	33	33	100	393	393	323	
20,79,000	27,832	407	47,91,212	7,98,681	22,227	Coimbatore Spg & Wvg	6	46	7,52,342	10,23,340	Nil	..	100	110	110	69	
6,50,000	50,640	295	12,25,500	17,90,000	58,77,431	Kaleeswarar	19	139	2,05,180	7,677	5	5	100	335	335	290	
24,00,000	30,512	200	32,38,668	16,25,000	7,43,157	Kothari Textile P	6	141	3,25,924	29,392	..	..	10	181	301	141	
23,54,000	48,756	..	15,01,051	17,20,200	78,350	Lakshmi	12	186	31,41,248	2,209	..	..	50	258	257	159	
1,75,02,480	4,65,324	..	2,15,02,107	4,13,81,878	31,04,681	Madura	12	108	77,86,509	18,86,813	20	20	20	15	511	511	49
12,00,000	21,856	..	8,43,189	5,95,363	10,32,898	Malabar Spg & Wvg	12	240	85,193	84,039	..	..	200	113	113	113	
69,00,000	24,252	603	20,49,893	9,80,300	11,99,175	Mettur Industries	3	29	43,44,653	45,835	22	421	10	402	473	370	
13,01,780	6,000	..	14,15,992	8,90,279	1,34,563	Mysore Spun Silk	3	142	1,753	3,905	Nil	..	10	611	611	2	
4,00,000	20,137	Nil	8,36,608	5,00,000	24,24,908	Palani Andavar P	12	30	7,39,437	2,687	..	..	50	172	172	125	
7,79,700	15,540	416	5,42,118	4,43,421	2,65,911	Sitararam Spg & Wvg	3	164	87,724	3,083	..	..	60	329	340	243	
7,00,000	28,104	270	12,98,563	18,23,501	11,71,924	Vasanta P	12	47	16,37,459	..	..	..	100	329	340	243	

MISCELLANEOUS COMPANIES

O, Po, C and Dd indicate Ordinary, Preferred Ordinary Contributory and Deferred Shares respectively P, next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Portfolios Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
									1952	1954	1955		1-10-56	26-9-56	1 year ago
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.			Rs.	Rs.	Rs.	Rs.	Rs.
MININGS.															
22,369,796		£1,73,459	22,534,298	Burma Mines Ltd.	12	153	£608	£304	NH	..	3 1/2	3 1/2	3 1/2	1 1/2	1 1/2
30,000,000	43,47,289	22,78,383	34,23,759	Chrestien Mica Industries Ltd. P	12	312	11,97,133	10,883	61	7 1/2	10	10	16 1/2	17	15 1/2
15,000,000Dd									7 1/2	10	..	5Dd	81	81	8 1/2
£318,088	2,238,420	257,484	£112,683	Consolidated Tin Mines	3	67	£10,533	£22,218	7 1/2	7 1/2	7 1/2	25	22	22	2 1/2
29,143,000	2,876,054	£1,853,056	£1,376,169	Indian Copper Corporation	12	88	£1,299,804	£1,17,083	10	25	45	25	11 1/2	11 1/2	5 1/2
2,63,873Dd	61,58,847	2,01,886	1,37,723	Metal Corp. P.	3	343	-2,39,779	4,51,131	NH	NH	..	100	112	33	23
20,000,000	23,37,496	35,58,897	32,52,617	Orissa Minerals Development	6-12	21	4,40,034	1,18,835	20-21	10-11	10-10	10	25 1/2	25 1/2	25 1/2
£375,000	£445,323	£317,487	£234,026	Tavoy Tin Dredging	12	14	£9,059	£19,118	NH	NH	..	25	2	2	2
CEMENT LIME SLATE, ETC.															
43,14,600Dd	41,51,412	21,43,429	29,64,072	Assam Bengal Cement	3	80	1,70,813	8,44,675	..	..	..	100	71	71	67
70,976Dd									..	..	..	1Dd	12	12	11 1/2
31,70,655	35,51,055	11,49,392	14,292	Bengal Potteries	12	155	1,85,228	17,540	61	10	..	10	10	12	11 1/2
10,000,000	24,67,605	25,12,725	3,09,949	Bisra Stone Lime	3-9	21	3,59,222	9,142	31-5	3-8	31-..	10	40	40	43 1/2
60,000,000									..	..	..	100	15 1/2	15 1/2	4 1/2
26,50,000C	62,91,811	98,26,915	2,11,38,275	Dalmia Cement (Bharat) P.	12	123	56,57,138	2,87,995	10	10	12 1/2	21C	52	52	3 1/2
5,000,000Dd									..	..	..	1Dd	52	52	3 1/2
15,000,000	77,49,749	12,13,923	2,14,327	Kumardhubi Fireclay & Silica P	12	41	6,05,311	49,404	15	15	15	10	17	17	13 1/2
6,000,000	10,81,502	8,62,360	80,359	Reliance Firebrick & Pottery	2-8	..	1,10,349	18,001	NH-24	NH-24	10-..	10	22	22	20
75,000,000	59,94,174	22,45,000	6,74,212	Sone Valley Portland Cement	12	..	7,88,487	41,941	74	74	..	6	91	91	70 1/2
3,22,568	1,63,551	61,287	2,27,012	Sutna Stone & Lime	6-12	3	69,598	652	51-51	51-51	51-61	10	16 1/2	16 1/2	17
CHEMICAL INDUSTRIES															
62,000,000	1,50,41,342	42,71,273	68,548	Alkali & Chemical Corp of India	9	121	19,39,845	1,19,168	6	6	8	10	23 1/2	23 1/2	21 1/2
40,000,000	21,91,251	15,000	61,675	Bathgate & Co Ltd P	12	324	-3,54,305	22,19,370	NH	..	..	10	21	21	1 1/2
11,45,800D									..	..	..	..	..	..	..
11,08,900A	56,08,902	43,35,000	1,49,08,740	Bengal Chemical & Pharm. P.	4	245	14,18,430	11,70,500	6	6	6	100	100	100	101
22,54,700B									..	..	..	..	..	..	..
4,95,000	82,695	69,070	15,903	Frank Ross P.	2	129	46,893	858	NH	NH	NH	6	2 1/2	2 1/2	2 1/2
5,00,000	4,29,261	10,45,949	2,27,103	Smith Stanistreet P.	6	191	£25,809	83,868	10	10	20	8	11	11	11
ELECTRIC LIGHTING POWERS.															
19,99,600	47,69,341	26,19,793	22,94,558	Agra Electric Supply	3-6	32	3,05,594	46,084	6-5	5-5	5-5	100	158	158	165 1/2
8,00,000	26,70,592	6,55,886	4,84,365	Bareilly Electric Supply	6-12	32	93,783	20,090	11-4	5-5	5-5	10	14 1/2	14 1/2	15 1/2
17,00,000	80,72,095	22,47,869	11,75,299	Benares Electric Light Power	5-12	32	5,94,018	38,507	8-6	61-61	61-61	10	18	17 1/2	19 1/2
£4,262,686	10,96,663	5,90,855	85,318	Bhagalpur Electric Supply	12	202	1,41,618	6	6	6	6	8	83	83	93
£18,897,213	£7,242,360	£595,368	£259,368	Calcutta Electric Supply P.	12	90	£1,32,226	£139,163	6	6	6	27	131	131	146
6,50,046	17,68,438	5,34,904	83,184	Cuttack Electric Supply	12	202	1,24,836	26,455	NH	3	..	10	9	9	93
17,51,050	38,10,419	10,41,598	3,39,345	Dacca Electric Supply P.	12	202	3,89,244	12,706	..	..	..	10	40	40	36
5,21,640	8,42,506	1,65,000	3,037	Jhansi Electric Supply	12	168	71,309	27,527	51-4	51-4	51-4	10	143	143	94
22,49,550	42,84,132	1,491,996	6,31,532	Jubbulpore Electric Supply	3-6	32	2,14,454	27,527	51-4	51-4	51-4	10	143	143	15 1/2
5,51,000	5,44,854	2,51,858	1,13,122	Mirzapur Electric Supply	12	202	38,676	27,731	5-9	..	..	9	9	9	15 1/2
5,82,390	17,12,129	1,78,813	33,039	Muzafferpur Electric Supply	12	202	73,159	-7,070	NH	NH	..	10	74	74	74
6,99,700	5,43,057	77,521	3,48,185	Muttia Electric Supply	6-6	329	30,021	2,295	3-3	3-3	..	10	91	91	91
35,07,380	85,46,049	37,10,223	11,51,661	Palna Electric Supply	12	202	1,40,283	68,005	74	74	..	10	11 1/2	11 1/2	13 1/2
3,00,000	2,87,192	92,919	2,24,719	Saugor Electric Supply	6-12	32	26,549	2,248	21-21	21-21	21-21	10	..	..	..
9,10,000	7,57,951	2,72,500	1,20,997	Shajahanpur Electric P.	9	202	65,624	14,394	5	5	..	10	9 1/2	9 1/2	7
16,80,000	27,99,055	5,36,596	3,38,039	Shajahanpur Electric P.	9	202	1,22,874	44,269	74	74	..	10	11 1/2	12	12
56,00,000	1,62,42,470	35,82,369	13,28,418	Silva (Jherria) Electric	3-6	32	5,39,988	80,998	5-5	5-5	5-5	100	155 1/2	155 1/2	167
5,98,500	7,78,128	2,07,493	7,77,619	United Provinces Electric	6-12	32	93,211	8,097	11-4	11-4	11-4	10	13 1/2	13 1/2	15 1/2
4,97,500	9,83,503	4,45,371	6,17,317	Upper Gangetic Valley Elec.	3-6	32	65,313	28,289	61-61	61-61	61-61	10	20 1/2	20 1/2	19 1/2
4,97,500	9,83,503	4,45,371	6,17,317	Upper Jumna Valley Elec.	3-6	32	65,313	28,289	61-61	61-61	61-61	10	20 1/2	20 1/2	19 1/2
ENGINEERING & METAL															
6,00,000	1,74,689	6,49,870	2,10,157	Arthur Butler (Muzafferpore) P	10	300	1,52,744	1,01,965	..	..	..	10	9 1/2	9 1/2	8 1/2
50,00,000	51,82,373	16,39,587	1,37,153	Bharatia Electric Steel	12	31	11,67,212	3,95,940	..	10	12 1/2	10	17 1/2	17 1/2	15 1/2
39,81,853	48,94,558	16,30,020	42,18,134	Braithwaite India	12	289	27,02,716	5,59,761	14 2/7	16 1/14	25	7	30	30	262
12,00,000	11,00,577	20,99,331	2,31,294	Bridge & Roof	6-12	24	6,16,247	5,11,297	74-74	74-74	74-74	10	38 1/2	38 1/2	35 1/2
19,68,670	43,02,291	6,50,000	2,34,398	Britannia Building & Iron P	3	109	2,40,547	17,197	6	6	10	10	38 1/2	38 1/2	35 1/2
10,00,000	17,90,445	50,75,000	17,672	Britannia Engineering	12	165	7,37,622	1,36,318	15	15	..	10	18 1/2	18 1/2	20 1/2
5,00,000	8,44,177	1,00,000	6,594	British India Electric Cons.	6-12	24	81,780	-5,26,829	NH-NH	NH-NH	NH-NH	10	31 1/2	31 1/2	9 1/2
84,00,000	1,37,50,426	94,65,000	8,62,721	Burn P. (Engineering)	4	32	40,53,237	96,435	15	10	15	100	380	372	297
12,50,000	18,91,142	21,75,000	31,705	Hooghly Docking	12	32	1,81,646	46,167	15	12 1/2	..	50	145	142	137
36,94,596	23,07,100	8,65,000	55,816	Indian Galvanizing	12	24	5,48,700	41,267	8	4	10	10	23 1/2	21 1/2	23 1/2
5,18,37,680	15,50,80,810	3,24,19,031	2,60,33,539	Indian Iron & Steel P.	3	32	1,12,98,649	1,64,401	10	10	10	10	35 1/2	36	38 1/2
3,85,000C	3,90,976	40,000	3,47,063	Indian Malleable Casting	3	222	-26,934	-62,872	..	..	..	1Dd	4 1/2	4 1/2	2 1/2
19,49,250	15,53,438	31,62,575	16,63,276	Indian Standard Wagon P.	3	32	33,58,193	37,245	19	19-..	25	25	228	225	141 1/2
26,580C	35,69,979	1,73,15,122	1,64,34,729	Indian Steel & Wire Products	3	122	13,11,485	2,58,856	30	30	30	10	71	193	84
32,00,000C									60	30	30	100	191	37 1/2	191
51,00,000	43,57,847	57,91,388	15,35,612	Jessop & Co P.	10	290	67,27,193	14,130	15	15	30	10	37 1/2	37 1/2	55 1/2
15,30,000	44,15,822	43,12,118	1,56,283	Kumardhubi Engineering P.	11	21	6,23,372	2,14,25	169	169	162 2/3	8	9 1/2	9 1/2	11 1/2
10,50,000	4,44,410	29,21,646	7,20,534	Marshall Sons (India)	6	170	99,627	93,713	12 1/2	12 1/2	..	2	6 1/2	6 1/2	7 1/2
49,96,000	34,04,843	11,68,291	2,93,571	National Iron and Steel	3	192	1,08,383	3,99,513	..	..	..	10	8 1/2	8 1/2	9 1/2
6,00,000	9,22,727	6,10,321	1,36,103	Saran Engineering	3	25	1,68,352	9,264	159	12 1/2	61	4	7 1/2	7 1/2	6 1/2
60,00,000	1,53,63,547	3,51,516	12,57,737	Textile Machinery	12	22	3,44,777	1,47,573	74	10	..	4	23 1/2	23 1/2	25
SUGAR BREWERIES, ETC.															
14,00,000	10,57,296	15,41,237	1,34,061	Balrampur Sugar	6	25	1,73,882	20,880	NH	15	13	5	7 1/2	7 1/2	11 1/2
19,49,025	9,79,539	5,00,000	1,42,483	Belsund Sugar	9	127	1,39,925	49,906	10	10	10	10	12 1/2	12 1/2	11 1/2
15,00,000	4,67,680	13,50,000	20,40,455	Bharat Sugar P.	6	316	4,04,260	13,206	15	15	15	10	17	17	22
33,57,586	22,31,255	36,89,916	26,47,199	Buland	10	92	1,37,827	8,475	..	..	..	..	..	..	..
32,00,000	44,63,474	27,37,030	3,59,062	Carew (Sugar) P.	6	158	2,65,867	12,445	NH	..	2 1/2	10	8 1/2	8 1/2	12 1/2
30,00,000	14,38,021	57,33,651	16,43,647	Cawnpore Sugar P.	10	25	12,47,968	82,023	20	7 1/2	7 1/2	10	20 1/2	20 1/2	24 1/2
18,00,000	19,38,855	38,04,891	2,99,743	Champaran Sugar	6	25	6,73,991	24,019	10	10	15	10	26 1/2	22 1/2	33 1/2
26,00,000	20,28,769	33,35,766	9,55,327	Darbhanga	8	171	9,61,957	1,12,397	15	15	..	10	22 1/2	22 1/2	21 1/2
16,20,630	12,59,649	16,38,916	41,32,151	Dyer Meakin (Breweries)	3	110	7,70,601	8,143							

† 1955

MISCELLANEOUS COMPANIES—Contd.

O, Po, C and Dd indicate Ordinary, Preferred Ordinary, Contributory and Deferred Shares respectively. P next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until.		
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954	1955	1956	Rs.	1-10-56	26-9-56	A year ago
SUGAR BREWERIES, ETC.															
11,00,000	6,45,722	3,75,000	10,90,594	New Savan Sugar and Gur	5	140	95,437	52,205	..	..	..	10	6 1/2	6 1/2	6 1/2
9,00,000	7,28,559	17,64,369	58,734	Purtabpur Sugar P.	10	25	5,03,340	6,871	7 1/2	7 1/2	..	10	15 1/2	15 1/2	17 1/2
16,59,820	26,52,127	35,00,000	4,84,050	Ramnugger Cane & Sugar P.	8	1	18,11,504	20,350	15	20	..	10	27 1/2	27 1/2	26 1/2
19,99,600	25,62,553	39,88,218	13,92,915	Raza Sugar	10	92	10,78,193	3,144	..	..	..	10	..	..	20 1/2
8,00,000	4,42,169	6,54,762	1,85,115	Ryam Sugar P.	6	25	1,43,738	24,340	5	..	..	10	20 1/2	13 1/2	16 1/2
11,99,000	15,94,631	18,37,529	98,312	Samastipur Central Sugar	6	25	-79,022	8,477	5	Nil	..	10	13 1/2	13 1/2	20 1/2
20,00,000	72,62,286	36,66,708	1,63,444	Shree Krishna Gyanoday Sugar P.	7	335	12,99,571	34,046	15	17 1/2	..	10	12 1/2	12 1/2	17 1/2
7,94,500	13,54,858	11,65,175	11,16,368	Shree Sitarang Sugar	6	140	1,90,057	7,991	..	..	..	10	14 1/2	14 1/2	14 1/2
9,99,950	14,54,274	1,54,304	1,42,696	Sitalpore Sugar	6	94	-1,39,515	-1,39,515	Nil	Nil	..	10	4 1/2	4 1/2	6 1/2
16,00,000	6,07,804	7,99,778	4,22,572	United Provinces	9	341	4,23,880	39,061	12 1/2	..	..	10	21 1/2	21 1/2	22 1/2
8,00,000	38,92,308	21,57,559	3,60,236	Upper Ganges Sugar P.	6	227	10,24,525	82,931	25	25	..	10	9 1/2	9 1/2	70
14,00,000A												100AC	280	280	127
7,00,000B	14,24,740	23,74,426	10,72,924	Upper India Sugar	4	302	16,80,986	86,393	15	20	..	12 1/2BC	28 1/2	28 1/2	15
MISCELLANEOUS															
8,00,000	2,20,232	1,56,200	9,53,526A	A Firpo (Restaurateurs)	10	85	84,518	4,475	..	..	..	10	4 1/2	4 1/2	7 1/2
1,50,00,000	1,40,80,593	6,21,715	51,061	Air India Ltd.	12	269	-8,02,785	-14,30,401	..	..	..	100	..	..	..
2,00,00,000	2,58,39,656	68,01,534	50,022	Air India International Ltd.	12	322	-10,51,340	30,205	..	..	..	100	..	..	..
47,50,000C												100	12 1/2	12 1/2	12 1/2
2,50,000D	1,31,03,534	15,00,000	5,97,941	Aluminium Corp. P.	3	132	12,82,024	32,582	Nil	Nil	..	24DD	6 1/2	6 1/2	7 1/2
20,00,000	42,43,917	14,50,000	55,36,059	Anderson Wright, Ltd. P.	12	1	4,94,322	24,401	7 1/2	..	..	10	11 1/2	11 1/2	11 1/2
30,00,000	10,11,675	37,63,779	14,41,315	Angelo Bros.	4	268	11,84,131	3,43,961	12 1/2	20	..	10	23 1/2	23 1/2	23 1/2
30,00,000	17,54,434	27,66,265	5,49,634	Assam Match	12	274	8,35,902	1,18,395	12 1/2	12 1/2	..	10	20 1/2	20 1/2	19 1/2
13,99,998	21,25,615	28,30,285	64,182	Assam Saw Mills & Timber	9	21	-97,045	-5,14,537	Nil	Nil	..	3	4 1/2	4 1/2	5 1/2
20,00,000	61,61,507	23,00,000	61,84,607	Associated Hotels of India P.	8	204	8,82,993	32,683	2	4	..	10	12 1/2	12 1/2	5
80,01,400	33,50,000	1,09,53,000	1,12,08,422	Balmer Lawrie & Co.	12	304	32,12,152	5,03,129	13	12 1/2	..	100	17 1/2	17 1/2	16 1/2
12,00,000	2,65,000	8,24,890	1,80,023	Bararee Coke	3-9	128	2,16,123	22,708	7 1/2-7 1/2	7 1/2-7 1/2	..	10	19 1/2	19 1/2	41
6,00,000	76,414	Nil	30,72,417	Bengal Timber Trading P.	6	128	-6,43,164	-1,19,103	..	..	..	100	44	44	23
50,00,000	19,53,822	Nil	19,59,359	Bharat Airways Ltd.	6	22	-3,19,589	-3,19,229	..	..	..	10	5 1/2	5 1/2	3 1/2
20,00,000		7,95,433	62,81,006	Birds Investments P.	3	160	5,89,372	1,15,707	12 1/2	12 1/2	..	10	17 1/2	17 1/2	18 1/2
45,97,020	76,85,085	31,11,814	2,09,476	Britannia Biscuit P.	3	50	8,14,261	1,79,277	10	10	10	10	15 1/2	15 1/2	14 1/2
22,50,000	13,98,796	43,18,775	3,38,973	British Ceylon Corporation P.	12	8	27,75,295	1,85,955	..	..	..	7 1/2	10 1/2	10 1/2	11 1/2
6,25,00,000	99,89,738	1,18,00,524	2,50,83,659	British India Corporation P.	12	35	-30,23,938	-27,36,584	1 1/2	Nil	..	5	11 1/2	11 1/2	11 1/2
92,50,000A												10A	7 1/2	7 1/2	7 1/2
32,50,000B	2,10,569	5,83,876	1,16,62,849	Calcutta Gas Co. (Propr.) Ltd. P.	9	235	6,87,704	22,189	5	6	..	10B	..	..	..
5,00,000	5,92,780	2,40,684	1,02,576	Calcutta Silk Manufacturing P.	3-9	213	45,711	22,586	..	..	..	10	4 1/2	4 1/2	5
90,00,000	17,68,710	67,71,168	2,89,58,018	Duncan Brothers & Co. Ltd.	12	169	48,24,539	4,28,060	12	..	..	100	120	120	143
1,60,00,000	2,94,69,046	3,14,86,174	4,24,73,353	Dunlop Rubber Co. (India) P.	12	96	96,72,154	1,71,685	15	15	..	10	29 1/2	29 1/2	38 1/2
51,26,000												100	147	147	172
75,00,000	13,79,357	4,33,826	1,02,21,271	F & C Oiler (India) Ltd. P.	3	84	-4,26,249	-5,26,954	..	..	..	10	12	12	15
80,00,000	12,88,300	21,97,641	86,55,360	French Motor Car	3	61	8,97,594	1,26,757	12 1/2	12 1/2	..	20	21 1/2	21 1/2	21
14,00,000	14,92,000	10,02,000	11,384	Ganges Rope	3-9	19	89,571	27,194	7 1/2-7 1/2	7 1/2-7 1/2	..	100	186	186	190 1/2
2,25,000		37,892	5,12,210	General Investments Trust P.	2-8	21	45,701	8,851	21-2 1/2	21-3 1/2	..	75	43	43	43
65,00,000	34,18,813	42,00,000	1,09,15,528	Gillanders Arbuthnot & Co. Ltd. P.	3	105	29,71,809	1,51,300	7 1/2	14	..	10	14 1/2	14 1/2	13 1/2
20,00,000	27,68,049	5,00,324	12,84,357	Gladstone Lyall & Co. Ltd. P.	12	209	7,02,792	34,255	..	..	..	10	25 1/2	25 1/2	25 1/2
40,00,000	31,71,333	7,81,000	98,384	Godfrey Phillips (India) Ltd. P.	12	310	19,01,201	11,96,811	10	20	..	10	25 1/2	25 1/2	20 1/2
30,00,000	32,90,010	17,22,203	6,22,424	Great Eastern Hotel	3	225	5,30,579	16,373	..	..	..	250	239	239	229
80,00,000	17,38,764	1,61,173	9,221	Hindusthan Ice & Cold Storage	9	..	43,377	24,274	..	..	..	5	1 1/2	1 1/2	1
35,20,000	31,95,729	19,00,000	19,72,453	Hoare Miller & Co. Ltd.	12	294	-91,339	67,868	Nil	..	..	10	6 1/2	6 1/2	7
15,16,00,000	7,42,66,399	7,88,86,788	5,50,32,187	Imperial Tobacco	3	325	3,66,59,515	24,94,274	6	8	8	10	15 1/2	15 1/2	14 1/2
1,60,00,000	2,41,97,583	53,39,999	10,13,114	Indian Aluminium Co. Ltd. P.	12	293	28,78,662	14,18,074	Nil	9	..	10	19 1/2	19 1/2	..
1,52,89,220	95,54,740	1,62,50,000	3,99,322	Indian Cable P.	3	34	77,23,781	28,98,462	10	12 1/2	..	10	15 1/2	15 1/2	..
5,00,00,000												100	35 1/2	35 1/2	32 1/2
83,75,000C	22,07,260	2,21,280	11,69,467	Indian National Airways	12	93	36,302	-12,62,971	..	..	..	100	8 1/2	8 1/2	8 1/2
1,25,00,000												100	6 1/2	6 1/2	..
8,27,970	7,44,398	5,38,000	17,67,876	Indian Rubber Manufacturers P.	3	173	1,79,618	32,616	5	5	..	10	17 1/2	17 1/2	12 1/2
20,00,000	4,64,735	18,15,487	10,03,709	Indian Wood Products	9	88	17,28,038	2,76,619	27 1/2	30	..	10	47 1/2	48	42 1/2
5,00,000		12,40,386	Investments and Finance P.	2-8	21	1,07,254	7,890	21-2 1/2	21-3 1/2	..	..	100	65	65	65
2,40,000	15,362	4,46,244	3,20,757	Ivan Jones Ltd.	9	194	1,39,321	36,496	..	..	..	2	3 1/2	3 1/2	3 1/2
5,87,500C	2,23,827	2,97,161	6,66,685	James Wright P.	12	281	62,875	5,299	5	..	..	60	4 1/2	4 1/2	4 1/2
1,17,50,000D	51,23,900	58,00,000	3,73,43,977	Jardine Henderson Ltd. P.	3	39	41,68,361	4,70,107	7 1/2	7 1/2	..	100	94	95	119 1/2
2,00,00,000	3,17,363	6,02,958	3,21,617	Macfarlane & Co.	3	133	-14,078	-4,849	..	..	..	100	2 1/2	2 1/2	3
6,34,000D	82,21,000	44,53,211	3,30,53,361	Macneill & Barry Ltd. P.	3	334	37,93,020	6,21,756	7 1/2	7 1/2	..	100	..	..	..
66,00,000	36,41,510	54,56,063	1,85,74,341	Martin Burn Ltd. P.	9	309	71,18,708	2,03,456	13 1/2	18 1/2	..	10	25 1/2	25 1/2	25 1/2
1,37,53,000	37,19,459	72,01,900	2,34,00,594	McLeod & Co. P.	12	282	25,04,502	1,87,834	12	..	..	100	240	240	240
40,00,000C	1,10,37,201	69,74,249	7,33,589	Metals Box Co. of India Ltd. P.	3	167	62,82,608	16,24,249	10	12 1/2	16 1/2	10	29		

BOMBAY MISCELLANEOUS COMPANIES

O P O D G and R indicate Ordinary Preferred Ordinary Founders' Deferred Guarantee and Rebate Shares respectively P next to the names of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Earnings	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	1-10-56	25-9-56	30-9-56
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954	1955	1956	Rs.	Rs.	Rs.
CEMENT														
12,67,59,333	16,16,27,689	6,15,51,096	3,90,26,918	Associated Cement	7	53	4,71,77,960	5,62,770	8 1/2	10	..	100	202	202 1/2
ELECTRIC LTG. POWER														
6,99,95,600	11,08,94,307	69,91,218	20,82,140	Ahmedabad Electricity	9	146	35,75,580	188	6 1/2	5	..	100	95	95 1/2
2,92,83,500	4,18,62,358	52,34,507	65,30,599	Andhra Valley Power Supply F	6	267	46,19,171	25,735	7 1/2	7 1/2	..	1,000	1,251 1/2	1,230
1,74,99,700	2,14,85,122	39,32,485	5,79,834	Bombay Suburban Elec. Sup.	3	146	19,21,738	45	7	7	..	100	110 1/2	109 1/2
38,08,200	17,49,053	4,75,323	14,87,557	Poona Electric Supply P	12	229	3,86,015	..	..	..	..	100	146	146
2,34,45,225	3,37,65,356	63,82,045	58,39,875	Tata Hydro Elec. Power sup P	6	267	37,75,587	21,171	7 1/2	7 1/2	..	100	131 1/2	127 1/2
6,02,78,750	8,98,37,405	1,41,56,578	1,29,22,549	Tata Power P.	6	267	77,32,961	27,952	7 1/2	7 1/2	..	1,000	1,320	1,310
ENGINEERING & METAL														
33,42,200	17,06,292	44,16,374	1,54,08,311	Alcock Ashdown	12	268	8,79,666	1,35,820	12 1/2	..	..	100	348	341 1/2
6,00,000	29,341	4,43,904	59,338	Jost's Engineering	3	115	62,291	1,598	15	5	..	50	96	96
40,00,000	11,26,513	10,00,000	9,74,664	Larsen & Toubro P.	3	351	14,60,736	28,740	10	10	..	10	16 1/2	16 1/2
49,95,100	81,25,753	2,02,500	4,93,331	Machinery Mfgs. Corp. Ltd P	3	330	2,02,500	64,076	NI	NI	..	100A	..	..
1,10,00,000	15,00,978	16,66,194	7,06,264	McKenzie	7	283	1,49,085	64,938	..	..	..	300	214	215
2,50,000	5,834	1,00,53,052	1,79,52,042	Premier Construction P.	12	284	3,35,178	59,102	25 5/6	28 1/3	..	31F	..	..
1,81,250F	4,80,59,980	26,78,952	44,49,499	Tata Locomotive & Eng. P.	3	69	3,303	50,350	NI	NI	..	100	171 1/2	175
4,18,72,400	32,44,07,755	16,03,05,536	12,34,83,510	Tata Iron & Steel P.	3	269	9,26,44,872	4,04,945	14	14	14	750	198 1/2	197 1/2
INSURANCE COMPANIES														
20,00,000	..	23,84,913	95,96,033	British India General	12	297	4,24,629	1,18,606	..	..	..	10	13 1/2	13 1/2
5,15,000	..	11,04,94,687	8,95,48,481	Empire of India Life	12	253	..	..	..	..	..	100	67 1/2	67 1/2
8,46,120	..	36,33,999	2,61,48,802	Indian Mercantile	12	75	..	1,13,109	..	..	..	20	45 1/2	45 1/2
18,74,940	25,01,134	2,88,61,155	4,61,49,442	Jupiter General P.	12	55	38,351	4,65,316	NI	..	..	15	9 1/2	9 1/2
1,06,81,590	..	1,68,81,793	27,25,18,952	New India	12	179	43,58,653	71,250	16 2/3	..	..	200	3,650	3,650
6,00,000	..	67,83,74,436	53,46,53,42	Oriental Life	12	298	..	..	..	..	..	10	15 1/2	15 1/2
15,99,270	..	29,41,860	59,86,789	Vulcan	12	255	6,05,803	2,81,242	10	..	..	10	15 1/2	15 1/2
MISCELLANEOUS														
90,79,065	31,93,468	3,97,409	12,61,996	Air Service of India	6	336	-15,61,405	-37,22,790	..	..	..	15	..	..
47,97,250	21,34,989	35,75,182	78,89,034	Belapur Sugar	9	42	53,89,000	61,389	..	..	..	50	253	249
60,00,000	2,20,64,302	4,12,86,155	2,67,27,639	Bombay Burmah Trading	5	285	47,93,172	61,990	16	21	..	125	751 1/2	750
42,00,000	..	..	..	Bombay Steam Navigation P.	6	256	4,54,219	30,135	..	..	..	25	..	..
45,00,000	1,21,04,053	31,74,431	31,14,308	Industrial Investment Trust	12	299	5,81,909	2,83,136	4 1/2	4 1/2	..	100	215	215
99,99,250	3,085	19,47,386	14,05,223	Kemp (Chemists)	3	87	68,232	10,942	..	..	..	200	213 1/2	213 1/2
11,99,900	13,82,957	7,34,142	1,39,042	National Rayon Corp.	12	352	52,19,694	4,72,076	10	..	..	20	19 1/2	19 1/2
1,57,71,400	3,74,35,778	1,81,13,445	7,10,16,357	Scindia Steam Navigation	11	146	35,49,059	21,661	80	80	..	10	80 1/2	87
9,39,98,069	18,36,03,413	12,46,81,877	11,27,080	Shivrajpur Synd. (Manganese)	6	269	13,55,026	57,597	NI	NI	..	10	20 1/2	20 1/2
7,00,000	27,45,055	67,30,000	4,14,339	Tata Chemicals P.	3	269	3,00,401	11,453	8	8	12	25	58	55
1,39,95,990	1,95,71,944	1,35,21,214	22,83,813	Tata Oil P.	12	274	74,05,281	5,61,984	11	11	..	100	180	180 1/2
70,07,475	75,25,791	34,08,586	22,83,813	Tata Oil P.	12	274	74,05,281	5,61,984	11	11	..	100	180	180 1/2
2,75,00,000	1,46,49,903	2,43,20,936	1,50,49,201	Western India Match	12	274	74,05,281	5,61,984	11	11	..	100	180	180 1/2

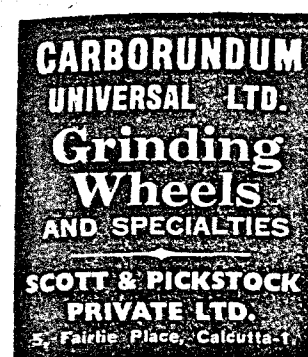
*1956 †Liquid Assets

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Block Account	Reserve & other Funds	NAMES	Accounts closed	Managing Agents	Net Earnings	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	1-10-56	25-9-56	A year ago
Rs.	Rs.	Rs.				Rs.	Rs.	1953	1954	1955	Rs.	Rs.	Rs.
CALCUTTA													
17,24,000	20,62,356	2,00,804	Ahmedpur Kutwa S.S.G.	3	165	-29,367	..	2 1/2	2 1/2	2 1/2	100	59	56
21,69,300	33,40,889	6,00,702	Arrah Sasaram D.B.G.	3-9	32	2,57,676	37,735	3-3	3-3	3-3	100	71 1/2	75
34,00,000	41,30,202	3,11,043	Bankura Damodar River S.S.G.	3	165	46,607	..	2 1/2	2 1/2	2 1/2	100	58 1/2	61 1/2
19,00,000	29,09,643	4,91,171	Darjeling Basirhat D.B.G.	3-9	331	18,844	1,18,863	..	..	2 1/2	100	10	19
17,80,000	21,78,786	2,20,877	Burdwan Cutwa S.S.G.	3	165	78,839	..	4	..	2 1/2	100	58 1/2	63 1/2
31,00,000	35,46,011	..	Chaparmukhi Silghat S.S.G.	3-9	32	62,834	10,849	1-29	1-11	1-11	100	53 1/2	49 1/2
4,75,000	3,20,040	4,75,306	Cherra Chhatka Ropeway	3	88	9,917	9,917	12 1/2	..	..	100	7 1/2	7 1/2
2,47,650	2,75,015	65,026	Darjeeling Ropeway	3	101	18,097	4,549	12 1/2	2 1/2	2 1/2	100	7 1/2	7 1/2
22,50,000	62,20,813	13,52,600	Jehri-Rohas	3	335	6,42,311	37,814	6 1/2	7 1/2	10-12 1/2	10	14	14 1/2
11,49,700	20,10,843	1,03,143	Futwah Islampur S.S.G.	3-9	32	-33,016	5,917	98-98	99-1	1-1	100	54	54
18,00,000	50,82,188	17,87,954	Howrah Amta D.B.G. (P)	3-9	32	1,18,351	90,009	3-3	3-3	3-3	100	59 1/2	59 1/2
6,00,000	13,87,138	4,43,410	Howrah Sheekhals D.B.G.	3-9	32	28,627	20,122	3-3	3-3	3-3	100	37	37
19,50,000	27,95,689	2,47,135	Kalighat Falta S.S.G.	3	165	-1,99,473	..	2 1/2	2 1/2	2 1/2	100	59	59
8,91,100	15,16,175	10,551	Katakhal-Lala Bazar S.S.G.	3	165	31,257	..	4 1/2	6	..	100	75	75
15,00,000	62,56,929	28,77,041	Shandara Delhi Saharanpur	3-9	32	6,26,073	17,25,546	6-6	6-6	6-6	100	129 1/2	129 1/2
1,75,000	5,41,779	2,04,841	Pezpara Balipara Tramway P	3-9	165	-43,574	5,944	..	..	..	100	..	..

Managing Agents Managing Directors and Secretaries with their Respective address.—(Contd.)

320. R. W. J. Penn—United Breweries Ltd., Bangalore-1.	329. J. D. D. Shagat—15 Shib Bhakur Lane, Calcutta.	339. M. G. Investment Corp., Ltd.—177, Mahatma Gandhi Road, Fort, Bombay.	348. Sahu Jain Ltd.—11, Clive Row, Calcutta.
321. J. Williams—14, Old Court House, St. Calcutta.	330. Mahindra & Mahindra Ltd.—Gateway Building, Apollo Bunder, Bombay.	340. K. O. Jheriyan—Travancore, K. O. Jheriyan & Co., Ltd.—2, Netaji Subhas Road, Calcutta.	349. Chandmull Batta—7, Canning Street, Calcutta.
322. Messrs. Pata Sons Ltd.—New India Assurance Buildings, Mahatma Gandhi Rd. Fort, Bombay-1.	331. V. L. Roy & Sons—Canning St. Calcutta.	341. J. M. Chatterjee—2, Royal Exchange Place, Calcutta.	350. K. & Agarwal—Empire House, Hornby Rd. Fort, Bombay.
323. Anderson Wright & Co.—19-1 Wellesley Place, Calcutta.	332. M. Paspatti—21, Ravello Street, Fort, Bombay.	342. E. & F. (Management) Ltd.—J. K. Building, Douglas Road, Ballard Estate, Bombay.	351. N. K. Jha—14, Netaji Subhas Road, Calcutta.
324. Bathgate & Co.—17/19 Old Court House, St. Calcutta.	333. Jaisuria Bros. Ltd.—53, Netaji Subhas Road, Calcutta.	343. Eastern Smelting & Refining Co., Ltd.—10 Clive Row, Calcutta.	352. C. G. Mahant—Ewart House, Brook Street, Fort, Bombay.
325. John Rutherford Blake—Virginia House, Chowringhee, Calcutta.	334. S. Latimer—2, Fairlie Place, Calcutta.	344. V. J. Pillani—Victoria Bunder, Calcutta.	353. N. K. Jha—14, Netaji Subhas Road, Calcutta.
326. Beriwal Bros.—53, Netaji Subhas Rd., Calcutta.	335. Sahu Jain Ltd.—Dalmianagar, Calcutta.	345. The National Tea Corporation—130, Cotton Street, Calcutta.	354. G. C. Kanoo—P-8, Mission Row, Extension, Calcutta.
327. Marwar Textiles (Agency) Ltd.—Waudby Road, Fort, Bombay-1.	336. Dusidai Kishchand—Scindia House, Douglas Road, Bombay.	346. Seshasayee Brothers (Travancore), Ltd.—Eloor factory, Alwaya.	355. G. G. Robertson—18, Strand Road, Calcutta.
328. John Taylor & Sons—Tunda, Mysore, Oorgram, South India.	337. Beriwal & Co.—63, Netaji Subhas Road, Calcutta.	347. Associated Commercial Co., Ltd.—161/1, Harrison Road, Calcutta.	

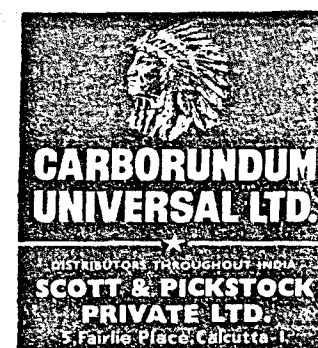


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THE LINK BETWEEN WAGES AND PRODUCTIVITY

HOW WORKERS CAN SHARE IN THE GAINS OF INDUSTRIAL PROGRESS

THE problem of linking wages to productivity is, in an expanding economy, always present but never solved. There is no one perfect way of doing it, but as the economic situation changes there is always a better way than the one we have just been using. In America, the unions, the employers or the Government come up with a new system every few months. In India we are just beginning to move away from the degrading system of annual bonuses, obtained after begging or a hold-up or a combination of both. Significantly, the first use of a modern way of linking wages with efficiency has been made by an Indian company in which North American methods set the pace. If this progressive example is to be emulated elsewhere in Indian industry (it cannot be simply copied, for conditions vary so widely), then some thought must be given to the general economic and administrative problems raised by all efforts to give workers a share in rising productivity. The considerable investments now being made in industry will begin to bear fruit in much increased productivity well within the life of the current plan, so the question is of growing importance.

After the factory system had eclipsed the ancient piece-work economy, the notion that workers had any right to a share in productivity gains was lost in wide sectors of industry. Wages were just payment for human effort, and effort was measured by the hours spent before a machine. The first sign of a more modern attitude came from the employers' side in the form of the Taylor system, where wage increases were offered as a spur to extra effort by the individual or the team. Although this technique is accepted by some classes of Indian labour, notably seasonal labour drawn from the villages (such as Bihari coalminers), it is rejected or resented by the stable part of the industrial population here as abroad. The unions claim that it leads inevitably to continual increments to the work burden, and there is evidence to support them. But the working class has now come to accept the general notion of "proportional wages", the idea of a dynamic liaison between wages and industrial efficiency.

So the main conception is now accepted on both sides: that fixed wages, varying only with living costs or depending only on what the unions can extract by means of strike or intimidation, are not the best way of rewarding labour in a progressive economy. This view is of course most enthusiastically accepted in expanding economies, such as America's is now and as we all hope India's will be within a few years. And more especially is it embraced in the more progressive industries and enterprises. Fixed wages, not linked to efficiency, will of course always retain their place over a wide sector of the economy, but in the dynamic industries that set the tone for an expanding economy, a new idea is making its way.

When this stage of agreement on the principle of proportional wages had been reached, a totally new element was introduced. This came, not as is often thought from the fertile brain of Lord Keynes, but first from the homelier mentality of Henry Ford. Ford's theory of the "worker-customer" was that as his production of motor cars increased, he had to pay higher wages not for any moral or technical reason, but just so that somebody could buy his output. This idea was given consistency and general application by Keynes in the theory of the balance between purchasing power and savings, and today probably most employers accept it in a crude way without knowing what implications it has for their own individual wage policies. One employer has very definite ideas on its implication for his business, and since that business is the world's biggest, his views are noteworthy. This is Mr. C. E. Wilson, head of General Motors. Mr. Wilson has been, since 1948, ready to assume that productivity is going to increase at a rate of 2 percent per annum and therefore offers

his workers an "annual improvement factor" of 2 percent of their wages after they have been adjusted for cost of living rises.

If this bold and rigid notion of the link between wages and productivity astonishes and disarms Indian employers, it has the same effect on most U. S. employers, who regard Mr. Wilson as an extravagant "original". Some unions support Mr. Wilson, but some do not. The interesting point is that already the dispute about wages and productivity does not divide employers on one side from workers on the other: both camps are divided about the best way to connect labour rewards with industrial progress. Though this increases the confusion, it offers the hope that the question can be discussed in India without the sterile stalemate where the boss takes one view and the worker the opposite. Secondly, what is usually criticised in the General Motors' plan is its rigidity and its risks—not the new idea that the basic problem is to promote labour revenues in order to guarantee the offtake of goods. Several leading Indian employers are already convinced advocates of this doctrine. Naturally, what no one outside the unions has ever dreamed of advocating is that wage increases should be given apart from or prior to actual increases in productivity. Least of all in India, where inflation constantly threatens, can there be any suggestion of giving general wage increases in the hope that things will look up. The problem is how and why wages should move in step with actually realised increases in productivity.

THE CHANGING PATTERN OF STERLING AREA TRADE INDEPENDENCE OF COLONIAL TERRITORIES

THE impending emergence (next March) of the Gold Coast from its status as a colony to that of an independent State, renamed Ghana, represents a political and economic rearrangement of countries that is immediately important to Britain especially and will later present new opportunities to other trading nations. The independence of India and Indonesia—though these vast territories are not exactly comparable—is being followed, less stressfully, by the independence of the British colonies. The Central African Federation, of the Rhodesias and Nyasaland, is still in process of formation, and its territory is still partly administered from London; it will soon be a big "new" country of great potential wealth. The West Indian Federation is taking shape. Malaya, too, and Nigeria, will gain their right of self-government within the next few years. There is already talk of a West African Federation based on the Gold Coast and Nigeria. Backward countries are coming to maturity. Some of them are destined to become as India is now, important factors in international affairs. But Britain is a little anxious, even apprehensive, about the direction of these countries' development. Will they remain aligned, more or less, with Britain? Will they turn to the United States? Or to the Soviet Union? Will Britain have to fight for trade in those countries as in any non-sterling territories? How will they use their monetary assets, at present held in sterling by Britain? How will the change affect trading?

An essential characteristic of these emergent countries is their ability to earn dollars with their primary products. It may be that when further developed they will be less interested in primary production, but that thought can be no consolation to Britain when the dollars are no longer accruing automatically to London. The Gold Coast earns about £20 million-worth of hard currencies mostly U.S. dollars, annually by selling cocoa, timber, manganese, diamonds, and other of her natural products. But the value of her imports of hard-currency goods has been only about one-fifth of that amount. Her accumulated sterling balances in London, arising mostly from conversion of her surplus dollars, are of the order of £200 million. Before the announcement of a date for independence, the Gold Coast's Legislative Assembly was already restive over the use of the dollars earned by the territory: it is doubtful how long this questionable policy of compulsory lending by the colonies to the mother country can be permitted. Anyway, independent Ghana will have full control over her sterling balances, and the same procedure will apply to other territories as they gain independence.

The change will not, probably, have immediate and obvious effects on the financial position within the sterling area. London's control over the colonies' finances relates mainly to the spending of dollars and to the management of currency. The colonies cannot freely spend their sterling balances, but use of these balances seems to be restrained more by lack of plans for development than by financial restrictions. Experience shows that independent countries develop their economies with enthusiasm, but they cannot immediately spend the sterling balances bequeathed to them, for a large part of these balances—probably between one-half and two-thirds in the case of Ghana—will be needed as reserve for one purpose or another. The "new" countries will, of course, issue their own currency and manage it, but they will remain within the sterling system. The significance of this change from colonial to independent status is in long-term capital and trade rather than in these more technical financial matters. Development is needed not only because the territories are underdeveloped but also because they depend too much on a narrow range of products—especially cocoa in the Gold Coast and rubber in Malaya. Development calls for large quantities of capital, which is not readily forthcoming from Britain—indeed, Britain's exports of capital to sterling countries have recently represented relending of capital imported from other sterling countries, and the colonies have provided much of the imports. Unless Britain's finances change profoundly the "new" countries will have to look elsewhere for finance. And finance from other countries will involve trading with other countries—even though Britain's provision of finance for the Kariba Gorge project in Southern Rhodesia has not assured commensurate contracts with British firms. In matters of ordinary trade British exporters will lose their privileged position in the colonies that have become independent.

This move towards independence can be seen as a part of a broad change in Britain's trading position. The line that divides the British Commonwealth and the sterling area from the rest of the world is already blurred, and a few years hence it may be almost imperceptible. The change demands a change of policy on Britain's part; and there are signs that such a change is already occurring. Especially noteworthy is Bri-

tain's attitude towards the proposed common market in Europe. Initially this proposal made no appeal to the British Government, convinced as it was that the nation's function was to act as the focus and the guiding force of the Commonwealth. But hard facts are stronger than sentiment. Figures show that the European nations that have made most progress in recent years are those which participated fully in the thriving European market, while Britain, her trading efforts directed mainly towards the "outside" sterling area, has lagged behind. At the meeting of the Organisation for European Economic Co-operation in July, Britain agreed to take part in a serious study of the plans for a common market—thereby, it seems, tacitly accepting the principle of participation in an European trading system. It is not so much devotion to the principle of free trade as fear that protective tariffs will exclude her from a big market that has changed Britain's policy. The weakening of the sterling system must be counterbalanced.

THE SIGNIFICANCE OF INDIAN IRON'S DIVIDEND

THE Government of India's decision not to let the Indian Iron and Steel Co., Ltd. increase its ordinary dividend above the Re. 1 a share paid in recent years has been widely deplored. There are a number of reasons to support the criticisms which have been made in market circles of an act which seems to exemplify an important aspect of New Delhi's recent attitude to the distribution of steel profits. An earlier manifestation of this attitude came a year ago, when, despite the fact that Indian Iron's working during the year ended March, 1955, had produced record results, an increased dividend was not allowed for reasons similar to those given now. Everybody—including workers and the Government—got more because of those results; shareholders alone were refused the modest increase in returns they had asked for. The implications of the official veto are not measurable merely in such terms as that each Indian Iron shareholder will now have two annas or four annas less than he ought to have had; they are more far-reaching when considered in relation to their

ordinary dividend would be merely maintained. The disappointment has spread to other sections as well, as is inevitable in a trade which is strongly influenced by steel shares. The general pattern is a reminder of the fact that when the Government interferes with the affairs of the steel companies, the interference does not affect merely the companies and their shareholders; it affects the whole investment market to a much greater degree than would interference in other industries. That is why the implications of its policies on steel finance should be considered in the wider context of savers' morale and confidence. The imposition of an ultra-conservative distribution policy may help the auto-financing of expansion plans, but it does not stimulate the flow of new investment into industry which is the primary consideration for a growing economy.

With the dividend controversy now settling, market interest has come to centre on a formal announcement of an offer of rights shares. The Government, it will be recalled, gave permission for such an issue a few months ago—the shares to be offered in the ratio of one for one, at a premium of Rs. 3-8 each above the par value of Rs. 10. It was indicated earlier that the proceeds of the issue, if made, would be used to help finance schemes described as the "1955 extensions", which would considerably increase the company's steel-making capacity.

CURRENT COIN

I. F. C. Progress.—The chairman of the Industrial Finance Corporation of India, Mr. K. R. K. Menon, was able to report an increase in profits of Rs. 8 lakhs to Rs. 32.86 lakhs for the year ended 30th June, 1956, when he addressed the annual general meeting of shareholders on 29th September. Mr. Menon (whose speech is reported on another page of this issue of *Capital*) regretted that it had been necessary to apply to the Government of India for a subvention so that the entire guaranteed dividend, amounting to Rs. 11.25 lakhs, could be paid. This was necessary because the whole of the net profit had to be transferred to the reserve against the anticipated loss on account of the Sodepore Glass Works. Mr. Menon hoped that this year, depending on the size of the amount that the Corporation would require to write off against the Sodepore Glass Works account, it would be possible to pay the guaranteed dividend out of profits without having recourse to another subvention. Apart from this one unfortunate debt, the Corporation's financial position improved in the year under review. The amount of loans applied for reached the record figure of Rs. 27.70 crores, compared with Rs. 11.27 crores for 1954-55 and Rs. 9 crores for 1953-54. Mr. Menon considered that this performance was a fair indication of the increasing confidence the industrial public is placing in the institution. There has been some difficulty in meeting the increased demands made, but it has been possible to sanction loans amounting to Rs. 15.13 crores compared with Rs. 7.34 crores in 1954-55 and Rs. 5.27 crores in 1953-54. The Corporation has taken steps to quicken the pace of its work and effect other general improvements. The question of reducing the number of audits is engaging attention and is now being brought to the notice of the Government. Mr. Menon recounted a number of problems with which the Corporation will be faced in financing private industrial expansion during the second five year plan. He mentioned especially that such institutions as the Industrial Credit and Finance Corporation of India and the National Industrial Development Corporation both have a greater measure of freedom in financial operations and enjoy certain special facilities which the Corporation does not share. Mr. Menon expressed some doubt that the Central Government and the State Governments might continue to implement the policy of utilising the Corporation as their main channel for processing their own industrial loans. In this connection, he mentioned the habits of some State Government finance corporations, which have been offering loans at rates of interest which are only about half those charged by the I.F.C.

New Issue for Guest, Keen, Williams.—The general engineering firm of Guest, Keen, Williams is shortly to be converted to a public company. It will be offering to the general public a portion of its ordinary share capital amounting to approximately 30 percent of the whole. It is believed that the offer will be for Rs. 10 shares at a premium which has not yet been announced. This issue has been expected in market circles for some considerable time, and it promises to be one of the most attractive of the year. Investor interest in shares quoted on the Calcutta stock market is, at the moment, chiefly concentrated on engineering and miscellaneous issues. The reason is not difficult to fathom. Development in the second and subsequent five year plans is bound to improve the prospects of all industries which cater for the internal industrial market and over which the prospects of nationalisation have not yet cast their

shadow. Guest, Keen, Williams, Ltd. specialises in mechanical engineering and particularly in railway specialities. From its Bhandup works, which came into production in September, 1953, the company is reported to have the largest output of high class steel and brass wood screws in India. The opportunity for an equity stake in a concern of this kind, under one of the best known and most efficient managements in the country, is bound to raise a good deal of public interest.

Employment in August.—Despite a fall in the registration—from 170,978 during July to 144,836—the number of employment seekers registered with the Employment Exchanges in India increased to 797,212 during August, 1956 from 792,345 during the previous month, according to the Directorate General of Resettlement and Employment, Government of India. The total number of job openings notified to Exchanges declined by about 7 percent. Correspondingly, there was a fall in the number of persons placed in employment. The number of placements secured during August 1956 was 14,901 as against 16,007 during the previous month. The number of vacancies notified by the employers was 21,935, which marked a fall of 1,633 when compared with the corresponding figures for July 1956. Of the total number of vacancies notified, 6,507 were made available by the Central Government, 8,974 by State Governments, 3,117 by quasi-Government establishments and local bodies and the remaining 3,337 by other employers. There was thus a decrease of 1,475 in the public and of 158 in the private sector. Of the total placements, 4,750 were secured under the Central Governments, 6,090 under State Governments, 2,307 under quasi-Government establishments and local bodies and the remaining 1,754 with other employers. Of the total number of persons registered with the Employment Exchanges, 8,482 employed and self-employed persons, including 252 women, desired further employment assistance with a view to bettering their prospects.

Development in Andhra.—At the recent 28th annual meeting of the Andhra Chamber of Commerce, a reference was made to the industrial potential of the enlarged Andhra State. Dr. B. Ramakrishna Rao, who is likely to become Chief Minister after 1st November indicated that the rapid development of the State requires more than the Rs. 178 crores allotted in the second plan. Higher coal output is the foundation for further industrial advance and the recent speech of Dr. Melkote at the Singareni Collieries annual meeting supports the belief that output in this semi-public enterprise will rise steadily. Industries in Andhra, as well as in Telengana, should benefit considerably. Negotiations for a fertiliser factory are in hand, according to Dr. Ramakrishna Rao. The opening of a new cement works is provided for in the Nagarjunasagar Scheme. The mineral resources of Telengana should help the growth of a paint industry. The single Azam Jahi Cotton Mills in Warangal will not be enough and more mills are required, though the cotton-growing area has gone to Bombay under the States reorganisation scheme. The establishment of new spinning mills at Adoni and Guntakal, along with that projected in Tirupattur, will only partially ease the yarn problem for the handloom industry. The example of Madras, which is further increasing its spindleage, cannot be missed by Andhra industrialists though it may be urged that postwar ventures in the textile field have not yet proved a success. However, the Andhra Chamber realises that the break-up of the Nizam's former dominion will leave most of the existing industries in Andhra and the Chamber hopes to increase its influence and usefulness by opening a branch to link up the two commercial organisations in Hyderabad city. Power supply from Tungabhadra next year should make a great difference, but the lack of capital is a great handicap. It has been frequently pointed out that joint stock enterprise in Andhra has not developed to the same point as in Madras where hydro-electric development helped expand the textile industry in Coimbatore.

The Petroleum Industry.—The presidential address of Mr. W. B. Metre, at the annual general meeting of the Geological, Mining and Metallurgical Society of India, held recently in Calcutta, provided an interesting account of the Indian petroleum industry's growth. Mr. Metre's account was devoted exclusively to the primary production of oil, so no reference was made to the refining capacity which has been built up chiefly with foreign investment, and the fresh capacity that is likely to be added to it soon. But that did not make his address any the less interesting, and there was much in it to suggest a fairly hopeful prospect of the industry's further growth. Assam is at present the only centre of oil production, and on the basis of the geological data available, it will have to be looked upon as the principal source of this vital industrial fuel in the future. Mr. Metre, who is the senior geologist of the Assam Oil Company, stated that the proved and probable resources in the Nahorkatiya area (in Assam) are sufficient to plan for a production target of 24 million tons of oil a year, together with about 45 million cubic

feet of gas a day (which is equivalent to about 0.6 million tons of fuel oil a year). Production from the Digboi area is declining and is likely to average 300,000 tons annually over the next few years. Yet the Company expects to meet 56 percent of the present estimated crude oil requirements of the country. "This will be a very great improvement on the present production of about 8 percent of the total consumption", he said. The estimates do not include the proved but unestimated pools in the Hugrija area near Naobolia, where oil has been found, and the Moran area which is expected to be oil-bearing. The discovery of oil in the alluvial Nahorkatiya area gave rise to the hope that oil might be found in several of the other large alluvial areas also, Mr. Metre said. In some, such as the Bengal basin, the S.V.O.C. is now "carrying out much geophysical work." The extensive Ganges valley and the alluvial tracts of Rajasthan and Saurashtra also have the same geological features. Mr. Metre emphasised that oil prospecting needed infinite patience, an over-dose of optimism, much experience and great technical skill. It also required much organised work, and he welcomed the constitution of the Oil and Natural Gas Commission by the Government of India.

International Tin Pact Prospects.—The recent sharp rise in the London price of tin by over £44 to £818 15s. a ton coincided with the first stage in the operation of the international tin agreement, and gave rise to doubts as to whether it could work. First contributions by producer members to the buffer stock were due to begin last Saturday. Initial contributions equivalent to 15,000 tons of metal which can be made either in tin or the cash equivalent have to be received within three months. This operation has undoubtedly been complicated. Having moved within the "neutral" price range of £720-£800 for a considerable period, the price is now in the £800-£880 range when the buffer stock manager may sell to stabilise the price. But he is not forced to do so until the price reaches £880. At present, the buffer stock has not the metal with

PUJA HOLIDAYS

Because of the Puja holidays, there will be no issue of *CAPITAL* on 18th October, 1956. The next issue to be published will be dated 25th October, 1956.

which to operate. Under the agreement not more than 75 percent of contributions are to be in tin metal, the remainder being in cash. Since cash contributions are at the rate of £640 a ton, producers are unlikely to be eager to make contributions in metal at current price levels. With the buffer stock manager unable to buy tin until the price has fallen below £720 a ton—he is not forced to buy until it is below £640—the agreement would appear unable to deal with any price rises in the near future. By mid-December the buffer stock should have at least sufficient funds to support the market should the price have fallen below £720.

SHEPHERD AND HIRELING

WHEN, in the Autumn of 1873, Ceres held her hand and a wall of misery went forth from each corner of Behar, Lord Northbrook, who was the Viceroy at the time, promptly grappled with the situation and put himself at the helm of the State. Throughout the summer of 1874, he was to be seen almost daily in Calcutta, the only relaxation he permitted himself being a trip to Barrackpore from Saturday to Monday; he directed all his officers to be at their posts, and himself setting the example, unflinchingly showed them what their duty was. The consequence was that everyone respects and esteems Lord Northbrook whether they agree with his political opinions or not. The times apparently have changed. While famine is rearing her head, and starvation appearing on the horizon, the Viceroy remains at Simla, and the Lieutenant-Governor at Darjeeling. Sir Alexander MacKenzie, it is true, is not so much concerned with the famine, but the plague, like the poor, is now with us. When the ship is in danger, it is the duty of the Captain to be at his post and in touch with every official, so as to know exactly what is going on, to be able to give his orders promptly and to feel that they will be as promptly executed. He does not usually select that time for going on shore to a picnic. We shall, we suppose, soon hear that the Simla Dramatic Society has been giving a performance, honoured by the presence of His Excellency. We shall, we suppose, soon hear from Darjeeling that picnics, junketings and gymkhana entertainments, all patronised by the presence of Sir Alexander MacKenzie, are in full swing. History repeats itself, and so surely as those charged with the Government of the country neglect their plain and paramount duty, so surely sooner or later a day of reckoning will arrive. There is a slumbering feeling of indignation at the apparent indifference which is being shown by the Government of India to the famine and the Government of Bengal to the plague. We all know that the good shepherd careth for his sheep, but that the hireling fleeth.

FROM

CAPITAL

14th October, 1896.

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BUILDING CONTRACTORS

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The Controller of Stores, South Eastern Railway invites the following tenders:

- (1) Tender No. GM.16/56/K14/I(B)—for supply of (a) 2 Nos. Diesel Engine Driven Portable centrifugal Pump 25,000 GPH at a total head of 80 ft., (b) 2 Nos. Diesel Engine Driven Portable Centrifugal Pump 15,000 GPH at a total head of 100 ft. and (c) 4 Nos. Diesel Engine Driven Portable Centrifugal Pump 10,000 GPH at a total head of 100 ft. Earnest Money required is Rs. 920/-. The opening date of the tender is 22-10-56 at 12 noon.
- (2) Tender No. GM.17/56/K14/I(B)—for supply of (a) 1 No. Portable 20 K.W. A.C. Generator and (b) 4 Nos. Portable 5 K.W. A.C. Generator. Earnest money required is Rs. 1,000/-. The opening date of the tender is 22-10-56 at 12 noon.
- (3) Tender No. GM.18/56/K14/I(B)—for supply of 6 Nos. Portable Diesel Engine Driven Air Compressor capacity 210 Cfl. per minute at 100 lbs. pressure. Earnest Money required is Rs. 1,000/-. The opening date of the tender is 22-10-56 at 12 noon.
- (4) Tender No. GM.19/56/K14/I(B)—for supply of (a) 16 Nos. Pneumatic Dry Rock Drills (b) 6 Nos. Pneumatic Grinders and (c) 10,000 Rft. Pneumatic Hose Pipe 3" bore. Earnest Money required is Rs. 1,000/-. The opening date of the tender is 22-10-56 at 12 noon.
- (5) Tender No. GM.20/56/K14/I(B)—for supply of (a) 1 No. Diesel Engine Driven Winch capacity 10 tons and (b) 2 Nos. Diesel Engine Driven winch capacity 5 tons. Earnest Money required is Rs. 1,000/-. The opening date of the tender is 22-10-56 at 12 noon.
- (6) Tender No. GM.21/56/K14/I(B)—for supply of 6 Nos. Diesel Engine Driven Portable Concrete Mixer 10/7 Cu.ft. capacity. Earnest Money required is Rs. 1,000/-. The opening date of the tender is 22-10-56 at 12 noon.
- (7) Tender No. CS.17/56/K14/I(B)—for supply of 8 Nos. Petrol Engine Driven Internal Concrete Vibrator. Earnest Money required is Rs. 460/-. The opening date of the tender is 22-10-56 at 12 noon.
- (8) Tender No. CS.18/56/K14/I(B)—for supply of 1 set Diesel Engine Driven Portable Welding Set. Earnest Money required is Rs. 460/-. The opening date of the tender is 22-10-56 at 12 noon.

Tender forms can be obtained from the office of the Controller of Stores, South Eastern Railway, Garden Reach, Calcutta-23 (I. B. Section) on remittance of the cost to him direct by Money Order or on production of the Cash Receipt from the Chief Cashier, South Eastern Railway, Garden Reach, Calcutta-23.

The cost of tender form for items (1) to (6) above is Rs. 5/- each and for item (7) & (8) is Rs. 2/- each. This amount is not refundable.

Firms not on this Railway's approved list of Contractors must give their Bankers' reference and enclose a valid Income Tax Clearance Certificate with the tenders.

Without Prejudice

THE FINALITY OF AN EDITOR'S DECISION

CROSSWORD COMPETITOR CLAIMS FIRST PRIZE

(FROM OUR DUNDEE CORRESPONDENT)

"THE editor's decision shall be final". . . "The editor's decision shall be final and legally binding and he will not enter into any correspondence whatsoever with the competitors." But while admitting the validity of the editorial refusal to enter into any correspondence on the simple and conclusive ground that no one is under any legal obligation to correspond with anyone else unless he wants to, what about the first question? Notwithstanding the peremptory terms of the ukase to that effect, is the editor's decision necessarily final?

To attempt to answer this question we shall have to consider editors in particular and editors in general; for there are editors and editors. Some are absolute czars. W. T. Stead was himself in his own person the *Review of Reviews*, so was C. P. Scott for the *Manchester Guardian*, H. W. Massingham for the *Nation*, J. L. Garvin for the *Observer*, Wickham Steed for *The Times*, Horatio Bottomley for *John Bull* (old style) and sundry others. You never thought of the journal as such apart from its super-eminent editor and vice versa. But these are the exceptions which prove the rule, or rather the principle, and the latter is quite a simple one.

An editor is a man in a job. An ordinary contract of service subsists between him and his employers, the proprietors of the journal. If I, being a Wesleyan Minister, submit an article on the Higher Criticism to Mr. Muggeridge rejects the same, as he undoubtedly would, his decision is not binding on me, for I from my Manse can appeal to his employers over his head and they could order him to publish it by the ordinary law of master and servant. Mr. Muggeridge would certainly resign. But Mr. Muggeridge would go out and my article would go in.

It does happen sometimes. The writer has the privilege of access to a library of pre-Victorian and mid-Victorian books, and has been studying the works long out of print of second-grade (far better work than the first-grade of today) writers of that period: Charles Reade, James Fennell, Lord Lytton, Wilkie Collins and the like. Wilkie Collins, a young beginner wrote a novel *A Grape from a Thorn*. It was rejected by the editor to whom he submitted it for publication as a serial, whereupon he consulted a young friend named Charles Dickens, who read it, liked it and advised appeal to the proprietors over the editor's head. Wilkie Collins did so. The proprietors ordered its acceptance. Then, and later in book form, it was an enormous success; and through that consultation between two young men and the appeal, one reader in India about a hundred years later has been able to read the work with the keenest appreciation.

An editor's decision is not necessarily final and, if Dr. Laik Ahmed Hashmi had realised that fact,

he might not have rushed into criminal proceedings in Muzaffarpur, Bihar, over his grievance against an editor who claimed that his decision was final and declined to correspond about it. The doctor had a possible alternative remedy. A civil suit. But being, no doubt, exasperated, he went the whole hog and started a criminal prosecution.

The prosecution had to do with a prize competition, a crossword competition, in fact. Now, the outlook for competitions of this kind, where money prizes are awarded to successful competitors, is bleak in the extreme, and both the Central and State Governments look with a jaundiced eye upon them. Apart from recent legislation, by the ordinary law of the land, a competition with the benefit of an opportunity of securing a prize where the result depends on chance is illegal. Contrariwise, if the result depends on skill, the competition is not a lottery and therefore is not illegal. But merely to state the two extremes is to oversimplify the matter. Organisers of competitions have exercised great ingenuity in keeping within the letter of the law while offering the public all the excitement of a lottery for enormous prizes. They do this by walking with delicate precision in the middle of the road. There is an element of luck and an element of skill on which the result depends, and the design of the organisers is to make it impossible for the authorities to discharge the onus which lies upon the prosecution to prove that the element of luck predominates and not that of skill. You may ask why these legal stratagems should be necessary at all, and consider that for Parliament and the States to go out of their way to prevent the citizen from risking his rupee on the chance of a big return is Pecksniffian humbug. The answer is that Mr. Seth Pecksniff is still alive and flourishing in every Parliament in the Commonwealth. It is he who hampers me in contributing to Irish hospitals by buying a ticket in the Irish Sweepstake, which ticket may be treated, if detected by his customs officers, as prohibited goods by his Lottery Acts of 1836 and 1844; he also who, by the invocation of the Sunday Observance Act of 1825, would prevent two village cricket clubs from playing on a Sunday afternoon a match for the benefit of the captain of their country XI; it is he who stopped this last summer the Duke of Beaufort from richly contributing to charities by charging for admission to his own ground on the occasion of the match on a Sunday between the ducal team and an international XI. And now, by the Prize Competitions Act of 1955, the Indian legislature has restricted the amount of a prize to Rs. 1,000, the number of entries to 2,000, the number of entries to two a person and the entry fee to Re. 1.

To return to Dr. Hashmi. He claimed that a paper known as *Shama*, an Urdu periodical, ran a crossword competition, and that he had entered and had submitted 12 solutions. Out of these, six were in his own name and six in the name of his son. His allegation was that a correct solution was sent by his son, and that in spite of this, his son was not awarded the first prize. Hence, the doctor said, he had been cheated.

The editor and the management of the paper, on the other hand, contended that the doctor's son did, in fact, get a prize, though not the first one. His solution, they claimed, contained two mistakes, and therefore he was not entitled to the first prize. There was in the published rules of the competition, the usual stipulation that the editor's decision was to be final. In cases of this kind, it is submitted that an aggrieved competitor is not necessarily deprived of his civil remedy by reason of the latter stipulation. What does the word "decision" mean? It means "settlement of an issue." "conclusion come to after consideration". It is the duty of an editor to consider honestly, impartially and reasonably the question submitted to him. If he does that and his decision is wrong, the competitor can do nothing about it. The editor's decision is final. But if I can prove beyond a peradventure that my entry contained no mistakes, that the editor duly received it any acknowledged receipt, and then, notwithstanding my claim to the first prize, gave it to an entrant with errors, surely that must imply that he has not come to a decision on my claim at all. He comes to no "settlement on an issue". He has just arbitrarily or recklessly awarded the prize to one not entitled to it.

So a civil suit, though a shaky one, might lie. But to run the editor in criminally as a common cheat, that is a very different kettle of fish. Said Iman J., delivering the judgment of himself and Ramaswami J., in the Patna High Court: "So far as the offence is concerned, I fail to see what offence has been committed. Here was a competition and it is alleged on behalf of the editor that the son of the complainant had committed two mistakes. There was no deception of any kind practised on the opposite party or his son. It is really a case of dispute as to whether the son of the opposite party had put in a correct solution or not. The fact is disputed by the editor of *Shama* and the other petitioners. In other words, there is no mens rea at all in the case. . . There is absolutely nothing on the record to show that there was any criminal intention on the part of the editor."

The High Court accordingly quashed the criminal proceedings pending before the magistrate. [A.I.R. (Patna) 1956, p. 256].

i.e., criminal intent.

A DITCHER'S DIARY

It is a pity the B.B.C.'s Third Programme cannot be heard in India, otherwise I am sure there would be many listeners to this series, the preparation of which took Francis Watson and his colleagues several months of work in India and England.

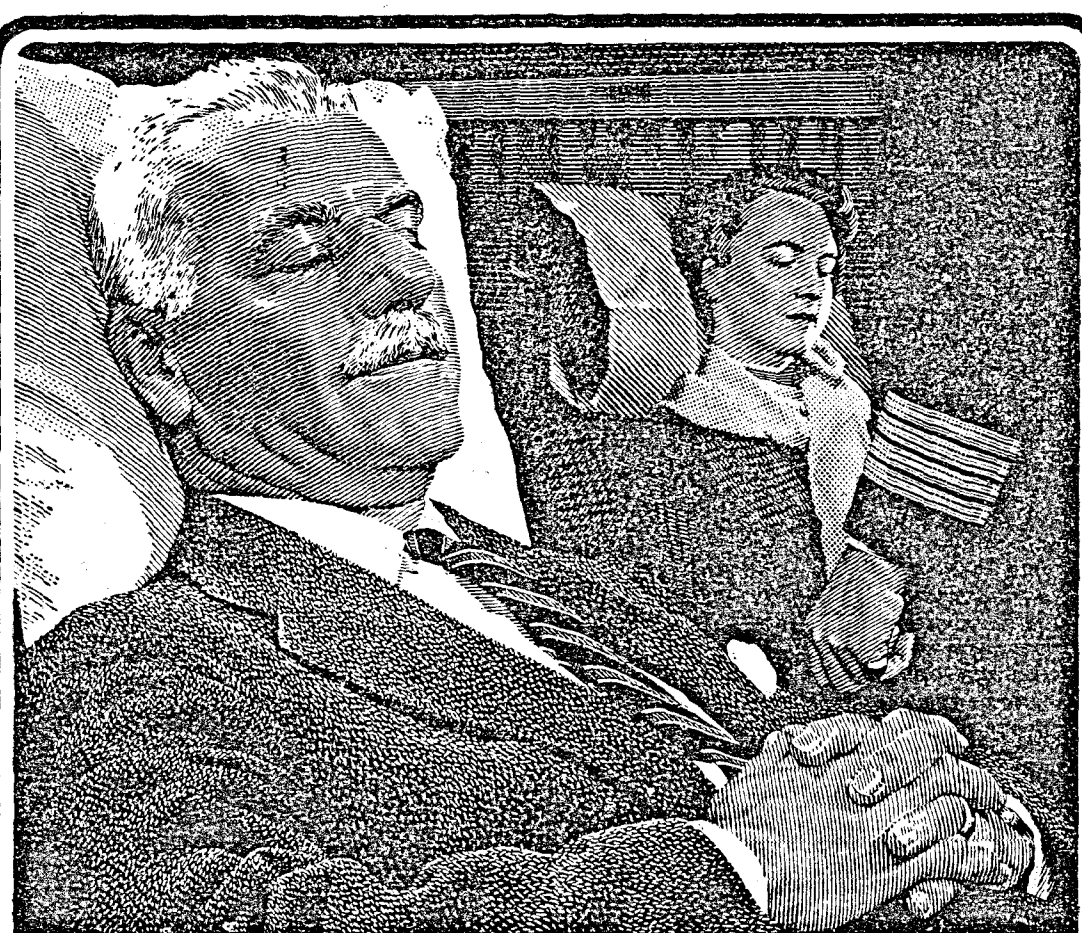
The association of workers with management is one of those things which should be hastened with slowly. It is becoming too much of a catchphrase these days, like "building socialism" and "fighting for peace". There is no need to dismiss it as impracticable altogether, but unless it is pursued empirically and with caution, it may turn out to be nothing more than a recipe for chaos. In any event, it should never be considered for all commercial or industrial activities, and I think the production of newspapers is one of them. When the Deputy Minister of Labour, Mr. Abid Ali, speaking in Calcutta last Saturday, declared himself in favour of the "orderly and progressive association of employees or workers with the management in the newspaper industry" he did not say whether he included the editorial function as well. Such vagueness may have been deliberate, it is rarely necessary to be precise when one is electioneering. But in a country where newspaper editors are still, in all too many cases, struggling for independence from the dictates of general managers and proprietors, it seems to me to be dangerous indeed to suggest publicly, if only by forgetting to qualify one's utterances, that the weight of organised labour should now be thrown into the scales against them. Without editorial independence, newspapers become nothing more than propaganda sheets, and that is a serious danger in India today. The many pressures with which editorial opinion must contend and the growing volume of regulation under which newspapers have to work, already make the expression of independent opinion a task of some difficulty, if not a hazardous one. To add another in the shape of organised labour would make it infinitely worse. If worker participation does come—and that is something which I personally doubt—the Press is unlikely to escape. But there are many functions in producing a newspaper which differ little from those involved in manufacturing generally and it may be those to which Mr. Ali intended his remarks to be restricted. But long before anything of the sort is attempted it would be as well to study the relationship between editorial, and commercial management in Indian newspapers. If I were the secretary of a communist trade union, I would be on the job now.

In the Press outpourings on the Suez crisis the tendency seems to have been for the newspapers on both sides to exaggerate the rôle of the Canal pilots. The Egyptians have excitedly publicised the number of Russian and other foreign navigators who have come to their aid. The British and French newspapers have emphasised the number of established pilots who have withdrawn, and have implied the progressive slowing down—if not disintegration—of the convoy system. Up to now, of course, they have been proved very wrong indeed. Interviews have been sought with returning pilots who, to do them justice, appear to have been extremely reticent in expressing their opinions about their own indispensability. In all, the newspaper-reading public of two hemispheres has probably never before been made so aware of the men who run the Canal. Inevitably, there has been some distortion of the facts, and too much

importance has probably been given to the part the pilots play. At least M. Picot, Director-General of the Suez Canal Company, seems to think so. I see from a London newspaper report that in the course of a B.B.C. interview he has said that while he would not wish to minimise the key position which the pilot holds in the scheme of things, the latter are, so far as the Canal is concerned, no more than the equivalent of an engine driver in a railway system. Nobody can run a railway with engine drivers alone, they have to be backed by operating staff, a signalling organisation and planned and supervised movement of the entire rolling stock on the line. So it is with the Canal. No pilot can operate efficiently without the closest co-operation, at every stage of the journey, of the shore staff, of whom there are (or were) between five and six hundred. But the lay mind blithely assumes that all that is needed to get a ship from one end of the Canal to the other is to put the pilot aboard. One has the strong impression that the publicity, or public relations, aspect of this dispute has been ineptly handled, whether it be the pilot question, troop movements or the Users' Association. The Canal users will have to find another excuse for believing that Egypt cannot run the show on her own.

I recall that about six months or so ago it was proposed that changes be made in the uniform of the Calcutta Police; the point was even discussed in the Assembly. But I still see policemen dressed in their old-type white coats, tight-fitting leggings, heavy boots and picturesque red turbans. The matter is certainly not of any great personal interest to me; apart from the occasional traffic problem, I have little to do with the tribe. But as a newspaperman I took sufficient interest at the time to make a few comments, and I feel a little baulked that so far there has been no visible sign of progress. Professor Nirmal Bhattacharya, it will be recalled, gave the Assembly a vivid and humorous description of how he once saw a policeman running with one hand outstretched to catch a thief, while keeping his turban in place with the other. I like the turban, and where else than in India is it worn? But it may have its drawbacks where comfort and convenience are concerned. It is not altogether uncommon, for instance, to find on a windy day one of Calcutta's myrmidons of the law standing distraught between his pick-pocket and his headgear in human imitation of Buridan's ass. We must, of course, appreciate his anxiety over not being detached from his familiar nimbus and symbol of authority; without it he would probably look as ridiculous as an angel minus a halo. I would be disappointed to see the turban go, but there is certainly one item of the policeman's outfit which clamours for change, and that is his boots. If they have not yet achieved the distinction of Charlie Chaplin's, it cannot be said they do not deserve to. They are certainly not as ragged; indeed what merit they have lies in their exceptional durability. Unlike most things in this city, they appear to be of material so tough that I can quite believe the common rumour that they have to be immersed in water for a month before they are fit to wear. It is not surprising that with such footwear, criminals in this city can usually put an increasing distance between themselves and their uniformed pursuers. If my memory serves me right, I seem to have read in the newspapers that in many recent minor street robberies the culprits have remained untraced. This may be the reason.

THE DITCHER.



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INDUSTRIAL FINANCE CORPORATION OF INDIA

CHAIRMAN MR. K. R. K. MENON'S REVIEW

The following speech was delivered by the Chairman, Mr. K. R. K. Menon, at the Eighth Annual General Meeting of the Shareholders of the Corporation held on the 29th September, 1956.

Gentlemen,
I have pleasure in placing before you the Accounts of the Corporation and the Report of the Board of Directors for the year ended the 30th June, 1956. Printed copies of the Accounts and the Report are before you. These have also been circulated to all the shareholders. I shall, if you agree, take them as read. I would, however, make some observations on a few points.

The working of the Corporation for the year ended the 30th June, 1956 has resulted in a profit of Rs. 32.68 lakhs which shows an increase of Rs. 8 lakhs over that of the previous year. After setting aside a sum of Rs. 10.18 lakhs as provision for taxation we are left with a net profit of Rs. 22.50 lakhs. The whole of this amount, however, has had to be transferred to the reserve for Bad and Doubtful Debts in view of the anticipated loss in the account of the Sodopore Glass Works Ltd., to which I made a reference in my speech last year. We have, therefore, had to call upon the Central Government this year also to pay us a subvention to enable us to pay the entire guaranteed dividend amounting to Rs. 11,25,000/-. We hope that with the further provision that we shall make from the current year's profit towards bad and doubtful debts, there will be no need to set apart any amount in the succeeding years on this account. As we shall make a substantial saving in our tax liability on our current year's income, depending on the size of the amount that we are obliged to write off in the account of the Sodopore Glass Works Ltd., we anticipate that we will have

sufficient balance left out of our profits this year to meet the guaranteed dividend to our shareholders without having recourse to a subvention from Government. You will observe that I take quite an optimistic view of the future. I do so, relying particularly on two major factors, namely, first the increasing measure of appreciation on the part of the industrialists of the country, and also of Co-operative Societies engaged in industrial enterprises, of the ability of the Corporation to meet their needs in the matter of long-term loans, and second, the marked increase in the volume of industrial investment that is likely to materialise during the period covered by the Second Five Year Plan.

A Record Year

Evidence of the first named factor will be found in the figures relating to our activities furnished to you in the Annual Report which is in your hands. It will be noticed that the amount of loans applied for in the year which has closed reached the record figure of Rs. 27 crores 70 lakhs as compared with Rs. 11 crores 27 lakhs for 1954-55 and Rs. 9 crores for 1953-54. The average for all the previous 7 years put together is Rs. 8 crores 62 lakhs. I venture to think that this is a fair indication of the increasing amount of confidence that the industrial public is now placing in our institution. To deal effectively with this enormous increase in the demands made on us, and at such short notice, has been no easy task, and the measure of the modest success we have achieved in this direction is indicated by the fact that the total amount of loans sanctioned by us during the year under review was Rs. 15 crores 13 lakhs as against Rs. 7 crores 34 lakhs in 1954-55 and Rs. 5 crores 27 lakhs in 1953-54. The yearly average for all the

previous seven years put together was only a little over Rs. 4 crores. I see no reason why this very satisfactory record for 1955-56 should not be maintained in the succeeding years if our administrative machinery is geared adequately to cope with the increasing load, and our relations with the industrial and commercial sector of the public continue to be as close and cordial as they have been during the past year.

In connection with this last named factor of public relations it is my very pleasant duty to take this opportunity to acknowledge the assistance that we have received during the year under review from the various Chambers of Commerce and Industry whose representatives were good enough to meet me and my colleagues on the Board of Directors on several occasions for free and frank discussion of various problems of mutual interest. These discussions greatly facilitated our work during the year, and have helped in particular to focus our attention on ways and means of simplifying our procedure to the advantage of our clients as well as ourselves. I feel sure that the steps we have already taken in pursuance of these discussions would bear fruit in the far future in the shape of better business for us and more cordial relations with our clients.

I will refer to just one or two of the more important measures that we have adopted in connection with the drive that we embarked upon in the year under review for quickening the pace of work and effecting other general improvements. A measure of great significance, was the institution of a separate legal branch of our own, manned by full-time officers under the control of the Corporation, in our head office as well as in two of our branch offices. This measure, which has been introduced as an experiment for the present, will be extended to all our branch offices after we satisfy ourselves that there are no snags to it. It is designed to quicken the pace of work at various stages in connection with the examination of title deeds and the execution and registration of mortgage documents. This will also cut down to a very considerable extent the legal charges now incurred by us and passed on to borrowers. Many of our clients have expressed great satisfaction at this long over-due reform in our administrative set-up. We have also succeeded in considerably simplifying, and standardising to as great an extent as possible, the terms and conditions incorporated in our mortgage deeds. The previous practice of our sending for our clients' representatives all the way to the Head Office in Delhi to discuss and finalise the terms and conditions of loans was given up, and branch Managers were delegated authority to deal with our clients on the spot on our behalf. We have also liberalised to an appreciable extent the conditions under which interim loans are granted, particularly in cases where, pending the finalisation of the legal formalities concerned with the execution and registration of the formal mortgage deeds, machinery, etc. ordered by our clients has to be paid for or documents relating to which have to be retired.

Audit

Before I leave the administrative and organisational aspects of our work I should like to mention one or two salient facts in regard to the audit that has been done of our accounts. We have now four different auditors carrying out audit throughout the year, and I shall refer briefly to each of them. Firstly, there is our own internal audit, the machinery for which, in the course of the year, been put on a satisfactory working basis. This has been found to be of very great value to us. Secondly, there is the audit done by a firm of Chartered Accountants who are elected by the shareholders. Thirdly, another firm of Chartered Accountants appointed by the Central Government in consultation with the Comptroller & Auditor General also conducts an audit. Irregularity has been brought to notice by either of these firms of Chartered Accountants. Certain relatively minor matters to which our attention was drawn by them have been looked into and set right. Fourthly, there is the audit carried out by the Director of Commercial Audit under the auspices of the Comptroller & Auditor General. In the course of the year under review the Director of Commercial Audit conducted his audit in two instalments, the first one extending from the last week of September 1955 to the first week of February 1956, covering our official year ending 30th June, 1955, and the second extending from the first week of June 1956 to the first week of August 1956, covering the first half of the year 1955-56. In the audit of the accounts for the first period a large number of formal objections were raised by the audit party and, after we had commented upon them, only a few of these objections are now understood to be in the process of finalisation. We are hopeful that a few more of these items also will be withdrawn or modified as a result of further discussions. The audit of the second period is still in the process of completion.

There is no doubt that in the existing set-up we have a multiplicity of audit, somewhat in excess of real requirements. One might also be tempted to take the view that if the bulk of the items of original audit objections was withdrawn there must have been created quite an appreciable quantity of work at all levels most of which would have been eventually proved to be infructuous. These and other related matters have engaged our close attention and we have brought these to the notice of Government.

I now turn to the second important factor, which I would describe as the external factor—distinct from the internal factors about which I have been speaking to you till now—which, in my opinion, should give us ground for hope of an even greater volume of business for the Corporation in the future. This factor is centred round the spurt in industrial investment in the private sector that it is anticipated will materialise during the Second Five Year Plan period.

Second Plan

The Planning Commission in their report on the Second Five Year Plan have given detailed figures of some of the overall targets of industrial investment in both the public and the private sectors which they state will show that the Second Plan period will be one of "intensive and many sided industrial effort." During the first Five Year Plan period there was a shortfall of investment in the private sector in certain industries, though, in the aggregate, the investment target of Rs. 230 crores for expansion programmes was bettered in actual performance to Rs. 340 crores. The lag in private investments occurred, according to the Planning Commission, in industries which required heavy capital investment and offered a relatively small profit margin. It is this kind of industry which might not be able to attract adequate equity capital from the investing public that would claim our special attention during the

coming years, with due reference of course to the industrial priorities drawn up by the Planning Commission in their report. The general scheme of priorities in the private sector as envisaged by them places Iron & Steel first, then heavy and medium engineering industries, including structural fabrication, automobiles, railway rolling stock, castings and forgings, industrial machinery, bicycles, sewing machines, motors and transformers, etc., followed by fertilisers, chemicals cement, refractories, jute and cotton textiles, sugar, paper and a wide range of consumer-goods industries. The programme of overall development envisaged in the private sector during the 2nd Plan period is estimated to involve an outlay of Rs. 720 crores, comprising Rs. 570 crores of new investments and Rs. 150 crores on replacements and modernisation. Of this total estimate of Rs. 720 crores a provision has been made by the Planning Commission for Rs. 55 crores for the activities of the National Industrial Development Corporation and Rs. 15 crores for us, leaving a balance of Rs. 650 crores to be raised from other sources. While our figure of Rs. 15 crores is near enough to the average of our disbursements during the past seven years, our achievement during the past one year leads me to think that we should be able not only to reach this target quite easily but to improve on it to an appreciable extent in the next five years. We, therefore, propose to address Government on the subject of the feasibility of increasing this figure.

In spite, however, of the fact that these figures relating to the industrial development in the private sector during the Second Five Year Plan that I have given you do augur well for an institution like ours which may well be described as a hand-maiden of the private sector, I think it is just as well that I invite your attention also to one or two factors which we shall have to take into account in assessing our ability to rise to our full stature in the coming years. Firstly, we must take note of the fact that we have other institutions like the Industrial Credit and Investment Corporation of India and the National Industrial Development Corporation whose fields of activity converge on ours, and indeed, overlap with ours to some extent. Secondly, it is important to bear in mind the fact that both these institutions have a greater measure of freedom in the matter of financial operations than we have, and they enjoy certain special facilities which we do not share. Thirdly, though the Central Government have so far implemented the policy of utilising the Corporation as the main channel for processing their own industrial loans, and we may hope with confidence that this policy will continue to be followed, we cannot be sure that the State Governments have been, or will be, equally helpful to us in this matter. I mention this as we have been given to understand that certain State Governments have sanctioned loans directly to certain industrial concerns, and, according to a statement contained in the Annual Report of one of the State Financial Corporations, the State Government concerned have been "offering loans at rates of interest which are only about half of those charged by us and on the basis of security which are also very much easier than those observed by the Corporation." You will agree this is a matter of vital importance to both ourselves and the State Financial Corporations.

Diminishing Resources

The fourth, and, in a sense, the most important factor which is likely to come in the way of expanding our activities to the fullest extent otherwise possible is the fact that, if we succeed in inviting business at the present rates and dealing with application for loans at the pace that we have achieved last year, our own monetary resources will soon be tapering off, thereby accelerating the advent of the day when we shall perhaps be forced to borrow under conditions which might leave us little or no margin of profit after meeting our tax obligations and our working expenses. This matter is engaging our serious attention already, and we hope that we should be able to find a satisfactory solution in collaboration with the Central Government who have been apprised of the matter. It will take some time before a final decision is taken; I mention it now merely to reinforce my point that if the outlook is on the whole bright and we could be quite optimistic regarding the future, it behoves us also to take note of other factors which we shall have to take into account.

In my speech last year I said that we had been obliged to take over possession of the assets of certain concerns who had defaulted in their obligations to us. The position in this regard is explained in our Annual Report. You will have observed that there has been considerable progress in this matter. I am glad to inform you that one of these factories, which we sold, and another which we leased, have both now gone into production. It is gratifying that these concerns which had virtually closed down business for considerable periods have been set on their feet again and brought into full production, thanks to the intervention of this Corporation. We are taking appropriate steps with the same objective in regard to the other concerns also, and we hope it will be possible to achieve our objective consistent with the safety of the funds invested by the Corporation.

You will no doubt also recollect that the Board of Directors had decided to sell the factory of the Sodopore Glass Works Ltd., another of our defaulting concerns, to the Asahi Glass Company Ltd. of Tokyo and that the vendee concern were to form an Indian company to take over the assets and work the plant. This Indian company has now been formed, and necessary action in regard to the execution of the sale and mortgage deeds is well under way. Steps have also been taken by the company to make necessary arrangements for bringing the factory into production as early as possible. We expect that this factory will start working before long.

Another noteworthy feature of our activities in the year under review was that we sanctioned loans to Co-operative Societies of a total amount of Rs. 9 crores 50 lakhs. I should like to mention in this connection that apart from the impetus that this has given to the Co-operative movement as such the fact that as a condition precedent to our loans, the members of these Societies, drawn mostly from the lower income groups, have been made to subscribe towards the industrial schemes financed by us, a total sum by way of share capital of the order of Rs. 2 crores 20 lakhs, has contributed appreciably towards helping Government's efforts at promoting savings and drawing them off for investment purposes.

A large majority of the concerns to whom we have lent money did quite well during the year under review, and, in the case of a number of concerns, we have no reason to withhold the permission asked for to declare dividend in excess of the normal maximum of 6%. This very satisfactory position in regard to

production and profits is reflected in the figures relating to progress of repayments furnished in the Annual Report.

You will have noticed from the industry-wise figures given in the Annual Report that our loans to the sugar industry aggregated Rs. 11 crores 58 lakhs at the end of the year under review. We have been advised by the Central Government that we should continue to finance Sugar Co-operative Factories on the scale that we have been doing hitherto, and that as regards loans to sugar factories other than Co-operative Sugar Factories our policy in regard to their financing should not be unduly restrictive in view of the recent enhancement by the Government of the target of production for the industry.

Loan Applications

We dealt with the large majority of loan applications in consultation with our Advisory Committees of which we have had four working in the course of the year, viz. those for the Textile, Engineering, Chemical and Sugar industries. These Advisory Committees are now in the process of being reconstituted so as to include a larger number of technical experts in each, and also so as to provide for a wider territorial representation.

The figures given in Appendix E to the Annual Report showing the State-wise distribution of the loans sanctioned by us in the year under review as well as in the previous years will show that as compared with the position as it obtained on 30th June, 1953, there has been a marked increase at the close of our financial year in June, 1956, in the loans sanctioned to concerns located in certain States. Excluding those States which, relatively speaking, may be described as industrially advanced, the figures relating to the progress in some of the other States are, I think, worth inviting your special attention to. These are—

(i) Andhra	— Increase from Rs. 4 lacs up to the end of 1955	to Rs. 1 crore 29 lacs at the end of 1956.
(ii) Assam	— from nil up to the end of 1955	to Rs. 45 lacs at the end of 1956.
(iii) Punjab	— from Rs. 1 crore 10 lacs up to the end of 1955	to Rs. 2 crores at the end of 1956.
(iv) Travancore-Cochin and	— from Rs. 1 crore 12 lacs up to the end of 1955	to Rs. 3 crores 18 lacs at the end of 1956.
(v) Uttar Pradesh	— from Rs. 1 crore 30 lacs up to the end of 1955	to Rs. 2 crores 95 lacs at the end of 1956.

Efforts are being made to effect substantial increases of this kind also in other States similarly situated.

The ministerial and officer staff of the Corporation was augmented to some extent to make good deficiencies which had existed since long. On the procedural side, certain measures were adopted which have resulted in the cutting down of delays in the day-to-day work of the Corporation to an appreciable extent. This matter continues to engage the personal attention of myself and my General Manager, and we are hopeful of effecting further improvements as soon as the additional staff to be newly recruited are in position.

Before resuming my seat, I should like to convey my sincere thanks to my colleagues on the Board of Directors and on the various Advisory Committees for their co-operation and guidance in all our deliberations. I should also like to convey on behalf of the Board and on my own behalf our thanks to the General Manager and the entire staff of the Corporation, both here and in the branches, for their very loyal and devoted work throughout the year in spite of the exceptionally severe strain that had been placed on them as a result of the marked expansion of the activities of the Corporation in the year under review.

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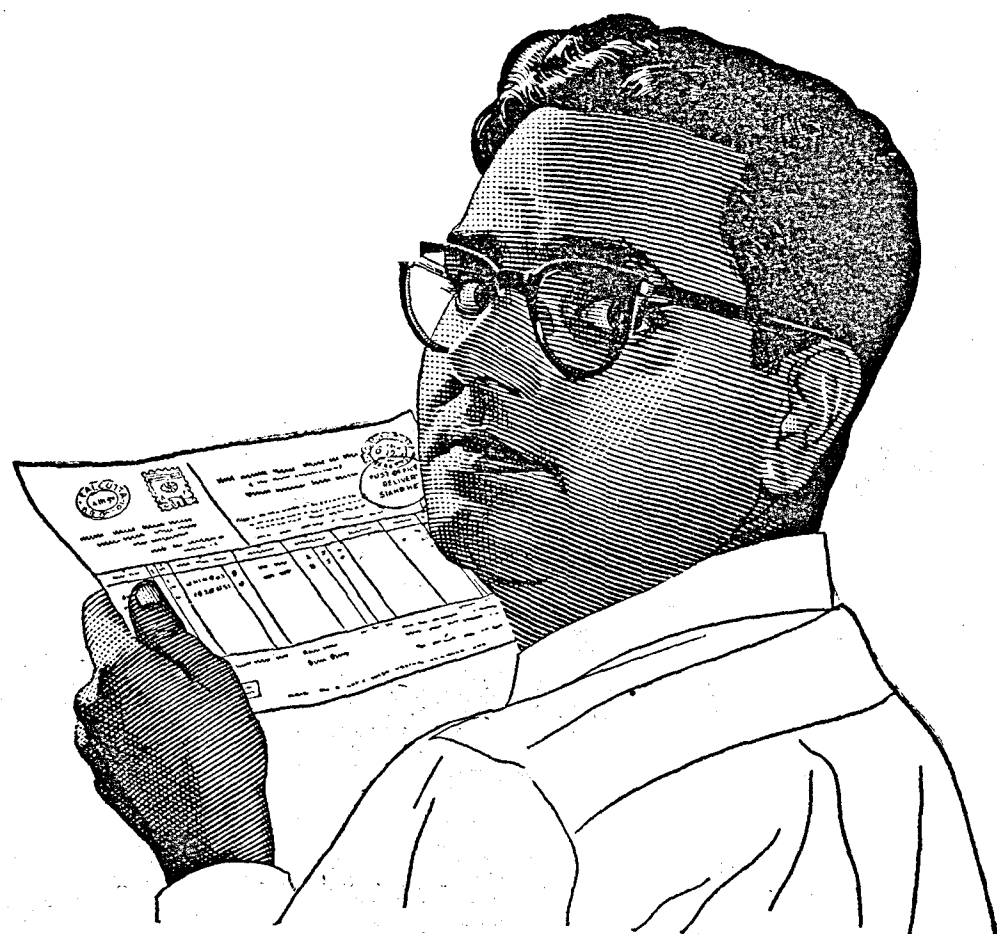
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RESERVE BANK

ISSUE DEPARTMENT

(In 000's of Rupees)

	Week ended 28-9-56	21-9-56	7-10-55
Liabilities—			
Notes in Banking Dept.	41,30.86	31,56.16	9,88.66
Notes in Circulation	14,09,23.17	14,17,70.83	13,01,45.32
Total Notes issued	14,50,54.03	14,49,26.99	13,11,33.98

Assets—			
Gold Coin and Bullion	40,01.71	40,01.71	40,01.71
Foreign Securities	5,88,73.79	5,96,73.79	6,46,97.22
Total of A	6,26,75.50	6,36,75.50	6,86,98.93
Rupee Coin	1,20,07.02	1,18,79.98	1,10,55.99
Rupee Securities	7,03,71.51	6,53,71.51	5,13,79.16
Total	14,50,54.03	14,49,26.99	13,11,33.98

BANKING DEPARTMENT

Liabilities—			
Capital Paid-up	5,00.00	5,00.00	5,00.00
Reserve Fund	5,00.00	5,00.00	5,00.00
National Agricultural Credit (Long term) Fund	15,00.00	15,00.00	...
National Agricultural Credit (Stabilisation) Fund	1,00.00	1,00.00	...

Deposits—			
(a) Central Govt.	71,38.67	67,43.25	51,15.46
2 Other Govts.	19,05.62	23,93.18	9,58.80
(b) Banks	52,64.47	52,55.03	67,25.09
(c) Others	12,45.57	13,80.85	16,35.51
Bills Payable	8,57.09	8,87.03	5,75.53
Other Liabilities	17,37.79	17,08.26	18,06.60
Total	2,07,49.21	2,09,69.60	1,78,17.31

Assets—			
Notes	41,30.86	31,56.16	9,88.66
Rupee Coin	11.53	11.82	3.75
Subsidiary Coin	5.65	10.28	6.21
Bills Discounted Int.	...	...	62.30
Govt. of India Treasury bill	3,80.51	4,05.48	11,27.51
Balances held abroad	28,32.59	28,39.82	69,43.39
Loans to Govt.	2,84.35	2,84.35	2,67.00
Other Loans etc.	86,61.31	90,68.61	22,09.95
Investments	32,34.24	42,36.82	50,10.52
Other Assets	11,80.17	11,56.26	11,98.63
Total	2,07,49.21	2,09,69.60	1,78,17.31

SCHEDULED BANKS

(In 000's of Rupees)

	28-9-56	21-9-56	30-9-55
Demand Liabilities—			
(a) Borrowings from Banks	10,34.64	9,75.65	13,13.37
(b) Others	6,27,15.55	6,22,12.95	5,98,26.67

Time Liabilities—			
(a) Borrowings from Banks	2,15.80	2,25.80	4,44.00
(b) Others	4,35,34.21	4,58,79.06	4,13,13.72
Borrowings from State Bank Demand Liabilities	12,58.03	11,98.41	4,78.38
Time Liabilities	...	...	18
Cash	35,45.64	35,98.07	32,34.49
Balances with the Reserve Banks	48,78.46	49,30.26	60,84.94
Balances with other banks in current account	10,46.90	10,00.10	10,70.15
Money at calls and short notice	11,77.76	11,92.21	22,65.66
Investments in Central and State Govt. Securities	3,75,60.63	3,73,47.82	3,84,50.70
Advances	6,11,20.10	6,10,25.89	4,89,63.93
Inland Bills purchased and discounted	96,71.83	95,75.40	58,08.67
Foreign Bills purchased and discounted	46,50.73	45,46.27	45,60.70

CLEARING HOUSE RETURNS

Week ended	Calcutta	Bombay
5-10-56	55,81.36	...
28-9-56	49,96.35	59,15.34
21-9-56	67,33.74	66,36.70
14-9-56	61,25.00	58,47.12

STATE BANK OF PAKISTAN

ISSUE DEPARTMENT

(In 000's of Rupees)

	week ended 21-9-56	week ended 14-9-56
Liabilities—		
Notes in Banking Department	8,07.50	7,63.15
Notes in Circulation	2,84,42.62	2,85,43.74
Total Notes issued	2,92,50.12	2,93,06.89

Assets—		
A Gold Coin and Bullion	11,33.41	11,33.41
Sterling Securities	92,80.69	93,44.02
Government of India Securities	16,68.25	16,68.25
India Notes representing assets receivable from the Reserve Bank of India	43,02.58	43,02.58
B Rupee Coin	6,26.96	6,23.63
Govt. of Pakistan Securities	1,16,48.27	1,15,84.54
Held with Reserve Bank of India pending transfer to Pakistan	...	...
Gold Coin and Bullion	19.02	19.02
Sterling Securities	4,49.63	4,40.63
Govt. of India Securities	1,00.90	1,00.90
Rupee Coin	29.51	29.51
Total	2,92,50.12	2,93,06.89

BANKING DEPARTMENT

Liabilities—		
Capital Paid-up	3,00.00	3,00.00
Reserve Fund	3,00.00	3,00.00
Deposits—		
(a) Central Government	33,65.49	33,46.81
(b) Provincial Government	9,35.43	7,86.19
(c) Banks	15,85.18	16,10.74
(d) Others	4,65.27	5,31.92
Bills Payable	19.21	45.48
Other Liabilities	8,39.49	7,81.70
Total	78,10.07	70,04.75

Assets—		
Notes	8,07.50	7,63.15
Rupee Coin	...	...
(a) Pakistan	9	11
Subsidiary Coin	...	...
(a) Pakistan	17	16
(b) India	...	...

Bills Purchased and Discounted—		
(a) Internal	...	...
(i) Govt. Treasury Bills	2,15.77	2,63.35
Loans and Advances to Govt.	...	...
Provincial Govt. Debtor Balances	...	...
Other Loans and Advances	5,46.30	6,30.95
Investments	52,61.45	48,85.68
Other Assets	5,78.79	10,15.15
Total	78,10.07	70,04.75

Finance in India and Abroad

THE CALCUTTA MONEY MARKET

GOOD SHOWING OF TEA BILLS

Tuesday, 9th October.

THE lack of general commercial interest at this particular holiday season has ensured that there is little change to report from the money market this week. Borrowing activities from the various industries appear to have steadied. A fair quantity of funds remains tied up in Puja cloth stocks because offtake this year is down on that of last. The interbank market has been active and business has been done up to 3½ percent. The official call rate is unchanged at 3½ percent, but it is expected that pressure on this rate will continue until the holiday closings.

Good business is once again reported from the bill market. The emphasis appears to be chiefly on tea bills, of which a large supply has come to hand in the past week. Remittance remains good. After a sharp slump towards the end of last week, sterling is recovering lost ground. The reason appears to be mainly the interest which the United Kingdom is showing in a closer association with the proposed enlarged tariff-free western European market.

Bullion was steady on good offtake. The price of silver increased slightly from the previous week's level of Rs. 173-1 to Rs. 173-5 quoted today. The rate for ready was quoted at Rs. 173-8. The London price was unchanged at 78½d. The price of foreign silver in New York has remained the same at 90½ cents.

Gold rose from Rs. 104 to Rs. 104-7 in sympathy with silver. The sovereign at Rs. 68-2 showed a loss of 2 annas.

The return of the State Bank of India for the week ended 28th September, 1956, shows a rise of Rs. 4.79 crores in total investments to Rs. 232.15 crores. Investments in Government securities are up by Rs. 79 lakhs to Rs. 96.65 crores, while other authorised investments are down by Rs. 17 lakhs to Rs. 11.44 crores. Advances, including loans, cash credits and overdrafts, and bills discounted and purchased, have decreased by Rs. 1.29 crores to Rs. 130.38 crores. Cash and balances are, in consequence, shown at Rs. 17.77 crores, or Rs. 62 lakhs more.

The statement of the position of scheduled banks for the week ended 28th September, 1956, discloses Demand and Time liabilities at Rs. 637.50 crores (Rs. 10.35 crores on account of borrowings from banks) and Rs. 457.50 crores (Rs. 2.16 crores), compared with Rs. 631.89 crores (Rs. 9.76 crores) and Rs. 461.05 crores (Rs. 2.26 crores), respectively, in the previous week. Cash and balances with the Reserve Bank have declined by Rs. 52 lakhs each to Rs. 35.46 crores and Rs. 48.78 crores, respectively. There is a rise of Rs. 2.13 crores in investments to Rs. 375.61 crores. Advances and bills discounted at Rs. 754.43 crores show an increase of Rs. 2.95 crores. The ratios to total liabilities of cash and balances, and of advances and discounts, are, in consequence, shown at 7.7 percent and 68.9 percent against 7.8 percent and 68.8 percent.

The President of the Indian Republic has promulgated an Ordinance to transfer with effect from 22nd October, 1956, the share capital of the Hyderabad State Bank to the Reserve Bank of India and to provide for its proper management and other connected matters. It may be recalled that a Bill for the same purpose was introduced in Parliament in the recent session, during which however, it could not be taken up. The Hyderabad State Bank is constituted under the Hyderabad State Bank Act (No. XIX of 1950 Fasil). Fifty-one percent of the bank's share capital is held by the Government of Hyderabad and the rest by private shareholders. The State Government enjoys certain special powers of management. The Hyderabad Bank constitutes an integral part of the financial and banking machinery in the areas comprised in the existing Hyderabad State. It has been functioning as the agent of the Reserve Bank in the State for conducting Government business. There are 33 centres where the treasury business is conducted by the Hyderabad State Bank and at 25 of these centres, it maintains currency chests and small coin depots. In order to avoid a serious dislocation of the banking and treasury arrangements in the area it has become urgently necessary to make changes in the constitution and management of the Hyderabad State Bank, before the reorganisation of States takes effect.

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THE PROBLEM OF ECONOMIC CEILINGS

By V. V. R. Sharma

IN the creation of a socialist pattern of society in India, land reforms by and large will have to be given priority over others. We have accepted in principle the necessity to replace the complicated and feudal types of land tenures prevailing in several of our States by a simple and democratic system of peasant-proprietorship, in which the land belongs to the tiller. Thereby, it is hoped, the peasant will be assured of his right of ownership, and the multifarious types of oppression and exploitation formerly practised by the zamindars and other intermediary interests will be gone, the incentives necessary for land improvement and efficient production will be provided, the basis for an equitable system of rural credit will be created and the improvement of irrigation and other public works in those areas which have been grossly neglected for decades will be undertaken.

Legislation for the abolition of zamindari and other feudatory tenures has been passed, or is under way in all States. The main object of this legislation has been to remove, by compensation in one form or another, the revenue or rent collectors and other sub-feudatory interests above the "tenant" himself. This represents, no doubt, a great step forward although, even here it must be remembered that everywhere the problem has not been tackled on a uniform basis and in an equally efficient manner. In some States, the laws have been passed, but the steps to enforce them effectively have yet to be taken. The various measures adopted provide for (1.) transferring the zamindaris

or other types of estates directly to State Governments, in the first instance; (2.) the determination and payment of compensation to the dispossessed landlords and other intermediary interests and (3.) the determination and conferment of rights of ownership on the tenants or cultivators. But all these have neither been quick nor effective. Although the main concern should be to look after the interests of the cultivators, payment of compensation to the dispossessed landlords, especially the smaller ones, to enable them to rehabilitate themselves in some other walks of life, should be promptly made.

The measures for carrying out the survey and settlement of the hitherto unsurveyed land, the preparation of records of rights, and the final allotment of ownership rights to the occupancy tenants or cultivators, should be efficient and rapidly carried out. Further, in every one of the areas where the abolition of zamindari has been in progress, it is necessary to create machinery suitable for village administration, and for rural credit and other forms of assistance to the ryots for which, to some extent, they used to look up to the zamindars in the past. All this is complicated and difficult, but its implementation in a just, efficient and rapid manner should be the immediate task of the States. There is reason to fear that if this is not done expeditiously, much of the advantage arising out of zamindari abolition might be lost.

Laws not Enough

Further, in determining the actual rights of ownership, it is possible that influential interests may play a dominant rôle, and in view of the absence of well-established records, in the erstwhile zamindari areas, great harm may be done to the actually deserving and rightful cultivators. These points are made mainly to emphasise the fact that the mere passing of laws does not take

us very far; it is equally important to see to it, first of all, that the legislation itself is framed after taking into consideration the complications and peculiarities of the agrarian structure in the region, and that great care and energy are devoted to the administrative implementation of that legislation; otherwise, its value will be lost.

In this connection, it must be asked, apart from the psychological satisfaction of attaining "ownership", what is the real gain to the ryot? The main advantage is, or should be, the reduction of the real burden. It is not clear that there has been any such advantage in all cases. Where, as in U.P., the ryots have not been able to pay for the acquisition of Bhoodani rights, there is no reduction. Further, as in Madras and Andhra, where the rentals charged formerly by the zamindars were, in fact, lower than the land revenue rates charged in the neighbouring ryotwari areas, the burden might actually have been enhanced. The rigidity of revenue collection and the absence of remissions except where the crops have been totally lost are also in contrast with the more liberal policy adopted by some of the erstwhile zamindars.

All this leads to the conclusion that the process and progress of the abolition of zamindaris and similar tenures has to be watched carefully, and the complications of the position which are bound to differ from region to region, should be studied with a view to ensuring that this major act of land reform, fulfils the desired aspirations and objectives. The projects for research on the subject sanctioned from time to time should be expedited, and their results made available to the States for their guidance in further action. The main principle of land reform, that is, vesting the ownership of land in the actual cultivator, is achieved, only to a very limited extent by the abolition of zamindari and the like tenures. The ownership of land passes to the persons who have been legally in the position of "occupancy" tenants, or tenants without such rights, but who were dealing directly with the zamindars and their agents, in paying the rent. In several cases, these persons were not the actual cultivators. They were only enjoying the fruits of the land just as the non-cultivating owners of land in the ryotwari areas did, while the tenants-at-will, who had no legal protection against eviction or from excessive rents, were cultivating the land. Both in the zamindari areas and elsewhere, these "tillers of soil" do not get the land. In most areas, the prevalence of oral or customary arrangements of tenancy makes it impossible even to trace the actual cultivator. The revenue and other village records rarely show the actual position.

Redistribution of Land

If the actual tiller of the soil is to be given the rights of ownership, without ousting the large number of peasant-proprietors who, for one reason or the other, have given their lands on lease, the land has to be redistributed; holdings above a certain size will have to be taken over on compensation and distributed among the cultivators who are now landless. Such cultivators would include not only the landless tenants and the tenants who cultivate bits of land too small to provide them even with subsistence, but also the millions of landless agricultural labourers who obtain only partial employment on land at low wage levels.

To do this, first of all, a "ceiling" on holdings has to be fixed in each area; the excess being distributed among the landless. This procedure is fraught with several difficulties. Firstly, we do not have accurate and satisfactory data about land holdings, either on the basis of ownership or on the basis of cultivation units. Secondly, the determination of a "ceiling" which would be equitable and which would not adversely affect the efficiency of cultivation would be difficult. Several factors, such as the fertility of the soil, the crops grown, the availability of irrigation, the value of the land, the size of the family which is cultivating or supposed to live on the land, will have to be taken into account. Further, the mere size of the holding is no indication of its economic condition as it may consist of several plots distributed widely and consisting of lands of different types. Any imposition of a "maximum" on an arbitrary basis will lead to the further fragmentation of land between the various members of a family, who may now be holding or cultivating it jointly.

Above all, the fact remains that except in a few areas where large holdings of a relatively poor type of soil exist, land available for redistribution over a ceiling, fixed after taking into account the above mentioned factors, would be extremely limited in most cases. Existing evidence clearly shows that there is, in fact, no land, readily fit for cultivation, available for redistribution. Even if a few families own large holdings, in actual fact, they are not cultivating. The land is being cultivated by tenants, so there is nothing to be passed on to the landless. It is thus essentially a question of ensuring the position of the tenant, and fixing for him fair terms of tenancy, and not a question of redistribution.

Even assuming that there is, in some areas, a certain amount of surplus land, over and above a properly determined individual "ceiling", for redistribution, among whom should this be distributed? Should it go to landless labourers, who are actually in need of land? In this connection, it should be remembered that the weakest part of our agrarian economy is this landless labour force, made up mostly of Harijans and other backward classes. The discontent of these classes is the main political capital of disruptionist elements. These

people want land, while there is no land to be given.

Landless Labourers

Further, the pressure on land is the highest in areas where the shortage is most acute; holdings are pitifully small, and a substantial proportion of the rural population—say, 30 to 50 percent or more—consists of landless labourers. If land, where it is available, will be redistributed, who should be the people to get it? What will be the area over which redistribution will be limited? If land is available, for example, in Hyderabad or Madhya Bharat, will this be given to the landless cultivators or labourers of Andhra, Malabar or Travancore-Cochin States? (Even if it is given, will they take it and move to such far off places?) Or, will redistribution be limited to the people of a particular village, tehsil, district, or State only? If that is so, what contribution can redistribution make to the problem of the landless, particularly in the densely populated areas where there is no surplus land, in any sense of the term, to distribute? (It is interesting to note that even in the Bhoodan movement, land is only being collected, but no satisfactory plan of distribution is yet being worked out.)

In making proposals for fixing ceilings to be followed by redistribution—all these factors have to be borne in mind. Measures which overlook the complication of the situation and attempt at oversimplified solutions must lead to evasion and corruption. There would be no real relief, and in the process, productive efficiency might suffer. It can, of course, be argued that even though legislation may not be implemented effectively or successfully, the very fact that certain laws have been passed may give psychological satisfaction and appease the people to some extent. If this view were accepted, then it might be desirable to pass laws for the purpose. But all things considered, it is better to proceed cautiously and carefully, taking all the facts of the situation into account, rather than to pass hasty legislation which it is difficult to implement.

The Bhoodan Movement

Two important sources for the implementation of a plan of redistribution, of which account may be taken here, are the voluntary gift movement called "Bhoodan" initiated by Acharya Vinoba Bhave, and the possibility of reclaiming waste land—public and private—in certain regions. The first has already assumed dimensions of a great movement, but its actual value and content have yet to be clearly established. It is the natural tendency of men, particularly in the case of a cherished asset like land, to give away what is not wanted for one reason or the other—waste or jungle or rocky land or land under dispute. In such cases, cultivation would require a large effort for reclamation, and further investment for residence, cattle and other productive equipments. The land that is really cultivable and good is likely to be limited. Even there, equitable and practical schemes of distribution have to be worked out and facilitated by the provision of the capital required for cultivation. For ensuring the legality of the scheme of distribution and for providing the facilities mentioned above, the State has necessarily to step in. Until this is done, "Bhoodan" by itself is not likely to achieve the objects for which it has been launched.

The second source is the land which is brought under cultivation by the reclamation and irrigation projects under five year plans. Of course, the highest priority in these cases has to be given to the people displaced by the projects. But the potentialities of the project areas have not been fully examined and surveyed. In every project area, it is necessary to conduct detailed surveys for this purpose. The State should acquire all uncultivated land in the region, develop communities and townships and allot the land to the landless, after the main stages of the project have been carried out. This offers the only hope for solution of the problem of the landless. Immediate attention should be devoted to this activity by the States of the regions in which the projects have been launched, particularly by special authorities such as the Damodar Valley Corporation.

Zamindari abolition does not necessarily benefit the actual tiller of the soil, especially if he is a tenant-at-will. His position in the ryotwari areas has also been most unsatisfactory. Generally speaking, where there has been a shortage of cultivable land of good productivity and facilities, rents also have been high and terms of tenancy disadvantageous to the tenant. There has been no security of tenure, and this has led to the exploitation of the land without proper care for the conservation of its fertility or for the promotion of productive investment. In some cases, it has led to the growth of absentee landlordism.

On the other hand, it is not possible to dogmatise and say that the tenant has always suffered and the landlord gained. Tenancy has enabled the small cultivator to add to the size of his holding by adjoining plots and thus put his labour and equipment to more productive use. Where land existed in scattered bits, particularly in more than one village, it was to the advantage of the owner and the cultivator alike that the most accessible and conveniently situated plots should be cultivated together by one person. Landlords in several cases have provided the capital necessary to purchase the land and they also make all the major investment needed as well as share most of the main types of non-labour costs. They even provide credit to the tenant. Taking all these factors into account, it cannot be argued that the rents were universally excessive, although in some cases they undoubtedly were.

Legislation to regulate the relations between tenants and landlords has been enacted in several States and enforced recently. Notable instances are Bombay, Hyderabad, and Mysore among others. Madras has been trying to tackle the problem, first, on a local basis in Tanjore, where the situation was explosive and a comprehensive tenancy law has now been enacted. The main principles of this legislation are: (1.) providing the status of a protected tenant to persons with long-standing tenancy; (2.) fixing the maximum rental that could be charged taking into account the nature of the land and the crop, and providing a machinery for fixing rents and the settlement of disputes between the landlords and tenants and (3.) providing for written leases for a minimum period of eight years.

As in the case of most legislation of this type, evasion or anticipatory steps such as eviction, resumption of land for personal cultivation etcetera have widely taken place. Where the pressure on land was high, and people needed land for cultivation merely for keeping themselves alive and employed, the legislation has been completely evaded. The tenant does not under such circumstances, dare to seek the protection of the law. In States where no such legislation has yet been passed, landowners, quite naturally, are taking steps to resume the land, and provide for cultivation under their own management or by other means which do not involve the difficulties of tenancy. It is reported that in some areas, where the landlord used to advance money to the tenant, he now requires it to be deposited with him, in lieu of the rent. The actual developments in these matters in different regions are also under investigation, and the results of such studies should throw a great deal of light on the various facets of the problem. The point here again is that in the background of an overall shortage of land, and the lack of other avenues of employment, tenancy legislation (the desirability of which is not questioned) is no final solution to the problem.

Unemployment among Landless

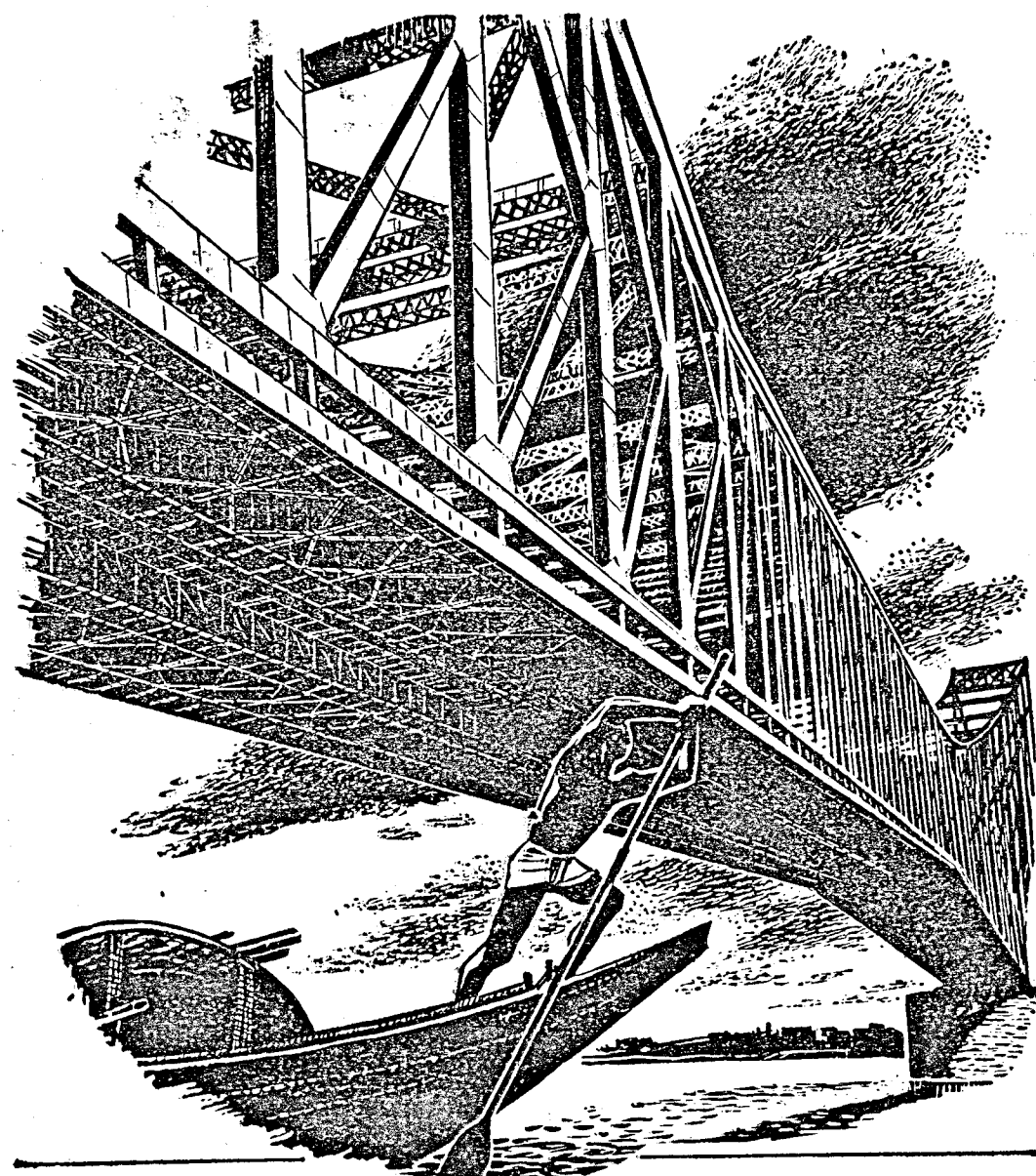
In India the most difficult problem to solve in relation to land today is that of the landless agricultural labourer. For him there seems to be little chance of obtaining land to any significant extent in spite of a redistribution programme. Even the existing peasant-proprietors and tenant-cultivators will not get enough to give them even subsistence (not to speak of economic) holdings. Tenancy legislation has had the unavoidable effect of reducing the scope of tenancy. As far as possible, the proprietor tries to cultivate the land himself rather than lease it out and thus jeopardise his rights. This removes one mechanism whereby several landless labourers used to climb up the agricultural ladder formerly—wage labourer to cropsharer or tenant-farmer and finally, the purchaser of land. This opening is now very much reduced, if not alto-

gether eliminated. Reduction in the size of the holding, either by redistribution or fixing ceilings at low levels, reduces also the scope for employment of labour. It is well known that only the relatively large cultivators could employ both permanent and casual labour on a significant scale. Where holdings have become small, for instance, in East Punjab, coastal Andhra, Malabar, etcetera, the extent of unemployment among agricultural labourers is large and acute.

Thus all the measures of land reform now contemplated, (except minimum wage legislation, which, in all probability cannot be enforced at all), have actually adversely affected the interests of landless labourers. This is a development fraught with great danger, and should be avoided at all costs. In this connection, it may also be noted that excepting programmes of road-building and other public works, the whole programme of the community projects and agricultural extension blocks does not contain anything of substantial advantage to the landless class of agriculturists. This is already a source of great discontent.

Summing Up

In the above paragraphs, an attempt has been made to draw attention to some important aspects of the problem of land policy in India today. (No attempt has been made to cover aspects such as the provision of rural credit or the promotion of co-operative farming, which, though important, are essentially measures that should follow the basic reform of providing land to the cultivator.) The main object has been to bring out the extremely complicated nature of this problem which, admittedly, is of vital importance to the nation. The chief points to be noted in this connection are: (1.) the overall shortage of land, particularly in the areas where it is needed, makes a solution of the problem very difficult; (2.) hasty enactment of legislation may achieve nothing, but lead only to corruption, evasion and greater discontent; (3.) the interests involved are several and their relative positions need careful study; (4.) the reforms envisaged should not lead to the sacrifice of economic efficiency and the improvement of production for which a great effort is currently being made, and (5.) in view of the complexities and local peculiarities to which this problem gives rise in a vast country like India, it should be tackled essentially on a local or State basis. This is true not merely because land and agriculture are State subjects, but also because no general solution acceptable to all and capable of adoption on a uniform basis is practicable. In the light of the general principles that are now well known, and in the light of the facts of the situation in each area, solutions to the problem in all its aspects should be worked out locally. The Central Government and the Planning Commission may encourage, advise, assist and exhort, but if they attempt to do anything more, the possibilities are that more harm than good may result.



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Commodity Markets

RISING TREND IN COTTON YARN OUTPUT

WORLD PIECEGOODS TRADE DROPS

ALTHOUGH total world production of cotton yarn in the second quarter of 1956 was seasonally less than in the first quarter, there is no doubt that the trend of activity continues to be strongly upward. This unusual state of affairs is disclosed in the Cotton Board's latest quarterly statistical review. Yarn output in the second quarter in those countries for which figures are available, including all the principal non-Communist exporting nations, was over 3 percent greater than in the second quarter of 1955. The greatest increase in production in comparison with a year ago was achieved by Japan, where the relaxation of Government restrictions had the immediate effect of raising output to record postwar levels. German production also continues to run well ahead of last year's level, and there seems to have been a fair measure of recovery in the level of French activity. The steady rate of increase in the output of the Indian and Hongkong industries continues; on the other hand, U.S. cotton yarn output in the second quarter was no greater than in the same period last year, and in the United Kingdom, it was below the already depressed level of the corresponding period of 1955.

World trade in cotton piecegoods declined sharply, probably more than seasonally, in the second quarter of 1956. The most important factor in this decline was a drop in Japanese exports from a postwar record level of 363 million square yards in the first quarter to 260 million in the second quarter. The decrease was fairly general, however; of the main exporters only Hongkong and, probably, France recorded any appreciable increase. In the first six months of this year, total world trade in cotton piecegoods was about 13 percent less than in the same period of 1955, itself a poor year for exports of cotton goods. Within the total, however, Japanese exports increased by about one quarter, and exports from the Netherlands, Belgium, Italy and Switzerland likewise expanded. On the other hand, shipments from the United Kingdom, France, the U.S.A. and Hongkong showed substantial declines compared with a year ago, and there were also slight decreases in Indian and German exports. World trade in piecegoods of man-made fibres, unlike those of cotton, expanded sharply in the second quarter, thanks largely to an increase in Japanese shipments from 237 million square yards to a new record level of 288 million. Exports from all the other main supplying countries, with the exception of Italy, were also greater than in the first quarter. Total world exports in the first six months of the year were about 12 percent greater than in the first half of last year, but only Japan, Belgium, the Netherlands and Austria shared in the increase; exports from the United Kingdom, the United States and France, in contrast, showed substantial decreases.

Depression Levels in U.K.

The basic conditions governing the level of activity in the U. K. cotton industry have not changed fundamentally during the last few months. Home market demand for most types of cotton and rayon textiles, apart from tyre cord fabric and certain industrial cloths, has remained strong, but shrinking exports and growing imports, accompanied by a continued running down of stocks, have kept output of cotton yarn and cloth at depression levels. In the first seven months of this year, the daily rate of output in the weaving section fluctuated within fairly narrow limits, rather better than at the worst point of the recession last summer, not quite as good as during the brief "rally" last autumn. Until June the same was true of spinning, but in July and August, the daily rate of yarn output, allowing for holidays, took a sharp downward turn, and during the latter month it was lower than at any previous period of the present recession. In both spinning and weaving it is the cotton section of the industry whose activity has continued to be so depressed; output of spun rayon and mixture yarns and of rayon and mixture cloth (with the notable exception of tyre fabric) has recovered fairly well from last year's setback.

Exports of cotton piecegoods declined slightly once again in the second quarter of this year. This latest decline was the result of a continuing fall in shipments to British west and east Africa and to French west and equatorial Africa, a sharp drop in shipments to Pakistan on the completion of deliveries under the American aid scheme, and a substantial decline in exports to the U.S.A. The increased shipments to Australia and New Zealand, and the maintenance of a fairly high level of trade with South Africa, were insufficient to counterbalance these unfavourable movements. In the case of rayon and mixture piecegoods, however, the expansion of exports to Australia and New Zealand, and the steadiness of trade with South Africa and Rhodesia, more than made up for the shrinkage of shipments to British west and east Africa; as a result, total exports of rayon and mixture piecegoods have increased slightly during the last two quarters. Imports of cotton piecegoods from India and Hongkong, principally for home consumption, and from Japan, China, France, Bulgaria and elsewhere for re-export, showed a marked increase in the first half of this year. So did imports of certain made-up cotton goods, notably shirts, which are now entering the country at a rate of 10 million a year, and towels, which

are coming in at a rate of about 11 million a year. In total it is estimated that imports of articles made up from woven cotton cloth so far this year have been at an annual rate equivalent to about 50 million square yards of cloth.

U.S. Output Declines

In the first quarter of this year, output of cotton cloth in the United States was 5 percent greater than in the corresponding period of last year, and greater than output in any quarter since the first three months of 1951. This was the peak of the boom, however. Orders received by mills in the first five months of the year were 11 percent down compared with the same period of 1955; apparently distributors had overestimated the rate of expansion of retail sales, and the slump in car manufacturing and the increase in imports also had their effect. As a result, order books began to shorten, mill stocks began to increase, and the margin between the price of cotton and that of woven cloth declined steadily from its January peak. Mill consumption of cotton in the second quarter was no greater than in the second quarter of 1955, and the daily rate of consumption in June and July was actually less than it was a year earlier. The man-made fibres sector of the textile industry suffered a setback before the cotton sector. Even as early as the first quarter of this year, output of fabrics of rayon and synthetic fibres was about 5 percent less than a year ago, the reduction being entirely in spun rayon and in nylon fabrics. In the second quarter, the weight of staple fibre consumed by spinning mills was 11 percent less than in the corresponding period of last year.

Exports of cotton piecegoods from the United States declined in the second quarter of the year and remained substantially below last year's level. A sharp reduction in deliveries to Canada was the main cause of the latest decline, but in comparison with the second quarter of last year all the main markets, in particular the Philippines, took less American cloth. There was a further slight improvement in exports of both rayon and synthetic fibre fabrics in the second quarter. Imports of cotton piecegoods expanded to reach a level of 65 million square yards in the first quarter, of which 50 million came from Japan. In spite of the fact that the mills have to pay more than the world price for their cotton, the U.S. Government has so far refused to institute import quotas, preferring to rely on the efficacy of the Japanese export restrictions. The Government is, however, paying a subsidy on the exports of textiles manufactured from American upland cotton. Although this is designed merely to equalise the position under the two-price system, in so far as other countries have in the last year or so been getting their cotton at below the internal American price, the competitive position of American mills in export markets will to that extent be improved by the subsidy.

Record Output in Japan

With the relaxation of the Japanese restrictions on the production of cotton yarn, output of both yarn and cloth rose to record postwar levels in the second quarter of this year. The combination of record output and reduced exports has caused stocks to begin to increase again after a long period of liquidation ended in March. It is not known what progress has been made with the proposal to reduce the number of spindles in place by 1.2 million, but it is noteworthy that the installed spindleage at the end of July was 540,000 greater than 12 months previously. The output of fabrics of man-made fibres continues to expand rapidly, production in the second quarter showing an advance of 21 percent compared with the same period of last year.

The postwar record level of exports of cotton piecegoods—363 million square yards—reached in the first quarter was not maintained in the second quarter, when shipments fell sharply to 260 million square yards. This lower level of trade continued during July and August. There was a very sharp drop in exports to Indonesia in the second quarter, and a similar fall in shipments of cloth to Hongkong, much of which is re-exported to the former market. Deliveries to Pakistan virtually ceased as a result of the completion of business under the American aid agreement, and exports to the U.S.A. were sharply reduced to a level more in accordance with the export quota of 150 million square yards this year. Burma, Singapore and Indo-China also took much less Japanese cloth during the second quarter, and shipments to Australia and Siam continued at the relatively low level to which they had fallen in the preceding quarter. The United Kingdom, the Netherlands, British west Africa and the Philippines were the only important markets to take more cotton cloth from Japan in the second quarter. Exports of rayon piecegoods expanded sharply in the second quarter to reach a new record level, and for the first time, they exceeded exports of cotton piecegoods. Almost all the main markets took greater quantities, the biggest increases going to British west Africa (the largest market), Hongkong and Afghanistan. Indo-China and Indonesia were the only important markets to take less cloth than in the first quarter.

Indian Expansion Plans

Output of mill-made cotton yarn and piecegoods in India continues to exceed last year's extremely high levels. The Government has permitted the mills to install a further 14,600 automatic looms; these are expected to produce 350 million yards of cloth a year, all of which must be exported. This is part of a plan designed to raise cloth production to a level of 8,400 million yards a year in the course of the next ten years; of the total it is planned that 1,000 million yards will be exported (the present level of exports is less than

800 million yards a year). Of the increase in production of 1,700 million yards over the present level, the intention is that at least 1,000 million yards would come from handlooms. At the end of August, the Government announced sharp increases in the excise duties on mill-made cotton cloth. The intention is, apparently, that the increased duties should be borne by the manufacturers and merchants, and not passed on to the consumers, as profits are held to have increased excessively. The proceeds of the increased duties are apparently to be used to help finance the second five year plan. Sea-borne exports of cotton piecegoods from India increased moderately in the first quarter of this year, and this level of trade was maintained in April and May; the volume of shipments was, however, less than in the same period of last year. Shipments to the United Kingdom, the Sudan, Burma and Iran expanded in the first five months of this year, but trade with Indonesia continued its steady decline.

The trend of output of western European cotton industries continues to be upward. In the second quarter of this year, cotton yarn output in these countries considered as a whole may have been as much as 4 percent higher than in the relatively depressed second quarter of last year, though still slightly less than in the same period of 1954. Germany continues to make the pace, with considerable increases in both cotton and rayon goods production compared with a year ago. French production of cotton goods, particularly yarn, has recovered well from last year's levels, but output of spun rayon fabrics is still well down. There are no signs of improvement as yet in the cotton sector of the Italian industry, but the output of spun rayon and mixture yarns and spun rayon fabrics is well above that in the same period of last year. Output in Austria and in the Netherlands has increased in the course of the last 12 months, while in Belgium the level of output of cotton goods has remained fairly steady and that of rayon goods has expanded.

WHOLESALE PRICE INDEX RISES

THE official wholesale price index (base: year ended August, 1939=100) advanced by 0.2 percent to 419.9 during the week ended 22nd September, 1956, compared with 418.9 for the previous week. The index was lower by 0.3 percent when compared with the corresponding week of last month, but was higher by 19.6 percent than that of a year ago. Higher prices of tea for internal consumption (+19%), gram in Patna (+4%) and rice in Calcutta, wheat in Hapur and bajra (+1% each) were responsible for a rise of 0.3 percent to 392.7 in the index for Food Articles in spite of a fall in the prices of gur at Muzaffarnagar (-6%), and wheat in Amritsar, gram in Hapur and sugar (-1% each). The index for Industrial Raw Materials declined by 0.3 percent to 505.1 due to a decrease in the prices of raw silk in Malda (-4%), groundnuts (-3%), shellac T.N. (-2%), and rapeseed in Kanpur and copra (-1% each). Prices of manganese ore (average export price) (+6%), castorseed in Bombay (+3%) and rapeseed in Calcutta and raw hides (+1% each) were, however, marked up. The index for Semi-Manufactures worked out to 408.1 as compared with 408.7 for the previous week. Items which showed noticeable changes were: Copra cake (-4%), castor oil in Calcutta and gingelly oil (-3% each), copper in Bombay (-2%), coconut oil in Bombay (+4%) and linseed oil (+2%). An increase in the prices of jute manufactures (+1%) raised the Manufactures group index by 0.1 percent to 392.1. Prices of tobacco leaf (+13%), black pepper and betelnuts (+4% each), all in Calcutta, and cashewnuts in Mangalore (+2%) showed advances while those of black pepper in Cochin and chillies (-4% each) exhibited declines and the index for the Miscellaneous group moved up sharply by 4.3 percent to 577.2.

INDEX NUMBERS BY GROUPS AND SUB-GROUPS
(Base: Year ended August, 1939=100)

Groups and Sub-Groups	22-9-56	15-9-56	Week Ended 25-8-56	24-9-55
I Food Articles:	392.7	391.5	397.9(R)	306.5
Cereals	508	506	509(R)	375
Pulses	397	393	406	264
Others	248	247	255	222
II Industrial Raw Materials:	505.1	506.4	505.6	397.5
Fibre	479	479	477	406
Oilseeds	571	578	581	373
Minerals	523	517	513	413
Others	423	422	423	423
III Semi-Manufactures:	408.1*	408.7	411.1	325.0
Leather	—	373	372	338
Minerals oils	208	208	208	202
Vegetable oils	582	589	615	362
Cotton yarn	505	503	503	407
Metals	329	329	329	258
Oilseeds	484	488	487	344
Others	361	361	361	330
IV Manufactures:	392.1	391.6	389.8(R)	368.6
Textiles	428	427	425	403
Jute	435	430	407	396
Cotton	430*	430*	432*	402*
Rayon and silk	470*	470*	470*	474*
Woolen	266	266	266	278
Metal products	388	388	388	352
Others	295	295	294	286
V Miscellaneous:	577.2	553.5	565.0	554.9
All Commodities	419.9	418.9	421.0(R)	351.1

R = Revised. * = Estimated.

Stocks and Shares

SELLING IN INDIAN IRONS PULLS DOWN MARKET

PRE-HOLIDAY CAUTION RESTRICTS TURNOVER: TEAS SOFTEN AFTER INITIAL SELECTIVE RISES

Tuesday Evening.

THE stock market has sulked in the shadow of the Government's decision not to let Indian iron increase its ordinary distribution, and activity during the past week has been further restricted by the approach of a long holiday. The publication of encouraging production figures by the Indian Iron and Steel Co. Ltd. for the quarter ended last September slowed the slide in the shares only temporarily. They closed this afternoon at Rs. 34.7. Operators are now awaiting a formal announcement about an issue of rights shares by the company; permission for such an issue was given by the Government around the middle of this year, and a premium of Rs. 3-8 a share was stipulated in the event of a one-for-one offer.

The selling in Indian Irons has not failed to influence the rest of the market. Easier commodity advices, especially from the gunny markets, have been an additional depressing influence. Engineerings have been quieter than usual in sympathy with the Iron leader, and except for a bout of interested support in a couple of scrip, have tended to soften. Jute shareholders are worried by the deterioration of profit margins that must result from the weakness of jute goods while raw jute remains relatively steady. Coals, already anxious about their cost-price troubles, have been further subdued by the continuation of the Raniganj strike. Tea shares responded selectively to the good auction results last week, but later thoughts have centred on the transport difficulties that are likely to arise if steamer men continue their strike. It is also remembered that it is normal for the tea markets to undergo some facelifting before the Pujas, because buyers replenish stocks before the holidays interrupt the auctions; to that extent, the recent rise in tea prices may not be an assured indication of future trends. Miscellaneous industrials have generally been quiet in sympathy with the rest of the market, though occasional shares are fairly maintained on investment or interested buying.

Government securities have been quiet.

Details of the week's trading follow.

* * * *

The Government security market continued quiet, and with the exception of short-dated and National Plan Loans, sellers predominated. The 3% Conversion Loan met with selling pressure and the price declined by six annas to close around Rs. 7-12, while Non-terminable Paper was marked back to the same price without any business passing. In short-dated Loans, 3% 1957 was unchanged at Rs. 99-12 while 3% 1958 had buyers over at Rs. 99-9. In the medium-dated group, 3% 1959-61 was marked at around Rs. 97-15, but 3% 1963-65 was quoted lower at Rs. 94-6; 2½% 1961 turned sellers at Rs. 93-7 and 2½% 1962 was taken at around Rs. 93-15. Among National Plan Loans, 3½% 1961 changed hands at Rs. 99-2 and 3½% 1964 met with enquiry up to Rs. 98-9; 3½% 1965 had buyers at Rs. 98-7-6 and 3½% 1967 was traded at around Rs. 98-8. Long-dated loans were weak with 3% 1966-68 on offer at Rs. 93 and 1970-75 at Rs. 89-6; 2½% 1976 turned sellers at around Rs. 83 but 3½% 1974 was asked for at around Rs. 98-8. State Loans were extremely dull except for a small enquiry for 4% 1968 issues, particularly those standing at a discount; 4% U.P. 1968 was easier at Rs. 99-2 and 4% Madras 1968 was quoted at Rs. 99-3. In contrast, 4% Saurashtra 1968 had buyers up to Rs. 99-9.

Trading in preference shares was very restricted, in the absence of institutional support. Selected shares in the miscellaneous industries, however, were wanted. There was an enquiry for Metal Box at Rs. 97 x.d. and Cawnpore Sugars at Rs. 129. Burn 6% were done at Rs. 114-8 and Indian Irons at Rs. 100 x.d. There was a trickle of business in jute preferences, but at levels lower than previously. Agarpara passed at Rs. 104 and Gourepore at Rs. 87.

There was very little interest in jute shares and prices in general moved downwards. The weakness of the gunny markets helped the decline, and operators were disturbed by the relative steadiness of raw jute—the latter on reports of floods and transport allocations upcountry. Nationals fell from Rs. 25-8 to Rs. 24-14, while Bally eased from Rs. 207 to Rs. 199.

Fluctuations in coal shares were very narrow and turnover was small. The consequences of the Raniganj strike were considered disturbing. Burakur idled around Rs. 15-13, while Central India moved barely an anna either way of Rs. 7-6.

The continued weakness of Indian Irons dominated the engineering section. Opening lower at Rs. 34-15 last Thursday, against the previous close of Rs. 35-11, they declined almost steadily to Rs. 34-7. At first, Jessop and Richardson and Cruddas also moved down in sympathy with Indian Irons, but after the week-end they met with interested support and recovered their losses. Jessop closed at Rs. 38-15, and Richardson and Cruddas at Rs.

27-15. Texmaco moved between Rs. 23-12 and Rs. 23-4, but the undertone there too was easier.

Miscellaneous issues in general tended to soften in sympathy with the general trend, but a few shares held up fairly well on interested support. Among the latter were B.I.C., which rose to Rs. 11-11 before closing around Rs. 11-5, and Angelo Brothers, which at one time touched Rs. 24-8 partly with the aid of rumours of satisfactory working. Indian Copper came on to an ex-rights basis with an opening quotation of Rs. 4-12, against the previous close of Rs. 7-2 c.r. They were later shaded to Rs. 4-11-6. Indian Aluminium met with profit-taking and declined to Rs. 18-6. India Steamship fluctuated around Rs. 10-7 with a steady undertone, and there were hopes of a dividend. Among papers, Orient were shaded to Rs. 39-2 in restricted activity. National Carbons were a steady feature around Rs. 30 on hopes of an interim distribution.

Teas received a boost before the week-end because of the very satisfactory auction results. But later operators became worried by reports that the transport of tea from upcountry areas had been disturbed by the strike of steamer employees. This, it was thought, might increase the cost of marketing, because more tea would have to be transported by air. Bishnauth Old, after touching Rs. 25-10, eased to Rs. 25. Brooke Bond was around Rs. 22-10.

* * * *
The output of the INDIAN IRON AND STEEL CO., LTD. during the quarter ended 30th September, 1956, showed an all-round improvement compared with the previous quarter. The production of pig iron and steel ingots increased from 148,306 tons and 117,710 tons to 174,447 tons and 133,325 tons, respectively. Semi-finished steel for sale was 23,367 tons, against 28,137 tons, and finished steel 63,206 tons against 64,472 tons; these two, taken together, thus rose from 92,609 tons to 113,593 tons.

How banking serves the SPICES INDUSTRY

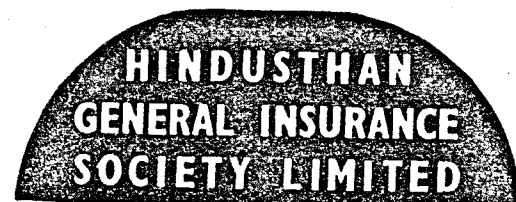
There is tremendous demand throughout the world for pepper and cardamoms and South India produces the bulk of these spices. One-third of the entire world demand for pepper is grown between Karwar and Cape Comorin; and in 1951-52, India's exports earned more than Rs. 27 crores.

Within the last ten years there has been a remarkable increase in cardamom growing, particularly in the South Indian states of Mysore and Coorg, and the districts of Madras, Tinnevely, Malabar and Coimbatore.

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Our City Cable

IMPROVED TURNOVER IN STOCK MARKETS

DEPRESSING INFLUENCE OF DUNLOP INTERIM

London, 9th October.

QUIET and mixed conditions have prevailed in the London stock markets during the past week, although business has been at a rather higher level than recently. The general undertone has been satisfactory and numerous gains have been reported. Distinctly firm conditions developed at one time, but the lower interim dividend and the half-yearly profits announced by Dunlop Rubber dampened enthusiasm, and some of the earlier gains were lost. Dividend announcements were responsible for many of the noteworthy movements. A better trend on Wall Street after its recent fall helped sentiment at one time, but there was little else to stimulate interest. The Suez situation naturally continued to dominate the markets, although hopes are rising of a peaceful settlement eventually. The outstanding feature of the week was the return to favour of the gilt-edged market, which recorded an all-round modest improvement following investment buying, and gains extended to half a point on the week. The recovery in sterling was primarily responsible for the rise in gilts, although lower profits reported by several leading industrial companies—Dunlops, Associated Electricals and Imperial Chemicals—diverted attention to gilts. The end-September gold reserve figures had little effect. Dollar stocks fell back, but rallied later following the recovery in New York. Suez Canal shares advanced. Banking shares held steady to firm, while insurance shares were more active. Industrials attracted selective buying, but interest was more widespread than in the preceding weeks. The Dunlop news dampened enthusiasm however and although

numerous gains were recorded, prices were below their best in some cases. Finance house shares moved up on the Kaffir market, but other South African gold shares were little changed. Indian gold shares responded sharply to the compensation news. Coppers moved to higher levels, as higher Rhodesian Selection Trust and Roan dividends were expected. Tins were quieter. Leading oils were higher and Anglo-Brazilian scored a sharp advance on bid talk. Rubbers continued to be in demand and recorded numerous rises, while teas, which were generally quiet, were higher in a number of cases.

The Money Market

There has been little change in the credit situation during the past week in the London money market. Supplies were stringent and the discount houses had a large bill take-up to finance. Demand for loans was keen, and under the pressure, the money rate held firm at 4½ percent. The feature of the week's moderate bill business was the demand by clearing banks for "hots" in view of their year-end maturity and which the market was able to sell at 5 percent as against 5 1/32 percent for early December maturities. The discount market again tendered more for the week's offer of Treasury bills and consequently, there was a further reduction of approximately 1/32 percent in the average rate. Applications for £280 million worth of 91-day bills totalled £424,880,000 and were allotted at an average rate of 10½ 15½ percent compared with 10½ 9.86½ percent in the previous week. Offerings this week comprise £280 million worth of 91-day bills, The Bank of England return for the week ended 3rd October showed that notes in circulation were about £1 million higher at around £1,810 million and bankers' deposits were about £1 million lower at around £229 million.

U.S. Federal Reserve Return

The U.S. Federal Reserve return for the week ended 3rd October shows gold stock unchanged at \$21,884 million. Foreign deposits increased by \$47 million to \$378 million, while foreign investments rose by \$11 million to \$3,726 million. The Federal Reserve bought \$100 million worth of bills and \$42 million under repurchase agreements. Total discounts and advances rose by \$402 million to \$975 million, while the aggregate of excess reserves of member banks rose by \$338 million to \$579 million. The daily average excess reserves of member banks fell by \$34 million to \$517 million, while their daily average borrowings rose by \$105 million to \$810 million. Business loans of the New York city banks rose by \$89 million to \$10,909 million, compared with the rise of \$149 million to \$8,749 million in the corresponding period a year ago.

Hongkong Gold Steady

The gold market, which was very steady throughout, was dominated by sterling movements. After opening irregular, values touched the week's low at \$(H)266½, then climbed steadily to the week's high at \$(H)267½. The main suppliers during the period were scattered speculators who were profit-taking. But as soon as this was absorbed by prominent bulls, the offerings stopped. Steadiness was maintained despite the arrival of 80,000 ounces in Macao. Carry-over charges were 240 cents a ten taels in sellers' favour. The official offtake was 2,250 taels and the unofficial was 14,100 taels. Forward contracts were done at \$37.7½.

Vegetable Oil Market

Anticipation of enquiries rather than actual business kept groundnut prices steady to firm, trade sources said. France would be wanting 15,000 tons between now and the end of the year. Traders were awaiting the invitation of tenders. After increased interest at the week-end, linseed oil prices receded steadily, but became steady during the closing stages. On Thursday, there was again interest in near deliveries and was supported by a better demand for spot oil on the Continent. At the close, near months were £2 to £3 higher a ton. Castor oil was steadier towards the close. Trade sources said this was due mainly to the resumed U.S. interest. Business to the United Kingdom was fair with occasional support from Continental buyers. Indian B.S.S. October-November held at £132. Coconut oil relaxed after moderate business on the news that the surcharge clause would be included in future contracts. Straits in bulk sold at up to £88 5s for October-November and November-December. There was no interest in Ceylon oil which was nominally quoted at £95.

Cautious Freight Market

In North American trades, charterers were more cautious following reports from New York that the new company formed by mineworkers, coal producers and railway companies had been authorised by the United States Government to charter 30 Liberty type vessels from the reserve fleet for use on the trans-Atlantic coal route. Far Eastern operators continued their widespread enquiries for tonnage to cover numerous cargoes of ore from India including 6,000 to 10,000 tons of iron ore from Vizagapatam or Masulipatam to Gydnia at 155s f.i.o. October. Coal charterers invited offers for 7,000 to 9,000 tons of coal from Calcutta to Port Sudan in November. With interest mainly centred in North American trades, fair business was transacted at around recent levels. The Isbrandtsen Shipping Company is reported to be taking seven vessels on bareboat charter from the U.S. reserve fleet for rice from the Gulf to India and for heavy grain from North Pacific to India, the latter for consecutive voyages over one year.

London

A CUSTOMS UNION PLAN FOR WESTERN EUROPE

COMMONWEALTH FINANCE MINISTERS FURNISHED WITH DETAILS

(FROM OUR LONDON CORRESPONDENT)

BUSINESS circles both here and in the Commonwealth countries will be giving considerable thought in the weeks and months ahead to the plan for creating a customs union in Western Europe and Britain's probable participation in a partial free trade area consisting of the customs union of the six Messina countries—France, Germany, Italy, Holland, Belgium and Luxembourg—and such other members of the O.E.E.C. as may decide to associate themselves with it. The object is to provide a big enough economic unit of the type now enjoyed by the United States and the Soviet Union that may derive the full advantages of large-scale production for a home market catering for 150 to 250 million people against the 40 million or so which the various individual units must now depend upon. The Commonwealth Finance Ministers were given both the details and the views of the British Government by Mr. Macmillan and Mr. Thorneycroft during the Washington talks following on the World Bank meeting. Final decisions have not yet been reached. The Commonwealth's considered views—and those of Western Europe as well for that matter—have still to be ascertained, but the British Government's ideas have now been made available to the public by the same spokesman, and it favours participation subject to certain reservations. Europe's desire to go forward with the scheme faces Britain with three alternatives. If she stayed out she would lose valuable markets; if she went in she would have to abandon the preferential arrangements with the Commonwealth, or join a free trade area as a compromise solution that will get the best from both worlds.

The immediate objection, of course, is the adverse effect on Commonwealth preferences which such a free trade area would have. But about 90 percent of Commonwealth exports to this country are concerned with agriculture and raw materials. The intention, therefore, would be to exclude these goods from the free trade area. This country would continue to afford Commonwealth products their present degree of preference, while opening our markets only to goods in which the Commonwealth is not seriously competing. The free trade area would provide this country with the full advantages of large-scale production for a common market comprising some 250 million people. Equally important, however, might be an enlarged economic unit holding out the possibility of accumulating and exporting capital. In the long run the future of the Commonwealth may well depend on this country's ability to export surplus wealth, particularly to the Colonial dependencies. By joining the kind of association outlined, Britain would not be disregarding her Commonwealth obligations, but rather adopting an economic posture that would enable her to carry them out. Half Britain's trade is with the Commonwealth, one-quarter with Europe. Britain provides a free market for Commonwealth goods and the Commonwealth countries a preferential market for British goods. Ninety percent of our imports from the Commonwealth are food and agricultural products that would not be affected. Industrial exports from the Commonwealth would continue to enjoy a preference in the British market compared with outsiders, such as the United States, but would lose this advantage as compared with members of the free trade area.

Capital for the Commonwealth

These points are, however, technicalities, and in Mr. Macmillan's view the importance of the scheme lies not so much in tariff as in capital. He found in Washington that the countries of the Commonwealth are hungry for capital on a scale that in recent years Britain has been unable to provide. He believes that the European free trade area will provide a surplus of wealth and savings greater than comes at present from the individual countries combined, and this surplus will be available for investment in the Commonwealth. "I do not think we can properly carry out our duties to the Commonwealth and the Colonial dependencies unless we can increase our surplus wealth. You cannot invest a deficit," he said. The reaction of participation on British industry is now under consideration by the F.B.I., but as Mr. Thorneycroft pointed out, we are already up against German competition and unless we can improve our competitive power we shall be on the way out anyway. Within the free trade area tariffs, except for purely revenue purposes, would be reduced in stages and ultimately abolished. This would happen over at least ten years. Industries would thus have ample time to adjust themselves. We would have the advantages offered by a large home market, if we could be really competitive. We could not maintain full employment unless we had ample foreign markets and were fully competitive in them.

Sir Norman Kipping, Director-General of the Federation of British Industries, declared at Cardiff the other day that the crux of the problem of the proposed European common market was whether it was a challenge and an opportunity or a threat. "I feel that it will be wise for everyone in British industry to examine very carefully whether he can accept the challenge of a prospect of free and equal competition in these markets with the other members, or whether he is com-

petitive to take up the position that conditions will favour his competitors and so entail the risk of the loss of his own home market."

Credit Squeeze at Work

The working of the credit squeeze, though it appears to have eased a bit in some sections—in respect of hire purchase sales of television sets, for instance, which have recently recorded a rise—is proving very effective overall, as the September statements of the London clearing banks show. Just how important is the part which the banks play in the economy is apparent from the fact that there has been a rise in industrial production in Scotland—whose banks are reputedly more liberal lenders—when the index for Britain as a whole has been static. A digest of Scottish statistics just published in Edinburgh gives the index for all industries as two percent higher in the first half of 1956 than in the same half of 1955. For the United Kingdom the index is unchanged over the year. There are two outstanding features in the latest bank statements: that some have at last begun to increase their investments, though only one-third are going into Government stock despite Mr. Macmillan's recent appeal and two-thirds into Treasury Bills to raise overall liquidity to nearly 37 percent; and the drop of £70.7 million in advances, to bring the total fall since the end of June to £115 million. Treasury figures are now being made available of borrowings by nationalised industries. Advances to the seven boards fell last month by £29.7 million to £21 million excluding the totals for the Scottish banks. The net fall in advances to the private sector therefore works out at £41 million, which is very considerable. The net reduction since the end of June is £103 million. The credit squeeze is definitely at work, but it is obvious that monetary measures work very slowly. But for the Suez situation and its adverse effects on Government's proposed expenditure cuts, it is widely believed that a lowering of the bank rate would have taken place this autumn. Indeed, in view of the time lag in monetary policy becoming effective and the Government's need to look forward to expanding production in 1957, if developments in the last two years are not to be wasted the possibility of a change in policy, even though present conditions are hardly propitious, is still not entirely ruled out.

The Balance of Payments

Though the payments position still gives cause for concern, it is at least some satisfaction that sterling appears recently to have recovered from the weakness which affected it when the Suez crisis was at its height and the Exchange Control had to come to its support earlier in September. The gold and dollar reserve figures for that month, just issued, showed an increase of \$52 million, which of course was due to the windfall receipt of \$177 from the Texas Oil Company for the assets of Trinidad Oil. Without that there would have been a net loss of \$125 million on top of the August loss of \$129 million. Even so, the net loss in the third quarter of the year, which is usually the worst, has been \$234 million (excluding the Trinidad Oil receipt) compared with \$335 million in the third quarter of 1955. At the end of the month the reserves stood at \$2,328 million compared with \$2,276 million at the end of August.

In transactions with the E.P.U. there was a deficit in September of £12 million compared with one of £16 million in August and £24 million in July. At least the European trend is in the right direction, though with the end of the holiday season one would have expected it to be more rapid. The Texas Oil receipt is, of course, a capital item which must be kept separate from the current trend of sterling area payments, but as it roughly equals the repayment instalments on the U.S. and Canadian loans it will no doubt be utilised for that purpose at the end of the year. Disregarding this transaction and allowing for the other special items, such as the \$3 million U.S. defence aid and the \$34 million paid in settling the August E.P.U. deficit, the sterling area's residual deficit came out last month as \$83 million. In August the deficit was \$68 million.

National Ordinary expenditure totalled £2,269 million in the first half of the financial year. It was £230 million more than the total income of £1,937 million. A year ago the deficit was £213 million. The deficit "below the line", where the main items are loans to State boards and local authorities, is down from £320 million to £179 million. Loans to local authorities fell sharply to £54 million from £217 million, but nationalised industries borrowed £63 million against nil. Income-tax receipts at £552 million rose £74 million and Customs and Excise receipts jumped by £43 million to £1,009 million. Revenue from death duties was nearly £9 million lower at £83 million.

Mysore Gold Terms

Details of the distribution of the £1,230,000 compensation payable by the Mysore Government for the expropriation of the British-owned gold mines have now been received in London and the companies concerned are understood to find the revised terms of the agreement more acceptable. Nundydroog Mines (KGF) is to be paid £476,000 (Rs. 63,49,000) and Champion Reef (KGF) £396,000 (Rs. 52,81,000) as cash compensation. These figures include compensation by each company for its shareholding in the Kolar Mines power station, which is also to be nationalised. Compensation excludes the sterling investments of the holding companies in the U.K. Three-quarters of the compensation will be paid on vesting day, which is to be not later than 30th November, 1956. The remainder will be paid three months afterwards and the Nationalisation Bill is expected to be passed before 20th October. At end-1955 Nundydroog Mines held gilt-edged to the value of £197,000 and Champion Reef £110,000. On this basis holders of Nundydroog 10s. Ordinary might expect a distribution of up to 20s. a share and Champion Reef's payment might amount to 15s. Mysore Gold, whose capital is quoted in units of Rs. 5, is to receive £258,000 (Rs. 47,71,000) as cash compensation. This is equivalent to about 4s. 3d. a share. These figures are an improvement on the Mysore Government's original proposals.

Brevities

On 4th October the Board of Trade received the Monopolies and Restrictive Practices Commission's report on the supply of tea which, it announced, will be published "in due course."

The Governors of the Central Banks in the Commonwealth are now in London for their informal exchange of views with the Governor of the Bank of England. It is understood there is no agenda and no statement is likely to be made; nevertheless, considerable interest is being taken in the meeting by business circles.

Mr. Evert Barger has been appointed Secretary-General to the Commonwealth Press Union in succession to Sir Henry Turner, who retired last month.

The National Coal Board and the Central Electricity Authority have agreed to build a pilot power station as part of a joint scheme to develop the technique of underground gasification of coal.

The Grand Council of the Federation of British Industries has reconstituted the F.B.I. Middle East Panel as a standing committee of the Federation, to be known as the Middle East Committee. Sir Ralph Stevenson, former British Ambassador to Egypt, has taken over the chairmanship.

Lord Harcourt, who has been head of the Treasury delegation and Economic Minister in Washington for two years, is returning to Morgan, Grenfell and Co., the bankers, early in the New Year. He will be succeeded by Mr. G. F. Thorold, who has been granted leave of absence from A. W. Bain and Sons, Ltd.

Four firms of management consultants have formed the Association of Management Consultants to pool experience and share research. The firms are Associated Industrial Consultants, Personnel Administration, Production Engineering and Urwick, Orr and Partners.

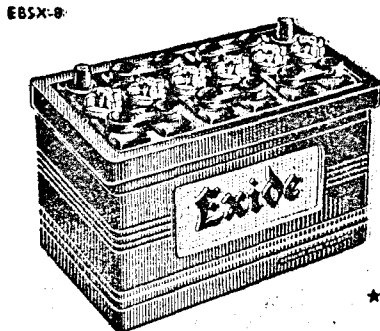
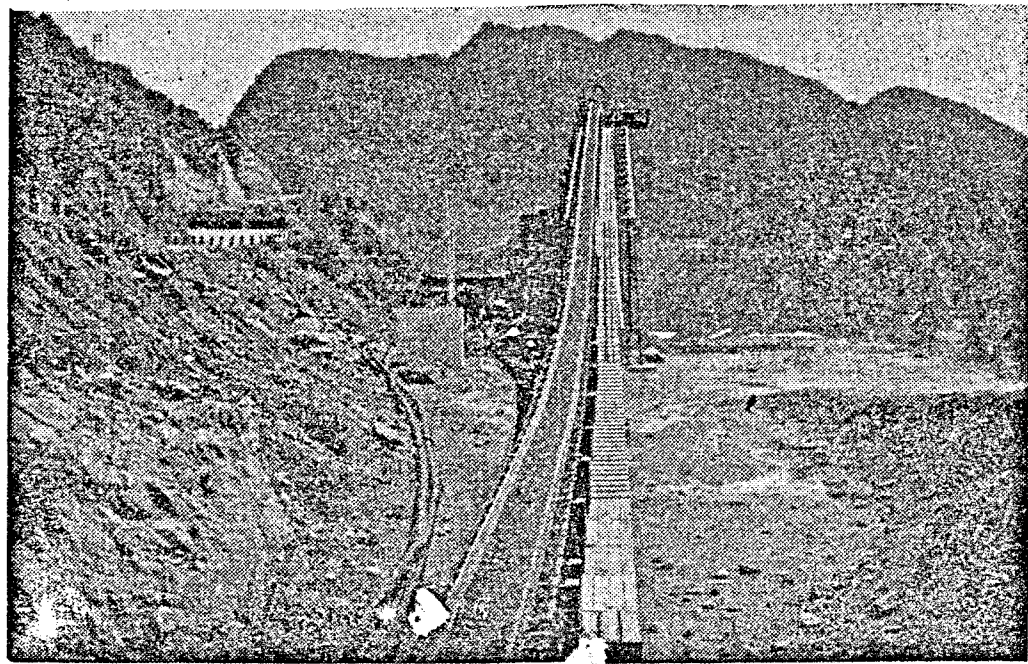
At Bhakra, where the Sutlej has cut deep gorges in the mountains and strewn its banks with boulders, an endless conveyor belt carries these aggregates to the location of the dam. The conveyor system, the longest in India, is operated with push-button ease. The belt was made by Dunlop in India.

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INDUSTRY WELCOMES EXTRA RUBBER IMPORT QUOTA

PRICE EQUALISATION TO HELP PLANT REHABILITATION

(FROM OUR BOMBAY CORRESPONDENT)

THE Government of India's decision to grant a fresh import quota of 2,000 tons of raw rubber for the October-December period has been welcomed by industrial circles here. This will bring the total import for the year to about 8,000 tons. Added to the estimated domestic production of 23,000 tons, it will give the industry the 31,000 tons it needs for its current year's manufacturing programme. Malayan rubber prices have been particularly favourable and manufacturers, thus far, have taken full advantage of this to remain competitive in foreign markets for finished goods, but it now seems that this position cannot be maintained for long. The Government has ruled that the imported rubber will be sold at par with the domestic product, which is considerably more expensive, and the price difference credited to a fund for the rehabilitation of the rubber plantation industry. There is no question that the plantations need rehabilitation. Rubber plants and trees were first imported from Ceylon in 1878, on an experimental basis, and in 1902, India had two full-fledged plantations which marked the beginning of the rubber plantation industry. By 1910, the area under rubber was 29,500 acres. Progress continued steadily, but it was during the second world war that the industry received its first real impetus. During 1942-46, an additional 23,964 acres were brought under cultivation to meet the war-time requirements of the allied forces. By the end of 1953, about 173,600 acres were under cultivation producing 21,136 tons of raw rubber. Of this, 71,400 acres, or nearly 41 percent of the total area, were accounted for by small holdings, that is, holdings of 100 acres and below. The actual production this year is estimated at 23,000 tons.

Although good progress has been made, there is ample scope for improvement in several directions. For instance, the average annual yield is

low and amounts to no more than 270 lbs. an acre, as against the Malayan yield of 1,000 lbs. an acre. Clearly, a case exists for the thorough rehabilitation of the plantations. It is planned to replant 70,000 acres with new seed and to increase the total area by cultivating an additional 10,000 acres. This scheme, which is expected to show results over a 15-year period, is calculated to result in increased production at reduced costs which will help remove some of the existing disparity between Indian and Malayan prices. The importance of the scheme is highlighted by the fact that India is the only country in the world which is both a producer of raw rubber and a large-scale manufacturer of rubber goods. With the rehabilitation of plantations, the manufacturing industry can look forward to a more secure future.

Outlook for Malayan Rubber

The rehabilitation scheme is being partly financed by a cess of Rs. 6-4 a 100 lbs. on Indian raw rubber, and it is now sought to raise additional funds by increasing the price of imported rubber to the level of the home-grown product. This will be reflected in the prices of manufactured goods, and the danger is that the export markets will be threatened. The industry has an excellent export potential and is capable of supplementing foreign exchange earnings to a considerable degree. For instance, in 1953-54, it earned over Rs. 1.7 crores in terms of foreign currency. The international rubber goods market is extremely competitive and if Indian prices increase, a good bit of this lucrative trade will be lost.

There is every possibility that the Malayan prices of raw rubber will fall still further. Malaya is deeply concerned over the U.K. decision to increase its purchases of synthetic rubber from 70,000 tons to 80,000 tons next year. The extent of this concern is illustrated by the fact that Dr. Ismail bin Dato Abdul Rahman, the Malayan Minister for Commerce and Industry, stated recently in Kuala Lumpur that his country would ask Britain that the hard currency earned by Malayan rubber sales to the United States should be put into a separate account. Money from this account should not be used to purchase synthetic rubber, he said. The Minister pointed out that Britain was spending huge sums of money on buying synthetic rubber from the United States and that some of this rubber had been bought with the money earned by

Malayan natural rubber. He added: "This is adding insult to injury." In addition, the Rubber Producers Council, which represents all sections of the rubber industry in Malaya, has passed a resolution deploring the British Government's action and calling upon the Malayan Government to lodge a protest. The British Government, however, is compelled to permit the import of synthetic rubber, which sells at a cheaper price than the natural product, in order to keep British manufacturers in a competitive position with the Continent. Also, it is reported from New York that the first order for all-synthetic tyres for military lorries has been placed with a local manufacturer. These reports have caused some nervousness in Malaya's rubber circles.

Although there are indications that communist China is in the market for substantial quantities of Malayan rubber, there are many obstacles in the way of normal trading. At first, the Chinese demanded that they should be allowed to collect their rubber shipments before payment, but later expressed their willingness to use the normal letter of credit method of business. They also agree that the contracts governing sales will be based on those currently used in Singapore and London, but the Communist stipulation that arbitration on any shipment will be made in China is causing disquiet among Malayan shippers. If Chinese purchases do not materialise on the scale hoped for, a rubber slump in Malaya seems inevitable, which means that India's competitors in the finished goods market will be able to secure their raw rubber supplies at extremely favourable prices. This could mean India being priced out. Apart from the loss of foreign exchange, it would hit the Indian industry. It may be well, therefore, to reconsider the whole problem. The present system of equalising prices would seem to be too rigid, and a more flexible formula linked with competition in foreign markets may prove too complicated. An easier solution may well lie in allowing a rebate on the manufactured goods exported.

Japanese Foreign Exchange Budget

The Japanese \$2,341 million foreign currency budget for the latter half of the current financial year (from 1st October, 1956 to 31st March, 1957) is likely to have a favourable effect on Indo-Japanese trade inasmuch as it provides for increased imports of raw materials. The budget includes \$1,915 million for the import of goods and \$426 million for the settlement of invisible trade. The former amount is larger by \$150 million and the latter by \$79 million than those for the first half of the current financial year. The increase in the foreign currency budget seems to be motivated by three factors: to import more raw materials for the rising level of industrial production; to check the continued domestic price rises in iron and steel, non-ferrous metals and rayon yarn by allowing their import; and to have sufficient reserves capable of coping with any sudden change in the international situation. Moreover, the Government feels that import of raw materials must be adequately guaranteed during a period of economic expansion. It would be logical to assume that Japanese purchases of raw materials from this country would tend to increase. Raw cotton, manganese ore and iron ore are items which should be in particular demand. The new budget is expected to increase the volume of imports to \$2,840 million, which would represent an increase of \$660,000 or 30 percent over the figure for the previous year. On this basis, it is assumed that Japan's international account at the end of the current financial year will show a deficit of about \$110 million, in spite of a substantial increase in exports expected. On the other hand, such a budget is likely to result in a price stabilisation within the country and to strengthen the export potential of Japanese industry by making available an abundant supply of raw materials.

The other outstanding points of the budget are the enforcement of the "global system" for 80 percent of the budget, enabling Japan to buy goods from any country. Formerly the application of this system was limited to 60 percent of the total budget, and a control on imports from countries restricting Japanese exports, such as Australia and France. It is expected that Japan's international receipts and payments for the current fiscal year will reach \$3,250 million and \$3,360 million respectively. Meanwhile, a renewed Japanese trade drive in south-east Asia and Africa may be expected following the textile industry's decision to impose a ceiling on cotton exports to the United States. The ceiling will be based on Japanese exports to the United States last year and items which were the subject of excessive concentration in exports will themselves be subject to special control. It is expected that the restrictions which are to be imposed will cut Japanese exports to America to around 150 million yards.

Indian Traders in S. Viet-Nam

The recent south Viet-Nam decree prohibiting non-Viet-Nam nationals from carrying on certain trades is not likely to affect Indian textile merchants there. A decree signed last month declared 11 trades, including most of the retail trading and the intermediate rice trade, forbidden to foreigners. One of the trades in question is the textile trade in which over half the Indian population of south Viet-Nam is engaged. Reports reaching here now indicate that Indian textile retailers will not be affected by the decree, provided they keep a total stock of 10,000 metres or more of cloth in their shops. The 10,000 metres may be made up of different kinds of fabrics. Since most of the Indian merchants hold stocks in excess of this figure, they will not be affected. A few small establishments, however, may find themselves out of business.

Uttar Pradesh

THE CASE FOR STARTING NEW INDUSTRIES IN U.P.

PROPOSALS OF FACT FINDING COMMITTEE PUBLISHED

(FROM OUR LUCKNOW CORRESPONDENT)

THE Fact Finding Committee appointed by the Government under the chairmanship of Mr. B. M. Birla last February, to make recommendations for the development of new industries in the State has proposed a Rs. 100-crore programme of expansion in the private sector. The industries recommended are spinning and weaving (500,000 spindles and 500 looms), rayon and staple fibre, woollen manufactures, industrial alcohol, paper and board, cement, structural fabrication, railway rolling stock and electrical equipment. The report of the Committee, which was officially released last week, observes that because of the lack of an active stock exchange and strong financial institutions, the State has not been able to build up any sizeable money market. The rate of increase in the employment of productive capital has been the lowest in U.P. The Committee has suggested in this connection that provision be made for encashment of even a portion of the zamindari abolition bonds, worth Rs. 28.8 crores now lying idle. After dealing with various other means of raising finance, the Committee states that in the last resort, the Government will itself have to come to the aid of industry by granting loans or subscribing to the share capital of individual enterprises. Much unfavourable comment was evoked last time when the State Government announced a scheme of loan aid to private industry. But matters have not been improved with the phenomenon in this country of joint stock companies openly subscribing to political party funds. If private companies are free to contribute to party funds, it is asked by a section of the Press and politicians here, what guarantee is there that State aid will not be given to industry for political reasons?

Industrial Resources

Reviewing the industrial resources of Uttar Pradesh, the Committee notes that there were only 1,572 licensed factories in the State in 1954 as against 2,842 (excluding mining establishments and plantations) in West Bengal, 8,027 in Bombay and 6,369 in Madras. The licensed factories provide employment for 200,000 people in U.P. compared with 800,000 in Bombay, 600,000 in West Bengal and 300,000 in Madras. In view of the increasing population of the State from 45,600,000 in 1901 to 63,200,000 in 1951, the Committee is emphatic that employment opportunities must be increased in the industrial sphere. The survey of existing industries, namely, cotton textiles, sugar, glass and glassware, leather, oil, jute etcetera has brought to light various difficulties which retard progress. The Committee has summarised them as follows: (1) high rates of electricity duty compared with the rates obtaining in Ahmedabad, Bombay and Calcutta; (2) the large number of redundant labour in Kanpur; (3) frequent booking restrictions on the movement of goods from manufacturing centres in U.P. to consuming centres; (4) inadequate road transport; (5) higher rates of sales tax, especially in the case of vegetable oils and the vanaspathi industry; (6) non-availability of better quality raw hides for the tanning industry.

Industrial Relations

In the field of industrial relations, the Committee has pleaded for justice and fairness to both management and labour. In order to facilitate mutual consultations, the Committee favours recognition of only one trade union in the factory. The number of holidays in factories should be brought on par with those obtaining in other industrial centres. The Central Industrial Disputes Act should be implemented in U.P. or alternatively, the State legislation should be made more comprehensive on the lines of the Central Act. Incidentally, the Committee has contradicted the argument that the State is not a suitable area for the sugar industry. It points out that the sugarcane crop here needs to be irrigated twice only as against 15 and 35 times in Bombay and Madras, where the soil is not deep, and consequently, the retention of moisture is poor. According to the Committee, the development of the existing industries as well as the starting of new ones will provide employment for about 119,000 people, and also encourage the growth of numerous subsidiary industries which would, in their turn, further enlarge the scope for employment.

Limit on Mill Stocks

Kanpur's textile industry has been critical of the recent Central Government order prohibiting mills from carrying more than one month's stock. A deputation of millowners met the Chief Minister in this connection and urged upon him that due to the incidence of the excise duty, consumer resistance has increased. According to the deputations, if the existing restrictions on stock holding continued, some mills might be compelled to close down. A statement issued by Mr. J. K. Srivastava, chairman of the Employers Association of Northern India, says that in order to comply with the restrictions on stock-holding, mills may also be obliged to curtail production. He says: "Mills are not anxious to keep back stocks as these result in locking up capital and godown space. Their banking arrangements whereby they obtain finan-

cial accommodation against stocks are also limited. Apart from this, at least eight out of the 10 mills in Kanpur always hold stocks of cloth of over two months' production. This is attributable, firstly, to a lack of ready demand for qualities produced; secondly, transport bottlenecks and thirdly, limited holding capacity of the distributive trade."

Revenue for Local Bodies

The U.P. Government has expressed its opposition to the recommendation made by the Central Council of Local Self-Government that local bodies in rural areas should be given not less than 15 percent of the land revenue collected from their respective areas. The State Government is of the view that no part of the land revenue can be allotted to local bodies, whether a village panchayat or a district board, at least during the plan period. The State Government, it is understood, is also opposed to another recommendation made by the Central Council calling for provincialisation of top executive posts in all local bodies.

Extensive Flood Damage

Though not worse than last year's, this year's floods have caused widespread damage in eastern U.P., estimated at Rs. 15 crores. The Revenue Minister this week laid on the table of the House a comparative statement of the losses suffered in the current year and last year. In 1955, the area affected was 10,108,518; the number of villages affected 13,836; the number of people affected 13,986,257; the number of houses damaged 562,677; the number of human lives lost 231; the number of cattle lost 5,694 and the estimated damage to crops of Rs. 26.38 crores. In 1956, the area affected is 4,361,403 acres; the number of villages affected 17,915; the number of people affected 4,756,015; the number of houses damaged 162,230; the number of human lives lost 65; the number of cattle lost 476 and the damage to crops is estimated at Rs. 12.19 crores. One redeeming feature of this year's floods is that none of the dams in U.P. were breached, although the Opposition tried to spread an impression to the contrary. Politics has been injected into the flood relief operations also. Charges and counter-charges of party flags flying over relief camps have been made. The present floods have focused attention on the problem of water-logging. In the last two years, low-lying areas have increased on account of the construction of tubewell canals and the new roads constructed as *shramdan* by the villagers. It appears that in their enthusiasm for constructing roads, they made huge depressions wherever they liked.

LONDON INSURANCE LETTER

SUEZ RATES OF MARINE INSURANCE CUT BACK

By Air Mail.

THE reversal at the end of September of the rise in premium rates for risks of war and strike, riot and civil commotion relating to cargoes through the Suez Canal reflected the general easing of tension in the dispute—economically if not politically. The marine community felt that the crisis had been in its earlier stages somewhat out of focus. In such a condition, it is natural and necessary to take precautions against the worst eventualities, and premium rates are adjusted almost automatically as the risks are more rationally assessed. Previously, the main activity in "Canal insurance" had been in providing cover for the risk of diversion round the Cape—though British firms seemed less anxious than American to insure themselves against it. Deviation due specifically to lack of pilots was not normally covered. Some London underwriters were willing to quote for such cover, but generally at rates too high to interest shipowners.

In some canals—including both the Suez and the Panama, and in some other waters—parts of the Mersey and of the River Plate, for instance—a grounded vessel is not deemed to be stranded, for purposes of insurance, because no damage normally results. However, when most of the skilled pilots left the Suez service the problem assumed abnormal proportions—at least in shipowners' minds. Lloyd's underwriters were considering whether the customary accident clause was wide enough. But in fact, the Canal's operations proceeded without all the old foreign pilots more smoothly than anyone had dared to hope, and, like other anxieties, this one subsided somewhat. So far, the total effect of the Suez crisis has been nothing like the pandemonium that many commercial people imaginatively foresaw. The marine insurance market is now inclined to regard the reactions to it as merely natural adjustments to changing risks—quantitative rather than qualitative changes.

Nuclear Ships

Suez may have been uppermost in the minds of many delegates to the annual conference, in Monte Carlo, of the International Union of Marine Insurance, but as a subject of discussion it was overshadowed by nuclear insurance. Mr. A. B. Stewart, of Lloyd's, who was last year given the task of collating information on the subject, told the conference that marine underwriters would soon have to face the problem of insuring nuclear-powered commercial vessels. But he showed no alarm at the prospect. The main problem for un-

derwriters is that which occurs when any new development needs insurance, and there is no basis of underwriting experience on which the risks can be assessed. Already, however, those—such as Mr. Stewart—who have studied the position are impressed by the extreme precautions enforced by the nuclear experts. In other fields, the attitude to risks is too often casual; in the nuclear field nothing can be left to chance. So far as shipping is concerned, Mr. Stewart contends that nuclear power represents merely a different type of boiler, and one with less risk-potential than other types. It is also true, however,—and Mr. Stewart duly emphasised the point—that there is still no evidence how much damage could be caused by radiation in the event of a runaway. We know all about the damage that can be caused by fires or storms, for there have been many of them; but there have been no disasters—that is, no accidental disasters—arising from nuclear activity. Lacking precise knowledge of the risk that they are covering, underwriters must impose a limit on their liability. Packages of radioactive material are very carefully handled, but one of them was accidentally dropped, recently, at a London railway station, so that its lead casing was damaged. On this occasion, while the area was cordoned off, experts could be summoned to deal with the emergency; but in some distant port, or at sea, no such facilities would be available.

Fire Insurance

The persistently heavy losses caused by fire have raised the question whether fire insurance, in the conventional sense, is the best means of covering the risk. This is a social problem, for fires represent a big annual loss to the community, irrespective of insurance. Some people feel that the distinction between the fraudulent policyholder who deliberately starts a fire in order to claim, and the negligent policyholder, who fails to take proper precautions or prompt action because he feels protected is not as clear as it might be. Fire-detecting and fire-fighting systems are complementary to, but also in a sense competitive with, monetary insurance. Most fires are so small at their origin that they could be extinguished with a cup of water or even with a bare hand. A building perfectly equipped to detect fire and to act against it immediately would scarcely need insuring. But in such a hypothetical case, the cost of the installations would be far higher than the cost of insurance premiums. The persistence of fire losses suggests, however, that occupiers of buildings are relying too much on insurance and doing too little to combat the menace. They are not, in many cases, responsible for the structural defects of their premises against fire hazard, but they are responsible for prevention and control of fires.

Expert Advice

It is suggested now that routine appliances, with perfunctory instructions on using them, are inadequate; that almost all businesses—even quite small ones, and particularly those engaged in fire-hazardous activities—should maintain their own fire-fighting service. Expert advice on the equipment needed in each case is readily available; it would not include a counterpart of the municipal fire-engine, but it would include equipment much more elaborate than the traditional fire-bucket. Its personnel would be drawn, of course, from the firm's staff, but the selected members would be specially trained and, probably, remunerated. It is difficult to conceive that such individual arrangements ever could, or should, eliminate fire insurance, even in the cases concerned. It is, however, arguable that some of the burden of carrying the fire risk should be lifted from the insurance companies by a deliberate rise in premium rates wherever the hazard seems excessive. Obviously, a firm that maintains its own fire-brigade justifies a low rate.

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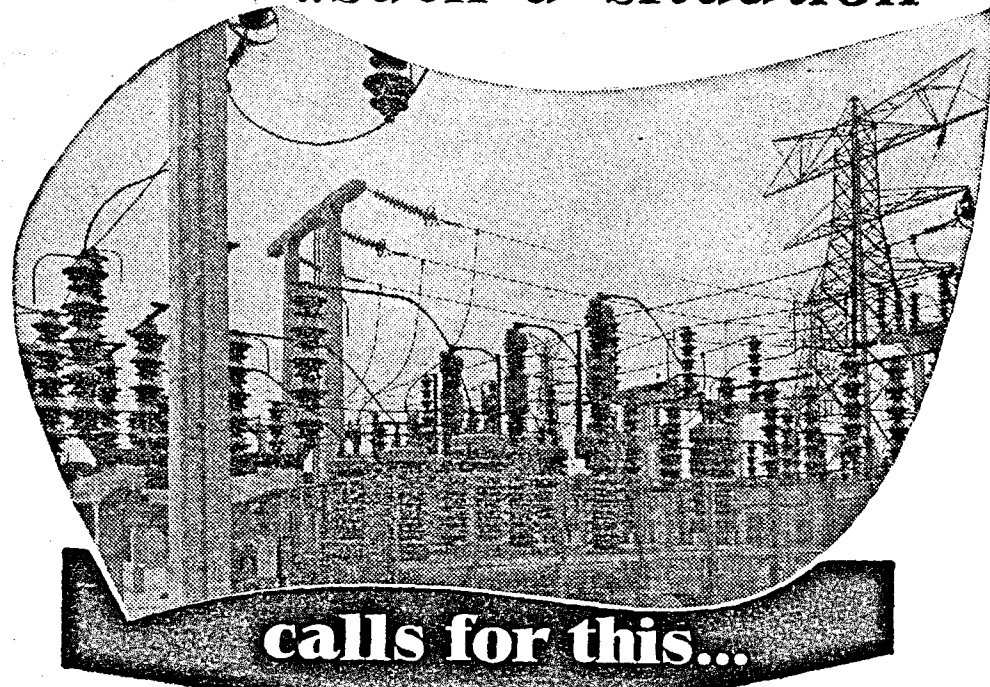
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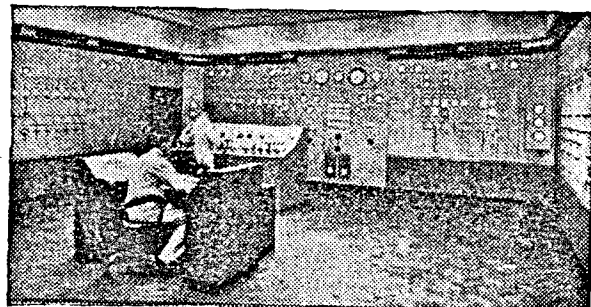
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Books and Publications

PLANNING FOR EXPANSION

Planning for an Expanding Economy by Professors C. N. Vaidi and Brahmanand of Bombay University. Vora & Co. Publishers Private Ltd., Bombay. Price Rs. 8. Pages 400.

Most Indian writers on economics write about the descriptive variety and mix up their account with Indian vernacular terms and charlatan criticisms. Therefore one is pleased to see a book which has the freshness and crispness of English authorship. The criticism of the plan which it contains springs from honest convictions and the righteous indignation is supported by theoretical analysis.

The book is divided into two parts. Part I reviews the working of the Indian economy during the first plan and discusses the approach of the second plan and the consequences of this approach. Part II details the theory and process of capital accumulation, problems of investments and their effects on employment. Here one can find the influence of such noted economists as Professor Dobb. The appendix to Chapter VII and the appendices to Chapter IX elaborate certain aspects stated in the text and the note at the end of the book is excellently written, giving as it does a review of economic analysis from Ricardo to Mrs. Robinson which no post-graduate student should miss. The authors have also done signal service by their objective analysis, that Soviet growth model is inapplicable to the pattern of development of this country. The second plan, as has been pointed out in this journal, suffers from many basic contradictions, the serious consequences of which, by increasing prices and costs, are already being noticed. The income targets of the second plan and the employment targets are over-estimated to a substantial extent. The investment pattern suffers from a fundamental contradiction in that there is a conflict between the large-scale and cottage units and equipment making concerns which is not resolved. There is much learned criticism of these and the authors proceed to offer their alternatives. They have advocated maximisation of the speed of technical changes for accelerating the tempo of capital formation. But this proposal would lead to unemployment. They have rightly discarded the automatic compensation thesis of technological unemployment in Chapter X (Page 274) but the essence of the theory appears to have been accepted in Chapter XIV (Page 362). Even if it is assumed that increased capital formation resulting from the maximisation of the speed of technical process is absorbed in new capital construction activities, which for practical reasons are problematic in a democratic country like India, still there would be at least temporary unemployment. Again, a high rate of overall expansion of wage goods is held as the solution to the national problems, but here again the question of physical resources comes in. Perhaps a note on the employment and capital coefficient possibilities of Government steel projects might have been added. Perhaps the theories underlying the "new approach" will be amplified in Mr. Brahmanand's forthcoming book referred to in this one. The book should find a place on the shelf of everybody interested in the plan studies.

THE ASSIMILATION OF PRINCELY INDIA

The Story of the Integration of the Indian States. By V. P. Menon. (Published by Orient Longmans Ltd., 17, Chittaranjan Avenue, Calcutta. Price Rs. 25; pages 511.)

In August 1947, the British left India an independent nation but one which by legacy had long been

divided. By January 1950, when the new Constitution came into force, the old British India along with 554 princely States of differing sizes, wealth and power, had been integrated to form a republic. The history of the intervening and problematical years is the story of the birth of a nation. This publication is a brilliant analysis of the events which led to the formation of a consolidated India. It is authoritatively told by an author who was not only an objective observer, but who was also actively concerned in the metamorphosis. It is a book which every student of constitutional law or modern political Indian history should read. For the general reader who takes a lively interest in current affairs, it serves to provide a background which contributes to a greater understanding of many problems of the present day.

FACTS ABOUT INDIA

India, 1956. Published by the Publications Division, Ministry of Information and Broadcasting, Government of India. (Pages 592. Price Rs. 7-8.)

This official publication has established itself as a useful source of reference. Those who may urgently need to ascertain some of the basic economic and political facts about India, such as the total population and its net annual increase, the area and its physical features, natural resources, the national income, its various components and the per capita figure, the Constitution and its provisions, the system of Government, the fiscal structure, industry, commerce and agriculture, will find it very handy. It thus deserves a place in all public libraries, and also in many private ones. For foreigners interested in India's current affairs, the publication will be particularly useful.

Planting and Commerce, Annual Number, 1956. Edited by Joseph Stanley. Published by V. L. George at the Mar Thoma Memorial Printing and Publishing House Ltd., Ernakulam. (Pages 88. Price Rs. 3.)

The *Planting and Commerce* annuals provide a comprehensive review of the activities of India's plantation industry, and the trends and influences which feature them. The latest one fulfils the same purpose. It contains a survey of the industry in 1955 which is both informative and instructive. The statistical tables at the end, covering a wide variety of subjects, increase its utility as a source of reference for business men and students of Indian economics. Besides, a number of useful articles appear on allied subjects such as plantation labour, synthetic rubber production in the U.K., the prospects for natural rubber, the rubber manufacturing industry in the second plan, the Quilon-Ernakulam railway, and the development of Cochin into a quay port. In the survey, the editor writes: "Plantations have so long been considered a part of colonial economy that it has never received an objective and scientific approach from Indians of any standing. The result is that it was the great unknown and emerged as a part more of labour problem than as an important factor in India's economy." He stresses that the lack of a proper realisation of this industry's importance to the economy will cause great harm, particularly if the approach is solely from the points of view of labour welfare and Government revenues.

BOOKS RECEIVED

World Economic Survey, 1955. (Published by the United Nations. Price \$2.00; pages 201.)

Economic Developments in the Middle East, 1954-55. (Published by the United Nations. Price \$1.50; pages 151.)

Coir. (A quarterly publication. Published by the Coir Board, Ernakulam. Annual subscription Rs. 4; single copy Re. 1; pages 48.)

The Plan and Planting. (Published by the United Planters' Association of Southern India, Coonoor. Pages 28.)

Indian Lac Cess Committee Souvenir, Silver Jubilee 1931-56. (Published by the Indian Lac Cess Committee, Ranchi. Price Rs. 8; pages 259.)

PROSPECTS OF U. K. CAPITAL GOODS INDUSTRIES

DRIVE TO INCREASE EFFICIENCY

THE seasonal weakening of the pound proceeds this year in unusually complex circumstances. The international dispute that has dominated the thoughts of half the world has only adverse implications for Britain and for the sterling area as a whole. Partly as a consequence of that dispute, Britain's internal position is confused. It is no longer sufficient to estimate the economic trends; we have now to consider also the political effects of changes in the economic situation.

"The most important feature of the economic position", stated the London and Cambridge Economic Bulletin in September's issue of *The Times Review of Industry*, "is the recent growth in the volume (and value) of British exports to a record level." A large debit balance of payment has been converted into a useful credit balance. But the Bulletin emphasised the seasonal character of the improvement in the first half-year, and that it was in any case "less than the amount required to cover our outgoings on capital account for external investment and debt repayment, and for rebuilding reserves". It appears, even so, that the external problem has been reduced to manageable proportions, if one can assume that the Government's policy will be allowed to take its course. This assumption is, however, questionable. The economic adjustments are now being made in increasingly difficult—one might say hostile—political circumstances.

Exchange Markets

The international exchange markets were acting rationally when they reduced the value of the pound after the Trades Union Congress had rejected the plea for wage restraint uttered previously by the Chancellor of the Exchequer. But the trouble is not, as many operators saw it, a simple matter of wage demands generating a new phase of inflation. Even in the short time since the Congress met, new wage demands have, indeed, been advanced, but resistance to such demands is increasingly effective. The unions themselves are generally more concerned now with security of employment than with improvement in the standard of living. Every month brings more convincing evidence that the trend of industry and trade in the U.K. is downward. The stagnation of production—which, as the Economic Commission for Europe has recently pointed out, contrasts sharply with the continuing upsurge in France, Germany, and Holland—has until recently been seen at home as a temporary result of restraints on consumer spending. It is now, however, apparent that the recession of demand is extending into the capital sector of the economy. The recession, therefore, can no longer be regarded as temporary; indeed, company chairmen informing shareholders, and stockbrokers advising investors, have lately warned against the common assumption that trade and industry will resume their upward course in the early months of 1957.

What will more probably happen in 1957 is a distinct recession in the capital industries, particularly building, while trade in consumer goods, even if it does not appreciably diminish, will almost certainly become more competitive. The latest figures, relating to mid-1956, show that industry's stocks of finished goods are already increasing.

The difficulty of disposing of finished goods is probably a more effective deterrent than the credit squeeze when plans for expansion are discussed in companies' board rooms. (But, of course, the squeeze is partly responsible for that difficulty.) Anyway, industry's plans for expansion have been, in the aggregate, sharply reduced—at least in a relative sense. Industry's expenditure on plant, machinery and vehicles was 27 percent more in 1955 than in 1954 and will be (according to declared intentions) 21 percent more in 1956 than in 1955, but the planned increase next year (according to provisional figures) is only 1 percent. Industry's expenditure on buildings was one-half more in 1955 than in 1954 and will evidently be one-third more in 1956 than in 1955, but plans for next year indicate a reduction of about one-tenth. The prospective reduction in the two categories combined is only slight, but it contrasts with big percentage increases in recent years. The particular decline in factory-building implies, moreover, that the recession may be cumulative as demand for machinery to equip new factories is curtailed.

Expenditure on Machinery

The brighter side of the picture is the continuing (though slight) increase in expenditure on machinery; which, since it is not apparently intended for new buildings, must be intended to modernise existing capacity. British industry is thereby making itself more efficient, better able to compete abroad. As part of its cost-saving policy, it is economising labour. Unless unforeseen circumstances arise, the demand for labour will be much weaker next year than it has been in the recent years of boom. Generally—though not in sheltered activities such as transport—the campaign for higher wages seems doomed to fail. Already the rise in wage rates exaggerates the rise in incomes, for overtime work is diminishing and short-time work is extending its range. With more goods coming out of more efficient factories (though it must be admitted that in this respect the results of capital expenditure have so far been surprisingly meagre), the problems of selling to a community with a static income will multiply. Significantly, consumption of steel in the second quarter of this year showed the first decline since 1952. It is in such circumstances that the Government would normally consider stimulants. Especially, the reduction of many families' incomes would suggest a counterbalancing relief of taxation, both to stimulate trade and to maintain average living standards. But the new military situation implies additional strains on external payments and on sterling. Continuing deflation seems necessary, both to restrain the demands of the private sector and to force labour into the most economic employment. How will labour, accustomed to full employment and prosperity, react? The question is no longer economic but political. And the answer is vital to the whole economy.

Jute

HESSIAN LEADS DECLINE IN GUNNY PRICES

RAW JUTE RATES ALSO EASIER

THE Calcutta jute goods markets entered their third week of depression after the holidays at the close of the last session, and following the previous pattern, prices showed a gradual decline. Overseas buyers stayed out, so speculative activity dominated proceedings. Bear operators were prominent and continuous selling pressure had its effect. Eventually, activity ceased completely and the market settled down to a period of stalemate. In spite of the lack of interest, prices moved only within narrow limits. There was a temporary revival in sacking towards the week-end on reports of interest in Twill constructions, but the business concluded was negligible and was mainly absorbed by bazaar operators. There was no interest from any source in hessian and the market for this fabric was particularly weak. Shipping was reported to be fairly good last month and this appeared to be one of the few factors that lent a little confidence to an otherwise inactive market. Towards the close, the prospect for mills' stocks of jute goods was the main talking point.

Although raw jute was quiet and prices receded, the week was not entirely devoid of business. The main interest was for quick delivery jute, and while some mills continued to buy through their agents in Cossipore and over the jetty, others preferred the regular market. In terms of quantity, the business was not large, but it was enough to prevent prices from showing too great a fall even though the majority of transactions were put through at a discount on the quoted rates.

A great deal of interest has been shown this week in reports from East Pakistan that a deputation from various balers' and sellers' associations has been sent to Karachi to press the Pakistan Government for a reintroduction of kutchale bale shipments to India. It will be remembered that these were banned about 18 months ago, and as the majority of Pakistani sellers who normally did business with India only had kutchale bale presses, the added expense of hiring pucca bale presses hit them very hard. If their requests are sanctioned, then Pakistani sellers are of the opinion that costs will be greatly reduced and that they will be able to present a more attractive price to the Indian buyer, who, at the present rates, considers the premium for Pakistani jute prohibitive. It seems unlikely, however, that the venture will meet with the success it warrants, as, according to reports, several of the larger pucca balers carry a certain amount of influence in Government circles, and already pressure has been brought to bear in order to ensure that these balers continue to make their profit under the existing restrictions.

Local jute circles were not impressed by mills' attempts to undercut rates, and although prices eased, the undertone was fairly steady. Sellers were reluctant to discount as upcountry markets were firm due to a falling off of imports. The transport situation also is still very acute in some areas due to flooding, and operators were not interested in fresh business until the backlog against existing contracts was wiped off.

THE JUTE MARKETS

Manufactured Goods: Quotations in the Calcutta jute goods markets were purely nominal at the opening last Thursday after the holiday, and B Twills were quoted at Rs. 113 a 100 yards for ready shipment and 113-4 for January-March shipment. Hessian was quiet in the absence of business and 40in. 100z. stood at Rs. 42-13 a 100 yards for ready shipment and Rs. 42 for forward shipment. No overseas or local enquiries were reported in the market and prices gradually declined throughout the day until Friday's opening showed a drop of 8 annas in sacking and 6 annas in hessian. During the day, interest in heavy goods revived on account of reports that enquiries had been received for tenders of sacking for Burma and also for internal consumption to replace sandbags used in the recent floods, and the previous day's losses were soon made up. Hessian, on the other hand, continued its downward trend and while heavy goods moved up, 40in. 100z. dropped 3 or 4 annas. During the week-end, interest in sacking dropped off, and prices began to fall. At the opening on Monday morning, B Twills were down to Rs. 112-14 for ready shipment while 40in. 100z. was unchanged at Rs. 42-5. At the close, the market was easier in the absence of business and opening quotations on Tuesday morning were as follows:

	Ready	October	Nov.-Dec.	Jan.-Mar.
	Rs.	Rs.	Rs.	Rs.
40in. 80z.	35-4	34-12	34-2	33-6
40in. 100z.	41-13	42	41-12	41-4
B Twills	112	112-8	112-8	112-8
Heavy Ceers				
(Plain)	112	113-4	113	112-8
A Twills	135-8	136	136-8	136-8
Liverpools	125-4	126	126-8	126-8
Cornsacks	112-4	112-12	113	113

Raw Jute: The fibre markets have been under mixed influences during the past week. Business has been done, but prices have fallen back, although only to the extent of about 4 annas a maund. At the opening last Thursday, prices were nominal

on the basis of Rs. 28-12 a maund for Assam Bottoms and sellers were offering freely at this level. Mills' ideas were lower, and any indications given out were invariable at a discount. Ready jute still commanded a small premium and business was done in ready bills of lading and ready delivery ex Cossipore at 4 or 8 annas above the quoted rates. This was one of the reasons why rates only showed a small reaction over the week in the light of limited mill interest. Upcountry markets were steady and transport difficulties added to the general tendency to look for higher prices. Sellers, although keen for business, resisted buyers' counter-bids, but this only met with partial success and eventually the transactions were put through at the buyers' level. Arrivals at mills have been restricted this week due to navigational difficulties on swollen rivers, and many country boats have had to tie up at various points on their journey to avoid danger. Lorry deliveries from many of the Daissee and Tossa agencies have also been affected as a result of flooded roads. Towards the close, the situation was easier and arrivals were on the increase. With the advent of the Pujā holidays the market lost a lot of its interest, and idle conditions prevailed.

During the week, business was done in Dhurbri-Assam ready bills of lading and rail receipts at Rs. 28-12 to Rs. 29 a maund, and at Rs. 28 to Rs. 28-8 a maund for October shipment. Murshidabad Tossa was also done at Rs. 28-4 to Rs. 28-8 a maund for 15 days' shipment, and Karimpore-Bongaon Tossa at Rs. 29 a maund basis Bottoms for the same shipment. Daissee was bought over the jetty at prices ranging from Rs. 29-8 to Rs. 30-8 a maund and at Rs. 29 to Rs. 29-8 against contract, but the former contained a considerable amount of moisture. In the pucca bale section, Dundee Hearts were done at Rs. 265 a bale, Mill Reds at Rs. 250 and Firsts at Rs. 235 for one month's shipment. Cuttings were done at Rs. 127 a bale for ready delivery and Rs. 124 a bale for ready bills of lading and October shipment.

At the close, the market was unchanged and opening quotations on Tuesday morning were as follows:

Indian Jute	Landed at Mills	
	Rs. a md. basis	
	Bottoms.	Shipment.
Lower Assam	28-8	Oct.-15th Nov.
Northern	28-8	"
Murshidabad White	27-8	"
Daissee	29-8	"
Daissee White	28-8	"
Daissee Meeta	27-4	"
Local Northern	28	"
Bimli	27 for F.A.Q.	"
Tossa is quoted at 8 annas to Re. 1 a maund above the price of white jute.		
Pakistan Jute	Rs. a md.	Shipment.
Jat	31-8	Oct.-Nov.
District	31	"
Northern	30-8	"
Pucca:	Rs. a bale	Shipment.
Mill Firsts 2/3	210	Oct.-Nov.
Export Firsts 2/3	190	"
Export Lightnings 2/3	175	"
Jat Cuttings	124	"

In Cossipore, wagon arrivals totalled over 800 wagons during the week, but this figure includes an accumulation over last week's holidays. All imports have found ready buyers in mill representatives and local operators who have covering against local contracts. As a result, prices have tended to remain steady, and stockists are not releasing their holdings meantime as they are hoping for a shortage in the near future as a result of transport hold-ups. At the close, Kishanganj jute was quoted at Rs. 27 a maund basis Bottoms.

GUNNY SHIPMENT STATISTICS

The following figures include coastal shipment relating to manufactured jute goods for shipment from the port of Calcutta. These are gross figures based on shipping bills presented:

	Hessian	Cloth	Total
	Bags (Tons)	(Tons)	(Tons)
1st to 30th September, 1956	2,265.0	30,257.5	32,522.5
1st to 31st August, 1956	3,711.0	38,809.8	42,520.8
1st to 31st July, 1956	2,896.1	31,027.8	33,923.9
	Sacking		
1st to 30th September, 1956	26,755.3	1,500.4	28,255.7
1st to 31st August, 1956	43,642.7	2,747.0	46,389.7
1st to 31st July, 1956	31,171.2	1,696.2	32,867.4

GUNNY SHIPMENTS DURING AUGUST

The following are the total net figures of manufactured jute goods shipped from Calcutta during the month of August, 1956 after providing for short shipments. These figures include shipments to coastal ports.

	Hessian	Cloth	Total
	Bags (Tons)	(Tons)	(Tons)
Gross	3,711.1	38,809.8	42,520.9
Short Shipped	380.2	1,689.3	2,069.5
August 1956 (Net)	3,330.9	37,120.5	40,451.4
July 1956 (Net)	2,803.0	30,699.6	33,502.6
June 1956 (Net)	3,059.1	30,108.4	33,167.5
	Sacking		
Gross	43,642.5	2,747.3	46,389.8
Short Shipped	697.3	37.7	735.0
August 1956 (Net)	42,945.2	2,709.6	45,654.8
July 1956 (Net)	30,251.6	1,693.7	31,945.3
June 1956 (Net)	27,489.1	2,007.4	29,496.5

THE FOREIGN JUTE MARKETS

QUIET AND STEADY NOTE

(FROM OUR DUNDEE CORRESPONDENT)

THERE is a lull in the jute markets at the moment and the whole position seems to be quieter. Nevertheless, there is little or no change taking place in prices for raw jute and Calcutta goods and this makes for a steady undertone all round. No doubt there will be a tendency to await the outcome of events concerning the Suez Canal situation. It is hoped that the whole affair will be amicably settled in the near future and that the industry will not continue to be overshadowed by the uncertainty as to what may happen to shipments of raw jute. The British Jute Trade Research Association has achieved an acid-resistant jute bag for carrying granular fertilisers. The Association has been engaged in this job for three years and steps are being taken to increase output to meet demand that is now being made for these bags. Fire-proof jute fabrics were shown to a number of agricultural journalists when they visited Dundee the other day, in addition to the above, while there was also a third product which was available for rot-proofing of bags. Raw jute shippers have maintained their prices on a more or less unchanged level since last report. Some sales have been made in Mill Firsts Marks at £99, Mill Lightnings from £87.10s to £89, Mill Hearts from £83 and Continental Mill Hearts at £79 and £80 a ton. The quotations for Daissee and Tossa have remained at the minima in most cases, the exception being grade Daissee-2/3, for which there is a demand at from £84.10s to £86. Good Daissee-2/3 is from £91 and Tossa-2/3 grade from £100 and fours from £90, all October-November shipment, c.i.f. U.K. Spinners have been buying only very moderate lots.

Calcutta goods have also shown small alterations during the period. Hessians have ruled round about 64s 9d for 40in. 100z. and 49s 6d for 74oz. October, 64s 6d and 49s 3d November and 64s 3d and 49s 3d December, with B Twills at 170s 6d, 171s and 171s respectively, all f.o.b., Calcutta. Jute yarns and cloth are still in moderate demand and spinners and manufacturers are fairly comfortably off for deliveries to the end of the year.

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PRODUCTIVE EFFICIENCY IN THE U.K.

F.B.I. CHALLENGES VIEWS OF U.S. EXPERT

THE United States Technical Assistance Mission in London has concluded its task, and its services in the cause of efficiency have been much appreciated in Britain. Not so well received were the closing remarks of the head of the Mission, Mr. Francis F. Rogers, before he returned to the United States late in September, after five and a half years of investigation and advice. Mr. Rogers spoke of the "time-consuming inefficiency" of some British enterprises; notably in construction, public services, distributing, and catering, but also in manufacturing industries. He described British goods as "shoddy, often poorly inspected, resulting in culpable or concealed defects, lacking in style, and generally over-priced". He described the British economy as "highly cosseted" and British firms as "complacent"; and he advised British consumers to "refuse to pay".

The Federation of British Industries lost no time in issuing a reply to the remarks that it described as "utterly exaggerated". "It is simply not true", said the F.B.I. statement, "that manufacturers in general are 'cosseted' and 'complacent'; and 'it is quite wrong to suggest...that the inefficiencies of the few are characteristic of the average'. The F.B.I. pointed to the export trade as evidence that British firms could 'stand up to competition even with U.S. manufacturers, and even in the U.S. market'. It happened that a couple of days after Mr. Rogers uttered his strictures the British Treasury published, in its monthly *Bulletin for Industry*, an analysis of British exports to the United States. One of the most gratifying elements in the whole economic position this year has been the expansion of exports to the dollar area. In two-thirds of 1956, compared with the same period of 1955, the total value of British exports increased about one-tenth, and exports to the dollar area accounted for more than one-third of this increase. Expanded to an annual basis, this achievement would represent an increase of nearly £300 million in exports and of more than £100 million in dollars. The Treasury's analysis showed, however, that the increase in exports to the United States was confined to a narrow range of products: mainly aircraft, road vehicles, machinery, and wool goods. It was evident from Mr. Rogers' remarks that he was concerned mainly with ordinary consumer goods, which, with a few notable exceptions (such as wool goods, and also footwear), are not conspicuously successful in the United States market.

Competitive Tendering

Mr. Rogers would have presented a better-balanced picture if he had mentioned the legal action that had recently been initiated by an American tax-payer to prevent the authorities from wasting public money by purchasing American turbines for a dam on the Columbia river when British turbines were available much more cheaply. (To prevent long delays while the action was being fought, the contract was re-awarded, to the English Electric Company.) Yet at the same time, the chairman of the Central Electricity Authority in Britain, Lord Citrine, revealed that the C.E.A. intended to invite American tenders for electrical equipment required by Britain. Earlier in the year a special committee had recommended such action to compel British firms to tender more competitively among themselves: in fact, they have indulged in the practice known as "level tendering", whereby all firms quote, by agreement, the

same price for a particular job. It was this kind of practice (illegal in the United States) that caused Mr. Rogers to accuse the larger and more efficient firms in the U.K. of "holding umbrellas over the less efficient". And this American efficiency expert is not the only one who has perceived the debilitating effects of such a practice. After long delays—but better late than never—the British Government has formulated, and Parliament has ratified, a code of commercial behaviour that will moderate (though not entirely prevent) restrictive practices.

Law Against Restrictive Practices

The Restrictive Practices Act is one of the most important economic events in Britain this year—though its effects will not be perceptible until later. Another significant development, comparable on the international plane, is the British Government's agreement to participate in the preliminary study of a free-trade market in Europe, although its effects (if it ever comes into being with British participation) will mature still more slowly. It is no exaggeration to say that these two factors, together, can change the whole mood and character of British industry. The Federation of British Industries can point to some absurdities in Mr. Rogers' accusations, but it cannot convincingly deny that British industry as a whole—there are, of course, many notable exceptions among firms both large and small—is less willing to compete within itself, and consequently less able to compete internationally, than it was before the war.

Protection of uneconomic firms—whether by agreement in particular trades not to compete in price or by quotas or tariffs which make it difficult for foreign suppliers to compete in price—is not only a postwar phenomenon, but its effects can be, for Britain, more serious now than ever before. Sir Anthony Eden, the Premier, has spoken eloquently of the deadliest trade war in history that will confront us in the next few years. The international Bank's report has reminded us that British firms are relatively unsuccessful in tendering for capital contracts even in the Commonwealth. The essential fact is that there are no means of protecting trade abroad; therefore, a nation that lives by exporting must do nothing to promote inefficiency at home. Complacency is not, of course, the only problem. Mr. Rogers spoke of the "frightening deficiency" in technology; and the Economist has lately remarked that the real burden of defence is not its requirement of 10 per cent of the national income, but its claim to 60 per cent of the nation's technological resources. But it is undeniable that in years of easy trading many Britons—both employers and the employed—have become reluctant to face competition. Reluctant they are still; but circumstances are forcing them to change their easy ways.

IMPRESSIVE DISPLAY OF BRITISH AIRCRAFT

COMET ORDERED FOR DOMESTIC ROUTES

"THE impression Farnborough gives is of an industry which means business", stated one leading aeronautical journal during the Society of British Aircraft Constructors' display. This is evident not only in the aircraft, engines and components on show, but in variants and new designs just "around the corner". At the exhibition, a number of such projects were on view in model form. One of the most handsome of these was the Comet 4A on the de Havilland stand. This is the aircraft which has caused a stir in airline circles, for it has been ordered by Capital Airlines

for its domestic routes—the average stage-length being less than 600 miles. Previously it had not been thought that the pure-jet airliner could operate economically over such distances. Now the Comet 4A has really put the cat among the pigeons.

There was an interesting development on the Vickers stand. The turboprop *Vanguard* airliner with a double-bubble fuselage will be used by B.E.A. as a mixed passenger-freight airliner, but a model was displayed of an all-freighter version that differs little externally from the original aircraft. The freighter *Vanguard*, which has big loading doors, would offer a payload of no less than 40,000 lbs.—about 18 tons. Enquiries at the Armstrong Whitworth stand confirmed that this company is interested in a turboprop freighter aircraft, but it is still too early to discuss this aircraft in detail. The next Westland productions are to be *Westminster* and *Wessex* helicopters, both being represented on the Westland stand by cut-away models. Design work is proceeding on the former which is to be powered by two Eland engines. The *Wessex*, due to fly in 1958, is to have Gazelles. Westland say that a flying test rig is to be built shortly in order to test the Elands rotor system. This device will fly within a year or so and may be used as a "flying crane" to lift large, bulky loads over short distances.

Indian Order for Gnats

India's order for *Gnat* fighters throws a spotlight on this unusual aircraft and also on an interesting development, the two-seat trainer, a model of which (and a full-sized cockpit) was to be seen on the Folland stand. The trainer has a similar performance to that of the single-seat *Gnat*, a 14-hour endurance and a landing run of only 650 yards. Apart from the cockpit, the only obvious difference is a larger wing, which has an increase in area of 7 per cent. For air forces that want to train jet fighter pilots efficiently with the minimum of cost, the *Gnat* trainer has a powerful and obvious appeal. The third *Agriola* was on the Austen stand minus engine and outer wing panels. This aircraft, a crop-sprayer and top-dresser, is intended primarily for the New Zealand market, but obviously has a future in many other parts of the world.

A new version of the *Aerovan* was on view on the Miles stand. This aircraft features a very high aspect ratio wing of high efficiency which, it is claimed, results in a greatly improved performance. The flying display featured the latest developments of aircraft. The *President* is the civil counterpart of the Hunting-Percival *Pembroke*, the aircraft on view being equipped as a six-seater executive transport. On a total maximum horse power of 1,100 from two Alvis Leonides engines, this aircraft is designed to carry 12 passengers a distance of 1,300 miles very economically. It is also available for aerial survey, ambulance, freighter or training roles.

A *Skeeter*, of the type ordered for the Army, was flown fitted with Napier rotor-tip rockets. This results in a spectacular vertical climb from the ground, a valuable asset when operating from, say, small jungle clearings. Two *Twin Pioneers* decked out in Swissair and de Kroondulf (a Dutch East Indies subsidiary of K.L.M.) colours caused much comment. The first *Twin* flew a year ago; three are now flying, a fourth is complete and three more will be ready by the end of this year. By next June, 20 will have been completed and 15 more by the following December. This remarkable aeroplane is soon to be demonstrated abroad, probably in South America, Australia and the United States. The British aircraft industry means business, big business, in feeder-liner, helicopter, trainer, crop-spraying, executive, and other important world markets, as well as in the highly competitive gas-turbine airliner field.

REMODELLING THE BRITISH PLAN

ECONOMIC IMPLICATIONS OF SUEZ DISPUTE

THE British Government's vigorous reaction to President Nasser's decision to nationalise the Suez Canal was seen against the background of Sir Anthony Eden's statement, not long previously, that Cyprus was vital to Britain's defence of her supplies of oil. Discussion of the economic implications of the dispute with Egypt has likewise been focussed on oil. Only recently have the wider economic implications been appreciated, and still not fully. It is for politicians to argue whether the British Government's implied threats of military action were necessary or wise in this case. The fact remains that the nation's military strategy has been reconsidered, and that the planned reduction of conventional armaments, which nuclear weapons appeared to have made partly redundant, has been deferred indefinitely. The new idea is that, irrespective of developments around Suez, it is necessary to keep a substantial reserve of conventional forces available for immediate use in any contingency in any area of vital interest. This military reassessment implies also an economic reassessment. For the intended reduction of military expenditure was a major element—perhaps the most important element—in the plan to overcome inflation. That plan must now be completely revised.

Some people say that the Government should have presented an emergency Budget immediately the Suez crisis broke, before public feeling on the issue had subsided. A special tax on petrol, for instance, would have been an obvious measure in the circumstances. Even an increase in income-tax might have been acceptable. But the public's mood has already changed, and a budget even halfway through the financial year, in October, would not have the same impact. Next April, when the normal budget is due, the new situation will not be easy to explain. The truth is that Britain cannot accommodate the military expenditure of recent years without seriously straining her resources; and new ideas of rapid deployment of forces may involve, for instance, a considerable increase in expenditure on aircraft for carrying troops and supplies. The counter-inflation plan collapses if this expenditure must be maintained or increased. The intention was to reduce total Governmental spending in the current financial year by at least £100 million, and it was clearly understood that most of the saving would be effected in defence. By stages, a reduction as large as £400 million a year was envisaged; which would have been a substantial proportion of the current annual military expenditure of roughly £1,500 million.

Military Expenditure

The Budget in April did not provide for this first stage of the military economies; it did not profess to tackle the whole of the inflationary problem still left after the financial restraints imposed from early 1955. The intention was that more saving by the public, less spending by industry, and modification of the Government's basic commitments, would bring the economy approximately into balance. The public is, on the whole, buying no more goods and services than it was buying a year ago, and by the end of the year it may be buying less. Industry, on the other hand, plans to spend considerably more this year than it spent last year on buildings and equipment—and in recent months it has increased, not reduced, its estimates of expenditure. There is virtually no hope of equilibrium, on the present plan, if the Government cannot enforce its intended reductions. The Government must now formulate a new economic plan or accept inflation as inevitable. In financial circles it is assumed that acceptance of inflation, after all that has been said against it, and in the light of all the evidence of its damaging effects on the nation's vitality, is impossible. But it must be recognised that in much more favourable circumstances it has been very difficult to achieve even a moderate degree of deflation in more than 1½ years of effort.

It will be particularly difficult to make the public accept still more sacrifices, and any attempt to do so would provoke the labour unions to press for counterbalancing increases in wages. It is, of course, possible that strategic priorities can be so altered that preparations for "global war" can be diminished while preparation for "local wars" are increased—that some of the plans for nuclear defence can be deferred while more resources are devoted to conventional forces (the nuclear-power programme would certainly benefit from such a change); but in the present mood of the defence services such economy is not easy to envisage. It seems, therefore, that industry will be required to modify its plans, so that pressure on the engineering industries—which are also the armament industries—will be relaxed. The Government is presumably reconsidering the details of its financial policy. It had apparently abandoned the idea that monetary equilibrium could be achieved by raising short-term money rates; but in the new circumstances the arguments for a further rise in Bank rate are strengthened. The effects of a change in Bank rate are, however, both slow and unpredictable; and in the meantime increased expenditure means increased issues of Treasury bills. The most obvious weakness of the Government's position in the past years has been its inability to borrow more on short-term without causing more inflation, and it is evident that some method must be devised for neutralising the effects of such borrowing.

Plantation Topics

LONDON TEA SALES

AT last week's London tea sales, the 50,036 packages on offer realised an average price of 6s 0.15d a lb. against 6s 0.21d in the previous sale and 5s 3.59d a year ago. Plain broken pekoe was quoted at 3s 5½d a lb. against 3s 6½d in the previous sale. Prices obtained by some of the companies are given below:

	No. of packages	Average per lb.
Amalgamated	930	4/83
Angoorie	261	11/10
Anglo-American	1,434	5/10½
Assam Co.	1,236	7/6½
Borhat	251	6/2½
Central Provinces	567	5/11½
Chulsa	317	6/1
Consolidated Estates	240	7/6
Cons. Tea and Lands	1,941	4/2½
Dekhari	120	9/4½
Doors	310	5/0½
Doom Dooma	378	9/1
Eastern Assam	316	8/11½
Eastern Produce	1,026	7/0½
Empire of India	850	5/8½
Imperial	1,244	6/11½
Jhanze	630	7/8½
Jokai	1,144	7/5½
Jorehaut	774	11/1½
Kanan Devan	3,866	5/2
Majuli	777	7/5½
Malayalam	1,500	4/0½
Moabund	336	10/5½
Namdang	246	8/11½

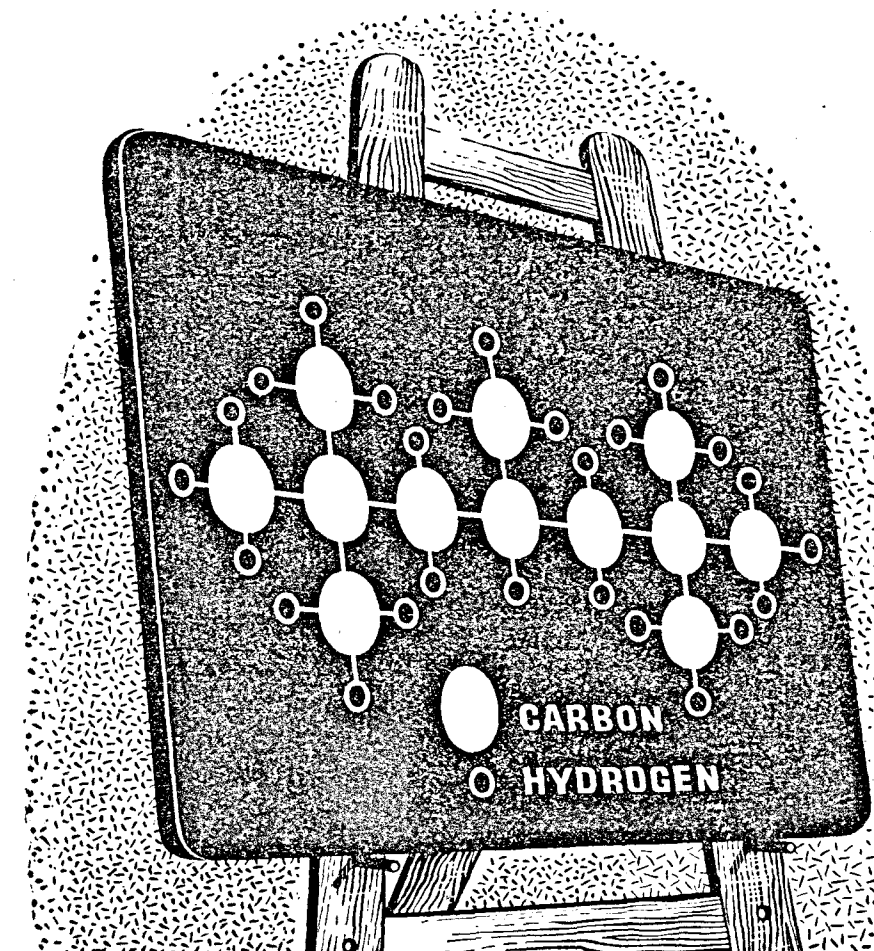
New Dimbula	252	7/11
Rajawella	393	8/33
Scottish Assam	300	6/7½
Scot. Tea and Lands	300	8/43
Sephinjuri-Bheel	240	3/8½
Standard	492	8/5½
United Planters	466	6/9½

COLOMBO RUBBER PRICES

The following prices have been issued by the Rubber Board of India from the weekly market report published by the Colombo Brokers Association:

Sheet:			
No. 1	1.41	1.41	
No. 2	1.38	1.38	
No. 3	1.35	1.35	
No. 4	1.11	1.11	
No. 5	1.06	1.06	
Sht. Cutts. 1	1.02		
Sht. Cutts. 2	.97		
Crape:			
Water White	—	—	
R.M.A. No. 1X	1.56	1.34½	
R.M.A. No. 1	1.33/35	1.32½	
Crape 2	1.29½		
Crape 3	1.20½		
Scrap Crape:			
Sc. Crape No. 1	.85 Nom	.85	
Sc. Crape No. 2	.80/84	.80½	
Sc. Crape No. 3	.74/78	.74½	
Flat Bark	.70/72	.68½	
Sc. Crape 3X	.77		

To arrive at f.o.b. Colombo prices, add 53.45 cents a lb. for crape other than scrap crape and 31.45 cents for scrap crape to be above market prices.



AN EDUCATION IN

Oil

This is not an abstract design in an Art Class. It is one of the chemist's symbols for the structure of hydrocarbons. And hydrocarbons are the most important ingredients in oil—that vital fluid on which India depends so much for the progress of industry, transport and agriculture.

In the Assam Oil Company, chemists, physicists and geologists are engaged all the time on research, helping to find new sources of oil, devising more efficient and more economical methods of refining oil and discovering new uses for oil.

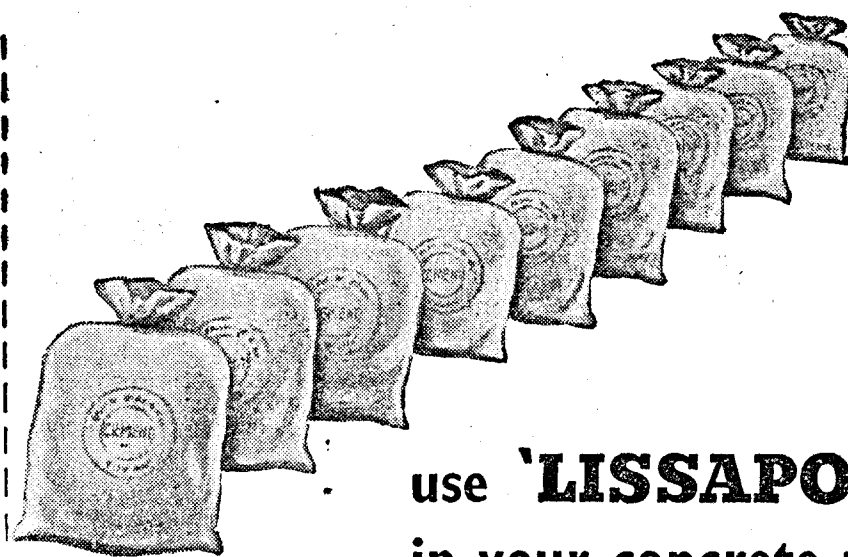
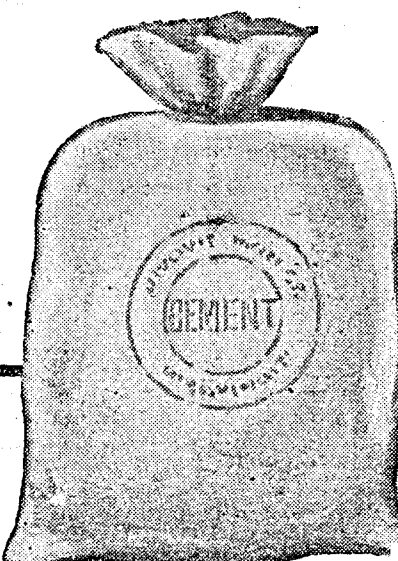
The results of such research mean that more and more of the oil and oil products which are needed for our expanding economy come direct from India's own oilfields.



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Calcutta Bombay Madras New Delhi



Calcutta Markets

STRONG GENERAL DEMAND
AT TEA EXPORT SALE

GOOD SUPPORT FOR DUSTS

AT Sale No. 17, held on 4th and 5th October offerings at the Export Auction consisted of 47,400 packages for which there was a very strong and general demand, and all descriptions with the exception of medium C.T.C.'s and poor Darjeelings were dearer. Whole Leaf grades and clean black Fannings were the strongest feature of the Sale and were fully 4 annas dearer and sometimes more. Commons and low mediums were also in very strong demand and were 2 to 4 annas dearer, while teas of orthodox manufacture with any quality were keenly competed for at 2 to 6 annas above last rates. The very best C.T.C. teas were well supported, but medium kinds were the weakest feature and were 3 to 4 annas lower. Tippy teas were well supported and flavoury Darjeelings were in fair demand, but the inferior sorts were slightly easier.

Quotations		1956	1955
		Rs.	Rs.
Clean Black Pekoe	2 0 0		2 4 0
Plain B.P.	1 12 0 to 1 12 6		1 10 0
Medium Assam B.P.	2 2 0 to 2 3 0		1 12 0
Best CTC Assam B.P.	3 6 0		3 4 0 to 3 6 0

At the Internal Sale, Dust offerings amounted to 17,024 packages. There was a good and general demand for all descriptions except for the better liquoring C.T.C.'s which declined by 3 to 4 annas and the poorer C.T.C.'s, which were 1 to 2 annas easier. Mediums and Commons were again well supported at rates which were generally fully firm to dearer, while clean black leaf exportable types were again a strong feature, although they were not as well supported as in recent weeks.

Quotations		1956	1955
		Rs.	Rs.
Medium Dooras Dust	2 1 0 to 2 2 0		1 11 0 to 1 12 0
Medium Assam Grainy Dust	2 4 0		1 13 6 to 1 14 6
Medium Assam C.T.C. Dust	2 6 0 to 2 8 0		
Best Assam C.T.C. Dusts	3 0 0 to 3 2 0		2 11 0 to 2 13 0

Leaf catalogues comprised 1,238 chests for which there was a good demand and prices were generally fully firm to dearer. The green teas on offer were fairly well supported and showed an improvement over last few sales.

SUGAR MARKET RISES

During the week ended 9th October, sugar sales in the Calcutta market averaged 3,000 bags daily. Arrivals a day were 1,500 bags and stocks totalled 75,000 bags. Rates for ready sugar ex-Kantapur delivery were Rs. 33 to Rs. 33-8 for big grain and Rs. 32-2 to Rs. 32-6 for small grain. The market rose during the week due to higher offtake, especially during its early part.

LINSEED IMPROVES

After a quiet opening, firmer conditions were noted following a Government tender for linseed oil, and prices rose steadily. More buyers were hoping for export business. Sellers were very reserved, however, and arrivals were very poor. Somewhat better conditions prevailed in the seeds section, and there was a small demand from local shippers and crushers; activity was small. Latest quotations were as follows: Ready-October Rs. 24 a maund.

HIDES AND SKINS

The market in goatskins continued firm and prices showed an upward tendency. Stocks were higher than in the previous week.

Bazaar Sales

(Between 2nd October and 8th October, 1956)

Cowhides: Wet salted (Ord.) 13,600 pcs. on the basis of Rs. 7-4 to Rs. 8; Wet salted (Slaughtered) 16,500 pcs. on the basis of Rs. 12-8 and Rs. 21.

Goatskins: Wet salted (Daissee, Killed) 28,200 pcs. on the basis of Rs. 230 to Rs. 255 and Rs. 330 to Rs. 345; Assam-Dinajpur 32,400 pcs. on the basis of Rs. 245 to Rs. 270; Purneah-Kissenganj 17,500 pcs. on the basis of Rs. 225 to Rs. 260; Pakur-Patna 11,500 pcs. on the basis of Rs. 150 to Rs. 220; Muzafferpore-Patna 92,000 pcs. on the basis of Rs. 175 to Rs. 185; and Muzafferpore 8,000 pcs. on the basis of Rs. 245 to Rs. 255.

Bazaar Stocks

(8th October, 1956)

Cowhides: Wet salted 1,64,500 pcs.
Goatskins: Wet salted (Daissee, Killed) 25,000 pcs.; Assam-Dinajpur-Jalpaiguri-Murshidabad 64,500 pcs.; Muzafferpore - Patna - Pakur - Purneah - Kissenganj 1,11,500 pcs.

COMPANY AND PUBLIC NOTICES

THE INDIAN IRON AND STEEL CO. LTD.

NOTICE

IN the Board's Circular Letter to the shareholders of Indian Iron & Steel Co. Ltd. dated 1st October, 1956 notification has been given that the Government of India are unable to agree to any increase in the rate of dividend on the Ordinary Share Capital of the Company. At a meeting of the Board of Directors held today, the Directors have accordingly recommended payment of a dividend of **One Rupee per share** free of Indian Income Tax being at the same rate as the preceding year. This dividend awaits the sanction of the shareholders at the Annual General Meeting to be held on the 30th November, 1956.

The Ordinary Share Register of the Company will be closed from the 20th November, 1956 to the 30th November, 1956, both dates inclusive and the dividend, if sanctioned, will be paid on or after the 17th December, 1956 to those shareholders whose names appear on the Register of Members on the 30th November, 1956.

By Order of the Board,
MARTIN BURN LTD.,
F. G. LIVERSEDGE,
Managing Director,
Managing Agents.

9th October, 1956.

12, Mission Row, Calcutta.

HULDIBARI TEA ASSOCIATION, LIMITED.

THE Sixty-seventh Ordinary Annual General Meeting of Shareholders of the above Association will be held at the Registered Office of the Association, No. 6, Church Lane, Calcutta, on Friday, the 9th November, 1956, at 12-15 P.M., to receive the Directors' Report, pass the Accounts for Season 1955, declare a Dividend and elect Directors and an Auditor.

The Share Transfer Books and Register of Members of the Association will be closed from the 27th October to the 9th November, 1956, both days inclusive.

By Order of the Directors,
DAVENPORT & CO. PRIVATE LTD.,
Managing Agents.

Calcutta, 11th October, 1956.

NOTE:—A member entitled to attend and vote at this Meeting is entitled to appoint a proxy, who need not be a member of the Association to attend and vote in his stead.

THE SHAHJAHANPUR ELECTRIC SUPPLY COMPANY LIMITED.

NOTICE

THE Annual Ordinary General Meeting of the Shareholders will be held at the Registered Office of the Company, Bahadurganj, Shahjahanpur on Wednesday, the 31st October, 1956 at 3 P.M. for the following purposes:—

1. To receive and pass the Directors' Report and the audited Accounts for the year ended 30th September, 1955.
2. To declare a Dividend.
3. To elect Directors in place of the retiring Directors.
4. To elect Auditors for the ensuing year and to fix their remuneration.

The Share Transfer Books of the Company will be closed from 24th October, 1956 to 31st October, 1956 both days inclusive.

OCTAVIUS STEEL & CO. LTD.,
A. H. GALLOWAY,
Managing Director,
Managing Agents.

Calcutta, 9th October, 1956.

NOTE: A member of the Company who is entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself. A proxy need not be a Member of the Company.

NEW CHUMTA TEA COMPANY LIMITED.

THE Annual General Meeting of Shareholders of the abovenamed Company will be held at the Registered Office of the Company, No. 6, Church Lane, Calcutta, on Wednesday, the 31st October, 1956, at 12-15 P.M., to receive the Directors' Report, pass the Accounts for Season 1955, declare a Dividend and elect a Director and an Auditor.

The Share Transfer Books and Register of Members of the Company will be closed from the 18th October to the 31st October, 1956, both days inclusive.

By Order of the Directors,
DAVENPORT & CO. PRIVATE LTD.,
Managing Agents.

Calcutta, 9th October, 1956.

NOTE:—A member entitled to attend and vote at this Meeting is entitled to appoint a proxy, who need not be a member of the Company, to attend and vote in his stead.



Serving Industry—which Serves Mankind

1901—the birth of Monsanto starting with practically sweet nothing—the manufacture of a single chemical—Saccharin. Today, Monsanto ranks among the greatest names in chemicals and plastics, serving industry which serves mankind. Today—hundreds of industries rely on Monsanto: Agriculture—Automotive—Aviation—Beverages—Ceramics—Chemical Processing—Cosmetics, Perfumes—Dental—Dyeing—Electrical—Foods—Insecticides—Leather Tanning—Lumber—Machinery—Mining—Packaging—Paint, Varnish, Lacquer—Petroleum—Pharmaceutical—Pulp, Paper—Plastics—Printing Ink—Radio—Rayon—Refrigeration—Rubber—Soaps and Detergents—Textiles.

To those of you who are concerned with any operation in any of these industries, we extend a personal invitation—"Come and consult us". We shall help you increase production... improve products... decrease operating costs... and increase your sales.

MONSANTO CHEMICALS LIMITED, London. • MONSANTO CHEMICAL COMPANY, St. Louis, U.S.A. • Monsanto Canada Limited, Montreal. • Monsanto Chemicals (Australia) Ltd., Melbourne. • Monsanto Chemicals of India Private Ltd., Bombay. • Monsanto Argentina S.A.I.C., Buenos Aires. • Monsanto S.A., Mexico. • Monsanto-Kasei Chemical Co., Tokyo, Japan. • Monsanto-Boussios, Paris, France. • Representatives in principal cities.

MONSANTO CHEMICALS OF INDIA PRIVATE LTD.
Wakefield House, Sprought Road, Ballard Estate, Bombay 1.

MARGARET'S HOPE TEA COMPANY, LTD.

NOTICE is hereby given that the 56th Annual General Meeting of the Shareholders of Margaret's Hope Tea Company, Limited, will be held at McLeod House, No. 3, Netaji Subhas Road, Calcutta, the Registered Office of the Company, on Thursday, the 8th November, 1956, at 4-10 P.M., for the following purposes:—

1. To consider the Profit and Loss Account for the year ended 31st December, 1955, and the Balance Sheet as at that date, and the Reports of the Directors and Auditors.
2. To appoint a Director in place of Mr. G. T. Routledge, the retiring Director.

And, in this connection to consider, and if thought fit, to pass the following resolution which will be proposed as a Special Resolution in conformity with the provisions of Section 261 of the Companies Act, 1956:—

"That Mr. G. T. Routledge be and is hereby re-appointed a Director of the Company."

Special Notice dated 21st September, 1956, of intention to propose the foregoing resolution as a Special Resolution has been received by the Company wherein it is stated that a Special Notice of the Special Resolution is given to satisfy the requirements of Sections 190 and 261 (1) (f), (2) and (3) of the Companies Act, 1956, for the reason that Mr. G. T. Routledge, is a Director of Amluckie Tea Co. Ltd. and Tyroon Tea Co. Ltd., subsidiaries of McLeod & Co., Ltd., the Managing Agents to the Companies and he is, therefore, an associate of the Managing Agents within the definition in Section 2(3)(c)(i) of the Companies Act, 1956.

3. To appoint Auditors for the year ending 31st December, 1956, and to fix their remuneration.

As Special Business:

4. To consider and, if thought fit, to pass the following resolution:—

"That the Board of Directors be and is hereby permitted with effect from the commencement of the Companies Act, 1956, to borrow moneys from time to time for the carrying on of the business of the Company notwithstanding that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) will exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose."

The Share Transfer Books of the Company will be closed from 25th October, 1956 to 8th November, 1956, both days inclusive.

By Order of the Board,
McLEOD & CO. LTD.,
A. T. DOIG,
Managing Director,
Managing Agents.

3, Netaji Subhas Road,

Calcutta, 4th October, 1956.

NOTE: A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member.

EXPLANATORY STATEMENT

The Resolution being Item No. 4 of the above Notice is intended to provide the Board of Directors with authority to enable them to borrow moneys from time to time for the Company's business in excess of the statutory limit being the paid-up capital of the Company and its free reserves, pursuant to Section 293(1) (d) of the Companies Act, 1956.

MACNEILL & BARRY LIMITED.

NOTICE is hereby given that the Board of Directors of this Company has sanctioned payment of the Dividend on the Preference Share Capital of the Company at the rate of 5½ per cent per annum for the half-year ended 30th September, 1956.

Payment will be made on 2nd November, 1956, to those Preference Shareholders whose names appear on the Company's Register on that date or in accordance with their instructions.

By Order of the Board,
A. H. FORSTER,
Secretary.

2, Fairlie Place,
Calcutta-1, 8th October, 1956.

THE HATTIKHIRA TEA CO. LTD.

A Dividend of 7½ for Season 1955, without any deduction for Income Tax paid by the Company has been declared payable to the Shareholders.

OCTAVIUS STEEL & CO. LTD.,
Managing Agents.
Calcutta, 9th October, 1956.

RANICHERRA TEA COMPANY LIMITED.

NOTICE is hereby given that the 48th Annual General Meeting of the Shareholders of Ranicherra Tea Company, Limited, will be held at McLeod House, No. 3, Netaji Subhas Road, Calcutta, the Registered Office of the Company, on Thursday, the 8th November, 1956, at 4 P.M., for the following purposes:—

1. To consider the Profit and Loss Account for the year ended 31st December, 1955, and the Balance Sheet as at that date, and the Reports of the Directors and Auditors.
2. To declare a Dividend.
3. To appoint a Director in place of Mr. J. Davies who retires by rotation and who, being eligible, offers himself for re-appointment.
4. To appoint Auditors for the year ending 31st December, 1956, and to fix their remuneration.

As Special Business:

5. To consider, and if thought fit, to pass the following resolution which will be proposed as a Special Resolution in conformity with the provisions of Section 261 of the Companies Act, 1956:—

"That Mr. G. T. Routledge be and is hereby appointed a Director of the Company."

Special Notice dated 21st September, 1956, of intention to propose the foregoing resolution as a Special Resolution has been received by the Company wherein it is stated that a Special Notice of the Special Resolution is given to satisfy the requirements of Sections 190 and 261 (1) (f), (2) and (3) of the Companies Act, 1956, for the reason that Mr. G. T. Routledge, the proposed candidate for a directorship, is a Director of Amluckie Tea Co. Ltd., a subsidiary of McLeod & Co., Ltd., the Managing Agents to the Company and he is, therefore, an associate of the Managing Agents within the definition in Section 2(3)(c)(i) of the Companies Act, 1956.

The Share Transfer Books of the Company will be closed from 25th October, 1956 to 8th November, 1956, both days inclusive.

By Order of the Board,
McLEOD & CO. LTD.,
A. T. DOIG,
Managing Director,
Managing Agents.

3, Netaji Subhas Road,

Calcutta, 4th October, 1956.

NOTE: 1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member.

2. Payment of the proposed Dividend, if declared, will be made on or after 15th November, 1956, only to those members whose names are registered in the Books of the Company on the 8th November, 1956, or to their Mandatees.

No application for Warrants will be necessary. Claims on behalf of holders of Shares on blank transfer will not be entertained.

EXPLANATORY STATEMENT

In the Special Notice given to the Company of the resolution being Item No. 5 of the above Notice, it is stated that Mr. G. T. Routledge is an associate of the Managing Agents within the meaning of the Companies Act, 1956, and therefore he can only be appointed a Director by a Special Resolution of which Special Notice has been given under the provisions of Section 261 of the Act.

MACNEILL & BARRY LTD.

NOTICE is hereby given that the Seventh Ordinary General Meeting of the Company will be held at the Registered Office of the Company, No. 2, Fairlie Place, Calcutta, on Saturday, 27th October, 1956, at 11-00 a.m.

BUSINESS:

1. To receive the Directors' Report and Auditors' Report and to adopt the Statement of Accounts for the year ended 31st March, 1956.
2. To declare Dividends.
3. To elect Directors.
4. To appoint Auditors and to fix their remuneration.
5. To transact any other competent business.

By Order of the Board,
A. H. FORSTER,
Secretary.

2, Fairlie Place,

Calcutta, 29th September, 1956.

NOTE—A member of the Company who is entitled to attend and vote may appoint a proxy to attend and vote instead of himself. A proxy need not be a member of the Company.

BHATKAWA TEA COMPANY, LIMITED.

NOTICE is hereby given that the 56th Annual General Meeting of the Shareholders of Bhatkawa Tea Company, Limited, will be held at McLeod House, No. 3, Netaji Subhas Road, Calcutta, the Registered Office of the Company, on Thursday, the 8th November, 1956, at 4-20 P.M., for the following purposes:—

1. To consider the Profit and Loss Account for the year ended 31st December, 1955, and the Balance Sheet as at that date, and the Reports of the Directors and Auditors.
2. To declare a Dividend.
3. To appoint a Director in place of Mr. R. H. D. Campbell who retires by rotation and who, being eligible, offers himself for re-appointment.
4. To appoint Auditors for the year ending 31st December, 1956, and to fix their remuneration.

The Share Transfer Books of the Company will be closed from 25th October, 1956 to 8th November, 1956, both days inclusive.

By Order of the Board,
McLEOD & CO. LTD.,
A. T. DOIG,
Managing Director,
Managing Agents.

3, Netaji Subhas Road,

Calcutta, 4th October, 1956.

NOTE: 1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member.

2. Payment of the proposed Dividend, if declared, will be made on or after 15th November, 1956, only to those members whose names are registered in the Books of the Company on the 8th November, 1956, or to their Mandatees.

No application for Warrants will be necessary. Claims on behalf of holders of Shares on blank transfer will not be entertained.

JESSOP AND COMPANY, LIMITED.

NOTICE is hereby given that the Directors have declared the payment, on 1st November, 1956, of the Dividend on the 5 per cent Cumulative Preference Shares of the Company for the half-year ending 31st October, 1956, without any deduction in respect of Income Tax payable by the Company.

The Preference Share Transfer Register will be closed from 29th October to 31st October, 1956, both days inclusive.

Dividends will be paid only to Registered Shareholders or their Mandatees.

By Order of the Board,
G. M. ROBBINS,
Secretary.

63, Netaji Subhas Road,
Calcutta-1.

4th October, 1956.

COMPANY MEETINGS AND DIVIDENDS
DECLARED OR PROPOSED

Name of Company	Date	Hour I.S.T.
Bridge & Roof Co. (India) Ltd. (E)	15-10-56	Noon.
British India Electric Construction Co. Ltd. (E)	15-10-56	12-10 p.m.
Orient Paper Mills, Ltd. (E)	15-10-56	3 p.m.
Machinery Manufacturers Corp'n. Ltd.	19-10-56	4 p.m.
Bengal Flour Mills Co. Ltd. (E)	24-10-56	Noon.
Pathemara Tea Co., Ltd.	23-10-56	2-50 p.m.
Jaipur Udyog Ltd.	23-10-56	4-30 p.m.
Investment & Finance Co., Ltd.	23-10-56	11 a.m.
General Investment & Trust Co. Ltd.	25-10-56	11-5 a.m.
Bormah Jan Tea Co., (1936), Ltd.	25-10-56	3-40 p.m.
Teloijan Tea Co., Ltd.	25-10-56	3-50 p.m.
Baghmari Tea Co., Ltd.	25-10-56	4 p.m.
Sungma Tea Co. Ltd.	25-10-56	4-10 p.m.
Macneill & Barry, Ltd.	27-10-56	3-30 p.m.
Hastings Mill Ltd (Jute)	29-10-56	10-30 a.m.
New Assam Valley Tea Co., Ltd.	30-10-56	10-45 a.m.
New Monkhooshi Tea Co., Ltd.	31-10-56	12-15 p.m.
New Chumta Tea Co., Ltd.	31-10-56	3 p.m.
Shahjahanpur Electric Supply Co., Ltd.	31-10-56	3-30 p.m.
Methoni Tea Co. Ltd.	31-10-56	3-30 p.m.
Soorah Jute Mills Co., Ltd. (E)	31-10-56	11 a.m.
Indian Standard Wagon Co., Ltd.	2-11-56	4 p.m.
Ranicherra Tea Co., Ltd.	8-11-56	4-10 p.m.
Margaret's Hope Tea Co., Ltd.	8-11-56	4-20 p.m.
Bhatkawa Tea Co., Ltd.	9-11-56	12-15 p.m.
Huldibari Tea Association, Ltd.	9-11-56	12-15 p.m.

(E) Extraordinary General Meeting.

DIVIDENDS DECLARED OR PROPOSED—Methoni Tea Co. Ltd.—1½ p.c. Bengal Potteries Ltd.—4 annas per share. North-Western Cachar Tea Co. Ltd.—15 p.c. Macneill & Barry Ltd.—11 p.c. New Chumta Tea Co. Ltd.—15 p.c. Darjeeling Ropeway Co. Ltd.—8 annas Ltd.—15 p.c. Indian Iron and Steel Co. Ltd.—Re 1 per share (o). Hattikhira Tea Co. Ltd.—7½ p.c. Hansqua Tea Co. Ltd.—10 p.c.

O.—Ordinary Dividend. In.—Interim Dividend.
P.—Preference Dividend. L.—Less Income Tax.
P.O.—Preferred Ordinary Dividend. F.—Final Dividend.
D.—Deferred Dividend. C.—Cumulative.
Less Tax at 6d 6d in the £

"CAPITAL" STOCK AND SHARE LIST

THE INVESTORS' GUIDE AND SHAREHOLDERS' GAZETTE

Official quotations of the Calcutta, Bombay, Madras, London Stock
Exchange Associations and other sources.

Tuesday 9th October, 1956.

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GOVERNMENT LOANS					PORT TRUST LOANS					IMPROVEMENT TRUST LOANS															
Amount Outstanding Rs	Interest per cent	Year of issue	Repayable	Market quotations Rs	Amount Rs	Interest per cent	Year of issue	Repay- able	Market quotations Rs	Amount Rs	Interest per cent	Year of issue	Repay- able	Market quotations Rs	Amount Rs	Interest per cent	Year of issue	Repay- able	Market quotations Rs						
GOVERNMENT OF INDIA																									
2,48,91,47,000	3	1946	1936 or later	75	90.24.300	4	1914	1974	99	36.50,000	4	1904	1964	99	25,00,000	5 1/2	1929	1959	107						
8,93,35,000	3	1896-97	At the option of the Government of India after 3 months' notice.	74 1/2	76,90,100	4	1915	1975	99	35,00,000	4	1905	1965	99 1/2	30,00,000	4	1934	1964	99 1/2						
57,00,69,000	2 1/2	1946	1961	93 1/2	58,02,300	3	1921	1st 1981	82	15,00,000	4	1906	1967	99 1/2	30,00,000	3	1936	1966	90						
45,63,07,000	2 1/2	1946	1960	96 1/2	1,50,00,000	6 1/2	1921	2nd 1981	144 N	44,00,000	4	1907	1968	99 1/2	50,00,000	3	1937	1967	91						
50,35,63,000	3	1951	1958	99 1/2	8,92,600	5	1923	1953 83	279 1/2	75,00,000	4	1908	1969	99 1/2	20,00,000	3	1938	1963-68	90						
1,16,17,46,000	3	1938	1963-65	94 1/2	8,901,000	5	1924	1954-84	279 1/2	40,00,000	4	1909	1970	100	30,00,000	4	1952	1962	99 1/2						
1,10,11,78,000	3	1943	1966-68	93						56,00,000	4	1910	1971	100	1,02,00,000	4	1956	1968	99						
75,86,72,000	2 1/2	1947	1962	93 1/2	99,84,500	5	1926	2nd 1956 86	100 1/2	75,00,000	4	1911	1972	100											
	2 1/2	1948	1962	93 1/2	1,49,49,500	5	1927	1957-87	102																
		2nd issue			1,49,30,000	5	1928	1958-88	103																
30,33,10,000	3	1950	1964	94 1/2	30,00,000	4	1931	1991	95	STERLING LOANS															
14,77,48,000	3	1946	1976	83	2,835,100	3 1/2	1932	1962	291 1/2	£892,600	5	1923	1953-83	£87 1/2	20,00,000	4	1906	1966	99 1/2						
63,30,26,000	4	1926	1960-70	100 1/2	30,00,000	3 1/2	1935	1965	97 1/2	£901,000	5	1924	1954-84	£87 1/2	15,00,000	4	1907	1967	99 1/2						
1,15,05,83,000	3	1945	1970-75	89 1/2	50,00,000	3	1946	1976	84 1/2	£835,100	5 1/2	1932	1962	£96	30,00,000	4	1908	1968	£95 1/2						
1,14,06,89,000	3	1944	1958-68	102 1/2	50,00,000	3	1946	1976	84 1/2						£566,600	4	1909	1969	95 1/2						
3,85,73,000	3 1/2	1928	1958-68	99 1/2	50,00,000	3	1945	1-2-2005	74						2,333,000	4	1910	1970	100						
75,29,00,000	3 1/2	1953	1959-61	97 1/2	50,00,000	3	1945	1-2-1975	85						25,00,000	4	1912	1972	99 1/2						
1,13,65,64,000	3 1/2	1945	1959-61	97 1/2	2,31,07,166	3 1/2	1936-37	1956-66	95 1/2						18,00,000	4	1913	1973	99 1/2						
1,38,17,07,000	3 1/2	1954	1964	98 1/2	50,00,000	3	1946	2006	74						60,00,000	4	1914	1974	99 1/2						
1,03,67,92,000	3 1/2	1955	1965	98 1/2	50,00,000	3	1947	1977	79 1/2						25,00,000	4	1916	1976	99 1/2						
33,82,00,000	3 1/2	1956	1967	98 1/2	50,00,000	3	1948	1978	83 1/2	MADRAS															
66,64,00,000	3 1/2	1956	1974	98 1/2	50,00,000	3	1949	1959	97						40,00,000	5	1919	1957-79	99 1/2						
3,44,00,000	3	1944	1958	98 1/2	50,00,000	3	1950	1960	96	31,47,169	3 1/2	1947	1977	A	66,00,000	5	1920	1955-80	118 1/2						
6,00,00,000	3	1949	1962	98 1/2	50,00,000	3	1951	1961	98 1/2	9,88,000	3	1947	1977	A	25,00,000	5	1926	1956-80	101 1/2						
3,00,00,000	3	1950	1960	96	50,00,000	3	1952	1962	100	3,00,000	3	1948	1978	A	10,00,000	3 1/2	1938	1968	94						
3,00,00,000	3 1/2	1951	1962	98 1/2	50,00,000	3	1953	1963	98 1/2																
3,50,00,000	4	1952	1964	101	50,00,000	4	1953	1963	98 1/2																
5,00,00,000	4	1953	1963	101 1/2	50,00,000	4	1955	1965	98																
					77,00,000		1956	1966	97 1/2																
MADRAS																									
1,29,76,600	3	1939	1959	96 1/2	50,00,000	3	1945	1959	97																
1,08,00,000	3	1944	1958	98 1/2	50,00,000	3	1945	1959	97																
2,82,19,000	3	1945	1960	96	50,00,000	3	1945	1959	97																
3,90,93,200	2 1/2	1946	1961	93 1/2	50,00,000	3	1945	1959	97																
4,47,00,000	3	1950	1960	96	50,00,000	3	1945	1959	97																
5,00,00,000	4	1952	1964	101	50,00,000	3	1945	1959	97																
5,00,00,000	4	1953	1963	100 1/2	50,00,000	3	1945	1959	97																
UTTAR PRADESH																									
1,69,39,800	3	1936	1961-66	90 1/2	36,00,000	5	1928	1958	103																
3,23,96,800	3	1944	1958	99 1/2	25,00,000	5	1929	1957	102																
2,36,31,300	3	1945	1960	95 1/2	25,00,000	5	1929	1958	102 1/2																
2,41,19,800	2 1/2	1946	1961	93 1/2	15,49,000	3 1/2	1951	1960	97	20,60,000	4	1913-15	1974	99 1/2	71,700	6	1925	1955	100 1/2						
2,00,00,000	3 1/2	1951	1962	98	25,00,000	5	1929	1958	102 1/2						2,67,300	6	1925	1955	101 1/2						
2,00,00,000	4	1952	1964	100											15,00,000	3 1/2	1951	1961	107 1/2						
5,00,00,000	4	1953	1963	100											15,00,000	3 1/2	1952	1962	107 1/2						
WEST BENGAL																									
1,75,00,000	3 1/2	1951	1962	98 1/2	16,33,000	3 1/2	1951	1961	97 1/2																
2,00,00,000	4	1952	1964	100 1/2	66,88,000	3 1/2	1951	1966	97 1/2	10,00,000	5	1920	1980	110											
3,00,00,000	4	1953	1963	100 1/2	10,00,000	5 1/2	1932	1962	108																
5,00,00,000	4	1955	1967	100	33,91,000	3 1/2	1935	1965	94	25,00,000	5	1928	1958	103 1/2											
2,95,85,200	5	1933	1953-63	101 1/2	72,50,000	4 1/2	1954	1979	100	26,21,500	5	1929	1959	104											
5,99,72,900	4	1936	1956-61	99 1/2																					
5,08,35,700	3	1946	25-1-1958	99 1/2																					
3,00,00,000	3	1953	15-7-1963	100																					
COCHIN																									
30,00,000	3 1/2	1936	1956 61	99 1/2	60,00,000	3	1936	1966	90	2,00,00,000	3 1/2	1951	1966	94											
1,00,00,000	3 1/2	1945	1955-58	98 1/2	47,60,000	3	1938	1968	90	6,25,00,000	3 1/2	1947	1977	86 1/2											
					17,64,400	3 1/2	1942	1959	96 1/2																
HYDERABAD																									
3,34,70,000	4	1953	1963	100	31,13,600	4	1939	1956	99 1/2	2,50,00,000	3 1/2	1949	1979	86 1/2											
2,12,21,800	4	1955	1967	99 1/2	15,56,800	4	1940	1957	99 1/2	4,00,00,000	3 1/2	1950	1965	92 1/2											
					2,22,72,000	4	1955	1985																	
A=Held by the Govt. of India.																									

JOINT STOCK COMPANIES PREFERENCE SHARES

Dividends are cumulative and shares carry a preferential claim on the property for the payment of capital and on the profits for dividend except in case of companies marked otherwise. Months against names of companies indicate approximately times of payment of dividends.

Year of Issue	NAMES	Amount Issued in 000 Rs.	Rate per cent	Paid-up per Share Rs.	Market Quotations		Year of Issue	NAMES	Amount Issued in 000 Rs.	Rate per cent	Paid-up per Share Rs.	Market Quotations	
					9-10-56 Rs.	A year ago Rs.						9-10-56 Rs.	A year ago Rs.
BANK.													
1901	Allahabad Bank (May Nov.)	15.00	6	100	120	135	1920	Birds' Investments (Dec.)	24.00	5 1/2	100	79	80
COAL.													
1903	Bengal Nagpur (Feb. Aug.)	11.25	7	100	105	118	1895-99	British India Corporation (Feb.)	81.00	8	100	124	138
1896-97	Borra (June Dec.)	4.00	6 1/2	100	103	119	1903-50	Burn Eng (1st & 2nd) (Feb. Aug.)	13.00	7	100	137	143
1901-20	Burrakur (June Dec.)	22.98	7	100	109	127	1909-11	Burn Engineering (Feb. Aug.)	15.00	6	100	116	123
1946	Burrakur (June Dec.)	4.50	6 1/2	10	73	8 1/2	1937	Calcutta Electric Supply (Mar. Sept.)	21.900	5	100	111	124 1/2
1895	Equitable (May Nov.)	4.00	6	100	104	117	1906	Calcutta Silk Manufacturing (July Jan.)	2.00	6	100	55	60
1931	Khas Kajora (Mar. Sept.)	1.93	5	10	5	2	1938	Calcutta Tramways (Jan. July)	2.250	5 1/2	100	94	83
1920	New Beerboom (Jan. July)	2.00	7	10	12	13 1/2	1905-24	Carew & Co. (January)	8.00	6 1/2	100	101	105
1898-99	Ondal (June Dec.)	2.00	6 1/2	100	110	115	1946	Cawnpore Sugar Works (Feb. Aug.)	10.00	8	100	127	143
COTTON MILLS.													
1906	Ahmedabad Advance (Apr. Oct.)	10.00	5	100	110	110	1940	Chrestien Mica Industries Ltd.	30.00	5 1/2	100	58	65 1/2
1884	Bangalore (Jan. July)	6.00	6	100	125	128 1/2	1937	Dacca Electric Supply (July)	6.00	6	10	...	...
1933	Basanti (Oct.)	5.00	6 1/2	10	8	8	1945	Dalmia Cement (Bharat)	3.500	6	100	101	100
1896	Bengal-Nagpur (Apr. Oct.)	3.00	7	100	99	116	1945	Dalmia Cement (Bharat)	2.372	6	40	391	39
1900	Bowreah "A" (Apr. Oct.)	6.00	7	100	126	135	1916	Delhi Flour Mills (Oct.)	90	7 1/2	100	133	133
1900	Bowreah "B" (6) (1) (Apr. Oct.)	6.00	7	100	66 1/2	76	1935	Deshergarh Power Supply "A" (Jan.)	16.00	5	100	102	107
1919	Bradbury "B" (Jan. Dec.)	14.75	7	250	324 1/2	324 1/2	1940	Deshergarh Power Supply "B" (Jan.)	12.00	4 1/2	100	93	91 1/2
1919	Buckingham & Carnatic (Jan. July)	21.30	7 1/2	100	144	133 1/2	1948	Duncan Brothers & Co. Ltd.	45.00	4	100	62	71 1/2
1928	Cambodia (July)	1.00	7	100	122 1/2	125	1926	Dunlop Rubber "First" (Jan. July)	30.00	6	100	125	126 1/2
1912	Central India (Apr. Oct.)	50.00	5	500	531 1/2	531 1/2	1926	Dunlop Rubber "Second" (Apr.)	40.00	6 1/2	100	93 1/2	101
JUTE MILLS.													
1912	Elgin (May Nov.)	11.00	8	100	135 1/2	143 1/2	1928-29	East India Distilleries (Jan. July)	2.200	7	100	17 1/2	17 1/2
1943	Elgin "B"	4.20	5	10	91	9 1/2	1897	Eastern Investments Ltd (Apr.)	2.500	5 1/2	100	...	...
1933	Elphinstone (May Nov.)	25.00	7 1/2	100	87 1/2	87 1/2	1928	General Investment & Trust (Feb. Aug.)	1.00	5	100	75	77 1/2
1919	Kesoram (June Dec.)	20.00	7	100	130	133	1947	General Investment & Trust (Feb. Aug.)	1.00	6 1/2	100	65	70
1925	Khataul Makanji (Nov.)	10.00	6	100	88	88	1946	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	75
1937	Kothari (Nov.)	12.00	6	10	101	109 1/2	1947	Gladstone Lyall & Co. Ltd.	15.00	6 1/2	100	66	66
1909	Muir (Feb. Aug.)	30.00	6	100	81 1/2	89	1946	Godfrey Phillips India Ltd.	30.00	5 1/2	100	68 1/2	64 1/2
1913	New Great Eastern (Mar.)	26.05	5 1/2	200	185	185	1946	Gwalior Sugar (Redeemable) (Dec.)	6.75	7	100	68	66
1920	New Victoria (Apr. Oct.)	2.00	7	50	58 1/2	58 1/2	1940	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1933	Palani Andavar (Mar.)	15.00	5	100	115	115	1940	Humayun Properties Ltd. (Nov.)	12.00	6	10	9 1/2	11
1925	Svadeshi (Bombay) (May)	35.00	6	100	90 1/2	90	1936	Indian Aluminium (Mar. Sept.)	40.00	5 1/2	100	83 1/2	75
1931	Vasanta (Apr. Oct.)	3.00	6 1/2	100	113	120	1945	Indo Burma Petroleum (Jan. July)	50.00	7 1/2	100	104 1/2	108
1908	Vishnu (Apr.)	16.00	7	500	550	550	1927	Indian General Navy & Railways	2.244	6	100	85	82
JUTE MILLS.													
1927	Agarpara (Jan. July)	10.00	7	100	104	116 1/2	1899	Indian Cable Co. (Nov.)	12.88	6	10	33 1/2	27
1905	Alexandra (Feb. Aug.)	9.00	7	100	97 1/2	106	1923	Indian Standard Wagon (Aug. or Sept.)	1.966	7	100	140	139
1917	Alliance (Mar. Sept.)	15.00	6	100	97	103 1/2	1936	Indian Iron & Steel	2.699.95	5	100	107	111 1/2
1917	Anglo-India (May Nov.)	40.00	7	100	107	118 1/2	1946	Investment and Finance (Feb. Aug.)	2.00	5	100	75	77 1/2
1908	Auckland (July Jan.)	10.00	5 1/2	100	78 1/2	99	1935	Investment and Finance (Feb. Aug.)	2.00	6 1/2	100	65	70
1943	Auckland (July Jan.)	15.00	4 1/2	100	105	115	1945	James Wright (Jan. July)	1.30	6	50	41	40
1918	Bally (Jan. July)	20.00	7	100	111	122 1/2	1937	Jardine Henderson Ltd.	50.00	5 1/2	100	65 1/2	81
1896	Barnagore (Oct. Dec.)	7.00	7	100	41	46	1946	Jessop & Co.	10.00	5	100	101	105 1/2
1905	Belvedere (Jan. July)	10.00	5 1/2	100	79 1/2	97	1945	Jupiter General Insurance (Sept.)	4.99	6 1/2	10	...	...
1940	Bengal (June Dec.)	23.64	7 1/2	100	111	122 1/2	1916	Kumardhubi Engineering (June)	12.00	5	100	98	107
1919	Birla (June Dec.)	10,000	7 1/2	100	111	118	1915	Do Fireclay & Silica (June)	2,00	7	100	116	116 1/2
1896	Budje Budje (May Nov.)	9,00	7	100	78	90	1915	Martin Burn Ltd.	30,00	5	100	105	105 1/2
1934	Calcutta (Jan. July)	10,00	6 1/2	100	109	118	1946	McLeod & Co.	10,00	5 1/2	100	69	73
1919	Caledonian (June Dec.)	10,00	7	100	111	118	1930	McLeod & Co.	40,00	5	100	75	83
1919	Cheviot (June Dec.)	5,00	7	100	110	116	1936	Mettur Chemical & Industrial (Sept.)	20,00	6	100	99	88 1/2
1923	Chitavalah (Mar. Dec.)	5,00	7	100	110	116	...	Metal Box Co. of India Ltd.	30,00	6 1/2	100	96	97
1900	Clive (First) (May Dec.)	8,00	6	100	91	92	1949	Midnapore Zemindary (Feb.)	8,76	5	100	92	92
1905	Clive "A" (Second) (May Dec.)	8,00	7	100	98	105	1938	Mysore Chemical Mfg (Sept.)	2,00	5	10	9 1/2	8 1/2
JUTE MILLS.													
1903-12	Dalhousie (July Jan.)	15.00	7	100	102	115 1/2	1930	National Insulated Cable	10,00	5 1/2	100	...	...
1897	Delta (June Dec.)	5.00	5	100	105	116	1942	National Tobacco (June Dec.)	25,00	5	100	75 1/2	80 1/2
1912	Empire (Jan. July)	10.00	7	100	108	120 1/2	1944	National Tobacco (Jan. Dec.)	20,00	4 1/2	100	70	71
1890-98	Fort Gloster (Jan. July)	14,00	7	100	76 1/2	83	1946	Northern India Oil (Jan. July)	2,00	6	100	48	56
1948	Fort Gloster (2nd)	7,00	5	100	115	128 1/2	1936	Poona Electric Supply Co. Ltd. (June Dec.)	4,00	7	100	103 1/2	103 1/2
1911	Fort William (May Nov.)	10,00	7	100	101	110	1935	Premier Construction "First" (Apr.)	10,00	6 1/2	100	104	104
1916	Ganges (June Dec.)	26,50	8	100	130	130	1936	Premier Construction "Second" (Apr.)	15,00	6 1/2	100	99 1/2	99 1/2
1895-04	Gouropore (June Dec.)	6,00	6	100	100	107 1/2	1922	Purnapure (Sugar) (Oct.)	6,00	10	10	16 1/2	16 1/2
1935	Hastings (Aug. Feb.)	25,00	10	10	13 1/2	14 1/2	1936	Ramguram Cane & Sugar (Aug.)	4,00	6	100	100 1/2	105 1/2
1913	Howrah (July)	11,00	10	10	13 1/2	14 1/2	1933-36	Rohas Industries (April)	20,00	7	100	127	134
1890	Howrah (Jan. July)	8,75	7	100	107	123	1901	Rohas Industries "B" (Apr.)	8,00	4 1/2	100	64	68
1903-06	Howrah "A" (Jan. July)	17,50	7	100	102 1/2	113	1944-46	Shaw Wallace & Co. Ltd.	75,00	6 1/2	100	78	85
1919	Hukumchand (June Dec.)	40,00	7	100	108 1/2	113 1/2	1937	Shree Gopal Paper	7,50	6	100	119 1/2	126 1/2
1898-04	Kamarhatti (Apr. Oct.)	16,00	6	100	102	105	1938	Shree Krishna Gyanoday Sugar "A" (Oct.)	6,00	6	100	101	101
1900	Kankannarh (Apr. Oct.)	1,00	6	100	95	95	1938	Shree Krishna Gyanoday Sugar "B" (Oct.)	12,00	5	100	75	80
1935	Kedarnath (Jan. July)	10,00	7	100	110	120	1906	Smith Stanistreet (Chemists) (Nov.)	5,00	10	50	70	66 1/2
1907	Kelvin (Mar. Sept.)	9,00	6	100	91 1/2	91 1/2	1905	South Behar Sugar (Oct.)	5,00	7	100	161 1/2	161 1/2
1895-09	Kharadah (May Nov.)	15,00	7	100	99	118	1936	Spencer & Co. "A" (Provisions) (Jan. July)	23,20	6 1/2	100	107	11
1900-13	Kinnison (July Jan.)	15,00	7	100	101	114	1923	Spencer & Co. "B" (Provisions) (Jan. July)	36,80	6 1/2	100	102	82
1910	Landsdowne (July Jan.)	5,00	7	100	104	115	1937	Star Paper (Apr. Oct.)	10,00	5	100	131	131
1912	Lawrence "A" (July Jan.)	10,00	5 1/2	100	99	94	1937	Surat Electricity (Apr.)	5,00	6 1/2	100	131	131
1906-07	Lawrence "B" (July Jan.)	7,50	7	100	118	122	1925	Tata Chemicals (Nov.)	60,00	5	100	117 1/2	117 1/2
1905	Naihati (July Jan.)	10,00	4 1/2	100	75	79 1/2	1939	Tata Hydro Electric Power (Sept. Mar.)	98,28	7	100	121 1/2	121 1/2
1945	Naihati (July Jan.)	5,00	7	100	119	126	1910	Tata Iron & Steel (First) (Nov.)	75,00	6 1/2	100	161 1/2	163 1/2
1917	National (May Nov.)	5,00	7	100	97 1/2	108	1910	Tata Iron & Steel (Second) (May)	6,93,82	7 1/2	100	121 1/2	127 1/2
1939	Nellimaria (Apr. Oct.)	5,00	6	100	97 1/2	108	1906	Tata Power (May Nov.)	76,97	7 1/2	1,000	1,275	1,275
1915	New Central (Jan. July)	33,00	7	100	105 1/2	114	1918	Tezpur-Ballnagar Tram (1) (June Dec.)	11,80	8	100	144	150 1/2
1908-09	Northbrook (July Jan.)	15,00	5 1/2	100	10	11	1919	Titagur Paper Mills (Mar. Sept.)	1,120	8	100	144	150 1/2
1935	Rameshwara (Jan. July)	20,00	7	100	112 1/2	121 1/2	1937	Titagur Paper Mills "2nd" (Mar. Sept.)	1,120				

COAL COMPANIES

O. P. F. and Dd indicate Ordinary Preferred Ordinary Founders' and Deferred shares respectively. P. next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Number of Spindles	Net Block Account	Reserve & other Funds	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent	Paid-up Capital Ordinary	Latest Market Quotations as available until
Rs.		Rs.	Rs.	Rs.				Rs.	Rs.	1954 1955 1956	Rs.	9-10-56 1-10-56 A year ago
25,50,000	26,43,478	24,50,000	6,60,570	Amalgamated	3-9	236	6,83,393	26,953	31-5	61-71	10	23 23 24
1,00,00,000	1,96,15,288	1,40,49,223	18,85,659	Bengal P	4-10	2	26,18,996	7,31,563	71-71	81-81	200	503 510 510
4,49,350	3,08,193	70,000	2,24,303	Bengal Bhatdee	6-12	2	15,149	4,951	11-11	11-11	10	63 63 64
2,25,000	2,48,198	5,30,654	3,64,478	Bengal Nagpur P	6-12	2	50,568	1,07,994	Nil-Nil	Nil-Nil	10	16 16 11
15,97,000	14,16,665	6,91,475	13,32,071	Bhaigora	9	152	8,13,899	39,978	Nil-Nil	Nil-Nil	10	61 61 71
40,00,000	68,01,474	20,23,231	32,65,320	Bharat Collieries P	6	335	2,52,221	27,433	61	61	10	71 71 81
7,15,000	15,63,291	14,29,045	68,704	Bhulanbararee	6-12	106	20,810	1,87,446	Nil-Nil	Nil-Nil	10	12 12 13
16,80,000	39,97,275	16,18,636	7,185	Bokare & Ramgur	6-12	315	1,21,936	79,196	10-10	10-10	10	12 12 15
7,50,000	18,56,889	24,29,026	11,60,066	Borore P	6-12	106	2,14,032	84,207	10-10	10-10	10	24 24 25
90,42,800	2,38,29,968	1,75,17,502	25,32,133	Burrakur P	6-12	21	11,90,330	1,15,376	21-31	31-31	10	15 16 14
49,97,000	35,80,075	750	1,75,962	Central India	3	166	1,33,037	14,019	21	21	10	7 7 7
8,00,000	16,67,573	13,30,519	15,752	Central Kurkand P	6-12	323	34,743	82,768	11-11	11-11	10	12 12 13
6,00,000	1,43,676	1,43,676	7,32,338	Churulia	6-12	106	6,374	2,129	11-11	11-11	10	2 2 2
16,00,000	23,76,131	1,20,000	35,989	Churni Main	6-12	129	70,801	2,43,279	Nil-Nil	Nil-Nil	10	3 3 3
2,40,000	2,234,668	2,380,653	2,372,456	East Indian	6-12	129	2,177,646	2,59,767	Nil-Nil	Nil-Nil	10	3 3 3
29,83,760	1,15,25,712	83,55,049	24,17,690	Equitable P	6-12	19	8,97,453	82,379	71-71	71-71	10	3 3 3
10,00,000	6,74,708	2,07,486	3,32,973	Ghusick & Muslia	3	307	12,979	24,844	71-71	71-71	10	15 15 14
6,50,000	5,06,856	33,155	4,95,544	Guzdar Kajora	6-12	20	24,150	2,401	Nil-Nil	Nil-Nil	10	2 2 2
8,00,000	3,17,780	7,25,000	7,92,425	Hurridadi	6-12	19	2,70,524	45,985	71-10	121-121	10	23 23 21
3,50,000	6,51,200	5,66,816	1,407	Kalapahari	2-8	2	1,38,130	-2,21,237	Nil-Nil	Nil-Nil	10	20 20 17
15,00,000	31,71,936	24,32,396	25,61,314	Karanpura Development	6-12	21	49,116	17,839	Nil-Nil	Nil-10	100	21 21 16
20,00,000	24,60,896	1,77,175	26,967	Karanpura Collieries P	2	21	2,26,982	6,965	Nil	21	100	119 119 121
5,00,000	10,29,548	16,00,000	11,25,332	Katras Jheriah	1-7	2	5,92,347	1,33,475	28-28	25-30	35	62 62 53
1,38,400	6,75,000	95,000	11,80,294	Khas Kajora P	6-12	326	49,776	1,918	28-28	25-30	35	91 91 91
5,65,750	10,84,977	85,000	9,590	Mundulpur	6-12	326	-79,868	-79,868	Nil-Nil	Nil-Nil	10	2 2 2
7,48,240	2,62,442	1,50,000	5,04,429	Nazira	12	347	82,501	25,598	Nil-Nil	Nil-Nil	10	7 7 7
17,00,000	5,13,418	26,817	61,941	New Bansdeopur	3-9	5	59,011	6,071	31-71	71-71	10	10 10 10
7,76,230	31,15,727	20,01,163	3,76,538	New Banbhoom P	4-10	2	2,64,716	94,383	31-31	31-31	10	19 19 19
6,00,000	11,71,307	75,000	40,447	New Banbhoom	3-9	202	-23,530	2,233	Nil-Nil	Nil-Nil	10	11 11 10
2,50,000	7,69,623	1,75,500	10,12,916	North Damuda	1-7	306	7,954	-32,184	Nil-Nil	Nil-Nil	10	2 2 2
1,15,000	4,42,488	2,85,193	1,53,246	North West	3-9	2	51,420	15,950	Nil-Nil	61	71-11	19 19 22
1,57,500											71	17 17 18
7,50,000	1,20,000	12,19,937	23,76,757	Ondal P	6-12	106	22,197	56,646	5-5	5-5	10	15 15 18
8,34,000	9,21,342	10,862	2,36,015	Parasa P	6-12	207	1,08,075	8,010	31-31	31-31	10	14 14 14
15,75,000	12,40,000	16,00,000	12,21,654	Pench Valley	3-9	236	4,18,450	33,343	81-71	71-71	10	21 21 21
2,50,000	2,82,405	7,500	11,331	Pure Sitalpur	6-12	5	2,008	-18,581	Nil-11	11-11	10	6 6 6
23,99,500	37,59,038	19,17,105	39,198	Raneegunge	3-9	79	1,83,814	16,846	21-21	21-31	10	13 13 6
7,98,000	7,98,000	9,28,385	14,29,643	Rewa	6-12	236	4,96,775	26,029	71-61	81-121	10	23 23 19
20,00,000	23,74,261	7,52,027	1,01,427	Samsi	12	48	1,80,660	31,543	71	71	10	14 14 16
2,50,000	1,56,194	1,34,374	11,356	Searsale	1	353	39,009	11,078	25	30	15	7 7 7
2,80,000	10,92,193	3,26,598	7,87,726	Seepore P.	6-12	2	2,42,112	49,293	1421-1421	17 17 17	21	29 29 29
8,00,000	23,624	5,29,306	6,32,757	Sendra	6-12	106	-4,098	7,503	Nil-11	11-11	10	11 11 11
17,50,000	22,81,985	10,75,016	63,654	South Karanpura	2-8	21	-59,079	-51,533	Nil-11	11-11	10	9 9 9
8,00,000	1,43,000	13,69,395	21,89,890	Standard	6-12	106	47,444	17,347	71-71	5-5	10	23 23 20
10,00,000	15,58,085	15,075	3,913	Talcher	9	277	22,689	-3,85,056	Nil	Nil	21	3 3 3
3,50,000	4,66,000	3,53,000	8,176	Union	6-12	279	4,00,033	44,167	5-21	21-21	10	14 14 14
49,98,000	32,65,550	50,000	2,17,164	Western Bengal	3	166	4,08,068	7,262	81	81	10	61 61 61
7,50,000	3,55,152	1,38,190	40,060	West Jamuria	6-12	19	-1,31,849	122	Nil-Nil	Nil-Nil	10	11 11 11

N = Nominal

COTTON MILLS

Paid-up Capital Ordinary	Number of Spindles	Net Block Account	Reserve & other Funds	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent	Paid-up Capital Ordinary	Latest Market Quotations as available until
Rs.		Rs.	Rs.	Rs.				Rs.	Rs.	1953 1954 1955	Rs.	9-10-56 1-10-56 A year ago
15,00,000	14,108	356	14,62,919	1,73,478	Basanti P	12	49	1,97,268	41,227	21	10	61 61 54
32,72,340	22,197	505	27,69,676	23,18,908	Benares P	3-9	120	-1,27,187	-4,79,347	10	11	11 11 11
7,11,280	36,000	932	17,17,120	2,20,369	Bengal Luxmi	3	27	3,66,176	47,818	10	40	40 40 36
27,00,000	31,476	624	33,50,000	3,84,224	Bengal Nagpur P	6-12	236	-5,23,389	18,199	21-Nil	Nil	10 9 9
17,00,000	38,764	922	10,82,451	1,23,642	Birla Cotton	6-12	22	5,28,332	4,25,221	30	30	30 30 30
6,00,000	42,872	641	37,54,142	2,22,588	Bowser P	6-12	138	94,028	-23,47,373	Nil-Nil	Nil-NE	100 150 390
30,00,000	22,000	610	8,43,453	29,51,420	Cawnpore Textiles	3	25	6,73,253	36,767	11	10	5 9 9
3,27,32,900	1,01,808	2,762	9,94,63,168	2,74,43,393	Delhi Cloth & Genl. P	6	238	1,81,41,278	82,759	9	9	25 40 37
1,00,563	42,944	818	34,12,181	25,71,925	Dunbar	6-12	138	9,32,376	1,37,951	Nil-Nil	Nil-21	100 274 265
19,00,000	54,300	1,230	22,44,751	66,33,360	Elgin P	9	25	32,80,464	93,386	15	10	10 27 21
63,00,000	59,250	1,872	2,38,99,575	1,69,53,952	Kesoram P	3	22	37,41,719	2,45,435	11	81	20 17 18
4,00,000	35,894	894	17,48,143	9,75,679	Mohini P	12	45	9,53,316	5,168	10	10	25 25 25
30,00,000	38,000	1,825	47,44,546	52,19,601	Muir P	12	208	-18,77,941	-7,77,290	10	10	10 8 8
22,89,382	78,848	1,367	43,25,577	26,00,968	New Victoria P	12	237	-18,83,371	-13,76,473	Nil	Nil	21 21 21
19,47,750												10 10 10
5,00,000	23,196	795	22,57,946	18,38,739	Ramporia Cotton	6	4	6,16,936	1,094	6	61	10 15 15
17,50,000										Nil	Nil	1 21 21
1,57,50,000	1,14,836	2,077	2,83,77,688	2,65,04,931	Swadeshi (Cawnpore) P	12	333	43,71,838	7,09,029	5 71 71	100 100 100	121 121 121
40,50,000	48,754	1,310	91,31,708	1,89,73,217	Bangalore W C Silk P	12	26	56,34,938	2,38,649	25	30	582 582 547
1,78,47,800	1,20,012	2,770	3,20,71,600	1,87,39,278	Buckingham Carnatic P	12	26	1,01,66,075	2,38,445	10	10	202 202 175
20,00,000	28,000		10,03,003	20,32,074	Cambodia P	12	210	1,96,274	27,593	71	Nil	10 14 13
12,00,000	23,364	405	6,41,058	9,00,000	Coimbatore Cotton	12	188	6,53,750	61,404	10	10	30 30 322
20,76,800	72,832	297	22,22,631	7,98,631	Coimbatore Spg & Wvg	6	46	-7,52,342	-10,23,340	Nil	Nil	50 91 108
50,60,400	405	285	12,25,505	17,90,000	Kaleswarar	12	139	2,05,780	7,677	10	10	335 335 290
24,00,000	30,512	200	32,38,868	16,25,000	Kothari Textile P	6	141	3,25,924	29,332	10	10	18 18 14
23,64,000	48,756		15,01,051	21,70,200	Lakshmi	12	186	31,41,248	2,209	10	10	259 258 165
1,75,02,480	4,65,324		2,15,02,107	4,13,81,878	Madura	12	108	77,86,509	18,86,813	20	20	501 511 511
12,00,000	21,856		8,43,189	10,32,393	Malabar Spg & Wvg	12	240	-85,193	-94,039	20	20	113 113 112
60,00,000	24,252	603	20,49,893	69,00,000	Mettur Industries	3	29	48,44,863	45,835	22	35	455 402 387
13,61,700	6,000		14,15,992	8,90,279	Mysore Spg Silk	3	142	1,753	3,986	Nil	Nil	10 61 31
4,00,000	20,137	Nil	8,36,608	3,00,000	Palani Andapur P	12	30	7,39,437	2,687	10	10	172 172 130
7,79,700	15,540	416	5,42,118	2,43,421	Sitaram Spg & Wvg	3	164	87,724	3,083	10	10	340 340 243
7,00,000	28,104		12,98,563	18,23,501	Vasanta P	12	47	16,37,459		10	10	

† Liquid Assets.

TEA COMPANIES

O. Po. and Dd indicate Ordinary, Preferred Ordinary and Deferred Shares respectively. P. next to the name of the company indicates that the company also has Preference Shares. Figures in 'accounts closed' column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Accrue under Tax	Output and Average Price realised for crop				Estimate 1956	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Dividends per cent			Paid-up Share	Latest Market Quotations as available until			
				1954		1955							1953	1954	1955		9-10-56	1-10-56	A year ago	
				Lbs	As P.	Lbs	As P.													Lbs
CACHAR																				
3,00,000	3,40,887	1,75,000	862	2,89,040	39-11	..	..	..	Arcuttipore	12	88	1,72,877	NIL	NIL	..	10	12	12	12	
4,00,000	4,26,269	49,378	465	..	..	..	..	..	Baitakhal	12	35	43,307	..	..	..	10	103	103	111	
10,00,000	17,71,849	3,13,800	1,480	3,90,263	40-10	..	..	..	Centra Cachar	12	128	5,98,304	NIL	71	..	100	731	741	136	
2,50,000	57,753	NIL	794	7,00,450	4-2 2/5	..	..	..	Chandypore	12	128	56,346	NIL	NIL	..	100	89	89	123	
7,00,000	6,99,137	11,000	649	3,91,320	38-6	..	..	..	Eastern Cachar	12	202	2,48,284	NIL	NIL	..	10	917	917	101	
12,00,000	18,43,418	11,50,000	2,153	17,59,920	35-0	..	..	..	Hattikhira	12	202	1,32,286	25	40	..	10	181	181	28	
4,50,000	2,97,000	1,65,222	586	..	..	..	..	..	Kallinugarg Khoreal	12	313	31,071	NIL	15	..	100	102	102	130	
3,00,000	2,40,000	2,51,794	399	4,40,507	46-8	..	..	..	Kunchunpore	12	313	3,31,327	NIL	274	..	10	143	143	191	
7,00,000	3,25,000	1,50,000	1,350	7,33,267	47-6	..	..	..	North Western Cachar	12	63	2,21,673	NIL	20	..	100	264	264	264	
1,84,350	1,00,329	NIL	180.5	..	..	..	..	..	Pathemara P.	12	202	1,64,444	NIL	..	..	10	15	15	191	
2,60,000	3,90,357	1,16,592	618	3,04,720	36-4/5	..	..	..	Roopacherra	12	165	4,33,780	NIL	..	..	10	22	22	251	
5,25,000	3,25,000	3,28,514	688	3,76,800	41-11	..	..	..	Rungamatie	12	53	5,75,715	20	35	..	50	104	102	144	
4,00,000	6,88,316	5,52,313	662	4,49,336	36-7 1/2	..	..	..	Sonai River P.	12	14	3,73,677	NIL	124	..	10	191	191	143	
3,75,000	5,02,307	1,31,250	1,050	4,63,321	..	..	..	..	Tilbak	12	95	5,22,670	NIL	20	..	10	12	12	10	
DARJEELING																				
3,99,150	6,89,413	4,157	562	1,14,311	29-11	..	..	..	Bloomfield	12	101	73,268	NIL	NIL	..	10	31	31	41	
2,70,000	4,72,061	1,28,000	407.5	1,41,174	62-0	..	..	..	Chamong	12	279	1,34,209	NIL	20	..	10	151	15	20	
3,75,000	3,75,900	1,11,928	391	..	..	..	..	..	Darj. Tea Chinchona	12	139	1,15,695	71	40	..	100	175	175	290	
2,00,000	1,74,363	1,62,639	488	1,35,760	52-5	..	..	..	Dillaram	12	200	1,03,183	NIL	21	..	100	190	190	315	
2,00,000	3,13,500	5,53,585	500	2,84,204	49-14	..	..	..	Guelle P.	12	74	3,24,074	NIL	25	..	10	29	29	431	
7,00,000	6,25,000	1,10,770	1,049	6,53,740	38-3	..	..	..	Langia P.	12	279	8,23,171	20	50	..	10	304	304	311	
10,32,000	3,57,576	11,111	761	5,26,515	48-81	..	..	..	Longview	12	35	8,04,822	10	20	..	10	121	121	151	
4,90,000	4,67,134	1,65,606	616	..	..	..	..	..	Margaret Hope	12	165	1,53,561	71	40	..	10	161	161	221	
1,50,000	2,06,770	3,50,238	463	1,92,890	62-4	1,65,440	50-6	1,84,000	Mim	12	1	65,269	10	40	15	100	296	296	377	
2,99,300	3,40,000	3,30,000	689	4,35,016	33-4	..	..	..	Naari Farm	12	279	5,44,288	20	50	..	10	271	271	337	
1,00,000	1,50,000	1,07,500	505	1,81,152	53-3	..	..	..	Okay P.	12	43	1,93,358	NIL	374	..	100	600	600	560	
3,30,000	3,02,668	2,61,118	776	..	..	..	..	..	Pashok	12	139	852	10	30	..	10	28	28	241	
3,00,000	3,83,067	4,09,567	500	1,63,697	50-8	1,64,824	37-11	1,76,300	Poobong	12	63	69,682	21	15	NIL	10	911	911	151	
2,05,000	4,30,000	2,07,813	570	1,58,741	58-8	1,27,541	35-11	1,60,300	Purnimong P.	12	74	1,53,933	NIL	10	NIL	10	101	101	16	
1,40,000	1,40,000	1,77,000	341	1,80,726	56-6	..	..	..	Rumtek Rungliot	12	63	2,83,196	174	50	..	100	408	408	450	
3,00,000	2,60,300	71,302	389	1,77,704	43-3	..	..	..	Seevok	12	63	1,99,821	21	15	..	10	151	151	20	
6,25,000	3,98,413	1,458	747	2,05,935	47-0	..	..	..	Sinell	12	113	45,341	NIL	NIL	..	100	381	381	65	
9,00,000	3,27,423	1,46,857	683	2,64,900	40-4	..	..	..	Singtom. P.	12	101	2,87,270	NIL	5	..	10	384	384	60	
3,00,000	2,89,000	4,90,000	554	2,89,738	60-31	..	..	..	Soom	12	279	4,43,350	30	50	..	10	61	6	71	
6,25,000	11,06,947	5,74,585	392	3,76,300	54-5	..	..	..	Sunzma	12	165	3,50,250	NIL	71	..	10	30	30	301	
3,20,000	1,86,000	2,62,401	7181	4,40,947	48-43	..	..	..	Teesta Valley	12	74	5,54,651	15	40	..	10	12	13	118	
8,01,350	10,96,000	2,90,000	1,666	7,11,945	50-51	..	..	..	Tukvar	12	279	3,99,593	NIL	10	..	10	381	381	45	
DUARS																				
27,00,000	19,11,197	24,25,000	2,549	30,81,680	51-2	30,69,360	31-9	33,20,000	Banarhat P.	12	4	11,23,882	45	120	25	100	3111	3111	630	
6,00,000	20,23,853	3,70,000	1,105	13,91,320	43-7	..	..	..	Baradighi	12	128	13,94,614	30	85	..	10	491	491	70	
9,00,000	4,05,310	1,03,424	1,112	..	..	..	..	..	Bhatkawa	12	165	9,45,451	30	..	..	10	343	343	45	
9,00,000	9,00,000	6,50,000	1,343.9	11,96,886	52-6	..	..	..	Birpara P.	12	63	12,07,481	NIL	20	..	100	171	171	207	
6,00,000	6,00,000	3,30,000	602	5,04,104	35-10	..	..	..	Carron	12	63	4,07,837	224	25	20	100	201	201	226	
9,00,000	6,91,678	10,50,000	903	10,58,690	49-4	10,82,880	31-11	11,60,000	Choonabutti P.	12	4	3,98,498	25	90	..	100	305	296	500	
3,00,000	2,16,417	2,50,000	265	4,01,294	43-8	..	..	..	Ellenbarrie	12	63	3,28,025	NIL	15	..	100	272	272	378	
1,20,000	1,95,171	4,64,000	265	2,24,800	49-1	2,12,720	20-9	2,40,000	Enjo	12	4	48,282	110	..	..	100	577	577	645	
3,50,000	3,11,776	4,00,000	447	4,75,840	39-9	..	..	..	Ethelbari	12	354	4,64,619	NIL	50	..	10	151	293	341	
5,00,000	1,38,424	5,50,000	1,253.6	7,62,721	47-11	..	..	..	Gairkhata	12	88	10,21,301	20	70	..	100	300	300	340	
10,50,000	17,49,550	22,55,503	1,022	12,26,090	47-11	12,20,160	27-11	..	Gopalpur	12	99	1,93,197	16	24	..	25	231	231	231	
24,30,000	20,00,000	14,48,782	2,427	30,88,842	44-1	..	..	..	Hantapara P.	12	63	39,77,805	25	60	..	100	221	231	3371	
82,30,000	52,38,823	60,65,823	4,236.2	63,71,277	41-11	..	..	..	Hastimara P.	12	74	7,69,926	25	60	..	10	321	321	401	
82,30,000	4,40,300	4,40,300	1,452	16,07,368	42-5	..	..	..	Huldbari	12	74	19,99,353	224	30	..	10	221	201	511	
7,00,000	5,18,309	5,15,000	937	11,46,814	39-4	4,62,400	28-7	5,60,000	Jaybirpara	12	63	10,39,759	25	65	..	10	261	261	341	
9,00,000	6,75,000	1,12,233	607	4,73,381	45-1	..	..	..	Kilcott	12	217	5,69,183	10	65	..	100	7931	7931	800	
2,00,000	4,12,000	4,50,000	620	4,73,381	45-1	..	..	..	Manabari	12	217	5,69,183	10	65	..	100	7931	7931	800	
9,60,000	15,71,067	18,15,032	1,125	1,69,538	44-5	9,78,988	28-1	10,00,000	Nagaisurree	12	63	2,05,071	25	40	..	100	250	250	301	
14,00,000	8,81,963	18,45,000	1,163	15,52,400	49-3	16,35,520	31-2	16,00,000	New Dooars P.	12	2	6,83,263	45	100	..	100	304	304	98	
2,50,000	2,30,000	4,79,541	348	2,56,097	42-0	..	..	..	Oodlabari	12	202	8,19,256	10	30	..	10	245	245	245	
6,00,000	6,29,490	4,01,034	764	..	..	..	..	..	Rajabhat	12	165	4,69,550	15	..	..	10	211	211	231	
7,65,000	10,03,372	4,43,438	1,635	..	..	..	..	..	Ranichehrra	12	165	1,17,707	NIL	30	..	10	211	211	231	
7,48,100	22,38,247	20,20,000	1,766	19,10,000	48-61	..	..	..	Rydak	12	128	26,16,913	50	110	..	10	80	80	93	
3,46,400	5,43,381	6,97,500	663	6,01,920	48-4	..	..	..	Saragau	12	2	10,50,327	121	100	..	10	401	401	461	
TERAI																				
4,50,000	10,63,145	1,64,527	607	3,99,840																

MISCELLANEOUS COMPANIES-Contd.

O, Po, C and Dd indicate Ordinary, Preferred Ordinary, Contributory and Deferred Shares respectively. P, next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds & Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts (closed)	Manufacturing Agents	Net Profits including taxation	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	A year ago			
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954	1955	1956	Rs.	9-10-56	1-10-56	Rs.
SUGAR BREWERIES. ETC.															
11,00,000	6,45,722	3,75,000	10,90,564	New Savan Sugar and Gur	5	140	95,437	52,205	..	..	..	10	61	61	61
9,00,000	7,28,559	17,64,368	58,734	Purtapur Sugar P.	10	25	5,08,340	6,871	71	71	..	10	15 1/2	15 1/2	17 1/2
1,53,822	26,52,127	35,00,000	4,84,350	Ramnagar Cane & Sugar P.	8	1	18,11,594	20,350	15	20	..	10	28 1/2	27 1/2	26 1/2
19,99,600	25,62,563	39,88,218	13,92,915	Raza Sugar	10	92	10,78,193	3,144	..	..	..	10	..	..	..
8,00,000	4,42,169	6,54,762	1,85,115	Ryam Sugar P.	4	25	1,43,798	24,340	5	..	..	10	20 1/2	20 1/2	20 1/2
11,99,000	15,94,631	18,37,529	98,312	Samastipur Central Sugar	6	25	-79,022	8,477	6	NH	..	10	13 1/2	13 1/2	13 1/2
7,00,000	72,62,886	36,66,708	1,63,441	Shree Krishna Gyanoday Sugar P.	7	335	12,99,571	34,046	15	17 1/2	..	10	12 1/2	12 1/2	17 1/2
1,94,500	13,54,850	11,65,175	11,16,385	Shree Sitaram Sugar	6	140	1,90,057	7,991	..	..	..	10	15 1/2	14 1/2	14 1/2
9,99,950	14,54,274	1,54,304	1,42,690	Sitalpore Sugar	8	94	-1,39,515	-1,39,515	NH	NH	..	10	4 1/2	4 1/2	4 1/2
16,00,000	6,07,894	7,99,778	4,22,572	United Provinces	9	341	4,23,880	39,661	12	..	..	10	21 1/2	21 1/2	22 1/2
8,00,000	38,92,308	21,57,556	3,60,238	Upper Ganges Sugar P.	4	227	10,24,525	82,931	25	25	..	10	94 1/2	94 1/2	107
4,00,000A	14,24,740	23,74,426	10,72,924	Upper India Sugar	4	302	16,80,986	86,393	15	20	..	100AC 121BC	280	280	120
7,00,000B												121BC	28 1/2	28 1/2	15
MISCELLANEOUS															
8,00,000	2,20,232	1,56,200	9,53,526	A Firpo (Restaurateurs)	10	85	84,518	4,475	..	..	..	10	4 1/2	4 1/2	7 1/2
1,40,80,394	1,40,80,394	6,21,715	51,661	Air India Ltd.	12	269	-6,02,785	-14,30,401	..	..	..	100	..	..	..
2,00,00,000	2,58,39,656	68,01,534	50,022	Air India International Ltd.	12	322	-10,51,340	30,205	..	..	..	100	..	..	..
47,59,000	1,31,03,534	15,00,000	5,97,941	Aluminium Corp P.	3	132	12,82,024	32,582	NH	NH	..	100	12	12 1/2	7 1/2
14,00,000	42,43,917	14,00,000	53,36,059	Anderson Wright, Ltd P.	12	1	4,94,322	24,401	71	..	..	100	61	61	12 1/2
30,00,000	10,11,675	37,63,779	14,41,315	Angelo Bros.	8	268	11,84,131	34,951	12 1/2	..	..	10	24 1/2	24 1/2	24 1/2
30,00,000	17,54,434	27,66,265	5,49,634	Assam Match	12	274	8,35,902	11,83,955	12	20	..	10	20 1/2	20 1/2	19 1/2
13,99,998	21,25,615	28,30,285	64,182	Assam Saw Mills & Timber	9	21	-97,045	-3,14,537	NH	NH	..	3	4 1/2	4 1/2	5 1/2
20,00,000	61,01,597	23,00,000	61,84,097	Associated Hotels of India P.	8	204	8,82,993	32,683	2	..	..	10	11	12 1/2	5 1/2
80,01,400	33,50,000	1,09,53,000	1,12,08,422	Balmer Lawrie & Co.	12	304	32,12,152	5,03,129	13	12 1/2	..	100	173	173	161
12,00,000	2,65,000	8,24,890	1,80,023	Bararee Coke	3-9	128	2,16,123	22,708	71-7	71-7	..	100	193	193	201
6,00,000	76,414	NH	30,72,471	Bengal Timber Trading P.	6	128	-6,43,161	-1,19,103	..	..	..	100	41	44	43
20,00,000	19,53,822	NH	19,59,359	Bharat Airways Ltd.	6	22	-3,19,589	-3,19,229	..	..	..	10	51	51	33
50,00,000	17,85,063	7,95,437	62,81,000	Birds Investments P.	9	160	5,89,372	1,15,707	12 1/2	12 1/2	..	10	17 1/2	17 1/2	19 1/2
45,97,020	31,11,914	2,09,470	2,09,470	Britannia Biscuit P.	3	50	8,14,261	19,727	10	10	10	10	15 1/2	15 1/2	14 1/2
22,51,000	13,98,796	43,18,775	3,38,373	British Ceylon Corporation P.	12	8	27,75,295	1,85,855	..	..	..	7 1/2	10 1/2	10 1/2	11 1/2
8,25,00,000	59,89,738	1,18,60,524	2,50,83,650	British India Corporation P.	12	33	-30,23,938	-27,36,584	11	NH	..	11	11 1/2	11 1/2	11 1/2
82,50,000A	2,10,569	5,83,876	1,16,62,849	Calcutta Gas Co (Propr.) Ltd. P.	9	235	6,87,704	22,189	5	6	..	10A	71	71	7 1/2
5,00,000	5,92,780	2,40,694	1,02,576	Calcutta Silk Manufacturing P.	3-9	213	45,711	22,586	..	..	..	10	4 1/2	4 1/2	5
90,00,000	17,68,710	67,71,168	4,49,59,018	Duncan Brothers & Co. Ltd.	12	169	48,23,539	4,28,060	12	..	..	100	121	120	143
6,60,00,000	2,94,09,046	3,14,86,174	4,04,79,333	Dunlop Rubber Co. (India) P.	12	96	96,72,154	11,71,685	15	..	..	10	29 1/2	29 1/2	37 1/2
51,28,000	5,14,212	1,48,29,523	1,48,29,523	Eastern Investments Ltd. P.	12	21	12,83,240	3,06,138	9	9	..	100	147	147	177
75,00,000	13,79,357	4,33,826	1,02,21,711	F & C Oster (India) Ltd. P.	3	84	-4,26,249	-5,26,594	..	..	..	10	11 1/2	12	16
90,00,000	12,88,300	21,97,641	86,53,360	French Motor Car	3	51	8,97,594	1,26,757	12 1/2	12 1/2	..	20	21 1/2	21 1/2	20 1/2
14,00,000	14,92,000	10,02,000	11,384	Ganges Rope	3-9	19	89,571	27,934	71-7 1/2	71-7 1/2	..	100	186	186	190 1/2
2,25,000	..	55,893	5,26,762	General Investments Trust P.	2-8	21	26,444	8,197	21-3 1/2	21-3 1/2	3 1/2	75	43	43	43
65,00,000	34,18,813	42,00,000	1,09,15,327	Gillanders Arbuthnot & Co Ltd P.	3	105	29,71,809	1,51,300	71-7 1/2	71-7 1/2	..	10	14 1/2	14 1/2	13 1/2
20,00,000	27,68,048	5,00,324	12,84,357	Gladsstone Lyall & Co Ltd P.	12	209	7,02,792	34,255	..	..	..	10	..	..	..
40,00,000	31,71,333	7,81,000	98,384	Godfrey Phillips (India) Ltd P.	12	310	19,01,201	11,96,811	10	20	..	10	25 1/2	25 1/2	20 1/2
10,00,000	32,90,000	17,22,203	6,22,424	Great Eastern Hotel	3	225	5,30,579	16,373	..	..	..	250	239	239	229
35,20,000	31,78,764	1,61,173	9,221	Hindusthan Ice & Cold Storage	9	..	43,377	24,274	..	..	..	5	11	11	1
35,20,000	31,95,729	19,00,000	19,72,453	Hoare Miller & Co Ltd.	12	294	-91,339	67,888	NH	..	..	10	6 1/2	6 1/2	7
15,16,00,000	74,66,399	7,88,86,788	5,50,32,187	Imperial Tobacco	3	325	3,66,59,515	24,94,274	6	8	8	10	15 1/2	15 1/2	15
1,90,90,000	2,41,97,563	53,33,998	19,13,114	Indian Aluminium Co. Ltd. P.	12	293	26,78,662	14,18,074	..	..	..	10	18 1/2	19 1/2	..
1,52,89,220	95,54,740	1,62,50,000	3,99,322	Indian Cable P.	3	34	77,23,781	28,98,462	10	12 1/2	..	10	34 1/2	35 1/2	31 1/2
5,00,30,000	..	..	..	..	..	..	..	..	..	..	..	10PO	8 1/2	8 1/2	..
83,75,000D	22,07,260	2,21,280	11,69,467	Indian National Airways	12	93	36,302	-12,62,971	..	..	..	10D	61	61	5 1/2
8,27,970	74,43,938	5,38,000	17,67,876	Indian Rubber Manufacturers P.	3	173	1,79,618	32,616	5	5	..	10	18	17 1/2	12 1/2
20,30,000	4,64,735	18,15,487	10,93,705	Indian Wood Products	9	88	17,28,038	2,76,619	27 1/2	30	..	10	47 1/2	47 1/2	44 1/2
5,00,000	..	2,16,228	12,78,049	Investments and Finance P.	2-8	21	57,450	9,746	21-3 1/2	21-3 1/2	3 1/2	100	65	65	65
2,400,000	15,362	4,46,244	3,20,757	Ivan Jones Ltd.	9	194	1,39,321	36,496	..	..	..	2	3 1/2	3 1/2	3 1/2
5,87,500D	2,23,827	2,97,161	6,66,685	James Wright P.	12	281	62,875	5,299	..	..	..	50	4 1/2	4 1/2	4 1/2
1,17,500DD	..	..	..	..	..	..	..	..	..	..	..	10D	..	..	..
2,00,00,000	51,23,900	55,00,000	3,73,43,937	Jardine Henderson Ltd. P.	3	39	41,68,361	4,70,107	71	71	..	100	91 1/2	91 1/2	120 1/2
6,34,00,000	3,17,363	6,02,958	3,21,617	Macfarlane & Co.	3	133	-14,078	-1,439	..	..	..	50	2 1/2	2 1/2	3
1,50,00,000	82,21,000	44,53,211	3,30,53,261	Macneil & Barry Ltd. P.	3	334	37,93,020	6,21,756	71	71	..	10	..	..	..
1,37,53,000	36,41,510	54,56,063	1,85,74,341	Martin Burn Ltd. P.	9	309	71,18,708	2,03,456	13 1/2	18 1/2	..	10	24 1/2	25 1/2	25 1/2
40,30,000D	37,19,459	72,01,900	2,34,00,554	McLeod & Co. P.	12	282	25,04,502	1,87,834	17	..	..	1000	240	240	240
5,00,000D	1,10,37,201	69,74,249	7,33,589	Metal Box Co. of India Ltd. P.	3	167	62,82,608	16,24,249	10	12 1/2	10 1/2	10	28 1/2	29 1/2	23 1/2
20,00,000	19,99,407	74,12,035	11,31,121	National Insulated Cable P.	6	7	30,26,600	2,22,282	10	..	..	10	25 1/2	26 1/2	9 1/2
10,00,000	31,74,413	40,40,009	2,67,653	National Rolling & Steel Ropes	3	7	18,65,540	31,724	..	15	..	10	10 1/2	11 1/2	17 1/2
79,97,000	61,97,295	78,53,576	23,37,205	National Tobacco P.	12	79	12,06,150	9,03,409	5	..	..	10	13 1/2	13 1/2	16 1/2
23,32,100	2,322	5,11,187	29,55,291	New India Investment Corp.	12	35	1,38,555	1,72,173	..	..	..	75	75	75	50 1/2
50,00,000	1,51,265	36,49,630	75,87,949	Octavius Steel & Co. Ltd.	12	321	17,51,273	99,624	71	..	..	100	..	..	..
1,86,800	2,26,639	2,16,439	2,89,435	Publicity Society of India	3	145	1,47,248	27,315	25	25	..	4	12 1/2	12 1/2	11 1/2
7,25,10,000	1,13,34,982	6,41,584	28,45,831	Railis India Ltd. P.	1	332	-22,02,273	-63,99,179	NH	NH	..	100	43	43	35
1,72,24,400	4,08,39,719	1,57,70,208	22,22,147	Robt Industries P.	10	35	83,77,326	4,91,924	15	15	..	10	22 1/2	22 1/2	21 1/2
75,00,000	51,59,869	54,00,000	1,58,00,040	Shaw Wallace & Co. Ltd. P.	12	278	38,27,377	3,65,289	12 1/2	..	..	10	13 1/2	13 1/2	14 1/2
1,00,00,000	45,479	94,865	73,529	Spence's Hotel	6-12	111	-35,475	-64,659	..	..	..	2	1	1	1 1/2
2,10,200PO	4,25,514	16,00,000	3,57,020	Walford Transport	12	195	4,17,625	1,34,493	11	12	..	1PO	2	2	2
8,40,800D	..	..	..	..	..	..	..	..	12	14	..	10	2 1/2	2 1/2	2 1/2
INSURANCE COMPANIES															
29,90,200D	4,10,330	16,68,332	57,38,236	Bharat Fire & Genl. Ins. Ltd. P.	12	303	2,05,348	93,523							

MISCELLANEOUS COMPANIES-Contd.

O Po. and Dd. indicate Ordinary, Preferred Ordinary, Contributory and Deferred Share respectively. P. next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds, Premiums & Forfeiture Share If any	Cash & Securities	NAMES	Account chosen	Majority Acquired	Net assets including taxation	Carry over	Dividends per cent	Paid-up per Share	latest Market quotations available until				
Rs.	Rs.	Rs.	Rs.				Rs.	Net	1954	1955	1956	Rs.	9-10-56	1-10-56	4 years ago
													Rs.	Rs.	Rs.
PAPER MILLS															
45,00,000	54,01,812	35,81,841	4,21,350	Bengal P.	6-12	24	12,54,725	2,01,821	61-63	81-10	..	25	110	110	
30,00,000	36,44,096	66,05,611	54,80,394	India Paper Pulp	3-4	7	6,56,442	14,367	1-1	7-7	7-..	10	24 1/2	25 1/2	22 1/2
25,00,000	15,55,877	10,22,640	3,27,307	Mysore Paper	9	226	1,13,542	3,553	..	..	..	10	18	18	174
1,46,82,500	3,13,45,917	1,09,26,641	2,41,00,956	Jireni Paper P	3-5	22	14,42,702	2,29,489	11-12	3-6	..	10	39 1/2	39 1/2	30 1/2
1,25,33,160	59,47,539	60,82,393	1,07,79,721	Shree Gopal Paper P.	6-12	140	20,89,821	1,61,205	71-73	61-63	..	10	17 1/2	17 1/2	16 1/2
20,00,000	33,02,717	6,50,000	60,68,288	Star Paper P.	3-5	36	3,58,614	13,795	23-5	5-7 1/2	..	10	11 1/2	11 1/2	10 1/2
4,37,50,000	2,74,87,802	1,22,75,945	69,17,535	Nitaghur P.	3-5	106	45,03,611	95,68	1-1	10-11	..	2 1/2 Pc	4 1/2	4 1/2	4 1/2
56,90,000									71-73	10-11	..	10Ac	39 1/2	39 1/2	40
56,94,800									71-73	10-11	..	10Bc	39 1/2	39 1/2	46
PRESSING COMPANIES															
8,00,000	4,64,591	5,26,881	3,04,699	Calcutta Hydraulic	6	2	1,35,881	85,479	..	ND	..	10C	81	81	81
4,30,000	2,07,348	1,00,491	3,57,613	amperdown	1	111	26,301	2,301	..	..	..	10C	121	121	121
5,00,000	1,61,434	1,95,991	3,90,372	Central Hydraulic	6	2	60,991	13,951	..	5	..	10C	135	135	86
REAL PROPERTY STORAGE															
10,00,000A												A50C	975	875	990
2,00,000C	13,50,000	12,42,792	6,94,591	Bengal Bonded Warehouse	4-10	73	84,000	3,172	3-5	3-5	5..	B624	107	107	111
25,00,000D												214A	174 1/2	174 1/2	174 1/2
7,42,150	11,68,341	4,23,131	33,821	Calcutta Safe Deposit	6	1	81,259	3,142	..	..	..	1012	22 1/2	22 1/2	17 1/2
10,00,780	22,96,661	5,43,171	7,43,381	Madras Properties P	3-5	..	1,43,641	64,361	..	..	..	10C	10 1/2	10	13
20,00,000D									..	..	..	10C	23	23	14
94,00,000	33,89,841	35,11,674	52,34,131	Madras Zaminidary P.	6	2	3,93,491	68,064	..	5	..	10C	34 1/2	34 1/2	42
TRAMWAYS & STEAMER															
20,00,000	1,08,44,141	1,00,69,622	30,95,901	Bengal Assam Steamship P.	10	2	10,81,421	55,821	71	71	..	10C	145 1/2	145 1/2	157
6,25,000	3,17,571	1,75,001	1,01,111	Calcutta Landline & Shipping	1-10	98	25,522	4,261	11-12	11-12	..	10C	151	151	151
12,60,000	23,52,622	4,03,181	1,39	Calcutta Stearn Navigation	1-12	112	30,794	76,931	..	..	..	10C	122	122	111
2,706,000	62,493,932	21,542,035	252,631	Calcutta Tramways P	12	41	218,639	622,551	71	..	..	10C	181	181	181
3,78,050	1,52,816	1,13,728	3,83,441	Fraser	13	135	4,82,621	12,451	..	..	..	10	161	161	15
2,655,580	22,273,124	2,999,871	1,133,141	India General Nav Railway P	12	135	2,70,361	621,361	..	..	..	10	105	111	138
2,25,90,000	611,69,722	31,57,151	19,24,391	India Steamship P.	3	291	1,30,182	1,28,061	ND	ND	..	10	10 1/2	10 1/2	7 1/2
14,06,220	35,14,969	34,75,001	5,94,451	Port Shipping	6-12	9	1,54,511	43,301	3-5	71-73	..	10	17 1/2	17 1/2	15 1/2

SOUTH INDIAN MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Portefolio Shares if any	Cash & Securities	NAMES	Accounts closed	Minority Agents	New profits including transfer	Carry forward	Dividend: per cent			Paid-up per Share	Test Market Quotations as available until		
									1950	1951	1952		8-10-56	28-9-56	1 year ago
Rs	Rs	Rs	Rs				Rs	Rs				Rs	cts	cts	cts
				CEMENT											
51,04,620	39,78,019	6,87,097	14,29,937	Andhra Cement P.	12	16	10,73,622	4,636	10	"	"	10	15½	15½	"
				ENGINEERINGS											
7,50,000	1,12,101	82,967	15,912	Brunner & Co. P.	12	370	94,162	1,80,754	"	"	"	10	6½	6½	8½
13,76,666	11,77,029	14,945	18,437	Indian Steel Rolling Mills P	12	270	1,38,571	"	"	"	"	10	14½	14½	16½
				SUGARS											
19,92,000	57,01,920	25,64,000	3,49,248	Deccan Sugar & Akbari P.	6	218	12,39,032	1,12,384	"	"	10	5	12½	12½	9
₹80,000A ₹3,00,000B	₹749,840	₹896,278	₹33,344	East India Distilleries Sugar P	9	319	2,217,186	257,236	10	10	"	16sh.A	31½	31½	27
29,00,908	3,45,826	19,36,515	23,78,964	India Sugar and Refineries P	9	"	10,68,006	4,30,236	20	27½	"	21B	34½	34½	29½
21,79,280	23,64,171	62,95,164	26,13,235	Yisore Sugar	6	264	3,83,036	85,709	25	17½	"	16	16½	16½	22½
6,00,000	"	9,00,000	17,01,004	United Breweries	3	320	2,55,158	3,951	"	"	"	10	46½	47½	56
				MISCELLANEOUS											
2,00,000	1,84,643	4,01,950	3,69,122	A. V. Thomas & Co Ltd.	12	370	67,424	82,011	"	"	"	10	16	16	16
43,33,400	51,24,761	91,12,162	23,93,662	Champion Reet Gold Mine	12	328	30,17,944	5,544	"	"	"	10	4½	4½	3½
₹45,96,741	₹37,66,646	₹24,061	₹46,65,622	Fertilisers & Chemical	12	446	43,30,272	73,018	"	"	"	10	"	"	"
40,00,000	12,36,662	90,20,000	12,20,142	Farr & Co Ltd P.	12	115	19,29,282	1,90,750	15	15	"	2	"	"	"
40,50,000	51,89,127	13,11,514	12,90,355	Jetpur Chemical Industrial Corpn	3	263	9,64,540	8,153	"	34	6½-6½	10	10½	10½	9½
3,00,000	4,74,279	4,00,000	3,56,436	Yisore Chemicals Mfrs P	6	151	24,604	236	"	"	"	10	23½	23½	22½
24,81,222	9,25,222	6,66,775	78,136	Yisore Chemical & Fertilisers	6	333	1,32,627	6,672	"	"	"	10	8½	9½	10
81,39,330	99,43,307	67,63,169	15,68,437	Yisore Gold Mining	12	328	24,55,864	"	"	"	"	10	2½	2½	"
5,00,000	1,67,861	"	79,756	Yisore Match	9	124	12,239	862	"	"	"	10	"	"	"
10,00,000	10,94,415	"	3,079	Yisore Tobacco	3	201	10,039	45,631	"	"	"	10	15½	15½	11½
37,73,400	18,21,424	51,84,276	3,54,689	Nunddroos Mines	12	328	20,43,696	"	"	"	"	10	6½	6½	5½
32,10,360	19,89,033	22,24,495	1,75,753	Noregaum Gold Mining P.	12	328	1,45,422	"	"	"	"	10	"	"	"
40,00,000	16,37,599	93,16,946	90,57,471	Spencer (Provisions) P.	6	221	19,71,470	5,47,067	15	"	"	10	17½	17	18½

RUBBER COMPANIES

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Cash & Securities	Acreage under cultivation	Output Rubber	Estimated Rubber	NAMES	Accounts debtor	Wholesale Agents	Net profits including taxation	Dividends			Paid-up Share Rs.	Latest Market quotations available until		
											1951	1952	1954		8-10-56	28-9-56	1 year ago
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.					Rs.				Rs.	Rs.	Rs.	
17,32,000	9,36,219	1,06,283	4,44,630	2,052	1,45,403	..	Be Be Rubber	3	476	..	..	..	3	2 1/2	5 1/2	4 1/2	
17,94,186	29,66,801	18,13,093	7,65,883	1,270	15,10,886	16,68,000	Cochin Malabar P.	2	210	7,67,900	..	25	9	11 1/2	12 1/2	9	
4,00,000	5,25,576	27,750	62,784	423	1,77,648	..	Cottanad Plantations P.	3	12	89,330	..	..	10	22 1/2	22 1/2	17 1/2	
4,00,000	10,03,233	6,84,049	1,37,660	2,535	2,25,786	..	Kappeta	2	270	1,13,150	..	..	10	33 1/2	33 1/2	28	
7,00,000	64,93,184	13,10,432	11,84,449	4,923	7,35,401	..	Midland Rub. & Prod. P.	3	270	4,89,174	..	..	10	20 1/2	20 1/2	20 1/2	
6,00,000	6,84,332	213,800	1,96,495	1,272	1,85,230	..	Peninsular Plantations	4	259	2,12,012	10	15	20-15 1/2	10	2 1/2	18	
37,35,000	36,52,286	2,21,378	1,73,718	2,456	1,64,240	..	Palangir Rub. & Prod.	270	3,33,502	..	..	..	10	26 1/2	23 1/2	23 1/2	
10,00,000	21,09,370	35,000	1,69,125	1,872	5,25,438	..	Teekoy Rubber	9	172	1,92,914	..	..	10	12 1/2	12 1/2	13 1/2	
41,00,000	67,21,749	13,19,944	13,12,632	6,539	10,03,214	10,15,000	Iravancore Rubber & Tea	12	9	14,96,765	..	10	15	10	12 1/2	13 1/2	
40,00,000	11,55,155	1,65,000	3,74,540	1,150	5,68,304	..	Tropical Plantations	12	471	2,04,029	..	..	25	3 1/2	3 1/2	2 1/2	
26,28,580	6,72,252	2,11,412	2,49,541	738	3,74,873	..	Vaikundam	12	114	80,799	..	..	..	3 1/2	3 1/2	2 1/2	

BOMBAY MISCELLANEOUS COMPANIES

O P o F D d G and R indicate Ordinary Preferred Ordinary Founders' Deferred Guarantee and Rebate Shares respectively P next to the names of the company indicates that the company also has Preference Shares Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed For Managing Agents refer to the Key (last page) under the numbers indicated.

which accounts are closed For the year ending 31st March 1956																
Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxator	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			
									1954	1955	1956		Rs.	Rs.	Rs.	Rs.
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.				Rs.	Rs.	Rs.	Rs.	
CEMENT																
12,67,59,333	16,16,27,689	6,15,51,096	3,90,26,918	Associated Cement	7	53	4,71,77,960	5,62,770	8	10	..	100	197	202	208	
ELECTRIC LTG POWER																
6,99,95,600	11,08,94,307	69,91,218	20,82,140	Ahmedabad Electricity	9	146	35,75,580	188	6	5	..	100	94	95	114	
2,92,83,500	1,18,62,358	52,34,507	65,30,599	Andhra Valley Power Supply F	6	267	46,19,171	25,735	7	7	..	1,000	1,250	1,251	1,472	
1,74,99,700	2,14,85,122	39,32,48	5,79,834	Bombay Suburban Elec Sup	3	146	19,21,739	45	7	7	..	100	110	110	128	
38,08,200	17,49,053	4,75,329	14,87,551	Poona Electric Supply P	12	229	3,86,015	..	..	..	..	100	146	146	146	
2,34,45,225	1,37,65,356	63,82,045	58,39,874	Tata Hydro Elec Power sup P	6	267	37,75,587	21,171	7	7	..	100	129	131	154	
5,92,78,750	3,98,37,405	1,41,56,578	1,29,22,349	Tata Power P.	6	267	77,32,961	27,952	7	7	..	1,000	1,510	1,320	1,545	
ENGINEERING & METAL																
33,42,200	17,06,292	44,16,374	1,54,08,311	Alcock Ashdown	12	268	8,79,666	1,35,820	12	..	..	100	336	348	308	
6,00,000	29,341	4,43,904	59,338	lost: Engineering	3	115	62,291	1,598	15	5	5	50	96	96	96	
40,00,000	11,26,513	10,00,000	9,74,664	Larsen & Toubro P	3	351	14,90,736	28,740	10	10	10	100	16	16	13	
40,95,100	81,25,753	2,02,500	49,333	Machinery Mfgs Corpn Ltd P	3	330	2,02,006	64,876	Nil	Nil	..	100	96	96	96	
1,10,00,000	15,00,978	16,66,194	7,06,292	McKenzie's	7	283	1,49,085	64,935	..	..	..	100	209	214	176	
2,50,000	5,834	1,00,53,052	1,79,52,042	Premier Construction P	12	284	3,35,178	59,102	25	1/3	..	31	167	171	143	
1,31,250	4,80,59,980	26,78,952	44,49,439	Tata Locomotive & Eng. P.	3	69	3,303	50,350	Nil	Nil	..	100	167	171	143	
4,18,72,400	32,44,07,755	16,63,05,536	12,34,83,510	Tata Iron & Steel P.	3	269	9,26,44,872	4,04,945	14	14	14	750	193	193	252	
9,63,75,000																
INSURANCE COMPANIES																
20,00,000	..	23,84,913	95,96,332	British India General	12	297	4,24,629	1,18,606	..	..	..	10	133	133	133	
5,15,000	..	11,04,84,687	3,95,48,481	Empire of India Life	12	453	..	..	..	..	..	100	678	678	675	
8,45,120	..	36,33,999	46,36,808	Indian Mercantile	12	75	..	..	..	..	..	100	45	45	45	
18,74,940	25,01,134	2,88,61,452	2,61,49,442	Jupiter General P.	12	55	39,551	4,65,316	Nil	Nil	..	15	91	91	91	
1,06,81,590	..	1,08,81,193	27,25,18,402	New India	12	179	43,58,653	71,250	16	2/3	..	15	45	46	52	
6,00,000	..	67,83,74,430	43,48,58,42	Oriental Life	12	298	..	..	..	..	..	200	3,650	3,650	6,710	
15,99,270	..	29,41,860	59,86,789	Vulcan	12	255	6,05,803	2,81,242	10	..	..	10	15	15	15	
MISCELLANEOUS																
90,79,065	31,95,468	3,97,409	12,61,996	Air Service of India	6	336	-15,61,405	-37,22,790	..	..	..	15	..	..	..	
47,97,250	21,34,989	35,75,182	78,89,034	Belapur Sugar	9	42	38,89,000	61,389	..	..	..	50	249	253	254	
50,00,000	2,20,64,392	4,12,86,155	2,67,27,639	Bombay Burmah Trading	5	285	47,93,172	61,390	16	21	..	125	731	731	608	
42,00,000	1,21,04,053	31,14,431	31,14,431	Bombay Steam Navigation P.	6	256	4,54,215	30,135	..	..	..	25	..	..	..	
99,99,250	13,82,957	19,47,385	1,23,49,992	Industrial Investment Trust	12	299	5,81,909	2,83,136	4	4	..	100	72	72	72	
11,99,900	7,34,142	7,34,142	14,35,223	Kemt (Chemists)	3	97	68,232	16,942	6	..	..	200	215	215	215	
1,57,71,400	3,74,35,779	1,81,13,445	1,99,442	National Rayon Corpn	12	352	63,19,604	5,72,076	10	..	..	100	213	213	213	
9,39,98,089	18,36,63,412	12,46,31,677	7,10,16,357	Scindia Steam Navigation	6	198	32,72,555	22,72,555	2	2	..	20	18	19	17	
7,00,000	27,45,055	37,30,000	11,27,086	Shivrajpur Synd (Manganese)	11	146	35,49,059	21,961	..	..	..	10	20	20	17	
1,39,95,990	1,94,71,944	1,31,51,214	4,14,439	Tata Chemicals P.	6	269	13,55,096	57,597	..	..	..	10	55	58	49	
70,07,47	75,25,791	34,98,586	22,83,813	Tata Oil P.	3	269	3,00,461	11,453	8	12	..	25	..	..	..	
2,75,00,000	1,46,45,993	2,43,20,936	1,50,49,201	Western India Match	12	274	14,35,281	5,61,894	11	11	..	100	178	180	192	

*1956 †Liquid Assets

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Block Account	Reserve & other Funds	NAMES	Accounts Closed	Managing Agents	Net Earnings	Carry forward	Dividends per cent			Paid-up per share	Latest Market Quotations as available until		
								1953	1954	1955		9-10-56	1-10-56	4 year ago Rs.
Rs.	Rs.	Rs.				Rs.	Rs.				Rs.	Rs.	Rs.	Rs.
CALCUTTA														
17,24,000	20,62,356	2,00,804	Ahmedpur Kutwa S.S.G.	3	165	—29,367	..	2½	2½	2½	100	60	59	61½
21,69,300	33,40,889	6,00,702	Arrah Sasaram D B G	3-9	32	2,57,676	33,735	3-3	3-3	3-3	100	71½	71½	75
34,00,000	41,30,202	3,11,345	Bankura Damodar River S.S.G.	3	165	46,607	..	2½	2½	2½	100	59	58½	61½
19,00,000	29,09,643	4,91,171	Baraset Basirhat D.B.G.	3-9	331	18,844	1,18,863	..	..	..	100	10	10	19
17,00,000	21,78,786	2,20,377	Bardwan Kutwa S.S.G.	3	165	78,839	..	..	2½	2½	100	59	58½	63½
31,00,000	35,46,011	..	Chaparmukh Silghat S.S.G.	3-9	32	62,834	10,849	1-29	1½-1½	1½-1	100	53½	53½	45
4,75,000	3,20,040	4,75,306	Cherra Chhatrakopoway	3	88	7,071	9,917	12½	3-..	Nil	5	7½	7½	7½
2,47,850	2,75,015	65,226	Jarjeeling Ropeway	3	101	18,097	4,549	1½	2½-..	2½	10	7½	7½	61
22,50,000	62,20,813	13,52,600	Jehri Rohtas	3	335	6,42,311	37,814	6½	7½	10-12½	10	14½	14	13½
11,49,700	20,10,843	1,68,143	Putnam Islampur S.S.G.	3-9	32	—33,015	5,917	98-98	99-1	1-1	100	54	54	55
16,00,000	50,82,188	17,87,954	Howrah Amta D.R.G. (P)	3-9	32	1,18,351	90,009	3-3	3-3	3-3	100	70	59½	70½
6,00,000	13,87,138	4,43,410	Howrah Sheekhala D.B.G.	3-9	32	28,627	20,122	3-3	3-3	3-3	100	65	37	54½
19,50,000	27,95,689	2,47,135	Kalighat Falta S.S.G.	3	165	—1,99,473	..	2½	2½	2½	100	59	59	60
8,91,100	15,16,175	10,551	Katakhal-Lala Bazar S.S.G.	3	165	31,257	..	4½	5	..	100	75	75	74½
15,00,000	67,56,929	28,77,041	Shahdara Delhi Saharanpur	3-9	32	6,26,073	17,25,546	6-6	6-6	6-6	100	129½	129½	152½
1,75,000	5,41,779	2,04,341	Tezpore Balipara Tramway F	3-9	165	—43,574	5,944	..	..	..	100	..	..	..

Managing Agents Managing Directors and Secretaries with their Respective address.—(Contd.)

320 F. W. J. Penn—United Breweries Ltd., Bangalore-1	326 S. G. D. Bhagat—15 Shit Phakar Lane, Calcutta	339 M. G. Investment Corp., Ltd.—127, Mahatma Gandhi Road, Fort Bombay.	348 Sahu Jain Ltd.—11, Olive Row Calcutta
321 J. Williams—14 Old Court House St. Calcutta	330 Manindra & Mahindra Ltd.—Gateway Building, Apollo Bunder, Bombay.	340 K. O. Chertyan—Franscoere	349 Chandmull Batla—7, Canning Street, Calcutta
322 Messrs. Iata Sons Ltd.—New India Assurance Buildings, Manungus, Gandhi Rd. Fort Bombay-1	331 V. Roy & Sons—Canning St. Calcutta	341 James Finlay & Co. Ltd.—2, Netaji Subhas Road, Calcutta	350 K. & Agarwal—Empire House, Hornby Road, Fort Bombay
323 Anderson Wright & Co.—1, Wellesley Place, Calcutta	332 V. Paspati 21, Ravelli Street, Fort Bombay	342 U. N. Chatterjee—2, Royal Exchange Place, Calcutta	351 E. & F. (Management) Ltd.—J. B. Building, Douglas Road, Ballard Estate, Bombay
324 Bathgate & Co.—17/19 Old Court House St. Calcutta	333 Aspuria Bros. Ltd.—33, Netaji Subhas Road, Calcutta	343 Eastern Smelting & Refining Co., Ltd.—10, Olive Row, Calcutta	352 C. G. Mahant—2, Mart House, Bruce Street, Fort Bombay
325 John Rutherford Blair—Virginia House, Chowringhee, Calcutta	334 A. Lattimer—2, Fairlie Place, Calcutta	344 V. J. Pillani—Victoria Bunder, Colaba.	353 N. K. Jha—14, Netaji Subhas Road, Calcutta
326 Beriwal Bros.—53, Netaji Subhas Rd., Calcutta	335 Sahu Jain Ltd.—Dalmianagar.	345 The National Tea Corporation—130, Cotton Street, Calcutta	354 G. C. Kanet—P-8, Mission Row, Calcutta
327 Marwar Textiles (Agency) Ltd.—Waudby Road, Fort Bombay-1	336 Nudista—Killeshand—Scindia House, Douglas Road, Bombay	346 Seshasayee Brothers (Travancore), Ltd.—Elloor Factory, Alwaye.	355 G. G. Robertson—16, Strand Road, Calcutta
328 John Taylor & Sons (India) Ltd.—Mysore, Oorgram, South India.	337 Beriwal & Co.—63, Netaji Subhas Road, Calcutta	347 Associated Commercial Co. Ltd.—151/1, Harrison Road, Calcutta.	
	338 S. R. Sons, Ltd.—Bornby Road, Fort Bombay.		

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PRIVATE LTD.
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THERMAL INSULATION ENGINEERS

THE SHIPPING LINK BETWEEN EUROPE AND ASIA

B. I. COMMEMORATES ITS CENTENARY

"It was Great Britain's unrivalled command of the swift steamer communications that made the British Empire possible," wrote the late Dr. Knowles in her famous study of industrial and commercial revolutions. In point of fact, the great days of the sailing ship were to be in the second half of the nineteenth century, by which time the Empire was a fact and the irruption of European trade into Asia and Africa was in full spate. The British India Steam Navigation Company, which celebrated its centenary a month ago, came into being at a moment when the possibilities of steam were only beginning to be glimpsed. Given average weather conditions, the large wooden sailing ship could, in 1956, still carry more goods more cheaply than any other kind of vessel. "The sailing ship, when I knew her in her days of perfection," said Joseph Conrad, "was a sensible creature.....no iron ship of yesterday ever attained the marvels of speed which the seamanship of men famous in their time had obtained from their wooden, copper-sheeted predecessors." It says something for the foresight of William Mackinnon, founder of the Calcutta and Burmah Steam Navigation Company, the progenitor of the B.I.S.N. Company, that from the beginning he plumped for steam vessels for the infant business, and for steam vessels powered by screw propellers in preference to the then more favoured sail-paddle. How daring this decision was may be gauged from the fact that sailing ships were largely employed to carry coal from Cardiff, Newcastle and Glasgow to the East to fuel the steamships that were ultimately to sweep them off the seas. Indeed, the coaling of the first steam vessels was to prove one of the most intractable problems in the logistics of shipping.

The whole story is admirably, if too briefly, told in *B.I. Centenary 1856-1956* by George Blake (Collins, 21s), which has been written to commemorate an occasion that is great not only in the annals of shipping, but also in the long record of British enterprise in the East. William Mackinnon began his Indian career as manager of a sugar mill in Coimbatore; Robert Mackenzie, the older founder-member of the historic partnership, and unhappily destined to a premature death, was in business in Ghazipur. Together they launched a firm of general merchants which enjoyed a considerable measure of success before Mackinnon inaugurated the Calcutta and Burmah Steam Navigation Co. Ltd. on 24th September, 1856, for the purpose of tendering for the mail contract between Calcutta and Rangoon. The company was formed with the modest capital of £35,000. In the light of latter-day arguments about the relationship between managing agent and managed company, it is not without significance that the historian should note that in the first troubled years of its existence the steamship company had behind it the "ever-increasing resources of the original mercantile firm". From the inception of the Calcutta and Burmah Steam Navigation Company, through 1862 when it became the British India Steam Navigation Company (original capital £400,000), and right up to the present day, Messrs. Mackinnon, Mackenzie and Company have been managing agents of the concern. The shipping company could not have been started without the inspiration of the agency house, and through the years, the two have grown together. Mr. Blake's narrative is the record of a long, harmonious and profitable partnership.

The third quarter of the nineteenth century witnessed an amazing expansion of world trade and economic activity with a corresponding increase in the amount of fetching and carrying to be done between the nations. William Mackinnon was quick to see the opportunities which lay ahead, and the transformation of the little Calcutta and Burmah line into the B.I. was recognition of the

rapid integration of Asia's trade with Europe and the quickening tempo of the commerce of the Indian Ocean and the eastern seas beyond. By the 1860's the Calcutta-Rangoon mail run had been enlarged to include services to Penang, Malacca and Singapore. A regular service was working between Bombay and Karachi, and a monthly run had begun round the coast of India from Calcutta to Bombay "touching at intermediate ports on the Coromandel and Malabar Coasts". At the time Vizagapatam, Coconada, Tuticorin, and Masulipatam were nothing more than names on the map. But Mackinnon's little screw steamers sought them out and gave them a place in the new and complex pattern of world trade. Except in the case of the mail steamers, the B.I. steamers cruised close inshore and any merchant with a parcel of goods to be put on board stood on a clear patch of beach and hoisted his umbrella to attract the shipper's attention. The captain was, in fact, the marine counterpart of the old country carrier, picking up trade where he could find it, in which he was encouraged by a commission on profits, an item in his remuneration

RUMBLINGS IN THE RUSSIAN EMPIRE

FREEDOM IN THE TEST-TUBE

(BY A CORRESPONDENT LATELY IN SOVIET RUSSIA)

TO one just back from Soviet Russia, post-Poznan news from Poland seems more agreeable than surprising. There is no mistaking the change that has come over the country, especially in its treatment of foreigners. Doves of Americans can be seen every day in the Kremlin, photographing anything they like and the Intourist guide trying hard to persuade that it has ever been so. It is now possible to talk to an ordinary Russian in a bus—if one knows Russian or the other party knows English—and the latter seems unafraid of consequences. The word "seems" has already been used twice, and this may be significant. It is no small mercy that the Intourist guide is not a tourist's only audience and teacher, as must have been the case even the other day. But it is impossible not to notice that not all the inhibitions, the instinctive distrust of all foreigners, have disappeared with Stalin. Again, the present air of relative freedom does not somehow strike one as being much more permanent than a brief Indian summer. Some Russians are undoubtedly enjoying themselves in the freer atmosphere. On the other hand, one meets a number of them who express misgivings that not every comrade is unspoilt by this unaccustomed freedom.

It is perhaps in the satellite countries that the new Khrushchev line is producing the most unpredictable results. The recent "holiday" Marshal Tito spent in the Crimea with Mr. Khrushchev, then the latter's sudden arrival in Warsaw, followed by Mr. Gomulka's unexpectedly outspoken address on his return to party leadership—they are all signs of some serious subterranean trouble quite conceivably brought about by the perhaps inadequately calculated risk taken by the new Russian leadership. It would be foolish to exaggerate the danger these disruptive forces constitute to Soviet power. But it is no longer a secret that what is happening in Poland is more a portent than an isolated event, and that it is causing the Kremlin no little concern. A sudden switch-back to Stalinist rigidity is not to be ruled out.

A useful question to ask is why, in the first place, the Russian leadership at all attempted these experiments in freedom. A cynical, but perhaps not wholly fanciful, answer is that no further refinement in tyranny was possible and, if his successors were to appear "different" from Stalin, this was the only course open to them. There are indications that the ebullient Mr. Khrushchev may have gone a little too far in his campaign of de-Stalinisation. The dead dictator's portraits, rather larger than life, can still be seen almost everywhere; and any irreverent reference to him, especially from a foreigner, is resented—even though the reference may be nothing like what Mr. Khrushchev himself said in his famous address to the secret session of the Twentieth Party Congress. The next generation of Russians may be taught differently, but not many of them today seem prepared fully to agree with Mr. Khrushchev in his derogatory assessment of Stalin's career. Those who rejoice in the new liberalism in Soviet Russia may be unwise to forget that the leadership still rests with the older generation.

That trouble should have started first in the satellite countries is only natural. Some of them are not strangers to freedom, as the Russians were even before the Revolution, and the masses in those countries have not been conditioned over so long a period. Secondly, Stalinist austerity is now beginning to pay off in Soviet Russia. The Communists have not a little to show for all the suffering they imposed upon the people for so long; there are parks for the people and apartment houses are going up at a tremendous speed. The Communist Parties in the satellite countries can claim no comparable achievements. The standard of living may in fact have declined in those countries, for they should be going through the phase Russia knew 15 or 20 years ago and now remembers with nothing short of horror. It is possible to argue that the Russians have by this time earned their relaxation while the newly communised countries have not; it is not easy to put this argument across to people who, besides suffering in their own countries, are now obliged to see an easier life in the neighbouring country, Russia. Discontent is only to be expected.

Kerensky's dream awaits no early fulfilment, and foolhardy offers of support to chosen elements in future Poznans can only provide the Russians with an excuse for stricter control and severer oppression, but the West will have to watch impending developments in the empire that Stalin built at least as closely as the men in the Kremlin must be doing. There are many possibilities, some of them hopeful, and waiting and watching may well be a better course of action than some of the adventurous steps canvassed by

men with more zeal than sense. The fact is that Mr. Khrushchev is now faced with a situation he cannot possibly have bargained for, and it is unlikely that he knows how to deal with it. The freedom he has given to the Russians after the long Stalinist night is, by western standards, very little indeed. There is still no free Press, and if there is much internal criticism, one hears none of it in public. But even this limited measure of freedom may prove too much. The satellite countries are already using it to a point the Kremlin cannot allow. Nor can the Russian reaction be a matter of unmitigated satisfaction to Messrs. Khrushchev and Company.

It is too early to assess the political significance of such phenomena, but the sight of Russian editions of Teddy boys in the Red Square and of well-dressed wives of well-to-do technocrats in Zis cars makes one wonder whether the Soviet civilisation is not approaching a phase that other proud civilisations of the past have known. There is now rising in Soviet Russia a generation which knows little of what has gone before and, in consequence, takes the present relatively easy life for granted. The country is still growing fast; Mr. Colin Clark or Mr. Peter Wiles, whoever is right about the rate of Russia's economic expansion, there is no doubt that the rate is high. But, and one speculates here with the utmost caution, there may be—tomorrow, if not today; next year, if not this—a tendency to sit back, to rest on the achievements of the previous generations. The Communists are trying hard to resist it; *Krokodil* satirises the slackers, and *Pravda* admonishes them regularly. But students of the history of civilisations know that leisure ushers in decay from inside, the potency of which is far greater than all the dangers from outside. The moral of this piece of Spenglerian speculation (and it is no more) is not that Soviet Russia may be left to rot of its own inanity, for signs of decay are still very few, but that her leaders, determined to fight the process of decay from inside, may be driven to desperate measures, the consequences of which will not be confined to Russia and her empire.

GUEST, KEEN, WILLIAMS SHARE ISSUE

THE public will have an attractive investment opportunity when subscription lists open on 7th November for an offer of ordinary shares in Guest, Keen, Williams, Ltd., a leading engineering concern. It is understood that the company proposes to issue 589,400 ordinary shares, of a par value of Rs. 10 each, at Rs. 20 a share. Applications are to be made for a minimum of 50 shares, or for multiples of 50. For the year ended last December, the company paid a total ordinary dividend of 17½ percent. For the current year, an interim dividend of 8 percent has already been paid (against last year's interim of 7½ percent). Assuming that the final dividend is at least the same as last year's, the yield on the shares will be good by present market standards. In addition to the attraction of any dividends which will henceforth be declared (to which the new shareholders will be entitled), an important consideration with investors will be the prospect of capital appreciation. It is believed that a higher premium on the issue price of the shares had been sought, but on the Government's suggestion the premium was reduced to Rs. 10.

The purpose of this issue is to help the company expand its production, enlarge the scope and range of its activities, provide additional working capital and afford an opportunity for the participation of Indian capital. It is expected that the expenditure on the various expansion projects, together with the normal replacement of fixed assets during the next four years, will be between Rs. 4 crores and Rs. 5 crores. A part of this money will be provided out of the proceeds of the present issue, and the company hopes to be able to finance the balance of the expenditure out of future earnings and resources which may become available from time to time. Guest, Keen, Williams, Ltd. was converted into a public company on 22nd October this year. Its net profits, before taxation, have shown a steady rise since 1953. In the year ended 2nd January, 1954, they amounted to Rs. 19.78 lakhs, out of which a dividend of 6 percent less tax was paid. In the following year, they rose to Rs. 49.68 lakhs, enabling the payment of a 15 percent dividend. During 1955, there was a further impressive rise in the profits to Rs. 99.31 lakhs, which provided a substantial cover for the total distribution of 17½ percent without deduction of tax. The company's trading during the current year so far shows continued improvement. This, together with the state of the order books, offers the hope that in absence of unforeseen circumstances, and with the development schemes gradually coming to fruition, the profits of current and future financial periods will respond suitably to the growth of the company.

After the shares now being issued have been allotted, the company is expected to come under the purview of Section 23A of the Indian Income-Tax Act. These shares are approved investments under the Insurance Act, and are therefore likely to be of much interest to insurance organisations. An application is being made to the Calcutta Stock Exchange in order to list them there and obtain

an official quotation. The latest balance-sheet, as at 31st December, 1955, shows fixed assets at more than Rs. 1.73 crores, and net assets at more than Rs. 2.29 crores. The present paid-up capital is Rs. 1,41,06,000, and is divided into 14,10,600 shares of Rs. 10 paid-up value each. Reserves held by the company are well over Rs. 70 lakhs.

The development plans of Guest, Keen, Williams, Ltd. are impressive. At the Calcutta works the extensions and modernisation, begun in 1954, of the bolt and nut cold forging department are now substantially completed, and the modernisation of the bolt and nut hot forging department has already commenced. The modernisation and extension of the forging plant and machining capacity for the railway permanent way and rolling stock fittings requirements are now being embarked upon. In addition, plans are being made for a greatly increased output of the special steel sleepers required for railway points and crossings. To keep pace with the modernisation of the fabricating departments and to ensure a satisfactory supply of bars, rods and special sections to these departments, modernisation and expansion of the rolling mills at the company's Calcutta works are now in progress.

Another development linked with the rolling mill expansion is the installation of a second electric steel melting furnace to provide special and alloy steels, which will increase the existing capacity from 6,000 tons to 12,000 tons per annum. It is expected that the new electric steel melting furnace will begin operating during the year 1957. It is also expected that the initial stages of the rolling expansion scheme will come into production at the end of the year 1958 and that its subsequent stages will be implemented by the end of the year 1959. It will be seen therefore that the cost of this expansion programme will be spread over some four years. The company is also developing at its Calcutta works the manufacture of tungsten-carbide for drawing dies and rock drill bits, for which latter there is a growing demand for use in the construction of river valley projects and quarrying generally. A further development is the manufacture of steel road wheels for pneumatic tyre equipment, plans for which have been drawn up. At the company's Bhandup works, a considerable expansion in the productive capacity of wood screws is almost complete and the resultant increase in production is already being experienced; at the same time this works is now manufacturing metal-thread screws and timmen's rivets, cotter pins and hypodermic needles as new lines.

CURRENT COIN

Calcutta Tram Fares.—The feature of Mr. D. E. Webb's speech from the chair at the recent annual general meeting of the Calcutta Tramways Company Ltd in London was a renewed plea for an increase in tram fares (a fuller report of the speech appears on a later page). He pointed out that the undertaking was being run on a day-to-day basis. The fleet of cars and the track was being maintained efficiently and the essential services were being duly rendered, but "we are not advancing as we should". Even the smaller projects for the realignment of tracks to conform with the city's traffic problems, and the provision of cars of improved design, affording greater comfort and travelling facilities for the public, cost sums vastly in excess of the surplus available to meet them. Mr. Webb declared that there is still a feeling in Calcutta that increased fares will mean increased profits for the shareholders. But, he emphasised, the amount available for shareholders was fixed under the agreement with the Government. "Even if the surplus on running the undertaking were to increase ten-fold, the amount available for the shareholders would not increase by one rupee. Any increase in the surplus can only accrue for the benefit of the Government and the people of Calcutta". During the year ended last December, traffic receipts, at £1.89 million, were a record in the company's history. According to Mr. Webb, this reflected the increased confidence of the travelling public as a result of the absence of major disturbances. Expenses, however, also rose by about £40,000. Discussing the prospects for the current year, Mr. Webb stated that the results of the company so far have been comparable with those of the past year. Receipts have remained constant but expenses have increased slightly, and there is therefore a small decline in the profit.

Malayalam Plantations.—Mr. H. W. Horner, chairman, has told shareholders of Malayalam Plantations Ltd. in his address, circulated with the latest report and accounts, that the past year has been a worse one for the company's tea, but a better one for its rubber. (The address is published on a later page.) The 1955-56 tea crop was bigger than in the previous year but still not as large as had been expected. The average price realised for exportable tea was lower, while the cost of production rose slightly. Rubber enjoyed favourable weather and its production exceeded estimates; the net average price for it was also slightly higher,

Mr. Horner reiterated the criticism he made last year of the tea export duty as being unfair and discriminatory. "Such treatment can hardly encourage new capital to enter India where success may produce profits liable to expropriation without justification". South Indian producers, he claimed, were at a particular disadvantage as far as the tea export duty was concerned. Referring to the replanting of rubber areas, Mr. Horner said that to contribute to the cost of replanting, a small and quite inadequate sum was included in the controlled price of rubber, and producers had been told that failure to replant would result in a reduction of the controlled price. "That it is necessary to maintain the estates, both tea and rubber, at a high standard of cultivation and equipment goes without saying, and we shall have to keep pace with the requirements of the Government in implementation of the Plantations Labour Act. Among contingencies are those unpredictable effects upon the company of the delays which may be occasioned by any difficulties in the Suez Canal area; for instance, we may have to finance the tea crop for a number of months longer than usual, together with enhanced costs of shipment, until sale can be effected and the proceeds realised. These and similar considerations emphasise the importance of maintaining the company's finances and of strengthening them, when possible, while giving the members a satisfactory dividend." Discussing the outlook for the current year, Mr. Horner pointed out that the market for medium and low-grown teas, similar to those which formed the bulk of the company's output, had been appreciably lower in recent months than in the corresponding months of last year, but it had improved in the last few weeks. Everything possible was being done on the estates to maintain a satisfactory standard of quality. Modernisation and improvement of factories and machinery were being effected each year, and these would be continued as circumstances permitted.

Shares from Levers.—Four companies belonging to the Unilever group which operate in India are taking measures to invite Indian participation in their capital structure. The companies are Lever Brothers (India) Private Ltd., the Hindustan Vanaspati Manufacturing Co. Private Ltd., William Gosage and Sons (India) Private Ltd. and Joseph Crosfield and Sons (India) Private Ltd. As a preliminary step, Lever Brothers (India) Private Ltd. has absorbed the other three companies, and proposes shortly to convert itself into a public company under a new name. The High Court of Bombay has sanctioned the amalgamations and the Government of India has sanctioned the other legal steps to be taken before part of the holdings of Unilever in the amalgamated company can be offered to the public. These companies have for many years been providing well-known brands of soap, toilet preparations, vanaspati, margarine and glycerine in this country.

New Line for Texmaco.—An agreement has been concluded between the Textile Machinery Corporation Ltd. and Combustion Engineering Inc. of the U.S.A. for the manufacture of water tube boilers and complete steam generating plants for the first time in this country. Texmaco already manufactures smoke tube boilers, pressure vessels and other heavy engineering equipment. Combustion Engineering Inc. is known in India for the steam generating units supplied to the Bokaro thermal power station of the D.V.C. The initial agreement between Texmaco and Combustion Engineering covers the manufacture of water tube boilers of various designs up to 75,000 lbs. of steam an hour, and working pressure of 400 lbs. a square inch, with a maximum temperature of 700 degrees F for oil, gas, coal and bagasse firing or any combination of these methods. The mechanical stokers or firing equipment will also be manufactured in India. A programme has been drawn up for indigenous manufacture by stages, with the first phase coming into operation immediately. The Texmaco factory in Belgharia, near Calcutta, is being expanded for the indigenous manufacture of complete steam generating plants by 1959. Indian personnel will receive training at the works of Combustion Engineering Inc. in the U.S.A. The manufacture in India of water tube boilers and steam generating plants will be of interest to such users of industrial steam as the textile, jute, sugar, oil, chemical and paper industries.

Promoting Exports.—India's export trade should be conducted with two main ends in view. One is the short-term need to earn foreign exchange to finance development plans. The other is the equally important long-term need to maintain and expand overseas markets for India's manufactured products, of which more will be available as industrialisation makes steady progress. It is not always that the authorities pay adequate attention to the two aspects of the problem. The pressing need to expand exports seems to have been recognised only theoretically so far; in practice, current fiscal policy tends often to

restrict them. A representation which the Indian Chamber of Commerce has just addressed to the Government offers some examples of how not to promote exports. The tea industry, one of the principal foreign exchange earners, has been burdened with so many levies that it might soon find it difficult to sell its products abroad at competitive prices. The production of the organised cotton industry has been pegged, although its foreign markets are in serious danger of being lost through increasing competition. Vanaspati exports are being hampered by the excise duty on better had there been a fiscal relaxation to help groundnut oil, and confectionery could have done the industry. The Chamber suggests that the obstacles should be removed if the exports of these industries are to increase. There are bright possibilities of selling leather and leather goods, engineering and electrical goods, chemicals, pharmaceuticals and paints, if sufficient efforts are made abroad.

U.S. Loans for Atom Power Reactors.—The U.S. Export-Import Bank has announced that it is ready to consider long-term loans to other countries to finance atomic power reactors. The Bank has also said, in a joint announcement with the U.S. Atomic Energy Commission, that it will make loans—under suitable circumstances—for the construction of research reactors. The United States now has research reactor agreements with 32 countries and power reactor agreements with seven. The Bank will consider loans to privately-owned public utility companies as well as to Governments to build the nuclear power systems in countries having atomic agreements with the United States. Loans will be made on terms

Contents			
India's Heavy Engineering Plans ..	545		
Guest, Keen, Williams Shares ..	534		
Rumblings in the Russian Empire ..	531		
Regulating N. Indian Tea Crop ..	557		
Textile Export Markets ..	551		
U.K. Economic Problems ..	550		
Madras Textile Bonus Dispute ..	552		
Nuclear Electricity in U.K. ..	556		
Without Prejudice 536	City Cable 554		
Ditcher's Diary 537	Commodity Markets 555		
Money 541	Engineering 556		
Stocks and Shares 543	Plantation Topics 557		
Jute 553	Calcutta Markets 560		

similar to those provided in the Bank's financing of conventional type power plants where U.S. equipment and technical services are required. Before approving a reactor construction loan, the Bank will require (1) a comprehensive engineering survey of the proposed projects; (2) a technical report by the A.E.C. on the reactor to be used; and (3) an arrangement for the lease or sale of atomic fuels by the A.E.C. for the term of the loan, unless nuclear fuels are available locally. Although proposed power reactor projects will not necessarily have to be more economical than a coal, oil or hydro-electric power plant, the relative efficiency would be taken into account, along with the availability and cost of conventional fuels in the country concerned.

FOOD FOR THE PEOPLE

THERE seems, we regret to say, to be little reason to doubt that we are on the verge of very pronounced scarcity if not actual famine. The needed rain has not fallen and the crops have consequently failed; prices of grain have already risen to famine pitch, and domestic servants, labourers and people on small wages are already feeling the pinch very sharply. It is reported that there are large stocks of food-grains in the country held in the hands of bunnies and others, who look to make an unhallowed profit out of the misfortune of the people. The Government, we understand, will do nothing in the way of importing grain. Buried in the mountain recesses of Simla, they are filled with Mill's *Political Economy*, and the beautiful theory of supply and demand. Theory is all very well. "No fiend's so cruel as a rearing brute," but the question is, how is the price of grain to be kept down, so that the poor may live? We believe that, if the Government of India were to import five or six cargoes of wheat, it would have a most salutary effect on prices, and the loss, if any, would be trifling. Our merchants cannot be expected to commit themselves to wheat imports which might lower local prices, and so expose them to a loss. They are not philanthropists. But the Government, which is concerned with the welfare of the country, might make the experiment with manifest advantage.

FROM

CAPITAL

28th October, 1896.

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 - (b) Sliding Door LH complete as per IRS Drg.CB/50/12—30 Nos.
 - (c) Sliding Door RH complete as per IRS Drg.CB/50/12—30 Nos.
 - (d) Louvers slat MS as per drg. LLHXZ 114—30,000 Nos.
 - (e) Step Iron as per IRS Drg.CA 1137, alt.3—375 Nos.
 - (f) Chest Bullion complete as per IRS Drg.CA 273—15 Nos.
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 - (c) Tank roof water 38 gall. capacity as per drg. 483 C & W/KPA—30 Nos.

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GOVERNMENT OF INDIA

Ministry of Railways
(Railway Board)

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M. N. BERY,
Joint Director, Works,
Ministry of Railways (Railway Board)
'N' Block, Raisina Road, New Delhi.

Without Prejudice

DEMANDS FOR PUJA BONUS
TRIBUNAL TURNS DOWN CLAIM
OF WORKMEN

(FROM OUR LEGAL CORRESPONDENT)

HERE is an instructive case on demands for Puja bonus. This particular claim was for a Puja bonus for 1954 and was made on the ground that the payment of such bonus every year, at or about the time of the Puja, was a condition of service of the workman. The claim was also founded on what was said to be the standard practice. The workmen's union contended that the Puja bonus was to be paid every year irrespective of the profit and loss of the employers. It stated that the employing company had paid since 1948 the following annual bonus. In 1948, six days' wages as bonus were paid to all workmen who had completed one year of service and four days' wages to those workmen who had not completed one year's service. Similar payments of bonus were made during the years 1949-51, although the factory remained closed for about six weeks in the year 1951. In 1952, Rs. 5 was paid as bonus to all workmen, irrespective of the period of ser-

vice, notwithstanding the fact that the factory was closed from 7th April until August. In stating its case, the union further said that for the Puja bonus for 1953, a dispute arose between the parties, and it was referred to the tribunal for adjudication, but the dispute was amicably settled by the parties and bonus equivalent to five days' wages was paid to all the workmen. The workmen accordingly demanded payment of bonus for the year 1954 but, so the union alleged, the company refused to pay any bonus, although it earned huge profits in the year in question. So, one month's pay with dearness allowance to all workers had been claimed as Puja bonus for the year 1954.

The company resisted the claim, stating the payment of bonus every year at or about the time of the Puja was never a condition of service, nor was there any stipulation, express or implied, that bonus would be paid irrespective of the profit or loss of the company. It contended that the payments made to the workers during the years 1948-53 were purely grace payments as a gesture of goodwill to its staff, and on condition that the said payments would not constitute a precedent for the future. No oral evidence was adduced by either side. But from the documentary evidence adduced by the employers, it appeared that in the past the employers had paid bonus for the years 1948-53 at the time of the Puja, and that the bonus

so paid was not uniform but the amount varied from year to year. Counsel appearing for the union accordingly argued that this practice of payment of bonus since 1949 had ripened into a custom, and might reasonably lead to an implied agreement between the company and the workers, and that the workers could therefore claim bonus at or about the time of the Puja as a matter of right and as a term of the contract of service.

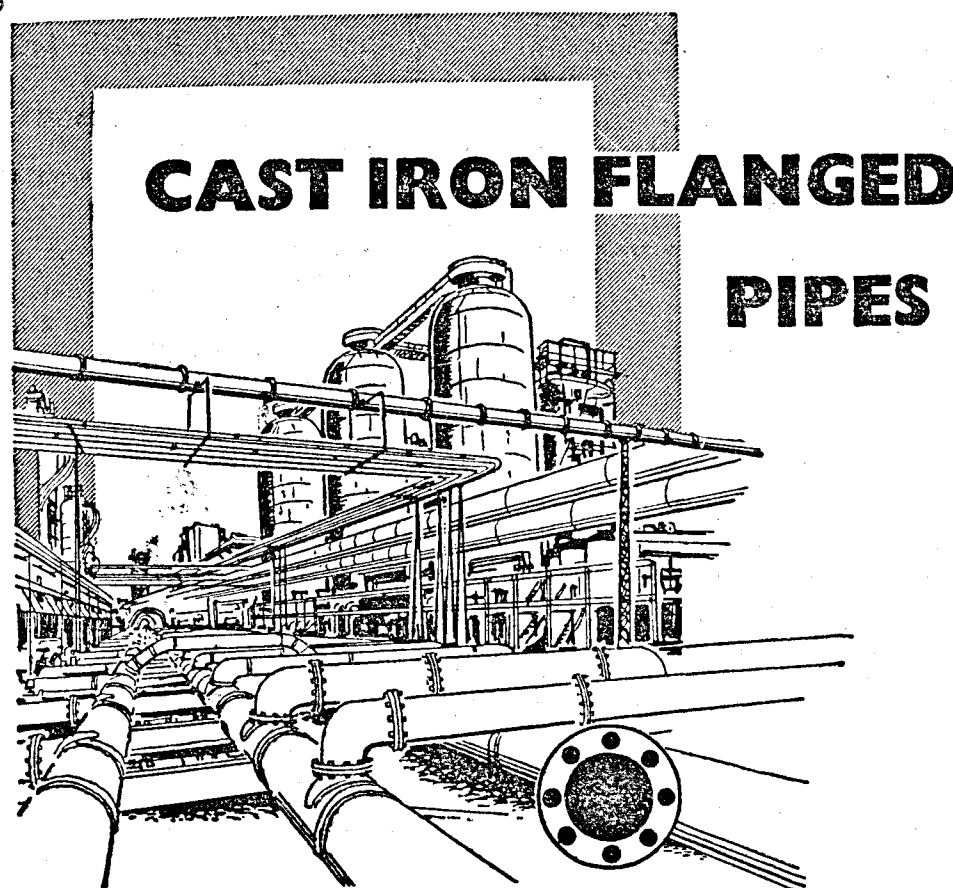
In this, arguing counsel was obviously relying on the observations of the Appellate Tribunal in the well known case of *Mahadaxmi Cotton Mills* (1952) L.A.C. 370-1952-II L.L.J. 635 wherein that Tribunal laid down principles to be observed in connection with claims for Puja bonus. These were their lordships' observations: "Puja bonus is a bonus claimed by the workers as a matter of right, payable by the employer at a special season of the year, namely, at the time of the annual Durga Puja. This right is not based on the general principle that labour and capital should share the surplus left after meeting necessary and prior charges, but it rests on agreement between the employer and the workers. The agreement may be either express or implied and, where not express, past practice may lead to an inference of implied agreement. But for implying an agreement, the practice must be unbroken and for a sufficiently long period to exclude the hypothesis that payments had been made out of bounty."

Applying the above principles to the present case, the tribunal found that there was no express agreement between employers and employees in the matter of Puja bonus, and therefore the question was whether an implied agreement to pay bonus once a year on the occasion of the Puja could be inferred from the facts established in the case. The union contended that the evidence as laid by the company proved at least an implied agreement, because for several years (that is from 1948 to 1953) the company had paid bonus at or about the time of the Puja. But the tribunal pointed out that for a practice to grow into a custom it must be reasonable, unbroken, and immemorial, or at least the practice must have existed for a reasonably long time. "Assuming," the tribunal added, "that there has been a practice in the last few years to pay some bonus at or about the time of the Puja regardless of profit or loss, it cannot be said to be reasonable, because if bonus is awarded to workmen irrespective of the fact whether or not the concern has made profits, then sooner or later the concern is bound to crash—a result which will not be beneficial either to the workmen or to society as a whole. Even if in the past the company voluntarily gave some amount as bonus to the employees, that can be no reason for the award of bonus in subsequent years. The materials placed before the tribunal indicate, no doubt, that some bonus was paid to the workers every year at or about the time of the Puja during the years 1948, 1949, 1950, 1951 and 1952, not at uniform rates but the rate varied from year to year, and that the company as a gesture of goodwill offered also to pay five days' basic wages to all workers as Puja bonus in 1953 when the matter came up before the tribunal. But it appears that only in the years 1951 and 1952 Puja bonus was paid in the month of October and that in other years, viz. 1948, 1949 and 1950 basic wages for a few days were paid as grace payments."

The tribunal did not consider that a period of four or five years was long enough to enable it to pronounce that the practice of paying bonus at or about the time of the Puja had been unbroken or for a reasonably long time; and as both elements of reasonableness and the existence of the practice for a reasonably long time were wanting, the case of the workmen based on custom could not stand. Nor, the tribunal held, could an implied agreement to pay bonus once a year on the occasion of the Puja be inferred from the facts established in the case. "For implying an agreement too, the practice must be unbroken and for a sufficiently long period to exclude the hypothesis that payments have been made out of bounty. Notices issued by the management at the time of payment of bonus in 1948, 1949, 1950, 1951 and 1952, and the copy of the award relating to the payment of bonus for 1953, go to show unmistakably that those payments were purely *ex gratia* and made on condition that they would not serve as a precedent for the future. In the face of such positive evidence on the side of the management, which was not and could not be categorically denied by any direct evidence on the side of the union, it is indeed difficult to disbelieve the company's version that payments were made as an act of grace and that they were purely voluntary on condition that such payments would not be accepted as precedents for the future. This evidence of the company does not exclude the hypothesis that payments have been made out of bounty but, on the contrary, it confirms that. The tribunal is accordingly of the opinion that the evidence on the record is not sufficient to lead to a reasonable inference that bonus was paid by the company in recognition of a right of the workmen so as to give rise to the inference that there was an implied agreement to pay bonus on which a case that bonus was paid as a condition of service could be founded. Therefore the Puja bonus for the year under reference cannot be claimed as a matter of right."

The tribunal held that the workmen's claim for Puja bonus was untenable, and made its award accordingly. It should be noted that this is a decision of the Industrial Tribunal and not of the Appellate Tribunal. It may therefore be the subject of further appeal. But so far as we are aware, no such appeal has yet been reported.

(1956. I. L.L.J. p.422).

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A DITCHER'S DIARY

at all, look like easily expendable worms—and more by cars and trains. Time may not be saved this way, but time, surely, cannot be the only thing worth saving. How about the world? And the men, women and children living in it?

Three cheers for Jainull and his brave band of ten. Last week they demonstrated to an astonished world the invincibility of the human will in face of certain death, which had held them at bay for eighteen interminable days. Towards the end of last month, along with twenty-eight other underground workers, they were caught in the Burra Dhemo colliery disaster, one of the worst for years, and had all been given up for lost. But as rescue squads were probing around in search of the trapped, Jainull's party suddenly saw a tunnel of light and shouted for help, and shortly afterwards they were brought into the light of day on the morning of 15th October. They are now recovering—happy news—in the Kalla Central Hospital. Their feat of endurance, especially that of Jainull, the 40-year-old leader, has been acknowledged as nothing short of a miracle, since although during their period of entombment all had subsisted on water, some raw fish and the compressed oxygen in the pocket where they were resisting death, to him had fallen the task of bucking up his companions with hope-sustaining talk of help forthcoming, and it was he who appears to have been the least affected by the ordeal. When the eleven of them were brought up to the pithead, all save Jainull were carried on stretchers to the first-aid post a quarter of a mile away, but he jauntily walked the distance. It seems to me that before this feat the vaunted claims of pretenders to supernatural powers look a little shabby, and that Jainull's example constitutes a mild rebuke to current theories of the relation between life and nourishment.

Coming to think of it, I don't think I have ever been on a helicopter. It must be a very useful means of transport, and Mr. Nehru looks quite comfortable in it. (In discomfort, the *tonga* will take a lot of beating.) I still do not think I would care to travel by helicopter if I could help it. The thing looks ugly, and it deprives you of the security of *terra firma* without giving you the thrill of high altitudes. A view from above adds a new dimension to our usually horizontal existence, and you certainly see more of the scene, but there is, I suspect, a qualitative difference in the view from above. Flooded areas are, of course, best seen from a helicopter, and Mr. Nehru has not the time to spare; and in any case he probably meets more people in the flesh than any statesman of his stature. But I am still not among those who consider that the aeroplane has rendered all other forms of locomotion useless or primitive. There is nothing like the warm touch of humanity, which can be had only on land, and it remains my vague notion that there is an element of unreality in the view Messrs. Dulles and Krishna Menon get of the earth they fly over so frequently, with such tireless energy. Emergencies apart, a railway minister who travels by rail is likely to be more keenly aware of the common passenger's lot than one who travels chiefly by air. I would not subject the Director-General of Transport to the ordeal every day, but an occasional ride by him in a State bus—preferably during the rush hours—might well tell him more about the services he runs than can be found in the reports he doubtless studies. To return to the political level, I think politicians and dictators would plunge the world and its inhabitants into periodical wars less light-heartedly if they travelled less by air—from high, men, if seen

Early this week, I saw a new group of malcontents marching in procession down Chowringhee—that of laundry workers. This, taken together with the recent agitation staged by Delhi's domestic servants, makes me think that leftist parties are gradually widening their net in a pre-election bid to gain new supporters. I do not know what the grievances of Calcutta's laundrymen are, but I can quite conceive that the lot of domestics in this country is a hard one, although their wages have gone up by about two-hundred percent or more since prewar days. One great hardship of theirs, as it occurs to me, is that they are not, generally speaking, considered as entitled to any weekly recess or annual paid leave, as in many western countries. They have to work week in and week out, although this may include inflating marketing bills, plate-smashing, petty larcenies and eaves-dropping which last, I think, is the cause of the saying, "No one is a hero to his valet." Even so, theirs is a very important job, and there are few who can do without what Disraeli called "the gentle offices of servitude." I say this despite the fact that as great a man as Abraham Lincoln blacked his own boots and that Mr. Rajagopalachari has been known to wash his own clothes. I suspect that without the assistance of Hari, the valet who, it may be recalled, was once a member of the U.P. Assembly, Mr. Nehru's efficiency might have been impaired. In India, I am afraid, servants have not yet achieved the recognition they have in England and her literature. For example, Dr. Johnson's negro boy, Francis Barber, whom his master rarely addressed without

the honorific "Mr.", was a fairly well-known character. The Doctor left him an annuity of £70, and since he was also residuary legatee, his total receipts were something like £1,500. Tennyson's maid, Emma Durham has achieved immortality not only by carefully nursing the Poet Laureate in his last illness, but also by reason of a brilliant retort. One evening, when he was engaged in a pleasant conversation with friends, it had grown late and Emma wanted him to retire to bed. "Go away, old woman," said the poet jokingly, "and learn Latin." She went away but returned in a few minutes to announce, "*Tempus fugit*, my Lord."

I see the London Chamber of Commerce celebrated its seventy-fifth birthday a short while ago with appropriate feasting and speech-making. At seventy-five years of age, it is somewhat younger than several of our larger chambers of commerce in India. Incidentally, while on the subject of age, I note that, by his researches, one young man—with perhaps more zeal than discretion—is endeavouring to make the Bengal Chamber some years older than its official and admitted age. But that is by the way. One wonders how it is that London, the greatest port in Europe and for four hundred years a centre of world trade, did not have its own chamber of commerce until 1881. The answer is that until the last quarter of the nineteenth century, the guilds were pretty powerful and looked after many of the commercial interests which would ordinarily coalesce in a chamber of commerce. But what the London Chamber lacks in years, it more than makes up in size and importance. Today it has more than 14,000 firms in its membership, and it goes without saying that an immense staff and plenty of organisation are needed to service a body of this size. Furthermore, in the three-quarters of a century of its life, it has only had three secretaries, the present incumbent, Mr. A. de V. Leigh, having held the post for some thirty-three years. This may well be a record in its own field, and certainly Mr. Leigh has made an immense personal contribution to the growth of the London Chamber.

Geoffrey Tyson writes: The many banking and other friends in India of W. T. C. (Bill) Parker will have been saddened by the news of his death so soon after he had said goodbye to the country in which he worked for so long, and for which he had a deep and abiding affection. His protracted illness and unavailing struggle against an incurable complaint, was, in every way, worthy of one who lacked nothing in courage and had always met life on its own terms. Infinitely patient, always cheerful and considerate of others, he continued almost to the end to take a lively interest in all that went on around him in the great London hospital in which he spent his last days. Sundry Calcutta friends visited him regularly, and none ever heard a word of complaint from him as each day brought the end nearer. As husband and father, he was the centre of a united and devoted family to whom much sympathy will go at this moment. He was interred in the little fishing village of Beadnell on the Northumberland coast, where he had made his English home in recent years. It was typical of Bill Parker that he had already become the close friend of many of the fisherfolk there. Indeed, he had a genius for friendship, and that is why he will be most remembered by many people. Colleagues and business associates in the City paid their last respects to his memory at a service which was held at St. Michael's, Cornhill, a few days ago.

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THE CALCUTTA TRAMWAYS COMPANY LIMITED.

RECORD TRAFFIC RECEIPTS

NEED FOR GREATER CASH RESOURCES

MR. D. E. WEBB'S SPEECH

The Annual General Meeting of The Calcutta Tramways Company, Ltd., was held on 9th October, 1956, at Winchester House, Old Broad Street, London. E.C. Mr. D. E. Webb, F.C.A., the chairman, who presided, said:

Gentlemen.—The accounts of your company for the year ended 31st December, 1955 show a continuation of the improved conditions of the previous year. The period was once more free from major incidents and, as a result, it has been possible to strengthen the company's position still further.

The popularity of the trams was once more evinced by the increase in the number of passengers car-

ried to a total of 384 million. In order to achieve this figure each tramcar in service had to run about one hundred miles a day through crowded streets, continually stopping and starting, and it is a matter for congratulation to our engineers and workshop and depot staffs that they not only keep the trams in first-class mechanical condition, but present them to the public in a condition of cleanliness comparable with the best of those in any world capital.

Traffic Receipts

Traffic receipts, which amounted to £1,891,939, were a record in the company's history, and were a direct result of the increase in confidence of the travelling

public as a result of the absence of major disturbances. At the same time expenses rose by some £40,000, of which increased payments to the staff in India amounted to £23,000. After charging London office expenses, setting aside £80,000 to renewals and replacements account, and including £10,831 expenditure on development account, the balance carried to revenue appropriation account was £206,018 compared with £189,639 in the previous year. The amount set aside for taxation amounted to £83,000 and, after paying Debenture stock interest and allocating the fixed agreed amount of £87,457 to shareholders' account, there remained a balance of £21,742 for transfer to special reserve account.

Turning to the shareholders' account, there is an item, First Debenture stock redemption account, appearing for the first time. This represents the purchase in the market of amounts of the First Debenture stock which have been bought in and cancelled at a considerable discount. It was felt that it must be in the interest of the Ordinary shareholders to acquire and cancel such Debentures as, whenever the underwriting is by the Government, they will become repayable at par out of the purchase price. The Second Debentures are, of course, already taken care of by the existing redemption provisions. During the year £6,305 of First Debenture stock has been purchased and cancelled at a cost of £3,902.

An interim dividend on the Ordinary shares of 3½ per cent. free of tax was paid in March, and your board now recommend the payment of a final dividend of 5 per cent., free of tax, making a total for the year of 8½ per cent., free of tax, compared with 7½ per cent., free of tax, for the preceding year.

Balance-sheet

Turning to the balance-sheet, there are a few points to which I would call your attention. The expenditure on renewals and replacements account amounted to £102,495 and has exceeded the allocation of £80,000 as foreshadowed last year. The major increase has been on renewals of permanent way, and this expenditure will remain high for several years to come.

An additional amount of £15,828 has been added to the special reserve account, being overprovision for taxation in previous years. These adjustments on taxation account arise mainly from the settlement of claims for double taxation relief on which finality in respect of certain past years has still not been reached.

The liquid cash position has further improved to a more satisfactory level. On this subject I would like to draw attention to the remarks I made last year regarding the necessity for these liquid reserves and the fallacy inherent in union leaders' arguments that they can be made available for any other purpose. At that time I said:—

"I would emphasize the following points:—

(a) Your undertaking is of necessity a cash business. There are, therefore, no sundry debtors in the normal course of trade.

(b) When disturbances occur, the source of cash dries up, whilst our normal expenses are off the road, our cash resources are depleted at the rate of about £100,000 a month.

(c) Once that money has been lost, we cannot make it up afterwards by working harder. It has gone for good.

(d) During a time of unrest cash ceases to come in but our creditors still have to be paid."

Need for Increased Fares

Once more I would reiterate how badly we need an increase in fares. We are running this great undertaking on a day to day basis. The fleet of cars and the track are being maintained in an efficient state and the essential services are being rendered to the people of Calcutta, but we are not advancing as we should. Even the smaller projects for the realignment of tracks to conform with the city's all-important traffic problems, and the provision of cars of improved design, affording greater comfort and travelling facilities for the public, cost sums vastly in excess of the surplus available to meet them, resulting from the present scale of fares.

There is still a feeling in Calcutta that increased fares will mean increased profits for the shareholders. One cannot repeat too often that the amount available for shareholders is fixed under the agreement with Government. Even if the surplus on running the undertaking were to increase ten-fold the amount available for the shareholders would not increase by one rupee. Any increase in the surplus can only accrue for the benefit of the Government and the people of Calcutta. One of the great objects behind the Agreement with Government was to ensure that never again would an increase in fares be questioned on the grounds that it would benefit the shareholders. Such an increase, when necessary, can only result in a surplus to be used in improving and modernizing the undertaking and alleviating the travelling worries of the public.

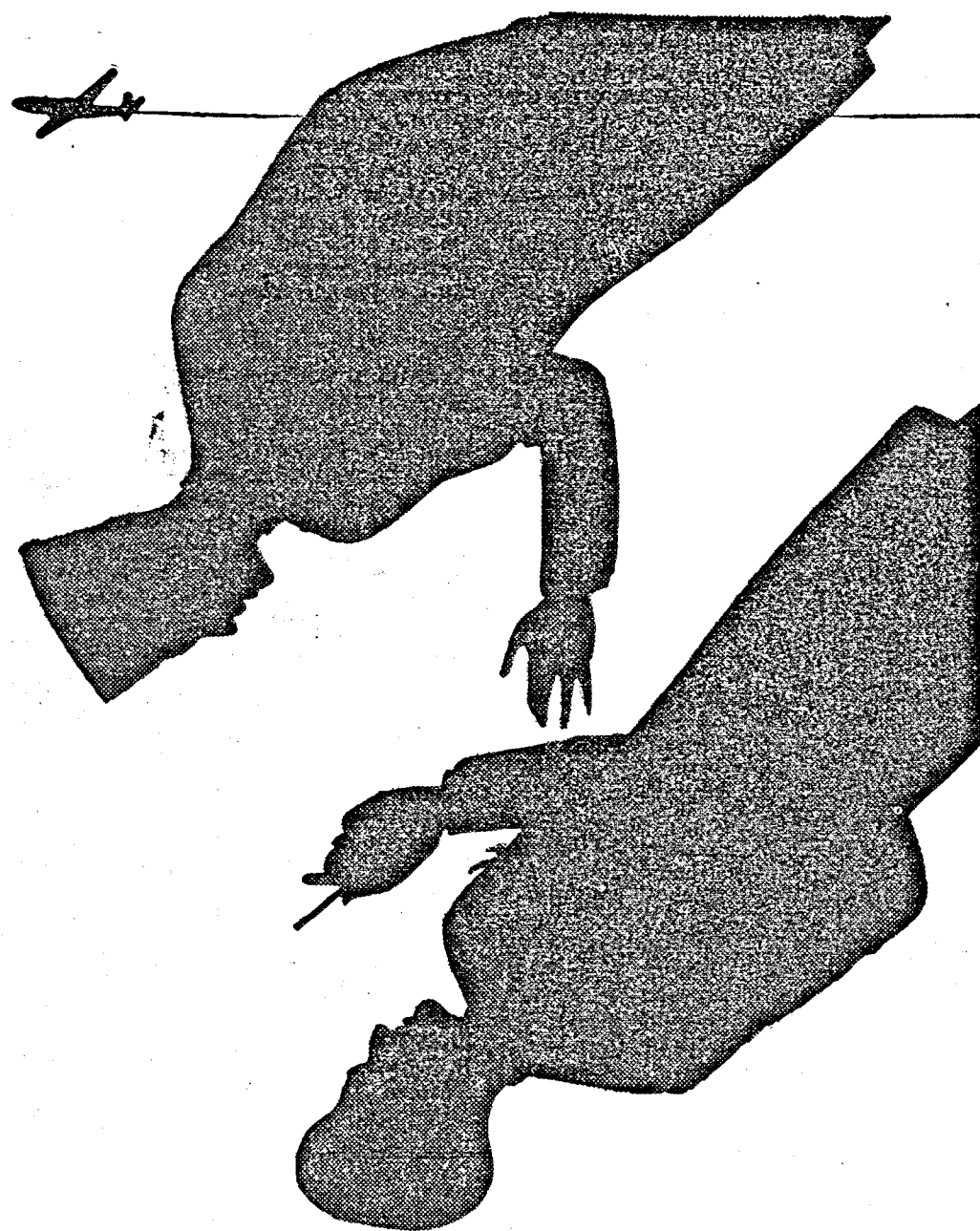
Current Year

The results of the current year to date are comparable with those under review. Receipts have remained constant whilst expenses have increased slightly, showing a small decrease in profit. I am visiting your undertaking at the beginning of November, when I hope to have conversations with Government on several matters of importance.

Our staff have rendered good service during the year under review. Whilst temporary stoppages have occurred, nevertheless on the whole our employees have shown a greater sense of responsibility in their negotiations and an increased appreciation of good employment. We sincerely hope that this points to a permanent improvement in the relations between management and staff, where both sides recognize their responsibilities, and where the seed of mutual confidence may have every chance of being sown and taking root.

The executive staff, some of whom have received promotion to more responsible tasks, have once more given of their best. Our agent, Mr. Blease, has had a worrying time due to the retirement of some of the senior members of his executive. He is, however, once more building up a first-class team, and our thanks are due to them all.

The report and accounts were adopted.



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MALAYALAM PLANTATIONS LIMITED.

SEVERE DROUGHT RESTRICTS CROP

EFFECT OF EXPORT DUTY

MR. H. W. HORNER'S ADDRESS

The Annual General Meeting of Malayalam Plantations Limited will be held on 8th November, 1956 in London.

The following is the circulated address by Mr. H. W. Horner, the chairman:—

About the time of our meeting last year, in mid-November, 1955, the company's tea crop was some 600,000 lb. in excess of the crop for the corresponding period of the previous year. Unfortunately all districts then experienced a severe drought which extended over the last five months of the financial year 1955-56 and into the early period of 1956-57. Crops of both seasons were adversely affected: the crop harvested for 1955-56 at 15,933,400 lb. represented an improvement on that for the previous year, which was 15,832,250, but was disappointing since, if more usual climatic conditions had obtained throughout the year, the crop could easily have been substantially greater. For some years past special

attention has been given to improving the condition of the tea by manuring and cultivation, which will have the effect of increasing yields steadily without deterioration of quality. We shall realize these expectations in future years of normal weather, without doubt.

Crop Figures

At the lower level of the tea market which ruled throughout the year, the average net price realized for the exportable tea was lower by 6½d. a lb. than last year's figure, with a somewhat higher cost of production. The cost of quota purchased represented 1.32d. per lb. By contrast with tea, the weather was favourable for rubber, and the year's crop of 6,956,800 lb. was well in excess of that estimated and about 750,000 lb. more than the total for the previous year. The net total of proceeds of tea less cost of production—before deduction of London expenses and taxation—was about £380,000 less than the corres-

ponding figure for the previous year. This was compensated for to the extent of some £70,000 by the higher net revenue from rubber, due partly to increased crop and partly to an increase of about 2½d. a lb. in the net average price under Indian Government control.

After providing for depreciation and London charges as shown in the accounts the profit for the year is some £287,000 less than that for 1954-55. Taxation at £582,340 on the lower profits is about £100,000 less. Export duty, which during the year varied from 4 to 8 annas a lb., cost the company, directly or indirectly, about £375,000, making the total liability for the year in these two forms of taxation some £957,000.

Unfair and Discriminatory Tax

Last year I made reference to export duty as an unfair and discriminatory tax on tea, which in effect expropriates a large slice of profit before levying the taxes on profits which are common to all. Such treatment can hardly encourage new capital to enter India where success may produce profits liable to expropriation without justification, as in the case of tea. South Indian producers of tea are at a special disadvantage in the matter of export duty.

Despite the strongest representations which have been made regarding the inequity of the procedure, the assessment by the Government of the world price of tea, on the fluctuations in which the rate of export duty is varied arbitrarily from time to time, continues to be based on an average price much to the disadvantage of South Indian tea. For instance, for the nine months January-September, 1956, South Indian teas sold in the London auctions realized about 7d. a lb. less than North Indian teas, but had to pay the same rate of export duty.

Allocations and Dividend

Referring to the profit and loss account, the balance brought in from 1954-55 was £131,078 and the amount available for allocation from normal sources, after allowing for the surplus on disposal of fixed assets and the appropriations already made, is £488,799. The directors have transferred £115,809 to buildings, machinery, etc., special reserve and £100,000 to general reserve, and have brought to the credit of the appropriation account £50,000 from dividend equalization reserve.

An interim dividend of 6 per cent. was paid on 22nd June, 1956, and the directors now recommend a final dividend of 17 per cent. which less tax at 8s. 6d. in the £, will absorb £177,125 and will leave £145,865 to carry forward.

Replanting Policy

On this occasion, the board have decided to charge the expenditure on replanting during the year, £41,106, against the replanting reserve which is accordingly reduced to £258,894. We must, however, keep in view the necessities and contingencies of the future. We shall be obliged to continue to replace the existing rubber areas, of which so far rather less than half has been done. Towards the cost of replanting there is included in the controlled price of rubber a small and quite inadequate sum designated for replanting, and rubber producers have been informed that failure to replant will result in a reduction of the controlled price. That it is necessary to maintain the estates, both tea and rubber, at a high standard of cultivation and equipment goes without saying, and we shall have to keep pace with the requirements of the Government in implementation of the Plantations Labour Act. Amongst contingencies are those unpredictable effects upon the company of the delays which may be occasioned by any difficulties in the Suez Canal area; for instance, we may have to finance the tea crop for a number of months longer than usual, together with enhanced costs of shipment, until sale can be effected and the proceeds realized.

These and similar considerations emphasize the importance of maintaining the company's finances and of strengthening them, when possible, whilst giving the members a satisfactory dividend.

Outlook for Current Year

As regards prospects for the current financial year: crops were originally estimated at 16,958,000 lb. tea and 6,945,000 lb. rubber, but the drought in the early part of the year, already referred to, has made doubtful realization of the full tea crop. The shortage compared with last year was, at the end of September, more than 825,000 lb. Largely as a result of the careful cultivation of past years, the tea has stood up extremely well to the exceptional drought and casualties have been remarkably low. Many areas will require careful nursing but any loss of bushes in this respect has been inconsiderable.

The market for medium and low-grown teas, similar to those which form the bulk of this company's output, has been appreciably lower in recent months than for corresponding months of last year, but has improved in the last few weeks. Everything possible is being done on the estates to maintain a satisfactory standard of quality. Modernization and improvements of factories and machinery are being effected year by year, and this will be continued as circumstances permit. Sentinel Rock factory—a wooden structure erected over 60 years ago—has at last reached the point at which its replacement by a new building is necessary, and this has been authorized accordingly.

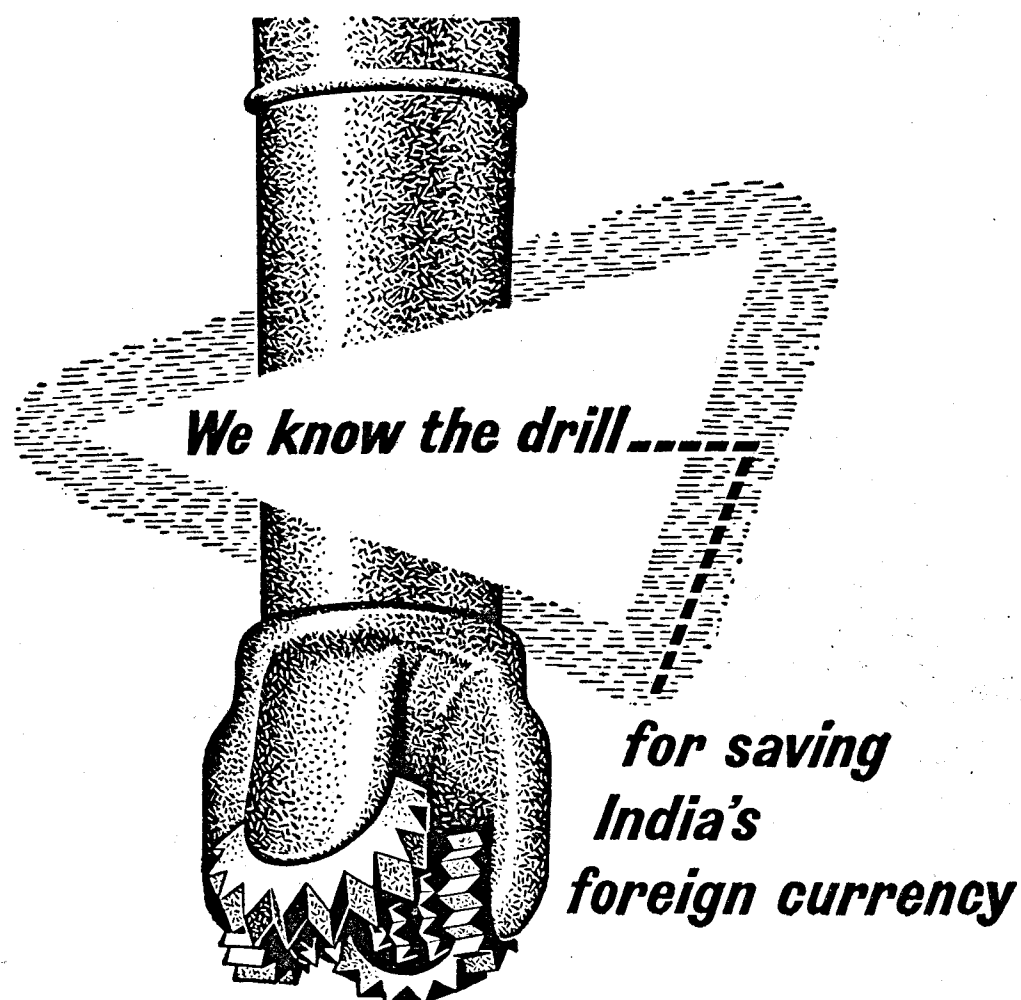
As was mentioned in the interim report issued in May, the output of dust tea to 31st December, 1956, has been sold forward without export quota. No other forward sales have been made.

Labour Conditions More Stable

Labour conditions during the year have been more stable than for some considerable time past and there have been no major incidents. Our staff throughout continue to render sterling service and deserve our sincere appreciation and thanks, as do our visiting agents and eastern agents, to all of whom we largely owe the satisfactory results which are before you.

We have to contend with inflationary costs; not only those imposed laid direct upon tea—but some of which I have referred to—but also resulting from general inflationary trends in India.

Sir Eric Miller will deal, in the course of the next few weeks, with the general position of tea and rubber in his address to the members of Harrison & Crossfield, Ltd. Any member of this company who cares to apply for it will be sent a copy of his address when it becomes available.

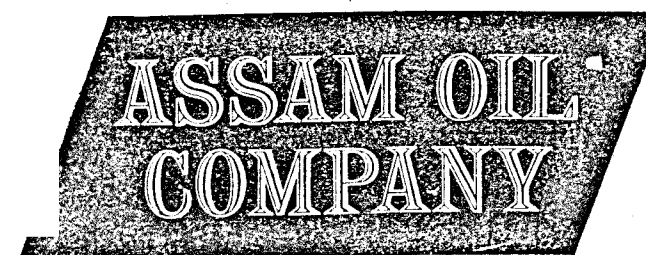


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RESERVE BANK

ISSUE DEPARTMENT (In 100's of Rupees)			
	Week Ended	12-10-56	21-10-55
Liabilities—			
Notes in Banking Dept.	21,01.31	11,63.67	8,72.93
Notes in Circulation	14,29,53.82	14,38,23.02	13,03,25.75
Total Notes issued	14,50,55.13	14,49,86.69	13,11,98.68
Assets—			
A Gold Coin and Bullion	1,17,76.03	1,17,76.03	40,01.71
Foreign Securities	5,21,83.16	5,26,80.03	6,27,09.72
Total, of A	6,39,59.19	6,44,56.06	6,67,11.43
B Rupee Coin	1,20,08.13	1,19,29.69	1,11,20.59
Rupee Securities	6,90,87.81	6,85,90.94	5,33,66.64
Total	14,50,55.13	14,49,86.69	13,11,98.68
BANKING DEPARTMENT			
Liabilities—			
Capital Paid-up	5,00.00	5,00.00	5,00.00
Reserve Fund	5,00.00	5,00.00	5,00.00
National Agricultural Credit (Long term) Fund	15,00.00	15,00.00	—
National Agricultural Credit (Stabilisation) Fund	1,00.00	1,00.00	—
Deposits—			
(a) Central Govt.	52,91.03	55,44.03	48,34.41
(b) Other Govts.	5,32.40	4,70.09	25,47.50
(c) Banks	50,35.60	48,58.25	57,50.18
(d) Others	13,04.28	12,73.02	15,87.79
Notes Payable	10,15.14	10,23.08	7,68.20
Other Liabilities	97,79.74	96,77.40	19,46.81
Total	2,56,06.19	2,54,45.86	1,84,45.98
Assets—			
Notes	21,01.31	11,63.67	8,72.93
Rupee Coin	8.98	8.49	7.12
Subsidiary Coin	—	6.75	4.49
Bills Discounted Int.	—	—	60.30
Govt. of India Treasury Bills	8,34.24	5,44.44	7,63.18
Balances held abroad	69,59.40	73,76.36	85,40.90
Loans to Govt.	4,04.35	4,48.35	—
Other Loans etc.	86,16.57	92,28.43	19,44.39
Investments	54,88.58	54,88.37	50,29.84
Other Assets	11,86.84	11,81.00	12,22.29
Total	2,56,06.19	2,54,45.86	1,84,45.98

SCHEDULED BANKS

(In 100's of Rupees)			
	12-10-56	5-10-56	14-10-55
Demand Liabilities—			
(a) Borrowings from Banks	10,43.60	8,82.06	10,58.29
(b) Others	6,21,91.34	6,27,25.50	5,99,22.39

Time Liabilities—			
(a) Borrowings from Banks	2,26.20	2,26.20	5,57.00
(b) Others	4,51,64.96	4,51,95.64	4,16,50.41
Borrowings from State Bank Demand Liabilities	11,57.45	12,97.04	3,47.74
Time Liabilities	36,40.19	39,56.34	32,56.40
Cash	48,56.02	49,15.22	60,52.80
Balances with the Reserve Banks	10,18.30	10,12.63	10,47.09
Balances with other banks in current account	12,66.34	10,80.15	22,10.32
Money at calls and short notice	3,73,10.43	3,74,28.08	3,90,46.62
Investments in Central and State Govt. Securities	6,12,77.25	6,13,84.02	4,85,35.95
Advances	97,65.21	98,33.07	59,72.13
Indand Bills purchased and discounted	49,07.15	47,49.53	44,37.35
Foreign bills purchased and discounted	—	—	—

CLEARING HOUSE RETURNS

Week ended	Rs (thousands)	Calcutta	Bombay
19-10-56	52,77.33	57,28.64	—
10-10-56	52,77.33	59,03.37	—
5-10-56	55,81.36	56,47.51	—
28-9-56	49,96.35	59,15.34	—

STATE BANK OF PAKISTAN

ISSUE DEPARTMENT (In 100's of Rupees)			
	Week ended	12-10-56	28-9-56
Liabilities—			
Notes in Banking Department	9,07.22	9,13.78	—
Notes in Circulation	2,88,18.10	2,83,43.63	—
Total Notes issued	2,97,25.32	2,92,57.43	—
Assets—			
A Gold Coin and Bullion	11,33.41	11,33.41	—
Sterling Securities	87,70.69	87,70.69	—
Government of India Securities	16,68.25	16,68.25	—
India Notes representing assets receivable from the Reserve Bank of India	43,02.58	43,02.58	—
B Rupee Coin	6,02.08	6,02.08	—
B Rupee Pakistan Securities	1,26,58.27	1,26,58.27	—
Held with Reserve Bank of India pending transfer to Pakistan	19.02	19.02	—
Gold Coin and Bullion	4,40.63	4,40.63	—
Sterling Securities	1,00.90	1,00.90	—
Govt. of India Securities	29.51	29.51	—
Rupee Coin	—	—	—
Total	2,97,25.32	2,92,57.43	—
BANKING DEPARTMENT			
Liabilities—			
Capital Paid-up	3,00.00	3,00.00	—
Reserve Fund	3,00.00	3,00.00	—
Deposits—			
(a) Central Government	34,74.45	35,90.57	—
(b) Provincial Government	8,63.17	10,37.08	—
(c) Banks	16,68.63	15,34.38	—
(d) Others	4,18.66	4,30.30	—
(e) Bills Payable	14.40	14.73	—
Other Liabilities	7,99.11	8,42.31	—
Assets—			
Notes	9,07.22	9,13.78	—
Rupee Coin	—	—	—
(a) Pakistan	12	9	—
Subsidiary Coin	—	—	—
(a) Pakistan	9	—	—
(b) India	—	—	—
Bills Purchased and Discounted—			
(a) Internal	—	—	—
(c) Govt. Treasury Bills	2,16.46	2,61.74	—
Loans and Advances to Govt.	—	—	—
Provincial Govt. Debtor Balances	—	—	—
Other Loans and Advances	4,41.40	4,54.85	—
Investments	52,72.30	54,39.43	—
Other Assets	10,20.89	10,06.36	—
Total	79,58.48	80,58.37	—

Finance in India and Abroad

THE CALCUTTA MONEY MARKET

RESTRICTED ACTIVITY

Wednesday, 24th October.

ACTIVITY in the money market has been restricted by the holidays, but in general conditions are relatively tighter than is usual for the time of year. Jute advances remain almost unchanged, but sugar funds continue to return. Credit for grains and seeds storage has been declining, but advances for mill cloth are quite substantial. As the sugar and cotton seasons approach, it is thought that greater demand for accommodation may be expected after some time. In the interbank market, conditions are tight: the call rate quotes 3½ percent, although business has been reported at even higher rates.

The working of the Exchange market has also been limited by the holidays. A number of tea bills have been passing, but those on account of gunny shipments have been very few. Remittance has been on a small scale. Sterling has recovered from a temporary weakening a few days ago.

The bullion market showed a mixed pattern. A firm tone was witnessed in silver on account of the approach of Diwali festival coupled with bear-covering during the fortnight under review. The price of silver increased from the last week's level of Rs. 173-5 to Rs. 173-14 quoted today and the ready is quoted at a premium of 4 annas. The London silver market remained unchanged at 78½d. The price of silver in New York was also unchanged at 90½ cents. Gold declined from the previous level of Rs. 104-7 to Rs. 104 due to lack of demand. The sovereign at Rs. 63-4 showed a fall of 4 annas.

During the week ended 12th October, 1956 Government of India Treasury Bills for Rs. 69,28,00,000 were sold in favour of the Reserve Bank.

During the week ended 19th October, Government of India Treasury Bills for Rs. 45,37,75,000 were sold in favour of the Reserve Bank.

A decline of Rs. 8.89 crores to Rs. 1,429.54 crores in active notes was the outstanding feature of the return of the Reserve Bank of India for the week ended 19th October, 1956. The total note issue was Rs. 68 lakhs higher at Rs. 1,450.55 crores. Notes held in the Banking Department consequently rose by Rs. 9.37 crores to Rs. 21.01 crores. Foreign securities fell by Rs. 4.97 crores to Rs. 521.83 crores, but rupee securities were up by Rs. 4.97 crores to Rs. 690.88 crores. Deposits of the Government of India declined by Rs. 2.53 crores to Rs. 52.91 crores but other Government accounts were Rs. 1.12 crores higher at Rs. 5.82 crores. Balances of commercial banks at Rs. 50.34 crores showed an increase of Rs. 1.76 crores. Investments fell by Rs. 1 lakh to Rs. 54.87 crores. Other loans and advances dropped from Rs. 92.28 crores to Rs. 86.17 crores, of which advances to scheduled banks against usance bills totalled Rs. 41.29 crores (Rs. 42.87 crores). These advances amounted to Rs. 311.38 crores since 1st January, 1956. Ways and means advances were shown at Rs. 4.04 crores, against Rs. 4.48 crores.

The return of the State Bank of India for the week ended 12th October, 1956, shows a fall of Rs. 3.17 crores in total deposits to Rs. 227.06 crores. Investments in Government securities are down by Rs. 4 lakhs to Rs. 96.43 crores, while other authorised investments remain unchanged at Rs. 11.39 crores. Advances, including loans, cash credits and overdrafts, and bills discounted and purchased, have decreased by Rs. 1.18 crores to Rs. 130.18 crores. Cash and balances are, in consequence, shown at Rs. 14.46 crores, or Rs. 18 lakhs higher.

The statement of the position of scheduled banks for the week ended 12th October, 1956, shows Demand and Time liabilities at Rs. 632.35 crores (Rs. 10.44 crores on account of borrowings from banks) and Rs. 435.91 crores (Rs. 2.26 crores), compared with Rs. 636.08 crores (Rs. 8.82 crores) and Rs. 454.22 crores (Rs. 2.26 crores), respectively, in the previous week. Cash and balances with the Reserve Bank have decreased by Rs. 3.16 crores and Rs. 59 lakhs to Rs. 36.40 crores and Rs. 48.56 crores, respectively. There is a drop of Rs. 1.18 crores in investments to Rs. 373.10 crores. Advances and bills discounted, at Rs. 759.50 crores, show a decrease of Rs. 17 lakhs. The ratios to total liabilities of cash and balances, and of advances and discounts, are, in consequence, shown at 7.8 percent and 69.9 percent, against 8.1 percent and 69.7 percent.

Provisional figures of foreign sea and airborne trade of India on private and Government accounts during September, 1956, according to data so far available in the Department of Commercial Intelligence and Statistics, Calcutta, are as follows: Merchandise, excluding transit trade of Pakistan but including that of other land frontier countries: Exports Rs. 48.78 lakhs, re-exports Rs. 37 lakhs (transit trade Rs. 1 lakh) imports Rs. 74.55 lakhs (transit trade Rs. 5 lakhs); Total trade Rs. 123.70 lakhs. Treasury: Exports of currency notes Rs. 50 lakhs, others nil; imports of currency notes Rs. 276 lakhs, others negligible. Balance of Trade: The merchandise import figures are exclusive of the value of certain consignments of Government stores awaiting adjustment. Subject to this defi-

ciency in import figures and to the exclusion of figures for transit trade, the total value of exports (including re-exports) of merchandise, gold and silver fell short of imports by Rs. 25,36 lakhs.

According to the returns received in the Department of Commercial Intelligence and Statistics, the total gross sea and land customs revenue collected in the Indian Union during August, 1956, amounted to Rs. 1,342 lakhs, compared with Rs. 1,242 lakhs in the corresponding month of the previous year. The comparison in the following figures with those of the corresponding period of the preceding year. Of the total customs revenue collections, import duties accounted for Rs. 1,114 lakhs as against Rs. 934 lakhs, export duties for Rs. 198 lakhs as against Rs. 298 lakhs and land customs and miscellaneous for Rs. 30 lakhs as against Rs. 10 lakhs. The total gross collection of Union excise duties amounted to Rs. 1,512 lakhs as compared with Rs. 1,312 lakhs. During the five months, April to August, 1956, the grand total of gross customs and Union excise revenue realised was Rs. 13,554 lakhs, compared with Rs. 12,683 lakhs during the same period of the preceding year. Of this amount, import duties accounted for Rs. 5,428 lakhs, against Rs. 5,032 lakhs, export duties for Rs. 919 lakhs, against Rs. 1,406 lakhs, land customs and miscellaneous for Rs. 124 lakhs, against Rs. 70 lakhs, and Union excise duties for Rs. 7,083 lakhs, against Rs. 6,175 lakhs.

LONDON FINANCIAL LETTER

THE GOVERNOR'S HINT ON BANK RATE

By Air Mail.

THE British Chancellor of the Exchequer has his main opportunity in April, when he presents his budget. He has another opportunity half way between budgets, at the Mansion House dinner in October. But in the past year or two, the emphasis of this function has been changing: the Chancellor is still in the leading rôle, but it is the Governor of the Bank of England who steals the show. What either of them could say this year was conditioned and circumscribed by the political developments of the preceding weeks. Mr. Harold Macmillan could assert that the Suez crisis had not so far affected the broad structure of his budget, but it was not his function to comment on long-term changes in military strategy that might result from it. Mr. Cameron Cobbold was necessarily, in the circumstances, likewise



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FIRDAUSI'S EPIC POEM, *Shah-Namah* tells us that when Alexander invaded Persia in 331 B.C., swords and other weapons of steel were hurriedly sent for from India. Throughout the civilized world India was famous as the home of quality steel. In fact, the old Arabic word for "sword" is "muhannad", meaning "from Hind."

Today, once again, steel is very much to the fore in the nation's thinking, but with a different intent. The country's steel-making capacity is being rapidly enlarged, not for purposes of war, but for peace and development.

TATA STEEL

SERVES THE NATION

SOUTH EASTERN RAILWAY OPENING DATE OF TENDER EXTENDED

The opening dates of the following tenders, which were advertised in this paper during the early part of this month, have been extended as noted against each:—

- (1) Tender No. GM 16/56/K14/1(B)—for supply of 2 Nos. Diesel Engine Driven Portable Centrifugal Pump etc. will be opened on 2-11-56.
- (2) Tender No. GM 17/56/K14/1(B)—for supply of 1 No. Portable 20 K.W.A.C. Generator etc. will be opened on 2-11-56.
- (3) Tender No. GM 18/56/K14/1(B)—for supply of 6 Nos. Portable Diesel Engine Driven Air Compressor etc. will be opened on 5-11-56.
- (4) Tender No. GM 19/56/K14/1(B)—for supply of (a) 16 Nos. Pneumatic Dry Rock Drills etc. will be opened on 5-11-56.
- (5) Tender No. GM 20/56/K14/1(B)—for supply of 8 Nos. Diesel Engine Driven Winch capacity 10 tons etc. will be opened on 7-11-56.
- (6) Tender No. GM 21/56/K14/1(B)—for supply of 6 Nos. Diesel Engine Driven Portable Concrete Mixer 10/7 Cu. ft. etc. will be opened on 7-11-56.
- (7) Tender No. CS 17/56/K14/1(B)—for supply of 6 Nos. Petrol Engine Driven Internal concrete vibrator etc. will be opened on 8-11-56.
- (8) Tender No. CS 18/56/K14/1(B)—for supply of 1 set Diesel Engine Driven Portable Welding Set etc. will be opened on 8-11-56.

uninformative on the course of money rates, but it was his hint that the authorities would, at least, like to see them reduced that interested the city more than any other utterance at this function.

Mr Cobbold described the coming months as crucial and said that the determining events lay in the fields of industrial costs and public finance. There was no room at present, he said, for relaxation of monetary policies. Emphasising that no commitment had been given, or would be given, to anybody on the future course of Bank rate, he seemed deliberately to deny the idea that the Chancellor had told the banks in July that Bank rate would not be raised unless unforeseen circumstances arose. Yet the remark that attracted notice in the City was "we shall obviously feel more comfortable when circumstances justify a somewhat lower pattern of short-term interest rates", and he embellished the point by saying that restriction of bank credit, however necessary when consumption and investment were running too fast, should not be envisaged as a long-term method of offsetting other inflationary forces. As Mr. Macmillan also made one general comment in a similar vein, it can be concluded that the underlying theme of this mid-budget-year review was the authorities' belief that restrictive monetary policies could not advantageously be pressed further. "I must frankly admit", he said, "that I do not believe that we can solve all our problems by the monetary instrument alone. There is in practice, if not in theory, a limit beyond which the rate for money cannot be driven". Some bankers believe that the deciding factor now is money rates abroad; if they were reduced, so that short-term funds would not be enticed out of London, the London Bank rate might be reduced quite soon.

A Promising Sign

The most important item in the Chancellor's statement at the Mansion House was merely a preview of figures that were to be published immediately after. The Balance of Payments White Paper was, as a whole, an encouraging document. The U.K.'s current surplus—with all areas, on account of both trade and services—was £144 million in the first half of 1956, compared with £13 million in the first half of 1955. That is in itself a gratifying improvement, and it looks better still when analysed. Over the two periods there was only a trifling change in the U.K.'s balance with

the rest of the sterling area: all but £1 million of the whole improvement of £126 million was achieved in dealings with the non-sterling world, with which the U.K.'s balance was transformed from a deficit of £94 million to a surplus of £31 million.

Invisible items, especially oil and shipping, have played their part in the recovery, but its basic element is the expansion of physical exports —while the expansion of imports has been checked. Britain is thus in the unaccustomed position where she is strengthening the reserve of the whole sterling area, instead of drawing on that reserve to meet her current deficit and hoping that the other sterling countries will replenish it. Even so, as is well known, the gold and dollar reserve declined from £957 million at mid-1955 to £852 million at mid-1956. The explanation of this movement is simply the outflow of foreign funds from London. This movement has been accentuated since mid-year and at the same time the visible trade figures have deteriorated—the rate of exports was considerably reduced in the third quarter. If these two trends can be reversed—and the former, at least, seems to be halted—Britain can accumulate enough dollars before the year-end to pay the annual capital and interest of the dollar loans without undue strain. But one element in the position will remain distinctly unsatisfactory. High interest rates, while not wholly effective in retaining money in London, were very effective in restraining would-be borrowers, so that in the first half of this year a paltry £25 million flowed from Britain into the rest of the sterling area in the form of long-term commercial investment. Such parsimony is necessary at this time, but it cannot be viewed with favour.

III-considered Acts

It is evident that the outflow of foreign money in the third quarter of this year resulted partly from the British Government's blocking of Egypt's sterling, and it is by no means sure that this action did more harm to Egypt than to Britain. Some substitute arrangements for settling accounts with Egypt have cost dollars, and—more important—other countries holding balances in London have withdrawn them, fearing that they, too, might incur the British authorities' disfavour. Moreover, while Egypt herself has been excluded from the transferable-account area, countries with which she has maintained friendly relations have sold transferable sterling for Egypt's benefit. Pressure on the pound has thus been aggravated during the season when it is normally weak for commercial reasons. The authorities' handling of the situation has been criticised not only for this practical reason but also on grounds of principle. The authorities have been trying, with considerable success, to rehabilitate London as a centre of finance; yet they have demonstrated that a country cannot safely keep funds in London unless it can be confident that no major dispute will arise between it and Britain. Furthermore, the authorities have been guilty of surprising discrimination in allowing the former, but not the latter, to draw on Egyptian accounts in respect of confirmed credits—and the restrictions on the latter could not even affect the Egyptians, who had already received the goods concerned!

OFFICIAL POLICY TO ENCOURAGE CLOTH PRODUCTION

As an incentive to increase cloth production, the Government of India announced some time ago its decision to give a rebate of excise duty at the rate of six pices a yard on all cloth produced by a textile mill in excess of its average monthly production during the eight months, January to August, 1956. The rebate was to be allowed on cloth produced up to the end of December, 1956. The Government has now decided to extend this concession for all cloth produced up to the end of March, 1957. The Government of India has also cancelled its order issued on 24th September, restricting the stocks of cloth which can be held by any wholesale dealer to three months' average stocks. In case of West Bengal, the order had further stipulated that no dealer could hold more than one month's stocks of cloth manufactured by the mills in the State. This step was taken to check the rising trend in prices. The Government now considers that there is no necessity any longer to keep an all-India order of this nature in force. Powers have, however, been delegated to State Governments to issue such restrictive orders as and when they consider them necessary.

REDUCED EXCISE DUTY FOR SMALL SOAP MAKERS

A Central excise duty was imposed with effect from 1st March, 1956, on soap produced without the aid of power, but by executive notification, exemption from this duty was allowed to the manufacturers for the first 200 tons cleared by them in a financial year. It has been represented to the Government of India that in its actual operation, this duty falls somewhat heavily on the manufacturers whose output is between 200 and 400 tons a year. Accordingly, the Government of India has decided to introduce another slab fixing a lower rate of duty for those producing soap without the aid of power, whose production exceeds 200 tons but does not exceed 400 tons a year. The reduced rates of duty in these cases are: (i) in plain bars of not less than one pound in weight Rs. 2-10 a cwt; (ii) other sorts: Rs. 3-1 a cwt. This reduction does not apply to soap other than household and laundry or toilet.

Stocks and Shares

SHARE MARKET SOFT AND SUBDUED

BANK RATE RUMOURS WORRY OPERATORS

Wednesday Evening.

It is open to question whether the stock market is still on holiday or whether it has passed into mourning. The economic news over the Pujas was not entirely happy, but still there seemed to be no one solid reason why operators should have returned to Lyons Range with the drooping spirits they displayed on Monday. Sentiment seemed a little better towards the close this afternoon on settlement considerations, but the undertone still looks uncertain. There has been anxiety over the implications of the Black-Krishnamachari correspondence, but it now seems to have been allayed.

Rumours continue that the Reserve Bank might raise its Bank rate, and the general tightness of money is making itself felt. Cotton textiles have been subject to their own special uncertainties, with ministerial reflections on State trading, and these are not entirely neutralised by strong hopes that mills will soon be allowed to expand their cloth production capacity.

As far as individual industries are concerned, the reports have not been unfavourable, but in the context of the general economic uncertainties this can hardly provide an incentive. Coals have reason to be thankful for the end of the Ranigan strike—a selfish and pointless move if ever there had been one. Teas are relatively maintained because it is expected that the recently announced measures to regulate the size of the crop will help prevent what was otherwise a certain glut; auction results since the regulation moves were announced have been fairly satisfactory. Among miscellaneous industrials the features are few and far between; the general trend has been downward in sympathy with the rest of the market. Jutes are neglected.

Government securities have been dull.

Details of the past three days' trading follow.

The Government security market continued extremely quiet and except for an enquiry for short-dated and selected National Plan loans, sellers predominated through the list. There was a substantial marking down of prices and long-dated and non-terminable loans were the worst affected. The 3% Conversion Loan declined further by 5 annas to Rs. 74-3, while non-terminable Paper was marked back in sympathy to Rs. 74-4. In short-dated loans, 3% 1957 had buyers at around Rs. 99-12 and 3% 1958 was taken at Rs. 99-9. In the medium dated group, there was a small enquiry for 3% 1959-61 at Rs. 97-15, but 3% 1963-65 was marked back to Rs. 94-4. In National Plan loans, 3½% 1961 was steady at Rs. 99-3 and 3½% 1964 met with enquiry up to Rs. 98-8. The 3½% 1965 changed hands at Rs. 98-8 and 3½% 1967 was traded at the same rate. In long-dated loans, 3% 1966-68 shed 4 annas at Rs. 92-8 and 3% 1970-75 receded further to Rs. 89. The 3½% 1974 was, however, unchanged at Rs. 98-8 with small buyers at this level. State loans were weak, with sellers over for most issues. The 4% Madras loan 1968 was marked down to Rs. 98-14, while 4% U.P. 1968 had sellers at the lower rate of Rs. 98-13. The 4% Orissa 1968 was on offer at Rs. 98-12 and 4% Rajasthan 1968 had sellers down to Rs. 99. In contrast, 4% Saurashtra 1968 was asked for at Rs. 99-9.

Very little business has been transacted in preference shares. Sellers predominated in jutes at around the previous quotations. Agarpara were dealt in at Rs. 104, Empire at Rs. 108 and Fort Gloster Second Preference at Rs. 76-4. Gouropore were done at Rs. 87 and Howrah "A" at Rs. 102. Among miscellaneous preference shares, Birds Investments declined to Rs. 76 and B.I.C. had sellers at Rs. 124. Burn 6% were marked at Rs. 115 and Calcutta Electric were offered at Rs. 11-3. Indo-Burmah Petroleum were quoted at Rs. 105 and Indian Irons at Rs. 106. Jardine Hendersons changed hands at Rs. 64 x.d. but Rallis had buyers at Rs. 71. Shaw Wallace quoted Rs. 78.

A quiet and weaker tendency has prevailed in the engineering section. Indian Iron opened on Monday at Rs. 34-2, against the previous Calcutta close of Rs. 34-7, and after touching a low of Rs. 33-12, closed this afternoon at Rs. 34-2. Texmaco, the other speculative leader, have similarly met with long liquidation and short-selling, which has brought them down from Rs. 23-4 to Rs. 22-13. Jessop, and Richardson and Cruddas, which before the holidays were notably steady due to interested support, have moved down in sympathy. The former have fallen to Rs. 37-11, and the latter to Rs. 26-15.

Jutes have dropped quite noticeably. This is partly in line with the trend in the rest of the market, and partly because operators think that the present differentials between raw jute and manufactured goods cannot be giving mills much of a profit. Raw jute is steady on firm upcountry advices, while gunny prices seem to be losing the gains they made last week. National have fallen from Rs. 24-12 to Rs. 24-8, and Howrah from Rs. 22-12 to Rs. 22-6.

Teas seemed at first to resist the general decline, but latterly they too have softened in restricted turnover. The auctions this week have been quite good, but perhaps operators had hoped that the possibility of an export duty increase at the end of October might encourage foreign inter-

ests to buy more vigorously. Bishnauth New have been moving around Rs. 23-8, and Dhelakhat are better at Rs. 23-12.

In the miscellaneous section, activity has been very restricted. National Carbon have been steady at Rs. 30, because they have declared the long-awaited interim dividend of 7½ percent. Calcutta Electric too are well held around Rs. 13-5 x.d., they having declared an interim dividend of 3 percent. But prices of most other scrip are shaded. B.I.C. have eased to Rs. 11-3, and Dunlop Rubber have returned to Rs. 29-10 after rising a few annas. Profit-taking has reduced India Steamship to Rs. 10-3. Among papers, Orient have dropped to Rs. 38-10 in sympathy with other speculatives. Indian Copper have suffered the same fate, and disappointed additionally by the fall in copper prices, have dropped to Rs. 4-8 against the pre-holiday close of Rs. 4-11. Indian Aluminium have fallen to Rs. 16-12 from the pre-holiday rate of Rs. 18-8, on further consideration of proposals to finance expansion. Alkali and Chemical lost over Rs. 1 to Rs. 22-3, but have since partially recovered to Rs. 22-10. National Insulated Cables are steady at the lower level of Rs. 25-13.

Coals generally are dull and neglected. But speculative support is maintaining Burrakur around Rs. 16, and Central India at Rs. 7-8.

The profit earned by the HUKUMCHAND JUTE MILLS LTD. increased by Rs. 44,123 to Rs. 16,79,173 during the year ended 31st March, 1956. The ordinary dividend has been maintained at Rs. 2 a share. Allocations include taxation Rs. 8 lakhs (Rs. 9 lakhs) and depreciation Rs. 2.36 lakhs (Rs. 4.40 lakhs). Investment reserve absorbs Rs. 2 lakhs

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In order to present the problem in its proper perspective, the annual average requirements of machinery under the third plan also have to be broken down under different categories, as has been done below for 1954-55, 1955-56 and 1961-62:

ESTIMATED CONSUMPTION AND REQUIREMENTS			
	1954-55 (Rs. lakhs)	1955-56 (Rs. lakhs)	1961-62 (Rs. lakhs)
Machine tools	500	700	1,000
Boilers	350	550	1,000
Air compressors	100	150	300
Pumping machinery	350	450	700
Mining machinery	175	175	300
Diesel engines	300	350	500
Electrical machinery	2,200	2,500	6,000
Earth moving machinery	150	300	500
Cotton textile machinery		1,200	1,700
Sugar machinery		500	500
Paper, newsprint, chemical, pulp, etc.	125	200	700
Cement machinery		300	1,200
		(estimated from overall investment)	
Rayon and staple fibre machinery			500
Refrigerating machinery		125	400
Steel Plant machinery			5,000
Fertiliser plant machinery			2,000
Miscellaneous			3,000
			25,300

The following deductions can now be made. In relation to the machinery needed by the steel industry, expenditure on steel plants during the third plan period, both for expansion and for setting up new units, is likely to be very heavy. It is important to realise that quite a substantial proportion of this expenditure is on items which are required by industries generally and are in no sense specially intended for steel plants. The Ministry of Iron and Steel has given the following estimates of the main requirements of a steel plant of one million tons' ingot capacity based on its experience:

	Rs.
Constructional material	7 crores
Structural steel work	13 crores
Castings	1.2 crores
Pipe work (exclusive of service pipes)	11 lakhs
Equipment	59 crores

Of these, the first four need not be discussed at any length. Construction materials, consisting of bricks, cement, concrete, rails, railway sleepers, etcetera, are being separately planned. The demand for structural and castings will be met mostly by the National Industrial Development Corporation projects, and the pipe work—both steel and cast iron—can be supplied by firms in the private sector.

Other Equipment

For equipment too, there are a number of items in the Iron and Steel Ministry's list which need not be considered here. Locomotives and rolling stock will, it is expected, be supplied by industrial units engaged in the production of these for other purposes and the development which is taking place in the manufacture of higher horse-power diesel engines should make it possible for these needs to be met without serious difficulty. Likewise, for electrical equipment, the heavy electrical equipment project scheme in the public sector, together with the capacity in the private sector, should take care of most needs.

The main items for which it is necessary to take steps to build indigenous capacity are the following:

(a) Coke oven and by-product plants. These are needed not only by the steel industry but also by major chemical industries.

(b) Blast furnace plants.

(c) Air and gas compressors: steam driven turbo-blowers for the supply of air to blast furnace plants are required in steel works. Turbo-driven boosters are needed for boosting up the pressure of coke oven gas. Turbo-type air compressors are also needed for the liquid air plants which have become integral parts of modern steel works and fertiliser factories based on oxygen-nitrogen from liquid air. Gas compressors are important items of plant equipment in fertiliser factories, soda ash plants and certain other chemical industries.

(d) Melting shop requirements: these should include open hearth furnaces, electrical furnaces as well as other equipment needed in melting shops.

(e) Rolling mills: capacity for making rolls is being developed under the National Industrial Development Corporation project and the next step forward would be the construction of rolling mills.

(f) Cranes: these constitute essential equipment in steel works. It is estimated that the value of cranes in the Rourkela steel plant will be Rs. 1.7 crores. In addition, they are needed by the railways, ports and heavy industries generally.

Mineral Development

The target for coal in the second plan period is 60 million tons, against 35 million tons in the first plan, and it may be expected to go up to 100 million tons by the end of the third plan. There will also be a considerable expansion of activities for the exploitation of minerals, including oil drilling, quarrying of limestone, mining of iron ore, manganese ore, bauxite, etcetera, both for domestic and export purposes. Capacity to supply machinery for these purposes is negligible at the moment.

The manufacturing programme of the firms proposing to make cement machinery includes equipment for quarrying limestone and other similar operations, as well as some items needed for coal mining. Production of some diamond core drills and stone crushers is also expected to go up in the near future. By and large, however, the production of mining machinery has yet to be developed on an adequate scale. The Production Ministry, which is responsible for coal mining, has furnished a list of the main items needed for coal mining, but it has not been possible for it so far to give any quantitative indications of requirements. While some of these items could be produced by industrial units which have capacity for castings, forgings and structural works, a wide field remains uncovered and special steps have to be taken to create additional capacity. In particular, the production of power cutters required for the mechanised mining of coal should be developed.

More Fertilisers

The production of fertilisers is another field in which steady and substantial expansion is to be expected. Therefore, it is suggested that capacity should be installed for producing the machinery needed not only by the fertiliser industry, but also by other chemical industries, both organic and inorganic. The efforts so far made to produce chemical plant and equipment have been limited in range, and by and large confined to firms which for the expansion of existing factories have had the equipment made in the country, copying and adopting the design of the equipment already installed. It is worth emphasising that what is lacking most is not so much the capacity to fabricate as the know-how for designing plants which mostly have to be made to fit the requirements of each unit, utilising the latest techniques and adapted to local raw materials. The machinery required by the iron and steel, mining and fertiliser industries are important both because of the magnitude of the demand for them as well as the fact that, according to the Industrial Policy Resolution, their development is the responsibility of the State. It is worth drawing attention to some less important industries whose machinery needs are being met at present mostly, if not wholly, by imports.

(a) Paper mill machinery: so far there has not been much interest in undertaking paper machinery fabrication. The manufacture of equipment to set up two complete paper mills of 50 tons daily capacity may be regarded as an appropriate target for the end of the second plan.

(b) Ceramic industries: only an insignificant portion of the demand needed for ceramic industries is being fabricated at present and there is, therefore, room for setting up capacity in this field.

(c) Solvent extraction plants: the total planned outlay for solvent extraction plants in the next five year period is Rs. 4 crores, and the recurring demand thereafter is worked out at Rs. 10 lakhs a year, assuming about 25 years' life for the plant.

Additional Items

The following additional items deserve special consideration:

(a) Heavy machine tools: these are required by practically all industries, including the iron and steel industry and other heavy industries, and, according to the Industrial Policy Resolution, have to be included in the public sector. The capacity developed or likely to be developed in the existing units is for the lighter types of machine tools and there is a clear need for setting up a factory to make heavy machine tools.

(b) Hydraulic presses, rams and other hydraulic mechanisms: there is practically no indigenous capacity for the manufacture of these items. Hydraulic mechanisms range from very light-weight mechanisms intended to operate as servomotors to very heavy hydraulic presses with a large capacity. Since absolutely no capacity has so far been established, the scope for the manufacture of hydraulic equipment is considerable. Foreign collaboration and technical know-how are necessary in this field.

(c) Earth-moving equipment and agricultural tractors: an assessment of the minimum estimated requirements of items of earth-moving equipment, such as crawler tractors, scrapers, dumpers, shovels and excavators required in connection with medium and small irrigation projects likely to be undertaken shows that foreign exchange of over Rs. 20 crores would be necessary in five years for imports from abroad. Even providing only for small numbers of such or other related equipment required for activities not covered in the above, it may be assumed that nearly Rs. 30 crores worth of such equipment in five years, or approximately Rs. 6 crores a year, will be necessary. The committee set up by the Government to go into the scope for the manufacture of such items in India, after standardising types and sizes to the largest extent possible, has recommended that it may be possible to arrange for the production of nearly Rs. 20 crores worth of such equipment within the country according to a phased programme, so that, commencing with part assembly and part manufacture in the very first year, imports of components could be cut down to a bare minimum of 20 percent by the end of the plan period. While tractors required for the above items are of the order of 110 to 150 d.h.p., agricultural tractors of various sizes such as below 20 h.p. between 20 and 30 h.p. and above 30 h.p. are also required to the extent of nearly 4,500 or 5,000 a year—involving foreign exchange of about Rs. 2½ to 3 crores annually. A number of firms have shown interest in undertaking their manufacture and a certain amount of action for implementing the project has been initiated.

(d) Heavy lifts, hoists, conveyors, etcetera: all these are required by a large variety of industrial units and so far not much progress has been reported in making them.

(e) Gear-cutting: one of the factors impeding the development of the production of industrial machinery is the absence of facilities for the supply of gear drive units. This deficiency needs to be made good.

Government's Financial Control

India now has a Finance Minister who is a strong upholder of the constitution. Mr. T. T. Krishnamachari was a prominent member of the Drafting Committee which framed it, so he understands it thoroughly. The main responsibility for the federal Constitution lies with the Congress Party which is in office today. Under it, certain fields of activity are demarcated for States and certain others for the Centre. To meet subsequent needs, there have so far been nine Bills to amend the Constitution, the last one having been passed during the recent session of Parliament. It is often asked how the Party which is responsible for framing the Constitution is also responsible for ignoring some of its provisions in actual practice. Education, for example, has been, and is, a State subject. The Congress Party, which has moved to amend the Constitution nine times, has had ample opportunity to make it a Union subject. But it has not done so yet. Crores of rupees for the Central Exchequer are allocated for education—of university, secondary and even primary standards. It would be interesting to know under what provision of the Constitution money is allocated, for example, to the Social Service Board or to health schemes or for the improvement of agriculture? Has this aspect of the problem been brought to the notice of Parliament by the ever-vigilant Auditor-General? And if so, with what results?

The problem is important for several reasons. India may be old as a country, but she is young as a democracy. Her present rulers are daily urging new codes of conduct and traditions, even for the millions yet unborn. How will other political Parties respect a Constitution if the Party responsible for its formulation often ignores it? Another point to consider is that a second five year plan has been launched, the dimensions of which are still a matter of controversy. The Finance Minister, speaking in Madras, said: "Having raised the expectations of the people, there is now no question of revising the plan on a downward basis. Politically, it is almost impossible. On the other hand, some increase in outlay might be necessary in certain directions." The Finance Minister, in this connection, gave "a very low priority" to the question of finding internal resources. He admitted, however, that it was one of the three major difficulties in implementing the plan. The safety valve was the system of yearly planning, but that could work only if the Finance Minister with his constitutional authority were given a free hand. Through the medium of yearly planning, correct priorities could be accorded, thereby weeding out items of non-essential character or items which it was constitutionally improper for the Centre to finance.

State Revenues

The raising of resources by States is of fundamental importance to the implementation of the plan. Experience during the first plan in this matter was not happy. The Planning Commission in its very first Progress Report highlighted the failure of State Governments to raise the resources they had promised. Their attitude is not difficult to explain. In one case, Union Ministries, intruding in State spheres and pursuing their policy of departmental imperialism, have been forcing certain schemes of their own conception upon the States. The States take up the schemes only if the Centre offers to foot the bill for them. Instances of the imposition of schemes by the Centre became so numerous that the Bombay Government lodged a mild protest at the formulaic stage of the second plan. The issue is a simple one. State Governments know better than the Union Health Ministry in New Delhi the importance, say, of improving water supply or drainage in a small town like Godhra. In a democratic set-up, if the citizens of Godhra deserve a better system of water supply, they will elect only such representatives to their State Legislature as will secure them this essential facility. Water supply and primary education, incidentally, belong to the lowest deck, namely, municipal administration. Yet, Union Ministries are daily expanding the number of their own personnel to deal with them. The question of primary schoolteachers' salaries has been linked with student indiscipline, and efforts to saddle the Centre with the subsidy have succeeded.

As far as planning is concerned, States have been coming to the Planning Commission with definite and well-defined schemes backed by equally definite and unequivocal undertakings to raise fresh resources in order to finance them. But after the schemes are accepted, their financing often becomes the responsibility of the Centre. Instead of insisting on fulfilling their undertaking, the Centre, obviously for political reasons, has been doing out money to finance such projects.

Depending on Centre

Apart from the constitutional aspect of the problem, the growing practice of financing projects which are exclusively the responsibility of the State is making the States indifferent to the mobilisation of their resources; it is also destroying federalism by making States heavily dependent upon doles from the Centre. If this unhealthy development continues, it is possible that a constitutionally-elected Government or one Party in a State may be destroyed by a Government at the

Centre belonging to a different party. These, however, are issues beyond the range of the present discussion. The problem before the country now is to implement the second plan and to find money for it. Through annual plans, the non-essential items might be weeded out, without destroying the general façade which "has raised the expectations of the people." It needs to be appreciated that social services, for example, are in most places financed substantially by private charities. The Centre might give a grant, provided State Governments and private charities contribute, say, four-fifths of the expenditure. Similarly, Indian culture should first be known to Indians living inside India, and cultural activities such as crowding of the already overcrowded Indian universities by non-Indian students may be postponed until 1961.

Several commissions and committees have examined the working of the administration since independence. Until recently, a two-man team was employed to recommend economies in administrative expenditure. But in spite of these non-stop surveys, the clerical establishment of the Central Government has increased from 142,850 in December 1951 to 198,553 in December 1955 and 204,721 in May 1956. The Hoover Commission, which examined a similar problem of overlapping in the United States, made two quote-worthy observations:

1. "The cost of this huge American Government must be met in dollars that must be collected in taxes which must be paid for in the work of the people."
2. "The Federal Government should be required to serve the interests of all the people all the time and not just segments of the population."

There are indications that at least some people in the Government of India are thinking of progress through a series of five year plans based on realism and constitutional correctness. The 1957-58 plan is now being formulated, and it may give some indication of coming trends.

Plans for Dyestuffs

The Government's decision to start a dyestuffs unit in the public sector, through the National Industrial Development Corporation, was announced here recently. There are ten dyestuffs manufacturing units at present, of which four are of a substantial size. They are all in the private sector, the biggest of them having a tie-up with Imperial Chemical Industries. All these units have plans for expansion. As already reported, the Government's main anxiety at present is to manufacture "intermediates" in this country. Three project reports were recently received—from Imperial Chemical Industries, Montecatini and Bayer. Their examination have convinced the Government that in order to be economic, the manufacturing units for intermediate should be of a fairly large size. At present, it may not be feasible for the private sector to set up a unit or units to manufacture all the intermediates. To entrust the work to one or two units would create monopolies. And to entrust it to all the existing units would make many of them uneconomic. It might lead to inter-dependence among units, which is not a desirable feature of development. On fuller examination, the Government has come to the conclusion that it would be best to launch the project in the public sector. The question whether there should be one or more than one unit of production is still being examined. The Italian project report has devoted some space to describing the "ideal" one unit of production. Imperial Chemical Industries has gone still further. It has selected one site and recommended that "any further development of other sites should be discouraged."

Imports Increasing

Imports of dyestuffs have been increasing during the past few years. Demand is expected to go up by about 50 percent by 1960, at the very least; there are strong indications of even higher consumption judging by the present rising trend in the demand for cloth. This would mean a consumption of nearly 10,000 tons of dyestuffs, valued at about Rs. 30 crores. A number of industrial units have obtained licences from the Government in the last decade for the manufacture of dyestuffs. Most of these schemes, however, are based on imported penultimate, and only in a few cases do they start from complex intermediates. The Government attaches the greatest importance to the development of the dyestuffs industry. It is anxious to ensure that by the end of the second plan, the bulk of the requirements should be produced at home. It also hopes that this production will be based not on imported intermediates but on indigenous raw materials. A detailed technical report covering the whole field has been prepared by an Italian firm. Similar reports have been submitted by a German firm and a British firm.

It is an essential part of the development programme for the dyestuffs industry that the production of intermediates should be developed to the maximum extent possible. The demand for intermediates has to be assessed not merely on the basis of production plans for dyestuffs, but also on the basis of developments in other important fields such as drugs, plastics, and explosives. Many of the complex and late intermediates can be developed by factories which undertake their final processing into finished dyestuffs or other products. At the same time, it is desirable to undertake the production of primary organic intermediates on a centralised basis, because the capacity of these is related not to the production programme of a single unit but to the requirements of the industry or industries as a whole. The Government has therefore decided that the National Industrial Development Corporation, which is a private limited company owned entirely by Government,

should set up central capacity to manufacture the primary intermediates. At the same time, it has asked firms in the private sector which are already registered or licensed for the manufacture of dyestuffs, as well as those which have applied for a licence, to indicate the kind of development they are willing to undertake for the production of late intermediates. A decision on the exact scope of the National Industrial Development Corporation project and the manner of its execution will be taken after the programme of the various firms already in the field is clearly known and determined.

Expanding Rubber Output

The Government is examining proposals to expand the area under natural rubber. Recent estimates place India's demand for rubber in 1970 at 80,000 tons, against the present production of 30,000 or 35,000 tons a year. According to these estimates, there will be a gap of about 8,000 tons after taking into account the rehabilitation and replanting of rubber trees and the contemplated manufacture of synthetic rubber. The latter two will provide 72,000 tons by 1970. A rubber tree "goes into production" about eight years after it is planted. It is therefore necessary to plan now to bridge the gap of 8,000 tons a year between the demand and availability of natural rubber in 1970. It is proposed to bring 50,000 acres of additional land under cultivation in Travancore-Cochin and parts of Madras. Three units are planned for the manufacture of synthetic rubber. Their location will be in the areas manufacturing alcohol. One of them, it is expected, will be in Uttar Pradesh and another in a steel works area.

Foundry-Forge Project

The broad outlines of the proposed foundry-forge project have been indicated by Mr. John

Blakiston, Technical Adviser to the National Industrial Development Corporation. They are designed to serve as a guide for the three organisations in Czechoslovakia, Western Germany and the United Kingdom in submitting their detailed project reports. Mr. Blakiston has suggested the Dhanbad-Bokharo-Ranchi area as "the most suitable location for accessibility by the main interests likely to participate in the project." He has submitted a memorandum to the Corporation on the nature and scope of forge-foundry works, in which he has suggested that the works should comprise a steel foundry, a grey iron foundry and a forge. The annual production and weight capacity of the steel foundry may be 15,000 tons of finished steel castings a year, with an occasional maximum weight of 50 tons. The capacity suggested for the grey iron foundry is 25,000 tons a year, with a maximum weight capacity of 50 tons. It is assumed that this plant will have to act as a balancing factor for the production of ingot moulds and slag ladles between the various steel projects of the second plan. As for the forge, the capacity suggested is 5,000 tons a year of finished forgings, with a maximum weight capacity of 15 tons.

Mr. Blakiston has recommended that there should be a heavy machine capacity section, with a limited selection of heavy machine tools, representing the major outsize of machine tool capacity for the whole of India. It is desired that the particular machine tools should be within the same area of the project to save on handling and transportation. A heavy drop stamp unit to work in conjunction with the heavy forge has been included by Mr. Blakiston in the project as an optional additional plant. A sub-section for the fabrication of heavy components from rolled steel slabs would



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STEEL

The expansion of the iron and steel industry has been given first priority in the Second Five Year Plan. Three new plants—each with a capacity of one million ingot tons—will be established in the public sector, while the capacity of existing plants will also be increased. This means that by 1961, India's iron and steel capacity will be well over three times the present figure... from 1.3 million tons to 4.5 million tons. And the value of industrial machinery produced in this country is expected to increase by five or six times. What does this development mean in terms of oil? More fuels and lubricants to move raw materials... more cutting and quenching oils for actual production operations... more greases, lubricating oils and technical service required to look after the many new machines. Oil not only keeps the wheels turning... it helps to make the wheels in the first place. And where oil is needed—there you'll find Burmah-Shell.

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be complementary to the class of work envisaged. All these sections of the project should be so planned and laid out that the buildings and plant may be expanded longitudinally to enable the production to be doubled, if necessary, at some future date. Mr. Blakiston, in his memorandum, has also suggested that the project should consist of seven bays, each of a standard-size 80 feet span, with an overall length of 500 feet, capable of expansion in either direction. The first bay will be for a heavy machine shop; the second for the forge and manipulatory fabrication; the third for grey iron and steel fettling; the fourth and fifth for the steel foundry; and the sixth and seventh for the grey iron foundry.

Mr. Blakiston has suggested these terms of reference to the tenderers merely as guidance. Any alternative which, in the opinion of the tenderers, is likely to reduce the capital cost or increase the flexibility of the plant, will be carefully considered. The basic conception of the scheme is to provide central heavy engineering facilities for the heavy engineering industry which, on account of the capital outlay required, may be beyond the means of private enterprise; and which can only be justified by serving in a comprehensive manner the aggregate out-size requirements of the constantly increasing and diverse heavy engineering, chemical and power projects. On the basis of an assessment of the availability of suitable components for manufacture, Mr. Blakiston has prepared a preliminary list of those consumed by some major industries. For the sugar industry, roll housings, stretchers, caps, gears, shafts, rolls and combs and evaporators are to be manufactured. For iron and steel works, he mentions roll housing, manipulating gear, charging box ends, rolls, ladles, driving shafts, ingot moulds, furnace castings, blast furnaces, bell and hopper gears and blast furnace ladles. For marine and transport, bow, rudder and stern frames, anchor chain links, anchor stocks, crank shafts, propeller shafts, locomotive cylinder and main castings, crankshaft and axle tree drop forgings, dredger shafts and buckets are needed. For the chemical industries, autoclaves, stills, caustic pots, pressure vessels, spun pipe moulds are required. For the mining industries, heavy components, including haulage and winding machinery, conveyor drives and coal cutting and handling tools are mentioned.

Mr. Blakiston says that many of these items are imported. Once the project is established, it will be overwhelmed with work and can select to its own advantage the components most suitable for the facilities it has. It is on this basis that he has framed the broad outlines of the foundry-forge project. The three organisations which have been asked to submit detailed project reports on the basis of the Blakiston memorandum are: Techno-

export of Czechoslovakia; Klockners of Western Germany; and Campbell, Gifford and Morton of the United Kingdom. Tenders are due by the middle of December, but it is possible that an extension might be asked for. When the quotations are received, they will be examined by Mr. Blakiston and placed before the next meeting of the National Industrial Development Corporation.

Newsprint Mill in Hyderabad

The Government of India has decided to entrust to the National Industrial Development Corporation the setting up of a newsprint mill in Hyderabad. The unit will be in the public sector. It will use bagasse, a by-product of sugarcane, in the manufacture of newsprint. The Corporation is likely to seek the technical collaboration of some foreign interests in the project. Bagasse is already being used in the manufacture of writing paper.

Aluminium Units

The aluminium manufacturing units in the Mettur Dam area of south India and in the Riband project area of Uttar Pradesh are also being processed by the National Industrial Development Corporation.

Coal Plans

From the data available so far, an estimate of the quality of coal to be mined in different areas has been tentatively made. It is as follows:

		(Million Tons)
Karanpura	Selected B	0.4
	Grade I	1.2
	Grade II	0.9
Korba	Selected A	2.5
	Grade I	2.00
	Grade IIIB	1.00
Kathara	Grade I	4.00
	Selected A	0.5
	Selected B	2.20
Bisrampur	Grade I	1.20
	Grade I	0.40
	Grade I	3.80
Korea	Selected B	0.50
	Grade I	0.50
	Grade I	1.00

For Korba, the position is that 2 million tons will be extracted from the Ghordeva seam, which is Selected A grade, and 2.25 million tons from the Jatraj seam. The coal of the latter category will be washed and is expected to yield 1 million tons of Grade I coal, and 1 million tons of middlings,

which will be classified as Grade IIIB. Half a million tons of these middlings will be used in the power house that is being set up by the Madhya Pradesh Electricity Boards. The other 500,000 tons will be used for brick-burning for the railways and other consumers, and also in the Bhilai project, where a certain quantity of middlings are needed. It is not correct to say that the coal of the Jatraj seam has an ash content exceeding 40 percent; it ranges from 28 percent to 36 percent. The notion that the ash content is more than 40 percent is derived from the fact that some stone bands contain, as stone bands usually do, a high percentage of ash. The ash content of these stone bands is not to be taken into account. The programme of production visualises the extraction of the higher grades of coal.

Black-Krishnamachari Correspondence

The text of the letters exchanged between the President of the International Bank for Reconstruction and Development, Mr. Eugene Black, and the Indian Finance Minister, Mr. T. T. Krishnamachari, were published recently. Mr. Black said in his letter: "In view of the acute shortage of railway investment, attention should be given first to the possibilities of improving the operational efficiency of the railway and of encouraging road transport and coastal shipping; the latter between them should be capable of making a considerably larger contribution than at present. I think that transportation could appropriately be regarded as a top priority for any Bank financing that may be devoted to the second five year plan." Coastal shipping was reserved for Indian owned and managed ships as early as 1950. A recent appraisal indicated a serious shortage of tonnage operating on the coast. It was claimed that about 30 more ships were needed, and the shortage was being felt particularly by the coal and the Andamans timber trades. This, it was stated, was largely due to the unprofitable nature of coastal shipping. "The remedy seems to lie largely in co-ordinating the freight structure of coastal shipping and the railways, a task to which the Rail-Sea Co-ordinating Committee is now addressing itself." It has also been asserted that railway rates are uneconomic and unrealistic and should be raised. At the same time, a demand has been made to earmark a definite share of the freight for coastal shipping.

Transport should not be used as a surreptitious way of raising taxation. The railway freight structure might appear "economically unrealistic", but it has managed to balance the Railway Budget, apart from making some contribution to the general revenues. In other words, it needs no upward revision so far as railway requirements are concerned. Any increase in railway freights would be in the nature of a tax on the general consumer using railway services. The issue, therefore, is whether it is a sound policy which is obviously calculated to benefit not all the people but only a section of them. In the final analysis, the continuation of any enterprise depends on its value to the public. If it is essential and if its services are better or cheaper than can be provided by a competitive agency, it deserves to be supported. If not, it does not deserve to survive. The Government has done its best to encourage shipping in general, and coastal shipping in particular. The Mudaliar Committee might find it difficult to recommend an increase in railway rates, because most of the witnesses from the interior appearing before it have urged the lowering of even the present rates.

Road transport stands on a different footing, as far as goods traffic is concerned. The Government has given assurances against nationalisation, at least for the second plan period. Here the issue is a slightly different one. Road transport is effective and profitable in Europe, largely because heavy vehicles are worked together with heavy trailers. Indian roads, particularly bridges in their existing condition, are too poor to be able to stand the weight of these heavy vehicles. A programme for road transport will have to take into account the strengthening of roads and bridges in India. In the ultimate analysis, most of the goods traffic will have to be carried by the railways. It is, therefore, in the fitness of things that the Finance Minister, Mr. T. T. Krishnamachari, has asked Mr. Black to discuss with his "trusted" lieutenant, Mr. B. K. Nehru, the financing of the railway development programme.

Company Secretaries and Accountants

The Finance Ministry proposes to sponsor the recognition or establishment, as the case may be, of two professional institutes—an Institute of Company Secretaries and an Institute of Cost and Works Accountants. During discussions on the Companies Bill, suggestions were made to provide for secretaries for every public or private limited liability company. But it was pointed out that until a profession of company secretaries had been built, it would be premature to provide for their compulsory appointment. There are three bodies of the secretarial professions functioning in India. Two of them are branches of U.K. organisations and the third is an Indian body. It is felt, however, that they are hardly adequate to meet the needs of this country. The Government has, therefore, accepted in principle the suggestion to set up a professional body for company secretaries under an act of Parliament. Pending the necessary legislation, it is proposed to set up an Institute of Company Secretaries as a limited liability company without share capital or profits. It will be located in Calcutta. There is also an Institute of Cost and Works Accountants in this country. It has 303 members and 267 student members. The Institute has been holding examinations twice a year. The Council of the Institute has offered to place it under Government control, and the proposal is now being examined. It is suggested that the Government should take it over and give it

statutory recognition in due course. Meetings of the interests affected are likely to be held in Calcutta soon.

Checking Cloth Price Rises

The Government has taken extensive measures to ensure that cotton textiles are sold at reasonable prices. Prices so far have been steady; at any rate, they have not risen sharply—so it is claimed. The imposition of excise duties on cloth was one method of promoting consumer resistance. The order against the keeping of more than three months' stocks by mills in general, and more than one month's stock by mills in West Bengal, along with the credit squeeze by the Reserve Bank, were other steps to check the rise in prices. The Textile Commissioner allotted a larger number of railway wagons for the movement of cloth to consuming centres, particularly West Bengal. There was a danger of an artificial cloth famine being created by dealers refusing to take delivery of goods. To counteract this, a member of the Central Board of Revenue, Mr. B. N. Banerji, recently visited Calcutta and secured assurances from dealers against such hold-ups. As a last resort, the Government retained requisitioning powers, and these were duly exercised. The West Bengal Government issued an order on 10th October requisitioning all consignments of textile goods which arrived up to and including 6th September, and were still held by the railway authorities in godowns.

Stocks of cotton textiles with mills on 31st August this year amounted to 154,000 bales, against 202,000 bales on 31st August, 1955. Exports of textiles during the first six months of 1956 amounted to 346 million yards, against 362 million yards in the corresponding period of 1955. Since both stocks with mills and exports have declined compared with 1955, home consumption must have gone up. According to the latest estimates, per capita consumption on an annual basis during the last six months has been 16.8 yards, or 0.9 yards more than in 1955. On this basis, the per capita consumption of 18.5 yards mentioned for 1961 should be reached by 1958, and the 1961 per capita

consumption should be not less than 20 yards. With a per capita consumption of 18.5 yards and an export target of 1,000 million yards, India should produce 8,400 million yards of cloth a year, against the present output of 6,700 million yards. She should, in other words, produce 1,700 million yards more of cloth by 1961. The Government has permitted the installation of 2.1 million new spindles; 1.8 million had already been licensed and 320,000 more were approved by the Licensing Committee at its meeting here last week. They will be installed in the new mills in Punjab and West Bengal which are being assisted financially by the Union Ministry of Rehabilitation.

On the loomage side, a production of 350 million yards has been allotted to the mill industry, the whole of it being for export. The issue before the Government is whether to stick to the existing targets and face an acute cloth scarcity in 1958 or to enhance the 1961 target on the basis of a per capita consumption of 20 yards. The latter would require a further expansion of cloth production by 600 million yards. To produce this quantity, 1.2 million additional spindles and 30,000 additional looms will be needed, on the assumption that the extra production will be entrusted to the mill industry. An early indication of the Government's policy is expected.

Revised Foodgrains Target

The Planning Commission, particularly its Deputy Chairman, Mr. V. T. Krishnamachari, has succeeded in persuading State Governments to revise their targets for agricultural production. The second plan mentioned a target 15 percent above the 1955-56 production. A little before the Planning Commission was to sign the second plan, Mr. V. T. Krishnamachari suggested raising the target to 40 percent. The two main features of his proposals were that the increase in the 1961 target from 15 percent to 40 percent should be within the existing outlay; and that the additional production should reduce the prices of agricultural commodities by 20 percent. As a result of recent discussions, State Governments

have agreed to a revised target for foodgrains of 30 percent over the 1955-56 production, against the original target of 15 percent for 1961. It is explained that the revised target is only for foodgrains and not for all agricultural products.

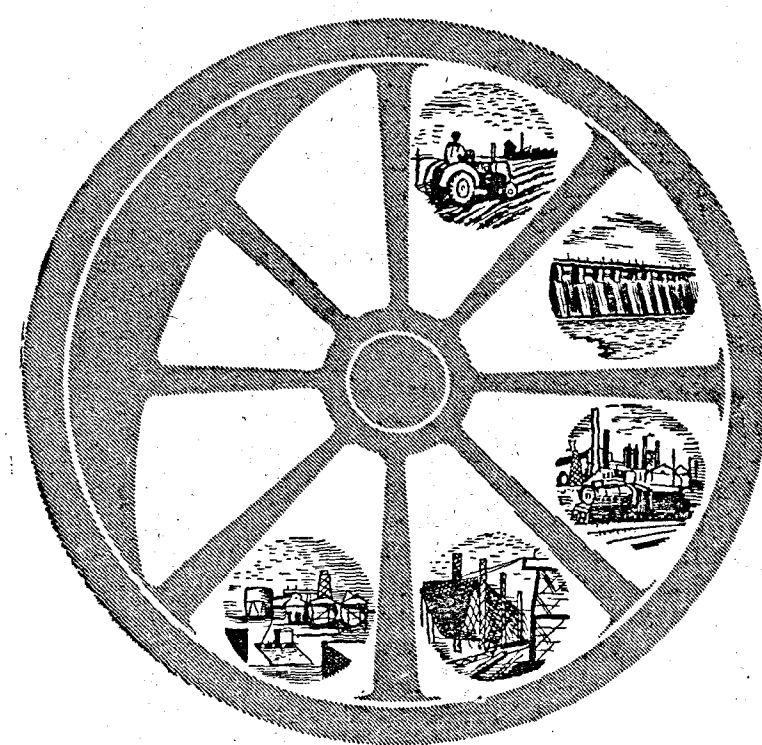
Indo-Czech Iron Ore Pact

A two-year Indo-Czech agreement on iron ore was reached here last week. Under it, India has undertaken to supply 500,000 tons of iron ore, at the rate of 250,000 tons a year. Negotiations for the sale of one million tons of iron ore a year, on a long-term basis, will be resumed by an official of the Commerce Ministry, Mr. B. K. Kochar, during his forthcoming visit to Japan, where he will represent this country at an E.C.A.F.E. session. They were initiated by the Japanese industrial mission during its recent visit to New Delhi, when the State Trading Corporation, offered to supply one million tons of iron ore a year on a long term basis. While in Japan, Mr. Kochar will also explore the market for manganese ore, which is in great demand there. In fact, India's anxiety is to push up exports of manganese ore in preference to iron ore. While on the subject of Indo-Japanese trade, it may be added that there is a growing realisation on both sides of the need to readjust their foreign trade policies. War and postwar developments have changed the pattern of Indo-Japanese trade. By mutual co-operation rather than cut-throat competition, the two countries can foster their trade relations, it is emphasised here. India, for example, needs steel, cement and machinery for her industrialisation, which she is prepared to buy from Japan or take in exchange for certain commodities she is prepared to export. Salt, iron ore, manganese ore and tobacco are other goods on India's export list.

Import and Export Council Meetings

The next meeting of the Import Advisory Council will be held here on 17th November. The Export Advisory Council will meet on the following day. The term of appointment of the two Advisory Councils has been extended for a further period of six months. The Councils were last reconstituted in November 1954 for two years.

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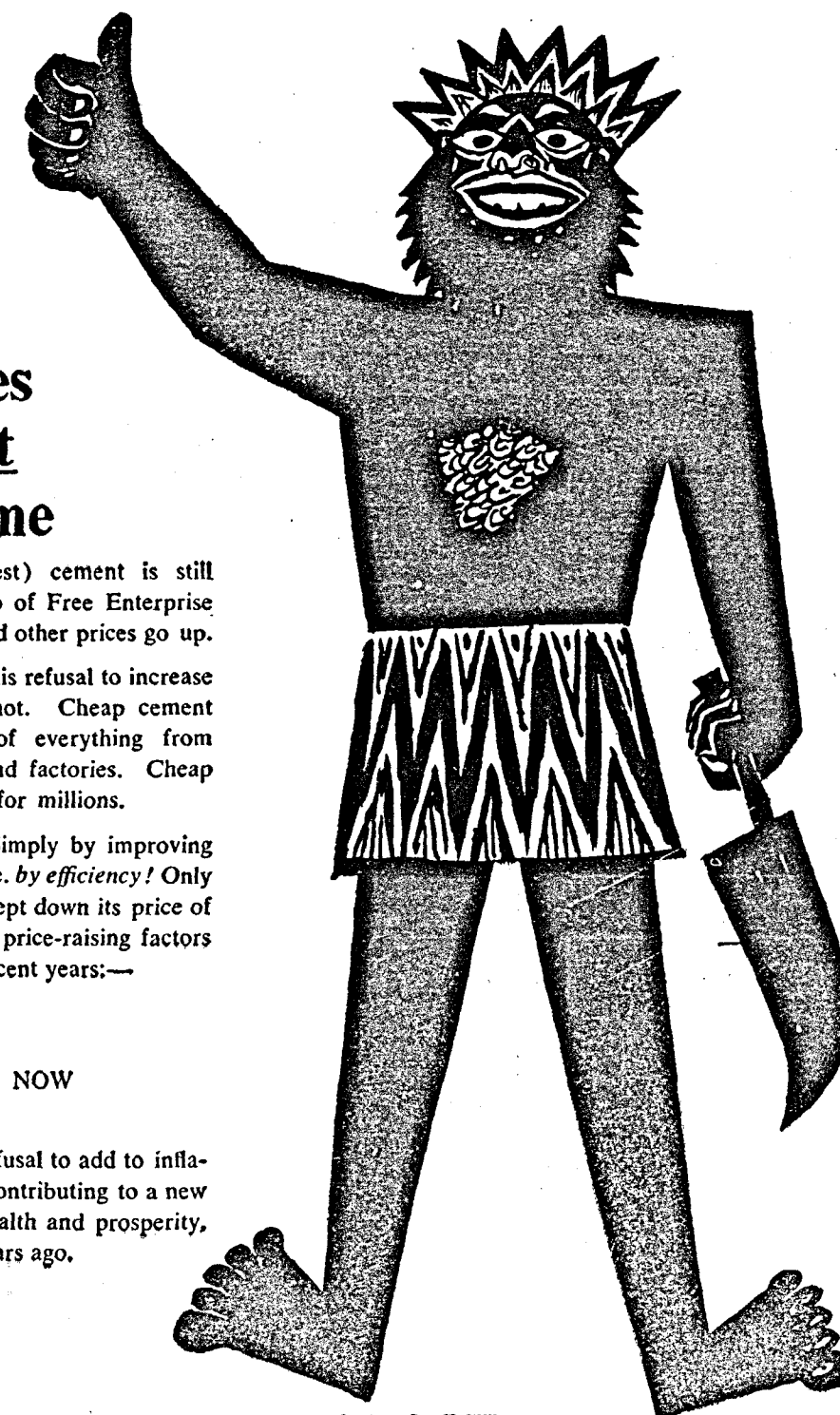
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NO NEW LIGHT ON MAJOR ECONOMIC PROBLEMS

MR. HEAD'S PROMOTION COMES AS A SURPRISE

(FROM OUR LONDON CORRESPONDENT)

A CROWDED fortnight has furnished us with much to think about, without providing a great deal of clarification of the obscurity surrounding the major problems which have a bearing on the economic outlook in the immediate future. Sir Anthony Eden's partial re-shuffling of his Cabinet to relieve Sir Walter Monckton, on health grounds, of his heavy responsibilities as Minister of Labour and then Minister of Defence, has been expected for some time, and the only surprise is Mr. Head's promotion to the Defence Ministry in view of the strong criticism to which he has been subjected both by the Opposition and even by some Conservative back-benchers for his handling of certain questions as Secretary for War. On the other hand, there is force in Whitehall's argument that the promotion is "logical" as an entirely new broom would be faced with almost insuperable difficulties at this juncture. The Conservative party's annual conference in Llandudno, contrary to expectations, proved to be a triumph for the Government, whose general policy over a wide field came in for much greater approval than the unusually critical resolutions on various topics suggested as being likely. The responsible Ministers did well in ensuring this result, and Mr. Butler and the Prime Minister himself went a long way towards dispelling the idea that they had lost their grip on the rank and file and were in danger of jeopardising the party's position in the next election by lack of a firm policy.

Progress Report

The Bankers' Dinner at the Mansion House was notable this year for the unanimity it disclosed between the views of the Chancellor of the Exchequer on the one hand and the Governor of the Bank of England on the other as to the steady progress that is being made towards containing the inflationary danger. The City had awaited these speeches with foreboding and it received them with relief. Mr. Macmillan revealed that Britain's balance of payments surplus for the first half of this year was in fact £144 million (in July he anticipated a figure of "something over £100 million"), which is an impressive improvement on the comparable period in 1955 of a surplus of only £15 million. He also disclosed that so far the financial and trade consequences of Suez have had no significant effect on the economy. He saw no reason to fear that "the broad structure" of his Budget would not be maintained. He supported this view with the statistical evidence already available, but warned us of the continuing threat from Suez and of the internal danger of the still unsettled wage claims which are serious because our external reserves are still too low. Mr. Cobbold followed with an authoritative assessment of the working of the Government's monetary policy. The economy he saw as "still overstrained", but rather less so than some months ago—with the tempo of activity slightly diminishing. As to the struggle with inflation, he described it as "effectively joined but certainly not yet won." Mr. Cobbold endorsed the view that the coming months are crucial and that the determining events lie in the fields of industrial costs and public finance. He refused to give any commitment as to the future course of the Bank rate, but he did go as far as to say that the Bank will feel more comfortable "when circumstances justify a somewhat lower pattern of short-term interest rates." On the much-discussed question of the desirability of introducing statutory liquidity ratios the Governor of the Bank of England registered his strong preference, shared by the banking com-

munity, for the current policies of economies, increasing savings and a general funding programme.

Sir John Braithwaite, chairman of the Stock Exchange, continued his regular efforts to educate the public as to the relationship of profits and dividends to inflation and put in a strong plea for profit taxation reform. His thesis was the inadequacy, in present conditions, of depreciation allowances for tax purposes based on historical costs. During a period of stable prices the historical cost basis worked out well. But it has become anachronistic in the present inflation phase. The effect is to make profits as published and as taxed appear considerably greater than they really are. Sir John frankly recognised the practical difficulties which arise once the Inland Revenue leaves the firm ground of historical cost for the more debatable realm of price indices and estimates. He ventured to assure Mr. Macmillan, nevertheless, that companies and their advisers could find a new and realistic basis for calculating depreciation satisfactory both to the Revenue and themselves.

September Trade Deficit

Britain's trade gap, measured by the excess of imports over exports, widened again last month. At £63.7 million, it was £2.9 million larger than the August figure of £60.8 million and substantially above the average of the first nine months which is £53.1 million. Imports in September at £295.1 million were £27 million less than in August and below the average of £332.3 million for the first nine months. But exports also fell, by £30 million to £231.4 million, against the nine-month average of £259.2 million. Exports in September, as in August, are usually low because of holidays. This year both exports and imports may have been reduced through the requisitioning of ships due to the Suez emergency. Sales to Canada and the United States in September were valued at £33.1 million, against £34.4 million the month before. In the first half of this year Britain not only paid her way in her current transactions with the rest of the world but earned a substantial surplus of £144 million, £126 million more than for the first half of 1955. The usual Government White Paper shows that the main factor responsible for this turn-round was an increase of £168 million in earnings from exports, against a rise of only £36 million in imports. Britain also achieved a surplus of £61 million in the first half of this year with the vital dollar area. This compares with a deficit of £76 million in the first half of last year.

As Others See Us

The opinion of an outsider is always interesting, if not always very welcome. The O.E.E.C. has been considering economic conditions in Europe. It finds that British production is lagging well behind that of other European countries—14 percent up on 1953 as compared with 41 percent for Western Germany, 38 percent for France, and 28 percent for Belgium. The average for the 15 countries was 27 percent. The report also says that over the past two years prices of consumer goods have risen faster in Britain—by 12 percent—than in any other European country except Turkey, Greece and Iceland. Dealing with the U.K. alone, it says: "External economic problems are likely to continue to be a major preoccupation of the United Kingdom for some time to come." The report acknowledges the success of the credit squeeze and other measures that have caused the improvement in the balance of payments in the first half of 1956. Industries producing consumer durables for the home market have been made to release resources, but the next stage which is slow to start, is for these resources to move to the engineering industries working for export markets. Something has to be done to make the economy more flexible and the O.E.E.C. suggests that more foreign competition is wanted. "The most direct stimulus to greater flexibility in the economy can be provided by greater foreign competition."

Steel Production Recovering

Steel production has begun to recover from the low point to which it had been reduced by the ban on overtime by the industry's maintenance workers. Production in September was at an average weekly rate of 417,000 tons a week, which is a good deal better than the low level of 326,400 tons a week reached in July, but not yet up to the level reached in the early months of this year. The change in the pattern of demand for steel since last year is stressed in a statement from the Iron and Steel Board. Deliveries to the heavy capital goods industries were higher in the eight months of 1956 than in the same months of last year. Deliveries to the motor, cycles and aircraft group of industries were lower. Deliveries to the shipbuilding and marine engineering industries were 16,800 tons between January and August, 1956, against 14,600 tons in January to August, 1955. This tendency for the capital industries to use more steel and the consumer goods industries to use less may be seen also in figures for steel imports. Imports of plates and of sectional steel have increased, while imports of sheet and tinplate are well below last year's level.

Investment in 1957

A new Bulletin for Industry from the Treasury summarises the reasons for expecting industrial investment to level off during 1957. Estimates of expenditure have been received from some four hundred companies. These expect to spend 9 percent less on building work in 1957 than in the present year. They expect to spend a little more on plant, machinery and vehicles in 1957, but their total capital expenditure will be slightly down. There is confirmation of this trend from the fall in industrial building approvals in the first half of this year. The fall was not extended into

home orders for machine tools in the second quarter. On the other hand, new home orders for capital goods in engineering generally have been picking up in the second quarter and may well have been higher than in the first or second quarters of 1955. "Provisional indications are that manufacturing investment may begin to level out next year at the high levels attained," the Treasury concludes.

Employment Statistics

Employment exchanges in Britain filled 176,000 vacancies in the four weeks ended, 22nd August. The number of vacancies notified but unfilled on that date was 361,009, 36,000 fewer than on 25th July, and 87,000 fewer than a year previously. These figures are given by the Ministry of Labour and National Service, which also announces an increase of 6,000 in unemployment between 13th August and 17th September, and a fall of 25,000 in "temporarily stopped" workers. The announcement says, however, that the decrease in those temporarily stopped resulted from some workers on short-time ceasing to register as unemployed when they were disallowed benefit by the National Insurance Commissioners because they were covered by a guarantee week agreement. There were 247,600 registered unemployed in Britain on 17th September, of whom 225,200 were wholly unemployed and 22,400 temporarily stopped. This was 1.1 percent of the estimated working population, compared with 1.2 percent in August and 0.9 percent in September, 1955. Of the wholly unemployed, 38 percent had been out of work for more than eight weeks.

Television Hits the Cinemas

Figures to be published shortly by the Board of Trade will show that the decline in cinema attendances in the second quarter of 1956, compared with the same period of 1955, was 9 percent. Admission to 4,424 cinemas totalled 279 million. It is interesting to note that the Rank organisation has decided to close 79 of its cinemas. Although no detailed figures are yet available, attendances at many cinemas improved in the past quarter, but this is believed to be due to the bad weather. The impact of television is shown in a report which indicates that the fall was more than the average in the North-Western (13 percent) and Midland regions (11 percent). Commercial television began in the Birmingham area in February and in Manchester in May.

Exchange Control Relaxations

Further simplifications of Britain's Exchange Control formalities, to be introduced this week, will be welcomed in commercial and financial quarters. Designed to help traders and to achieve administrative economies, the changes will reduce the number of forms to be completed by about 1,300,000 a year. One change will raise the exemption limit for filling in forms for export shipments from £250 to £500. The effect will be to reduce the number of forms to be completed by over 300,000 a year, or by about 37 percent of the present number of forms for exports to destinations outside the sterling area. As for import payments, Exchange Control forms will be abolished for all payments up to £250, with the resultant elimination of about 400,000 forms a year, or about 50 percent of all the Exchange Control forms relating to U.K. imports from outside the sterling area. It is also proposed to abolish forms for most "invisible" payments up to £250, which will add another 600,000 forms a year to this Exchange Control bonfire. This represents about 45 percent of the number of all Exchange Control forms for payments outside the sterling area for "invisible" transactions, but only about 11 percent of their value. The new arrangements do not affect the requirements of the Exchange Control Act, 1947, regarding the collection of sums due and the surrender of foreign currency. That the exporter's duty is to obtain prompt return to this country of the proceeds of his exports still stands.

Work Study in Jute Mills

Since April, 1954, the Association of Jute Spinners and Manufacturers has operated a work-study advisory service to assist and advise firms on the application of work study and incentive methods. This will now be organised on a new basis in view of the ending of the contribution towards its cost which came from U.S. counterpart funds. In future the Association will finance the service entirely from its own resources for the benefit of its member-firms. The service will be continued largely in its present form and, as before, close liaison will be maintained with the work study staffs of individual firms. Among the special projects which are to be continued is the successful "productivity ladder" scheme which the jute industry last year introduced for the first time in this country and to which reference was made in a recent despatch. This scheme enables individual firms to compare their own rate of productivity in various stages of processing with that of other firms.

Mysore Gold Pay-out

With the completion of arrangements covering the nationalisation of the Mysore gold mines the City has shown considerable interest in share prices and break-up values. There are substantial gaps. The 10s. shares of Nunddydroog Mines, for instance, are quoted on the market at about 16s. 4d., against the 20s. that holders might expect to receive on nationalisation. The latter figure is based on the £476,000 compensation receivable and the £107,000 of gilt-edged held. Champani Reef, similarly, are 2s. 9d. below their approximate break-up value of 15s. The vesting date has been fixed by the Mysore legislature as 30th November, and three-quarters of the compensation will then be payable at once. The remaining quarter will be payable 24 months later.

Bombay

INDIA LOSING TEXTILE TRADE IN MIDDLE EAST

INCREASING COMPETITION FROM COMMUNIST COUNTRIES

(FROM OUR BOMBAY CORRESPONDENT)

A COMMITTEE member of the Cotton Textiles Export Promotion Council, Mr. M. N. Savani, Middle East tour, Mr. Savani points out that whereas five years ago India supplied the bulk of Iran's textile requirements, such exports now amount to no more than a mere trickle. Mr. Savani estimates the annual Iranian demand at 250,000,000 metres of which Iran's own mill industry and the handloom sector now produce 125,000,000 metres each year. Russia with 50,000,000 metres a year is at present the leading exporter to Iran followed by Japan with 25,000,000 to 30,000,000 metres. East European Communist countries including Poland, Czechoslovakia and Hungary between them account for another 20,000,000 to 25,000,000 metres, while India and Italy share the last place competing for the balance of 25,000,000 metres. There are various factors which have contributed to this decline. A fundamental change would seem to be a shift of consumer preference from coarse and medium varieties to fine and superfine fabrics, and in this field, India is unable to compete with the Communist countries and Japan. The diminishing demand for coarse and medium counts is being increasingly met by the local industry and imports of these qualities are drastically restricted and subject to prohibitive duties, while the import of certain varieties, such as grey cloth and coating is prohibited. Iran's barter agreements with the Communist bloc facilitate the imports of textiles from the Communist countries to the detriment of the Indian trade which is conducted on a cash-and-carry basis.

Apart from the uncompetitive position of the Indian industry which derives from old-fashioned and outmoded equipment (which also prevents the proper finishing of the fabric), certain other requirements of this market have not been met. Iranian merchants, for instance, prefer to receive printed fabrics in as wide an assortment as possible whereas Indian mills stipulate an unreasonably large quantity for each design and colour. Again, the demand from Iran is for coloured weft shirtings and dyed poplins in 29" and 36" widths with double foldings and in 40-yard pieces while India supplies in 24-yard pieces and in single fold only. India is not in a position to supply printed chintz, shirtings and dyed poplins on rolls while the competitor countries are able to do so. This is an important factor as the Iranian retailer is prepared to pay a premium of about two annas a yard if the cloth is supplied on rolls instead of in pieces.

Perhaps the Indian industry is not entirely to blame. The export demand is widely dispersed over a large number of mills and forms a relatively small proportion of their individual total output. It seems hardly worth their while to disturb their normal production, geared as it is to the mass consuming home market, in order to roll off comparatively smaller quantities of specialised fabrics for an erratic foreign market. Yet, the aggregate demand is considerable and the overseas customer must be offered what he actually requires and at a competitive price instead of being coaxed to accept in large minimum quantities something he does not really need at prices higher than those ruling elsewhere. Perhaps when the new spindles and looms recently sanctioned by the Government of India come into operation, it may be possible to pay attention to these details because the quantity of cloth so produced would be limited and specifically meant for the export market. In addition, the mills will have an incentive to comply with these requirements in the knowledge that they can at last be competitive with the new equipment installed. The Indian industry would be well advised to consider this point carefully because customer requirements of piece lengths and packing is as important a factor as price. The Cotton Textiles Export Promotion Council could also assist by keeping the home industry well informed on changing fashions and tastes. Mr. Savani also draws attention to a serious complaint which was made to him during his tour. It was alleged that various varieties are stamped as having been dyed in fast colours while in actual fact they are not so. In particular, it was alleged that almost all types of Leopards which are dyed in sulphur black are stamped as fast colour, but the colour begins to fade and run with the first wash. There can be no excuse for such practices and they must cease forthwith. There can be nothing more disastrous than a blot on the integrity of a mercantile community.

Syrian Textile Industry

Much the same conditions prevail in the other countries of the Middle East. The Lebanon, for instance, is also developing her own textile industry. The country has a number of mills which produce almost all varieties of cloth including superior shirting and specialised items such as towels and furnishing fabrics. The country needs to import little except for bleached voiles and heavy satins which are supplied by the U.K. and Japan. The import duties are prohibitive which are designed to protect the home industry. Syria, too, has an efficient textile industry of its own which takes care of the home market in addition

to exporting some quantities to Jordan, the Lebanon and Iraq. Mr. Savani was impressed with the Syrian manufactured cloth which he found superior to the Indian product. He particularly found that Syrian grey sheetings were flawless, whitish in appearance and without any kitty. The reason for this is perhaps the superior Syrian cotton. Indians may be able to do some business with this market in heavy quality grey and bleached drills, heavy grey sheetings and mercerised bleached voiles but not at the present price level. Syria would appear to be a good market for cotton yarns, but India would have to face severe competition. In the cotton yarn market, Belgium is now listed as the world's largest exporter with the United Kingdom second and Hongkong in the third place. India takes the eighth place in this field being beaten by Italy, Japan, Egypt and the United States. Some very low prices indeed have been quoted at subsidised rates to producers. Manchester reports indicate that in recent months there have been a spate of low quotations for yarn from Pakistan and there is some wonder in the trade there as to how Pakistan mills can afford to offer their products at such low figures. Jordan has no textile industry of her own and continues to be an importer and was once a good market for India which has now been lost to Japan, the Communist countries and Britain. Iraq, on the other hand, has just started a few mills which concentrate on the manufacture of grey cloth. According to Mr. Savani, the quality is excellent because the local cotton is of sufficiently long staple and better in quality than that used by Indian mills for the manufacture of similar cloth. Iraq, too, has imposed a steep import tariff in order to protect the domestic industry and of the varieties that are still imported, Japan and the Communist bloc seem to have a monopoly. Similarly, Kuwait and Bahrain which used to be India's traditional markets have been lost to foreign suppliers.

The broad fact emerges that not only has India to face severe competition from Japan and the Communist countries, but she also has to contend with the development of the local industry in this area. This seems to be an inevitable development which could have far-reaching repercussions in the future. These countries have the advantage of modern equipment and adequate supplies of superior home-grown cotton. Their cost of production should therefore be low and when a reasonable stage of development is reached, the textile manufacturers of the Middle East may well threaten India's traditional export markets in Africa. Meanwhile, recent reports from other markets are not very encouraging. Although India

has retained her position in the Aden market and during the first six months of this year exported 21,700,000 yards and accounted for 78 percent of Aden's total imports, indications are that competition from China and Pakistan is stiffening. Local merchants are now reported to have a stock of over 500 bales of Chinese grey sheetings as against an earlier stock of 50 bales. It is also reported that further orders of 3,000 bales of grey sheetings have been placed with Communist China for delivery this month. Competition from Pakistan is also expected to increase in intensity following reports that the target of 2,000,000 spindles for the cotton textile mills of West Pakistan is expected to be achieved within the next few months. So far, over 1,657,000 spindles and 24,600 looms have been installed. Another 128,340 spindles and 2,548 looms are under installation while orders for the remaining spindles and looms have been placed to complete the target. At present, textile mills in West Pakistan consume more than 250,000 bales of indigenous cotton annually. No repeat orders have been received from Singapore because of the high price level ruling in India. This market is now switching over to Chinese and Russian exports. Recently, two consignments of 50,000 yards and 200,000 yards of Russian printed shirting have been imported into Singapore. The qualities found immediate favour and the entire stock was cleared in a short time. It is reported that fresh orders exceeding 1,000,000 yards have been placed with Russia. Russian manufacturers also accept buyers' designs for printing and the minimum stipulated is 15,000 yards for each design. Spain is also trying to enter this market and has recently supplied job lots of printed cotton piecegoods at an average c.i.f. price of 13d a yard, but these qualities have not proved popular because of their dull finish.

Indian Textile Exports

The quantity of cotton piecegoods passed for shipment from this country during the first nine months of this year has amounted to only 563,350,000 yards as against 676,100,000 yards in the corresponding period of last year. The actual exports for the first eight months of this year totalled 495,400,000 yards. Japan has, on the other hand, shipped as much as 697,000,000 yards in the first seven months of this year. British exports for the first eight months of 1956 total 315,000,000 yards. Japan's consumption of Indian cotton recorded a sharp increase from nearly 9,000,000 lbs. in 1954 to 31,000,000 lbs. last year. Japan's total consumption amounted to 967,000,000 lbs which was made up of 349,000,000 lbs from America; 50,000,000 lbs. from Egypt and Africa; 86,000,000 lbs. from Pakistan; 31,000,000 lbs. from India and 351,000,000 lbs. from sundry sources.

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Madras

AWARD IN TEXTILE BONUS
DISPUTEINDUSTRIAL POSSIBILITIES OF
KERALA STATE

(FROM OUR MADRAS CORRESPONDENT)

THE expeditious hearing of the Coimbatore textile bonus dispute by a board of arbitrators (on which both parties to the dispute had their members with a District Judge as chairman) was in part due to a precedent. But the award is distinctly more generous, for 1955 was a good year for most mills. In spite of the millowners' plea that four months' pay is the most that could be given, the majority decided in favour of six months' pay. Going by the precedent, the mills that paid poor dividends are now saddled with the liability to pay bonus. Although the L.A.T. recently reduced the Mettur Mills workers' bonus from eight to six months' pay, it was represented to the Board that nine months' pay could be granted as bonus as the spinning mills in the south have new advantages. The millowners contended that power cuts affected their prosperity, but their lawyer failed to win the case and the bonus has got to be paid by Diwani to the employees of 44 mills. Only two mills running at a loss for years are exempted. The Kaleswarar mills which has not paid a dividend has to pay two months; while Cambodia which declared only a 5 percent dividend has got to pay three months like Coimbatore Spinning and Weaving Mills which have declared a 16 percent dividend for 1955.

The millowners' representatives submitted a minute of dissent, but their view that the compensation paid to the workers during lay-off should be deducted did not prove acceptable to the four others on the Board. As many as 23,000 workers

in 21 mills will get five months, but it is noteworthy that some mills paying 20 percent dividend have got to pay four months pay as bonus, while other Coimbatore mills paying 20 percent dividend are now called upon to pay six months to their workers. The award, it seems, is rough justice to shareholders who will soon find that 1956 profits will be badly cut by the addition to the wage bill. A point to remember is that recently a five-year wage-bonus agreement was signed with the trade unions for the sake of industrial peace and the Board did not take into account the future benefits promised to labour. Nor did it ascertain whether the mills with old equipment can undertake timely renovation if they are forced to fall in line with the bigger mills and pay out bonus on a scale fixed apparently arbitrarily.

The I.N.T.U.C. unions made common cause with the communists in pressing the case for bonus, and the Madras Government is likely to accept the 4 to 3 majority view, as a labour dispute must be avoided. The award applies to Salem also and covers even apprentices who have put in three months' work in 1955. The implications for the share market will be seen now. There are a few mills which can pay dividends on the 1955 scale, but the majority will not be in a position to do so, especially if the bonus liabilities cut into the current year's profits.

Foreign Trade via Madras Port

The foreign trade of Madras port in June reveals an increase in exports as well as imports. Arrivals of steel and oil from abroad were a new feature. Shipments of tobacco fell and the tea export trade declined. Some increase in the exports of handloom goods to Africa was noticed, and hides and skins exported to Japan increased. The decline in exports, compared with June, 1955, was marked in metals and ores as well as in grain and flour. The stoppage of groundnut oil exports reduced with the volume and value of its exports from Madras. The port however has also been affected by congestion and vessels have encountered delay in entering and clearing. Proposals for ore dumps and bigger cranes have been made. Labour trouble has been averted but the dockers' demands have not been withdrawn. Uniform and increased pay in all ports figures among the demands put forward. The committee of enquiry, which recommended piece rates for dock workers, has been dissolved. The work nullified by the strike call. Port labour here is distinctly militant, being inclined to follow the Bombay union. During his visit for opening the new Ernakulam-Kottayam line Mr. L. B. Shastri, the Union Railway Minister, advocated a greater use of road transport and shipping.

Industries on West Coast

The visits of Union Ministers to the west coast were the occasion when pleas for more capital for Kerala industries were made. The impending separation of Malabar has led to a plea for more State-owned enterprises. The starting of tin-can factories and stainless steel manufacture in Travancore-Cochin cannot enlarge employment opportunities appreciably. But big tanneries in Trichur may relieve unemployment. The snag, however, is that the tanning industry in the south has already surplus capacity and those in Dindigul can easily use the raw hides and skins from the west coast. Yet it has been claimed that a big tannery in Chalakkudi in Trichur district will help the local artisans. Village flaying centres to provide better hide have been approved, but the main demand is that timber should in future be processed in west coast towns by setting up saw mills there. The industries using desiccated coconut as their raw material have good possibilities. There is also a better future for plywood. Compared with Calcutta the factories on the west coast have advantages. Those in Calcutta may have a big market, but they must get wood from the Andamans. Those in Malabar can step up output with local supplies and one factory in Baliapattam has a development programme. The demand for plywood now is not only for tea-chest manufacture, but the high cost of good timber and the lack of trained artisans necessitate the use of plywood for a variety of purposes, and the west coast factories, with an export trade by sea can do better, if the soft-woods are used. The match factories in the south are dependent on soft-wood and Kerala may be able to develop its own industry as the Mettur chemical factory expects to produce chlorate of potassium in quantity this year. Curb on big match factories to limit their output to 35 million gross boxes are already in force. T.C. intends setting up a cottage match industry as Madras has done. Sago manufacture from tapioca may be attempted and starch for industrial use produced for export. The industrial potential of Kerala is rated high, but lack of capital is a formidable barrier. The opening of paint factories to use cashew oil has been advocated, but the best prospects seem to be offered by coir. Even though the export of yarn is not favoured officially, the manufacturers feel that the domestic market alone cannot absorb the entire production, so regular exports to Australia and other countries should be made. Handloom interests are arguing still about the need to keep all weavers in work and protesting against the installation of powerlooms. The coir industry has got over its postwar depression, but labour trouble is endemic, and at the last meeting of the Alleppey Chamber of Commerce, attention was drawn to the need to keep coir products competitive in overseas markets. The economic handicaps of Kerala cannot be removed by migration or transport facilities, but by creating new lines of employment in small towns. There is a chance that the Wynaad may be fully opened up by Travancore settlers, in which case, the supply of plantation products for export will be increased.



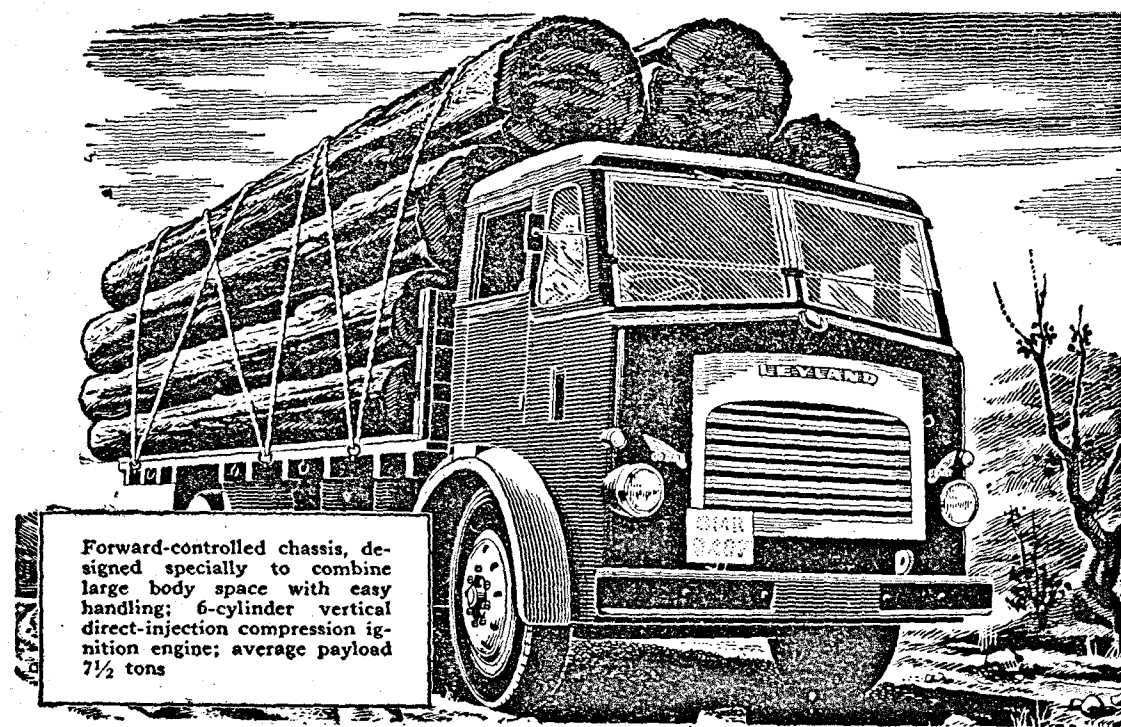
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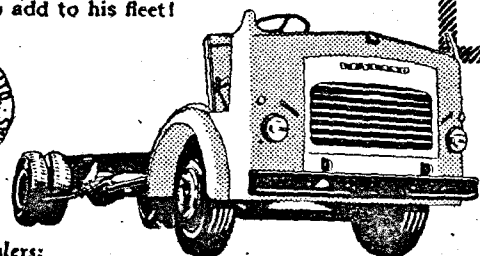
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Jute

RAW JUTE EASES AFTER INITIAL FIRMNESS

MODEST BUSINESS IN SACKING CONSTRUCTIONS

THE publication of various trade statistics over the past few days caused a definite reaction in the market, and compared with previous years, they make interesting reading. Total arrivals of raw jute at Calcutta and mill stations in the first three months of the current season (July to September) total 1,172,000 bales, made up of 1,035,000 bales from India and 137,000 bales from Pakistan. This is an increase of 389,000 bales from India, but a decrease of 209,000 bales from Pakistan, making an overall increase of 180,000 bales. On paper, this may appear to be satisfactory, but it is not so when placed against the consumption figures. During the same three months, Calcutta mills have consumed 1,563,000 bales of raw jute, or 90,000 bales more than during the same period of last year. Thus, they have used 391,000 bales more than they have imported. This figure can be reduced by about 100,000 bales on account of jute purchases and local supply, figures for which are not included in the arrival statistics, but it is safe to say that imports fall short of consumption by at least 300,000 bales. The deficit has had to be made up from the mills' carry-over from last season, which has now been reduced to about 500,000 bales and is far from adequate for emergency. It perhaps would have been sufficient if the carry-over was distributed evenly throughout the industry, but this is not the case. Already we have had mills resorting to urgent purchases from local markets for very short delivery to supplement their supplies, and although it was stated that the reason for these purchases was contracts not being fulfilled in time, if the carry-over had been adequate this state of affairs would never have existed.

As a result of these interpretations, the jute markets have ruled fairly steady over the past fortnight. Sellers have been inclined to hold on to their stocks, especially as immediately before the recent holidays, imports into the main up-country agencies were practically nil. This, of course, was largely due to transport restrictions on account of floods, but it nevertheless was a bullish factor for operators. Within the past few days, and arrivals have increased. This is nowhere better demonstrated than in the local Cossipore markets, where wagon arrivals since last week-end were about 350 a day, a figure far in excess of the handling capacity of unloading crews. Operators have been influenced by the increase, and towards the close conditions were easier.

There has been a fair amount of activity in the jute goods market over the past two weeks, and rates advanced considerably in the four working days between the holidays. Heavy goods came in for most of the support as a result of Australian interest in woolpacks and cornsacks, and business was reported in both these constructions. The extent of the business, however, did not warrant an increase of about Rs. 2 a 100 bags in sacking prices, and most of this rise was the direct result of speculative activity. Later in the week, operators began to take their profits and the market with offers. Prices fell rapidly, and it was not long before sacking rates had fallen back to the previous levels. Hessian tended to remain steady during the period under review, although interest was limited, but reports from America on consumption were encouraging and helped to strengthen operators' ideas. Calcutta mills took advantage of each rise in prices, and although business was limited to only a few standard sizes, it was the first sign of activity for some time.

THE JUTE MARKETS

Manufactured Goods: The current report covers the period from 11th October to 24th October, during which time business was restricted to only eight working days because of the local Durga and Lakshmi Pujas. Early in the period, interest was evident from Australia for woolpacks and in spite of the holidays, negotiations were conducted and enquiries put through. This resulted in sacking prices showing a large increase. At the opening after the holidays, heavy goods rose by about Rs. 2 for B Twills to open at Rs. 115-4 a 100 bags for October shipment, and Rs. 115-8 for bags for January-March shipment. Hessian at this stage was comparatively neglected, but rates moved up in sympathy with sacking, so 40in. 10oz. was quoted at Rs. 42-2 a 100 yards for near shipment, and Rs. 41-4 for forward shipment. A fair amount of business was reported at this level and foreign enquiries continued to maintain prices. At this stage, it was learnt that the Government was also buying heavy goods constructions within narrow limits but with a very steady undertone. Speculators had been very active meantime, and with the high prices ruling, heavy selling pressure had an adverse effect, and prices receded rapidly. Hessian did not come under this influence as reports of an increase in American burlap consumption coupled with small foreign enquiries had a stabilising effect. At the close, before the holidays for Lakshmi Pujas, prices were based on October 40in. 10oz. at Rs. 42-5. At the opening on 22nd October, the excitement had gone out of the market and

rates showed a drop of 8 annas in heavy goods and 4 annas in hessian. There was no interest from any source, so prices declined. By Tuesday morning, they had fallen to Rs. 114-4 for October B Twills and Rs. 41-12 for 40in. 10oz. hessian.

At the close, prices were easier in the absence of business, and opening quotations on Wednesday morning were as follows:

	October	November	December	Jan.-March
	Rs.	Rs.	Rs.	Rs.
40in. 8oz.	34-4	34	33-12	33-8
40in. 10oz.	41-10	41-11	41-11	41-8
B Twills	113-12	114-4	114-4	114-2
Heavy Goods (Plain)	114	116	115-8	114-2
A Twills	135-8	137	137	137-8
Liverpools	125-6	126-12	127	127-4
Cornsacks	113-10	114-6	114-6	114-8

Raw Jute: The fibre markets opened on a steady note and all quotations rose by 8 annas a maund to Rs. 29 basis Bottoms for Dhubri-Assam October-November shipment. Several enquiries came at the beginning of the holidays at lower rates, but they were strongly resisted by sellers who were influenced by a rise in the upcountry markets. Eventually buyers withdrew because of the rising prices, and by the opening on 15th October, Dhubri-Assam rates had advanced a further 8 annas to Rs. 29-8 a maund, in sympathy with the steadier goods market. As a result of gunny business, mills covered in jute, and over the next few days a fair amount of business passed at full market rates for forward shipment. There was also a steady demand for quick shipment jute, and before the next holiday, a mill group purchased a large quantity of local jute for delivery within three or four days. This encouraged the sellers' already bullish ideas and the market closed on a very steady note. Over the holiday and the week-end, however, imports into the upcountry agencies and the local Cossipore markets increased sharply, with a consequent easing of prices. This, coupled with the quieter goods market, caused opening jute quotations on Monday morning to fall back to Rs. 29 a maund. Over the next two days, buyers stayed completely out of the market, and although quotations remained unchanged, the undertone was easier.

During the period under review, business was done in Dhubri-Assam-Northern jute at Rs. 28-12 to Rs. 29-8 a maund basis Bottoms for October-November shipment, and also in Local Assam and Northern jute at Rs. 29-8 to Rs. 30 a maund for ready delivery. Daissee and Tossa were in good demand, being purchased from first-class agencies at Rs. 29-8 to Rs. 30 a maund for ready and October-November shipment. Small lots of Daissee Mesta changed hands at Rs. 27-8 a maund basis Bottoms for the same shipment, and F.A.Q. bimbi was done at the same rate. Pakistan Cuttings were reported at between Rs. 123 and Rs. 126 a bale for October and October-November shipment.

At the close, the market was quiet, with very little jute on offer. Opening quotations on Wednesday morning were as follows:

Indian Jute:	Landed at Mills Rs. a md. basis	Shipment.
Lower Assam	29	Oct.-Nov.
Northern	29	"
Murshidabad White	29	"
Daissee	29-8	"
Daissee Mesta	27-8	"
Local Northern	29	"
Bimbi	27-8	"

Tossa is quoted at 8 annas to Re. 1 a maund above the price of white jute.

Pakistan Jute:	Rs. a md.	Shipment.
Jat	32	Oct.-Nov.
District	31-8	"
Northern	31	"
Pucca:	Rs. a bale.	Shipment.
Mill Firsts 2/3	220	Oct.-Nov.
Export Firsts 2/3	200	"
Export Lightnings 2/3	185	"
Jat Cuttings	125	"

Imports into the Cossipore markets have totaled 1,680 wagons since 11th October, 450 of these being in the last two days. This is the largest figure for some time and is well above last year's average. Prices have not dropped a great deal, however, as all arrivals have been taken up by mill representatives and operators with October contracts to cover against. Strong demand for quick delivery jute over the past few days has

caused a tightness in this category, and sellers are demanding high prices. At the close, Kishengani jute was quoted at Rs. 27-8 to Rs. 27-12 a maund basis Bottoms, but offers at this price contained a considerable amount of moisture.

Raw Jute Consumption

During September 1956, mills reporting to the I.J.M.A. consumed 492,630 bales of raw jute in a 197½-hour working month, against 522,300 bales in the previous month which had 203½ working hours. Total consumption for the period July-September, 1956, now amounts to 1,563,600 bales. In September 1955, which was a 209-hour working month, raw jute consumption amounted to 508,740 bales, and the total for July-September, 1955, was 1,473,610 bales.

I.J.M.A. PRODUCTION FIGURES FOR
SEPTEMBER

The Indian Jute Mills Association reports the total production of jute goods during September, as follows:

Description	Quantity
1. Gunny Bags	
(a) Hessian	5,004 tons
	1,441 lakh yds.
	85.7 lakh Nos.
(b) Sacking	42,821 tons
	10,23.9 lakh yds.
	4,53.8 lakh Nos.
2. Gunny Cloth	
(a) Hessian	30,527 tons
	11,92.4 lakh yds.
(b) Sacking	1,014 tons
	23.1 lakh yds.
3. Other manufactures	5,151 tons
4. Total production (above figures combined)	
(a) All kinds	84,517 tons
(b) Hessian (both bags and cloth)	13,36.5 lakh yds.
(c) Sacking (both bags and cloth)	10,47.0 lakh yds.

	Summary			(000 Tons)		
	Sept. 1956	Aug. 1956	Sept. 1955	Sept. 1956	Aug. 1956	Sept. 1955
Hessian	13.37	13.53	13.52	35.5	35.4	35.4
Sacking	10.47	11.57	11.35	43.8	48.2	47.2
Others				5.2	6.0	4.8
	Grand Total			84.5	89.6	87.4
				Hours worked 197.5 203.5 209.0		

N.B.—These statistics are based on replies received and represent all members of the Association and Gagalbhai with estimates for three non-member mills.

THE FOREIGN JUTE MARKETS

BRISK BUSINESS AGAIN

(FROM OUR DUNDEE CORRESPONDENT)

WITH raw jute mounting up in price during the past week consumers of all commodities in the trade have been displaying a fair amount of activity. Spinners have been purchasing jute on a much freer scale, even though the prices they are paying for the raw material are higher than those obtainable for jute yarns. Still, trade must go on, and a large business has been done in the various qualities of yarns, particularly the hessian descriptions on the basis of 14.7d a lb. for common 8lb. cops in the range 8/16lb. and at 15.35d a lb. for 8lbs. warp on spools. There is a belief that a change in prices for yarns and cloth must take place in the very near future. It is understood that imports into the markets from upcountry in Pakistan are very small and that buyers have great difficulty in securing the quality they require. Mill Firsts, for instance, are extremely scarce and offers to this market have practically ceased. The last sale made was one at £103 for a secured parcel, October-November shipment, c.i.f. U.K., while on spot as much as £110 has been paid for a good Mill First and offered in that position at £108. Mill Lightnings have become lowest at £92, and Mill Hearts at £88, with Continental Mill Hearts at £82, October-November, c.i.f. Many sellers are quoting more than these rates. Daissee-2/3 is now at £92 for good marks and £88 for grade, while grade Tossa-2/3 is from £102 and fours from £92, c.i.f. U.K., Oct.-Nov.

Both spinners and manufacturers are now very comfortably sold in yarns and cloth and it is beginning to be difficult to secure delivery of anything this year. The improvement in the carpet trade which has set in during the past two weeks has made a considerable difference to the yarn trade here. Twist is almost unobtainable at 17.04d a lb. for 3 ply 8lb. and sacking yarns are again in demand at 12.35d a lb. basis 24lb. weft, and there are orders going around for rove at £99 5s for 48 lbs. and £80 15s for 200 lbs.

Calcutta goods here are firming up to 63s 9d for 40in. 10oz. and 48s 9d for 7½ oz., October and

I.J.M.A. STOCK FIGURES FOR SEPTEMBER

The Indian Jute Mills Association reports the total stocks of jute goods at the end of September, 1956 as follows:—

Description	30th September, 1956 Lakh Yds. 000 Tons	31st August, 1956 Lakh Yds. 000 Tons	Increase over (+) or decrease from (—) last month Lakh Yds. 000 Tons	30th September, 1955 Lakh Yds. 000 Tons
Hessian Cloth & Bag	10.35	10.34	+1	13.16
Sacking Cloth & Bag	21.07	21.16	+9	7.74
Others		7.1	+0.4	3.0
Grand Total (000 Tons only)	124.7	123.5	+1.2	69.7

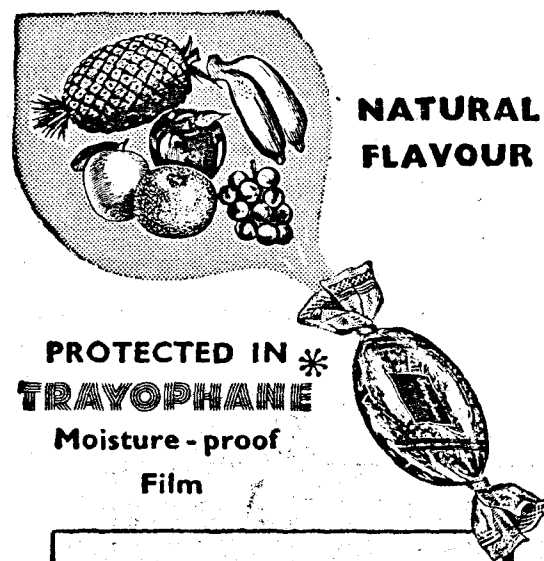
N.B.—These figures are based on replies received and represent all members of the Association and Gagalbhai with estimates for three non-member mills.

November, and 63s 9d and 48s 6d December, with 3 Twills at 176s and 175s for the respective positions of shipment, all f.o.b. Calcutta.

GUNNY SHIPMENT STATISTICS

The following figures include coastal shipment relating to manufactured jute goods for shipment from the port of Calcutta. These are gross figures based on shipping bills presented.

	Hessian	Cloth	Total
	(Tons)	(Tons)	(Tons)
1st to 15th October, 1956	3,439.8	18,815.1	22,254.9
1st to 15th September, 1956	1,017.5	17,058.5	18,076.0
1st to 15th August, 1956	1,829.8	18,488.7	20,318.5
	Sacking		
1st to 15th October, 1956	24,065.5	871.3	24,936.8
1st to 15th September, 1956	13,483.3	1,405.9	14,889.2
1st to 15th August, 1956	23,915.5	2,046.9	25,962.4



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BUSINESS SELECTIVE IN STOCK MARKETS

GILT-EDGED AND INDUSTRIALS RISE

London, 24th October. BUSINESS was selective in the London stock markets during the past fortnight, but a firm tendency developed in the second week and prices in many cases are higher than those prevailing a fortnight ago. There has been little news to encourage buyers, and selling has been on a very small scale, so a selective demand was sufficient to move prices. Various factors combined to restrict activity, including the Suez situation, wage claims, the uncertainty on Wall Street and activity in the new issue market. The main feature was the continuing firmness of gilt-edged securities which recorded further all-round rises under the lead of medium-dated stocks. A less promising outlook for industrial equities was emphasised by the recent half-yearly statements of several leading companies. The possibility of a fall in interest rates and the high yields obtainable, all contributed to the revival of interest in the gilt-edged. The continued flow of new issues of fixed interest securities had little effect and various issues in which dealings were started during the past fortnight opened at a premium on their issue prices. These included £15 million London County Council issues and £6 million General Electric loan stock issues. In the foreign market, East European bonds responded smartly to the developments in Poland, and recorded appreciable gains, while Japanese and German issues attracted support from time to time. The industrial market remained subdued in the first week, but a firm trend developed later on selective buying, and an all-round advance was recorded. Steel shares and textiles were outstanding with the latter responding to reports of improved trading conditions. The better trend in Kaffirs in the first week was not maintained subsequently, and prices drifted lower in spite of satisfactory quarterly reports. Coppers fell back in sympathy with the lower trend in the metal prices. Tin shares were active and firm, and there were good features elsewhere in mines. Leading oils recorded little change. Rubbers moved up on hopes of the repayment of surplus funds, while tea shares recorded a number of gains. Some of the rises were substantial, and followed bids for the companies concerned.

The Money Market

On the whole, it was a very uncomfortable week for credit in the London money market. For three days running the supply of funds was bolstered by Government disbursements, but the market got no accommodation from the Bank. Conditions were never easy, but an indication of improved conditions was that day-to-day loans which ruled on the basis of 4½ percent to 4½ percent were ½ percent below those of the week. Easier money conditions together with other technical considerations paved the way for the reduction of approximately ½ percent in the Treasury bill rate at the week's tender. Discount houses adjusted

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their buying rates of fine bank bills to the new level, with three months quoted at 5¼ percent to 5½ percent. Clean bills remain unchanged. Applications for £280 million worth of 91-day bills totalled £392,860,000, but only £260 million was allotted at an average rate of 100s 2½d percent compared with 102s 2½d percent in the previous week. Offerings this week comprise £200 million worth of 91-day bills and £60 million worth of 63-day bills making a total of £260 million. The Bank of England return for the week ended 17th October showed that notes in circulation were about £5 million lower at around £1,878 million, and bankers' deposits were about £5 million higher at around £237 million.

Stock Markets Prospects

The Investors' Chronicle market newsletter writes: "Success of the London County and General Electric Loans and fair investment buying strengthened the gilt-edged in London, but rumours of a new Australian loan caused uneasiness. Industrial shares, this week, closed with bear-covering and selective investment support. Gold shares met little selling, but there was little interest. There may be some switching from industrials into the gilt-edged as interest rates are thought to be around the peak, but the course of the gilt-edged will be decided by the volume of the new capital issue. Good savings figures and firmness of sterling have encouraged some buying. Steel shares show resistance after the recent heavy falls as several now stand below the denationalisation price. Generally, however, industrials remain clouded by rising costs and falling profits."

Activity on Wall Street

Convertible bonds on Wall Street were generally easier during the past week in line with the declining trend in the stock market. Some of the leading issues were soft, Dow Chemical being prominent, while several oils including Sinclair and Standard of Indiana lost ground. Inland Steel 3½ percent, however, advanced on a small turnover. Investment quality corporates were shaded slightly in slow dealings. U.S. Government securities fluctuated irregularly in large professional dealings. In the foreigner section, Australians were mostly higher. Union of South Africa 4½ percent held steady. Among Japanese issues, Government 6½ percent of 1964 eased. Tokyo Electric 6 percent of 1963 eased early, but eventually regained most of the losses. German Nationals were mostly fractionally lower, while Italians improved. Denmark 4½ percent and Norwegians were higher by fractions. Serbs eased after early steadiness.

U.S. Federal Reserve Return

The U.S. Federal Reserve return for the week ended 17th October shows that gold stock fell by \$1 million to \$21,900 million. Foreign deposits rose by \$38 million to \$341 million, while foreign investments declined by \$49 million to \$3,671 million. The Federal Reserve bought \$26 million worth of bills and \$1 million worth of certificates, but sold \$32 million worth of bills originally bought under repurchase agreements. Total discounts and advances fell by \$127 million to \$452 million, while the aggregate reserves of member banks rose by \$184 million to \$495 million. Daily average excess reserves of member banks fell by \$63 million to \$571 million, while their daily average borrowings fell by \$143 to \$571 million. Business loans of the New York city banks rose by \$8 million to \$10,874 million, compared with a fall of \$47 million to \$8,654 million in the corresponding period a year ago.

Firm Undertone in Hongkong Gold

Hongkong gold remained quiet with the undertone inclined to be firm. Price movements were narrow as the market lacked incentives following small fluctuations of the sterling rate abroad. A sustaining factor is that stocks here are limited in spite of the fact that 70,000 ounces are held in Macao. In the opening period, the price was \$(H)268½, but eased gradually to \$(H)267½, after which the market steadied touching the week's high of \$(H)268½, finally closing ¼th of a dollar lower. Carryover charges were 73 cents a ten taels in favour of buyers. The official offtake was 3,710 taels and the unofficial 11,700 taels. Arrivals in Macao were 48,000 ounces. Forward contract was done at \$(U.S.)37.77.

High Demand for Copper Scrap

The Deputy Director, Copper Division of the U.S. Business and Defence Services Administration, Mr. W. A. Meissner said that current indications point to a continuing high demand for copper scrap in 1957, but perhaps not as good as in 1955. He said that this was due to a slackening of residential housing construction which would last until 1960, and keep brass mill and foundry production lower than in 1955. The American Zinc Institute reported that the combined shipments for July and August of galvanised sheets totalled 276,048 tons compared with 279,058 tons shipped in June alone. The lower level reflected the July steel strike. Shipments in the first eight months of this year reached 1,928,253 tons, compared with 1,818,135 tons in the same period last year.

Cheaper Electrolytic Copper

A leading U.S. custom smelter has reduced its price of electrolytic copper to 35 cents from the previous level of 37 cents a lb. Other sellers are expected to follow suit. Sales at 37 cents are reported to be slow and with the price of scrap dropping, custom smelters have been able to lower their electrolytic price. The producer's price is still 40 cents, but how long they will be able to hold that differential of 5 cents a lb. is a moot point.

Commodity Markets

WHOLESALE PRICE INDEX FALLS

THE official wholesale price index (base: year ended August 1939=100) declined further by 0.2 percent to 417.8 during the week ended 6th October, 1956, compared with 418.8 (revised) for the previous week. The index was lower by 0.5 percent when compared with the corresponding week of last month, but was higher by 18.2 percent than that of a year ago. The index for Food Articles declined by 0.3 percent to 389.5, compared with 390.7 (revised) for the previous week due to a fall in the prices of dal arhar (-6%), rice (-2%), and gram at Hapur (-1%) in spite of an advance in the prices of tea for exports (+8%) and wheat (+1%). Prices of gingellyseed (-7%), groundnuts and lac showed declines while those of manganese ore (average export price) (+11%), raw jute and linseed (+2% each), and castorseed in Bombay (+1%) were marked up and the index for Industrial Raw Materials stood at 504.2 compared with 504.4 for the previous week. The Index for Semi-Manufactures fell by 0.3 percent to 404.7 compared with 405.8 (revised) for the previous week. Items which exhibited significant changes were: Groundnut oil (-4%), coconut oil and copper (-3% each), castor oil in Calcutta and zinc (-2% each), gingelly cake (+4%), kerosene oil (+3%), and castor oil in Madras and copra cake (+2% each). A fall of 0.2 percent to 390.8 in the index for Manufactures was brought about by slight declines in the prices of cotton and jute manufactures. The price of glass (+6%), however, witnessed a rise. Lower prices of turmeric (-6%) and betelnuts (-4%), both in Calcutta, black pepper in Cochin (-3%) and chillies in Patna (-1%), caused a fall of 0.7 percent to 584.2 in the index for the Miscellaneous group.

INDEX NUMBERS BY GROUPS AND SUB-GROUPS (Base: Year ended August 1939=100)

Groups and Sub-Groups	6-10-56	29-9-56	8-9-56	8-10-55
I Food Articles:	389.5	390.7(R)	395.0(R)	306.4
Cereals	502*	507*(R)	511	373
Pulses	383	392	395	269
Others	248	245	249(R)	223
II Industrial Raw				
Materials:	504.2	504.4	508.6(R)	397.8
Fibres	483	479	481	403*
Oilseeds	557	568(R)	579(R)	374
Minerals	535	524(R)	529	430
Others	422	423	422	421
III Semi-Manu-				
factures:	404.7	405.8(R)	408.6	329.4
Leather	373	372	375	335
Mineral oils	210	207	208	202
Vegetable oils	570	576	585	367
Cotton yarn	497	502*	505	406
Metals	327	328	329	277
Oilcakes	483	474	489	351
Others	363	363	361	330
IV. Manufactures:	390.8	391.5	390.7(R)	373.6
Textiles	426	427	426(R)	405
Jute	429	430	422	397
Cotton	428*	430*	430*(R)	404*
Rayon and silk	470*	470*	470*	486*
Woolen	266	266	266	278
Metal products	388	388	388	371
Others	295	295	295	286
V. Miscellaneous:	584.2	588.2	553.0(R)	559.9
All Commodities:	417.8	418.8(R)	420.0(R)	353.5

R=Revised

*=Estimated.

Groups and Sub-Groups	September, 1956	Monthly Average, 1956	September, 1955
I. Food Articles:	389.1	397.0(R)	313.0
Cereals	509	504(R)	380
Pulses	394	397(R)	267
Others	248	259	230
II. Industrial Raw			
Materials:	507.0	500.5	396.1
Fibres	481	474	402
Oilseeds	575	569	374
Minerals	524	509	417
Others	423	424	420
III Semi-Manu-			
factures:	408.3	406.4	324.8
Leather	373	381	333
Mineral Oils	207	208	202
Vegetable Oils	568	590	364
Cotton Yarn	504	495	407
Metals	329	329	259
Oilcakes	482	474	341
Others	361	361	330
IV. Manufactures:	391.4	387.7	368.8
Textiles	427	421	403
Jute	427	395	399
Cotton	430*	431*	402*
Rayon and Silk	470*	470*	474*
Woolen	266	266	278
Metal Products	388	388	352
Others	295	293	286
V. Miscellaneous:	567.1	565.3(R)	556.0
All Commodities:	419.8	418.5(R)	353.2

*=Estimated.

R=Revised.

MIDDLE CLASS COST OF LIVING INDEX NUMBER FOR CALCUTTA

(Base: August, 1939)

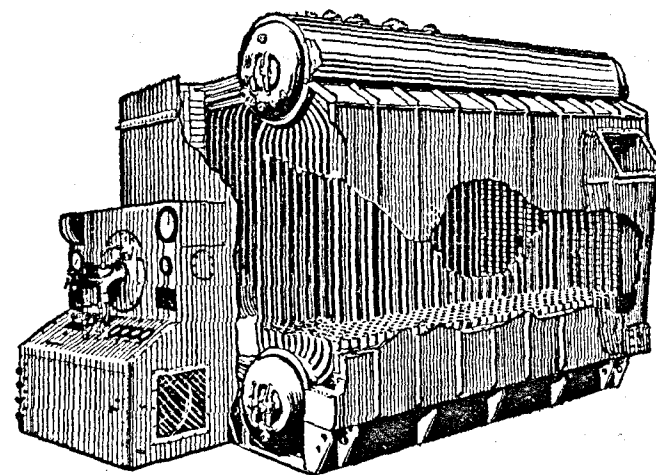
THE Middle Class Cost of Living Indices, by groups, have now been brought up to September, 1956. As compared with August, the September Index for Clothing shows a rise of 12 points, while those for Food, Fuel and Lighting, and Miscellaneous remain unchanged at 484, 268 and 283 points, respectively.

Correlating all the factors, the Middle Class Cost of Living Index for Calcutta shows that the cost of living increased by 1 point during September, 1956.

Middle Class Cost of Living Index Number for Calcutta. Prices in August, 1939=100

Groups	Weights	GROUP INDICES											
		Sept. 1955	Oct. 1955	Nov. 1955	Dec. 1955	Jan. 1956	Feb. 1956	March 1956	April 1956	May 1956	June 1956	July 1956	Aug. 1956
Food	53.6	450	453	455	455	446	442	453	461	470	475	480	484
Fuel and Lighting	4.4	239	239	239	239	239	239	235	239	239	239	259	268
Clothing	12.4	497	503	503	503	507	507	520	520	526	526	534	546
Miscellaneous	29.6	282	282	282	282	282	282	283	283	283	283	283	283
Combined Index	100.0	397	399	401	401	396	394	402	406	411	414	418	422

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Engineering and Transport

NUCLEAR ELECTRICITY COMES INTO USE

OPENING OF CALDER HALL POWER-STATION IN U.K.

THOSE who have noted the succession of "historic dates" in the development of nuclear power may be a little reluctant to add another one, but 17th October, 1956 deserves a special place in history as the date when energy from a full-scale nuclear power-station was first fed into a national electricity system. It is the date of Queen Elizabeth's ceremony to link Britain's Calder Hall power-station, in Cumberland, with the national grid. It has been said that Calder Hall was obsolete before it began working; also that Dounreay, in the north of Scotland, which will be the first power-station to "breed" more fissile fuel than it consumes, is too far in advance of proved techniques. What is important, however, is not whether the authorities have built or are building the best possible stations, but that a new source of power has actually come into use. Naturally and rightly, new and better methods of supplying this source of power are being worked out all the time. Even at this early stage it is estimated that power-stations costing only one-tenth more than Calder Hall may produce four times as much power; and on that reckoning, being economical to operate, they will produce electricity much more cheaply than it can be produced by coal or oil.

A couple of weeks before the inauguration of Calder Hall, Britain's Central Electricity Authority received the first tenders ever to be submitted by private firms for constructing a full-scale nuclear power-station. It is little more than two years since the leading electrical-engineering groups were invited to study gas-cooled graphite-moderated reactors (such as Calder Hall's) and to form organisations capable of building them.

When the British Government's programme for nuclear power was published early last year, training of industrial firms' senior personnel at the Atomic Energy Authority's establishment was already in progress, but it was obvious from the requirements of the programme that the pace would have to be accelerated. While yet more experts were being trained, completely new laboratories had to be built and equipped.

Huge Outlay

The speed at which private industry has prepared itself matches the speed at which the authorities have pressed nuclear power forward from the beginning. But this new phase has its disadvantages. Co-operation between private firms and the authorities can ensure that work proceeds along the lines of Britain's requirements (which are not necessarily, however, the same lines as other countries' requirements), but it cannot avoid multiplication of effort. Working in a competitive spirit, on a commercial basis, the groups are inevitably using more money and resources (including precious personnel) than a single organisation would require to obtain the same results. Already these private firms have spent not much less than £10 million on research and development (diverting some resources from other activities that might have been immediately more profitable), and the new secrecy (commercial instead of military) that surrounds their operations cannot altogether conceal that four big groups are doing some research that the Atomic Energy Authority could have done alone. On the other hand, a new source of power—with incalculably important by-products, the radioactive isotopes—calls for participation of industry on the widest possible basis. It is no secret that the British Government regards these developments as a potential rejuvenator of the whole economy, as the beginning of a new era in which Britain can regain her lead in technology—if only she can train enough technologists and apply them to peaceful pursuits.

The first major application of the new energy is to generate electricity, but it seems that trans-

port will be affected sooner than was until recently imagined. In his presidential address to the physicists at the meeting of the British Association for the Advancement of Science a few weeks ago, Sir George Thompson remarked: "I do not see the slightest hope for the nuclear motor-car; and I have grave doubts about the nuclear aeroplane." The more deeply the problems are investigated the more firmly technicians are convinced that the proper application of nuclear energy to transport (other than trains or other vehicles using electricity from a main source) is in ships. Nuclear ships are, in fact, in the same phase of development now as nuclear electricity was a few years ago: it is a question not of investigating interesting possibilities, but of proceeding deliberately to an objective. The list of countries known to be working on nuclear-powered ships (other than submarines) includes America, Russia, Britain, Holland, France, Norway, Sweden and Japan. Of these countries, the first two are almost certainly the farthest advanced. Either America or Russia seems capable of putting a nuclear vessel into commission within the next two years.

American Aim

The Americans are at present interested primarily in a general-purpose vessel carrying both passengers and freight, the Russians in an ice-breaker, also carrying passengers and freight. An interesting feature of this Russian vessel is that it is designed to be refuelled at sea, so that the considerable cost of nuclear-fuelling installations at docks—which has been estimated at possibly £250,000 for each unit—will not, presumably, trouble the Russians in the early stages. However, when such installations have been set up they will serve as a basis for a continuing growth of nuclear shipping; although they will not at first be continuously used, for one charge of fuel will last many months, even a year or two, in each vessel. Partly by so reducing refuelling time, the operating costs of nuclear ships will be low. This factor must be set against capital costs which, initially at least, will be high.

Plantation Topics

REGULATION OF N. INDIAN TEA CROP

EARLY STOP TO PLUCKING

THE Calcutta Tea Regulation Committee has announced in greater detail the measures it proposes to take to regulate the size of north-east India's 1956 tea crop. It explains that at present, there is a more than adequate supply of ordinary tea on the Calcutta and world markets, which has led to many gardens selling below their cost of production for the greater part of this season. The Committee, which consists of representatives of the tea producing associations of north-east India, has decided to recommend to member gardens of all producing associations that:

1. All gardens in the Assam Valley and the Doors should stop plucking on 20th November.

2. As for gardens in Cachar, Tripura, Darjeeling and the Terai, those which have already reached their average total crop of the three years 1953, 1954 and 1955 by that date should cease plucking on 20th November, while those which have not reached such a crop should cease plucking when they have done so or, at the latest, on 30th November.

3. All tea waste and residual teas of a standard unit for sale at the Calcutta auctions should be destroyed.

It is hoped by these measures to mitigate the present excess of ordinary teas in the markets and to establish a better balance between high quality, medium and plain teas. It is stated that the 1956 crop in north-east India up to the end of September is the highest on record, and there is no danger that the public will be starved of tea. An earlier end to the season than usual will also bring ancillary benefits to the gardens. Early pruning will ensure early second flush and quality teas next season. More time will be available for replanting, overhauling of tea machinery and factory buildings, provision of workers' houses and other improvements. Workers will not, in any way, suffer from the proposed regulation, as their fixed daily wage is guaranteed, and as leaf at the end of the season is normally insufficient to enable labour to earn more than the fixed wage at piece rates. The Committee strongly emphasises the need to destroy tea waste and residual teas of a quality unfit for sale in the public auctions so that these may not, by local disposal, be used to adulterate good tea and thus lower the reputation of Indian tea generally.

CALCUTTA TEA AUCTIONS IN SEPTEMBER

STRONG DEMAND FOR CLEAN BLACK FANNINGS

CLEAN black Fannings of a useful size continued to be a very strong feature and sold at dearer rates in each succeeding sale. Commonest kinds received rather better support than in the previous month and clean common teas were fully firm to dealer, say Messrs. Carritt Moran and Co. Private Ltd. in their monthly tea market review. Buyers showed keen discrimination for all other kinds and in the first two sales of the month, prices were appreciably lower and reflected the seasonal decline in quality. Demand strengthened considerably in the last two sales when export and internal buyers were operating freely. Teas of orthodox manufacture with any quality were in particular demand, and in Sale No. 15, C. T. C. teas of poor appearance, but with strong coloury liquors, were a very strong feature. In Sale No. 16, demand for C. T. C. teas was even keener and in many cases prices advanced by 8 to 12 annas a lb. Darjeelings met with only fair support and generally sold at lower rates.

Darjeeling Leaf appearance was again of a high standard and although cup quality showed the usual seasonal decline, the offerings throughout the month were of a very satisfactory standard for the time of year. Assam teas of orthodox manufacture were commendably free from stalk and fibre and a number of useful, bright liquoring teas were on offer. C. T. C. teas showed a marked decline in quality and a large weight of stalky and fibrous offgrades, which, however, had useful coloury liquors, were catalogued for sale. Although the offerings from Doors included a number of plain liquoring teas, leaf appearance and cup quality of the majority of estates was above average for the time of year. Cachar Leaf appearance, almost without exception, was of a remarkably high standard, being black and free from stalk and fibre. Due to inadequate manufacturing facilities a number of estates continue to produce soft and plain liquors with evidence of faulty firing, but most of the teas on offer were clean and sweet in cup.

Quotations

	1956-57 Rs. As. P.	1955-56 Rs. As. P.
Sale No. 13 Plain B.P.	1 9 9	2 0 0
Sale No. 14 " "	1 9 3	1 15 6
Sale No. 15 " "	1 9 3	1 14 0
Sale No. 16 " "	1 9 9	1 11 6

Four leaf sales were held during the month and offerings amounted to 3,738 packages. The

selection was of a poor standard consisting mainly of stalky and fibrous types, but there was a fairly good general demand in each sale, and prices may be quoted slightly dearer as compared with the previous month. Dusts on offer amounted to 64,988 packages. In all the four sales, there was a strong and general demand, Black leaf teas in particular were a very strong feature. All other descriptions shared in the general advance and prices in the last sale can be quoted as showing an advance of 2 to 4 annas above that of the previous month. The few best C.T.C. Assams remained about steady, but the poorer fibrous types were up to 4 annas below last rates.

Quotations

	1956-57 Rs. As. P.	1955-56 Rs. As. P.
Sale No. 14 " "	1 9 3	2 0 0
Sale No. 15 " "	1 13 9	2 0 0
Sale No. 16 " "	1 15 3	1 13 0
Sale No. 16 " "	2 1 0	1 11 0

Export sales up to No. 15 totalled 528,885 chests at an average price of Rs. 2-9-0 compared with 570,588 chests at an average price of Rs. 2-8-11 during the corresponding period of the previous season. Internal sales amounted to 9,519 chests of Leaf and 160,894 chests of Dust (Rs. 1-8-11 and Rs. 2-3-4) against 26,191 chests of Leaf and 154,055 chests of Dust (Rs. 1-7-8 and Rs. 2-5-6) in the same period of last year.

The price of Export Quota remained fairly steady throughout the month and business was transacted at 21 to 25 pies a lb. A second interim release of quota amounting to 10 percent of a garden's best crop figure was announced on 30th September, bringing the total so far released to 50 percent.

The estimated North India crop to the end of August, 1956 was 305,343,481 lbs., as compared with 282,472,972 lbs. to the same date last year. The average figure at this date for the three years 1953-1955 was 275,616,336 lbs.

The Government of India has issued a notification fixing the price of tea for the purpose of determining the export duty at Rs. 3-3-9 a lb. as against Rs. 2-11-5 a lb. in force from 1st September. The export duty, therefore, still remains unchanged at 6 annas a lb.

Arrivals (in chests) in Calcutta warehouses during the period 24th August, 1956 to 23rd September, 1956 with the corresponding figures in parentheses, were as follows: By steamer 611,059 (426,183), by rail 95,393 (103,189), and by air 22,310 (30,617), making a total of 728,762 (559,989) chests.

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COMMONWEALTH TRADE IN
PLANTATION PRODUCTS

IMPORTANCE OF U.K. MARKET

PLANTATION crops—sugar, tea, coffee, cocoa, spices, tobacco and rubber—are among the staple products of many Commonwealth countries and represent some of the major dollar-earners of the sterling area. The dominant position which these commodities hold in the export trade of a number of Commonwealth producers is shown in the latest edition of *Plantation Crops* published by the Commonwealth Economic Committee. Cocoa accounts for three-quarters of the foreign trade of the Gold Coast and tea two-thirds of that of Ceylon; sugar represents about one-half of all shipments from Fiji and British Guiana, while Mauritius and Barbados are almost entirely dependent on the crop. Gross shipments of rubber from Malaya, at the low point reached in 1953, still accounted for over 40 percent of all exports, while coffee has risen to between 20 and 30 percent of the trade of British East Africa.

For both rubber and cocoa, the Commonwealth has lost ground in the U.S. market, compared with before the war, to Indonesia for rubber and to French Africa and Latin America for cocoa. For both commodities, the U.K. has become the most important market for Commonwealth exporters and draws most of its supplies from them. The bulk of the U.K.'s tea comes from the Commonwealth, and while the total consumed in the U.S.A. is only one-fifth as great, the proportion drawn from the Commonwealth has risen to some three-quarters; supplies of coffee from the Commonwealth also account for the greater part of U.K. imports, but represent a very small proportion of U.S. requirements, although shipments from British East Africa are again increasing. The bulk of the spices consumed in the U.K. is drawn from Commonwealth territories, which now supply over one-half of the large imports into the U.S.A. Commonwealth countries accounted for some three-quarters of U.K. imports of sugar in 1955 and over 40 percent of its tobacco; the U.S.A. draws little tobacco and virtually no sugar from the Commonwealth. Markets in continental Europe and overseas countries are becoming increasingly important to Commonwealth exporters of some plantation products, notably rubber.

Production Figures

World output of sugar in 1954-55 was little below the high figure of the previous season, and promises to reach a record level in 1955-56; India, Australia and the Union of South Africa have contributed substantially to the increase, although the expansion in Australia was checked in the 1955-56 season by adverse weather conditions. The high production of tea in 1954—the bulk of it from Commonwealth countries—was exceeded in the following year; the setback in cocoa supplies in 1954, however, reflected the lower level of production in the Commonwealth countries of west Africa, while the recovery in world production in the following season was due largely to the upward trend in Latin America and in French territories in Africa. The record outturn of tobacco in 1954 was the result of increased production both in the Commonwealth and in the U.S.A., while heavier crops in the following season in Greece and Turkey largely offset a decline in India and Canada. Over 40 percent of the world's rubber is produced in the Commonwealth; the reversal in 1954 of the decline in world production reflected increased yields in Indonesia, but the very high total reported in 1955 was in great measure attributable to the sharp recovery in Malayan production. The Commonwealth share of world coffee output is not large, but the expansion of production in India and East Africa in recent years has been of note. Net trade in sugar in 1954 had been slightly below the large total of the previous year, but a striking increase in supplies from Latin American countries was reported in 1955. Exports of cocoa and coffee declined in 1954, but while the former showed little change in 1955, the latter rose, as U.S. imports approached their previous level; in spite of the upward trend in tea production the trade declined in 1955. Exports of tobacco, however, have continued at a high level, while the expansion in world rubber trade in 1955 reflected large shipments from almost all Commonwealth sources as well as from Thailand.

U.K. Tea Consumption

Consumption of tea in the U.K. reached a peak figure of over 9.6 lbs a head in 1954; sugar consumption has recovered in recent years, the 1954 figure of 105 lbs a head comparing with 103 lbs before the war. The sharp rise in coffee prices in early 1954 was responsible for the fall in per capita consumption in the U.S.A. from 16.7 lbs in 1953 to 14.7 lbs; high prices limited the use of cocoa, too, average disposals a head in the U.S.A. dropping to 4.1 lbs in 1954, compared with 4.3 lbs before the war. Tobacco consumption in the U.K. rose in 1954 to 4.6 lbs a head, as against the prewar average of 3.7 lbs, but that in the U.S.A. fell to 9.1 lbs a head—still over one-third higher than before the war. The U.K. demand for natural rubber in 1955 was at a record level, while in the U.S.A. it was second only to that in 1950. The high prices recorded in 1954 for tea and in the early part of the year for cocoa and coffee, were not equalled in 1955. Ample supplies

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LONDON TEA SALES

At last week's London tea sales, the 50,018 packages on offer realised an average price of 5s 10.75d a lb., against 5s 9.75d in the previous sale and 5s 0.61d a year ago. Plain broken pekoe was quoted at 3s 4d a lb. (same). Prices obtained by some of the companies are given below:

	No. of packages	Average per lb.
Amalgamated	570	5/31
Amgoorie	528	11/1
Anglo-American	1,200	5/03
Anglo-Ceylon & General	222	7/
Assam Co.	2,177	7/3
Assam Doars	939	5/33
Central Provinces	462	5/11
Chubwa	438	8/71
Chulsa	874	5/63
Consolidated Estates	310	7/23
Consd. Tea & Lands	2,778	4/91
Dekhari	251	10/61
Dickwella	120	9/31
Doars	969	4/51
Doom Dooma	126	9/93
Eastern Assam	611	8/03
Eastern Produce	768	7/14
Empire of India	1,314	6/03
Jetinga Valley	270	4/2
Jorchaut	649	4/93
Kanan Devan	2,474	4/93
Lanka Plantations	378	7/2
Lunuvu	666	7/21
Malayalam	1,404	4/61
Namdang	618	8/21
Rajawella	366	7/3
Scottish Tea & Lands	312	7/10
Single	575	6/43
Standard	366	8/111
Travancore	702	4/23
United Planters	426	6/71
Upper Assam	966	8/01

U.K. Tea Stocks

U. K. tea stocks in London and provincial warehouses on 12th October amounted to 98,059,610 lbs. against the previous week's 98,935,540 lbs. The total amount to be landed on 12th October was 13,372,920 lbs. Deliveries during the week totalled 11,259,850 lbs. and landings in the same period were 10,412,920 lbs. The total float on 12th October was 49,335,508 lbs. including 37,084,310 lbs. from Calcutta, 2,534,440 lbs. from Chittagong, 2,836,658 lbs. from Cochin and 5,880,500 lbs. from Colombo.

COCHIN TEA SALES

At Dust Sale U, the 500,000 lbs. of tea on offer met with a fair general demand, but prices were irregularly 1 to 2 annas lower for everything.

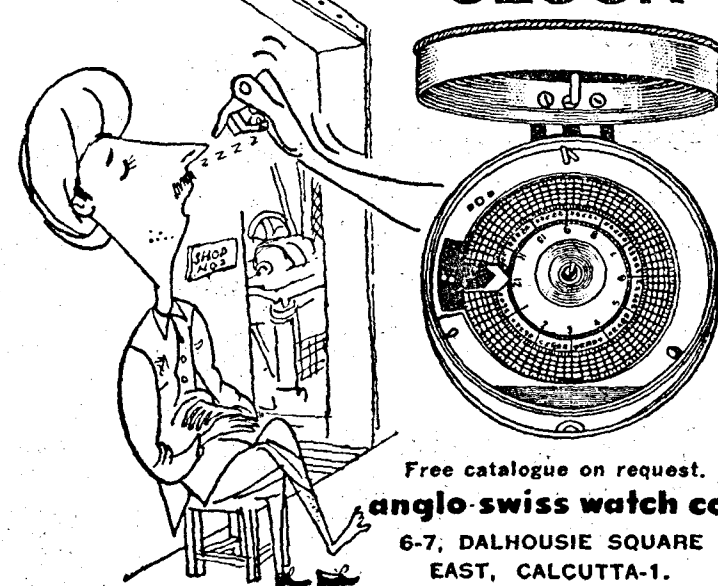
At Sale No. 28, 1,350,000 lbs. of tea were on offer. There was a good general demand, particularly for Medium Broken which were 2 to 3 annas dearer. Best liquorings and good mediums were lower following quality. Middle East types were neglected while Whole Leafs were fully firm to dearer.

COLOMBO RUBBER PRICES

The following prices have been issued by the Rubber Board of India from the weekly market report published by the Colombo Brokers Association:

	Closing prices on 12-10-56 (Rupees a lb.)	Average for the period (Rupees a lb.)
Sheet:		
No. 1	1.41	1.41
No. 2	1.38	1.38
No. 3	1.35	1.35
No. 4	1.11	1.11
No. 5	1.06	1.06
Sheet Cuttings	1 -/88	
do	2 -/93	
Crape:		
Water White	—	—
R.M.A. No. 1X	1.32/33	1.33
R.M.A. No. 1	1.30/32	1.31
Crape No. 2	—	1.26 1/2
do No. 3	—	1.19 1/2
Scrap Cresses:		
Sc. Crape No. 1	.87	.86 1/2
Sc. Crape No. 2	.79/86	.81 1/2
Sc. Crape No. 3	.72/78	.74 1/2
Flat Bark	.67/70	.68
Sc. Crape 3X	—	.78

To arrive at f.o.b. Colombo prices add 53.45 cents a lb. for crape other than scrap crape and 31.45 cents for scrap crape to the above market prices.

Watchman's TELL-TALE
CLOCK

Free catalogue on request.

anglo-swiss watch co.

6-7, DALHOUSIE SQUARE
EAST, CALCUTTA-1.Leading all others
in General Insurance!

NEW INDIA ASSURANCE... undisputed leader in all kinds of general insurance from marine and fire to accident and burglary... trusted and respected throughout the East... renowned for its prompt settlement of claims, its experienced guidance and assistance, and its guarantee of security and service.

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The oldest and largest joint-stock bank operating in Australia and New Zealand, the Bank of New South Wales keeps in close touch with local conditions through over 850 branches and agencies (sub-branches) in Australia, New Zealand, Fiji, Papua and New Guinea. It is thus particularly well equipped to provide enquirers overseas with a full picture of the local business and rural scene.

Ask your bankers to consult and use

BANK OF NEW SOUTH WALES

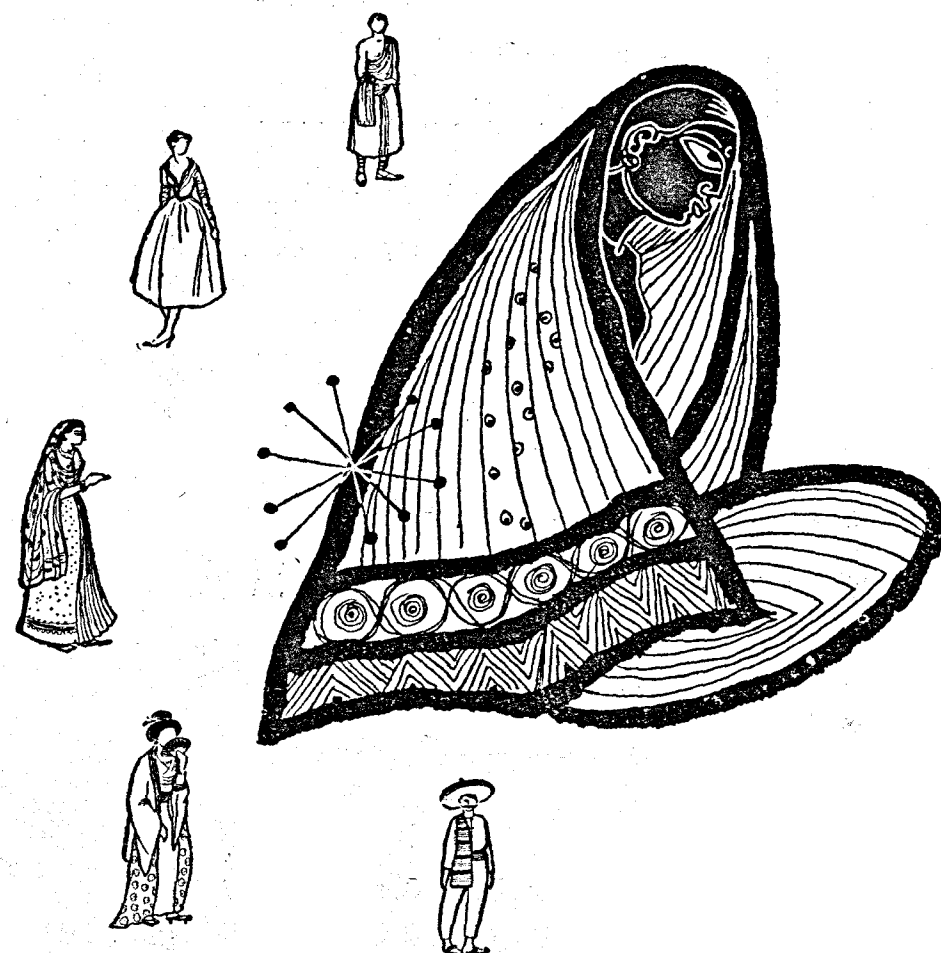
British and Foreign Department, Sydney, Australia
(INCORPORATED IN NEW SOUTH WALES WITH LIMITED LIABILITY)

1956/1A

ANALYTICAL

Consulting and Technical Chemists
Soil, Water (including Bacteriological), Minerals,
Oils, Fertilizers, Shellac, Foods and Drugs—Gold
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Sampling arrangements.
R. V. BRIGGS & CO. PRIVATE LTD.
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We don't all wear the same type of clothes; but, here or thousands of miles away, clothes are a basic necessity. A simple piece of cloth is everywhere the symbol of one of man's fundamental needs. For the fulfilment of this need we must depend on the joint effort of many; in India industries and development projects all form a part of this joint effort, speeding the nation's progress. A constant supply of our petroleum products to such enterprises is fundamental to this progress.



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STANDARD-VACUUM OIL COMPANY (Incorporated in the U.S.A., with Limited Liability.)

Calcutta Markets

FAIR GENERAL DEMAND AT TEA EXPORT SALE

STRONG BUYING IN DUSTS

AT Sale No. 18, held on 22nd and 23rd October, 1956, offerings at the Export auction, consisted of 61,700 packages. At the commencement of the Sale, there was a fair general demand, but this weakened as the sale progressed. The strongest feature of the sale was Whole Leaf grades and the well-made stylish kinds were from 4 to 6 annas dearer. Clean Commons and Low Mediums were a fairly strong feature and were 1 to 2 annas dearer, the Fannings grades receiving more support than the Broken, especially if they were clean and black in appearance. The few Medium teas of orthodox manufacture with bright liquors were strong and fully firm, but the remaining Mediums were from 1 to 2 annas easier. C.T.C. teas were also easier and declined by 2 to 4 annas. Well rolled stylish B.P.S. were in good demand and were fully firm to dearer and non-wither Doors were also strong and advanced by 1 to 2 annas. Tippy teas were generally easier and some of the more expensive kinds sold at up to 8 annas below last rates. Darjeelings met with a slightly improved demand.

Quotations

	1956	1955
Clean Black Pekoe	2 3 0 to 2 4 0	2 8 0
Plain B.P.	1 12 0 to 1 13 0	1 14 6
Medium Assam B.P.	2 2 0	2 0 0
Best C.T.C. Assam B.P.	3 2 0 to 3 3 0	3 4 0 to 3 6 0

At the Internal Sale, Dust offerings consisted of 18,309 chests for which there was a strong demand at rates which were generally 1 to 2 annas above last rates. Black exportable types were a strong feature and were generally fully firm, while Darjeelings met with more enquiry, but at irregular rates. Commons and Mediums were strongly competed for, especially the cheaper kinds. Better

C.T.C.'s were 2 to 4 annas easier, but the poorer fibrous C.T.C.'s were generally dearer.

Quotations	
Medium Doors Dust	2 5 0
Medium Assam Grainy	1 13 0 to 1 13 6
Dust	2 5 0 to 2 6 0
Medium Assam C.T.C.	1 15 6 to 2 0 0
Dust	2 10 0
Best Assam C.T.C.	2 14 0 to 3 0 0
Dust	2 12 0 to 2 14 0

Leaf catalogues comprised 1,321 chests for which there was a good and general demand for all sorts except for the green teas on offer which were a very weak feature.

FREIGHT RATES UNCHANGED

THE past week's freight market remained basically unchanged with the exception of a few coal fixtures of consecutive voyages to continental ports of discharge. The single voyage coal from American ports to the Continent paid 74s and it appears that charters are unlikely to move at present. Tonnage for wheat from the Pacific to the Continent were obtained at an easier rate, but charterers are finding it difficult to obtain tonnage for Indian ports' discharge. Although Australian shippers have a variety of orders in hand they are not making any firm offers and it appears that they are expecting owners to come forward first. In the Indian ore markets, fixtures have been concluded and are open for iron and/or manganese ore from Madras or Vizagapatam to Rijeka at 130s f.i.o. Indian ore charterers are open for tonnage for Vizagapatam-Trieste and indication of freight is 132s 6d. f.i.b. Charterers are open for rice from Gulf to Pakistan at \$(U.S.)36. Fixture from Burma to Colombo with rice has been concluded at 73s 9d. f.i.o. In the time charter market, an oilburner with heavy lifts has been fixed at 47s 6d for Indian round voyage.

LINSEED QUIETER

Somewhat quieter conditions prevailed because of the lack of buying support in linseed; despite poor arrivals, buyers were less keen, except at lower prices. Activity was on a very limited scale. The oil section was weak, and local prices were out of line with indications from overseas. Demand was very poor. Latest quotations were based on Ready-October, Rs. 23-12 a maund.

HIDES AND SKINS STEADY

The market ruled steady. Stocks were higher than in the previous week.

Bazaar Sales

(Between 15th October and 22nd October, 1956)
Cowhides: Wet salted (Ord.) 20,000 pcs. on the basis of Annas 9; Wet salted (Slaughtered) 18,600 pcs. on the basis of Rs. 12-8 to Rs. 20.

Goatskins: Wet salted (Daissee, Killed) 46,960 pcs. on the basis of Rs. 255 to Rs. 275 and Rs. 320 to Rs. 340; Assam-Dinajpur 23,500 pcs. on the basis of Rs. 225 to Rs. 265; Purneah-Kissenganj 1,000 pcs. on the basis of Rs. 245; Patna-Pakur 800 pcs. on the basis of Rs. 230; Muzafferpore-Patna 20,000 pcs. on the basis of Rs. 255 to Rs. 270.

Bazaar Stocks

(22nd October, 1956)
Cowhides: Wet salted 2,01,000 pcs.
Goatskins: Wet salted (Daissee, Killed) 19,000 pcs; Dinajpur-Assam-Jalpaiguri 32,000 pcs; Muzafferpore-Patna-Pakur-Purneah-Kissenganj 90,000 pcs.

SHELLAC MARKET STEADY

During the fortnight ended 23rd October, the market was steady. The range of quotations was as follows:

Pure Buttonlac	Rs. 123 value, 126, 127, 125, 127-8 buyers.
Lemon No. 1 Shellac	Rs. 125 value, 126, 130-8, 129-8, 130-8 buyers.
Lemon No. 2 Shellac	Rs. 120 value, 121 buyers, 123 done and buyers, 124-8, 125-8 buyers.
F. O. Std. 1 Shellac	Rs. 116-8, 120-8 buyers, 121/122 done, 121-8 buyers, 123 basis done and buyers.
Pure TN Shellac	Rs. 112 basis done and buyers, 114-8, 117 buyers, 118/119 basis done and buyers.
4% I.T.N. Shellac	Rs. 100 to 108, 107, 107-8 buyers.
No. 1 Kusmi Seedlac	Rs. 115-8 to 122, 121, 121-8 value.
No. 2 Kusmi Seedlac	Rs. 111-8 to 116 value, 116 buyers, 116 value, 118 buyers.
Fine Bysaky Seedlac (Manbhum)	Rs. 105 buyers, 110 done and buyers, 111 buyers.
Fine Bysaky Seedlac (C.P.)	Rs. 100, 106-8, 105-8, 104-8 buyers.
Ordinary Bysaky Seedlac (C.P.) under 5%	Rs. 95, 100, 97-8, 101, 99, 100-8 buyers.
Ordinary Bysaky Seedlac (C.P.)	Rs. 87-8 to 95-8, 94-8 buyers.
Kireelac	Rs. 35/37 buyers, 37 done and buyers, 37 buyers.

Shipments during October until the 17th were 7,911 packages comprising shellac 5,257 packages, seedlac 1,614 packages, buttonlac 369 packages and others 671 packages.

COMPANY AND PUBLIC NOTICES

TIRRIHANNAH COMPANY LIMITED.

NOTICE is hereby given that the 49th Annual General Meeting of the Shareholders of Tirrihan-nah Company, Limited, will be held at "McLeod House", No. 3, Netaji Subhas Road, Calcutta, the Registered Office of the Company, on Wednesday, the 21st November, 1956, at 2-30 P.M. for the following purposes:—

1. To consider the Profit & Loss Account for the year ended the 31st December, 1955, the Balance Sheet as at that date and the Reports of the Directors and the Auditors.
2. To declare Dividends.
3. To appoint a Director in place of the Retiring Director; Mr. P. C. Banthia being longest in Office, retires by rotation and offers himself for re-election.
4. To appoint Auditors for the year ending 31st December, 1956 and to fix their remuneration.
5. To appoint a Director in place of Mr. O. N. Goenka who vacates his office under Section 262(2) of the Companies Act, 1956.

The Share Transfer Books of the Company will be closed from 7th November 1956 to 21st November 1956, both days inclusive.

By Order of the Board,
McLEOD & CO. LTD.,
A. T. DOIG,
Managing Director,
Managing Agents.

Calcutta,
23rd October, 1956.

NOTE: 1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member.
2. Payment of the proposed Dividends, if declared, will be made on or after 30th November, 1956, only to those members whose names are registered in the Books of the Company on the 21st November 1956, or to their Mandatees. No application for Warrants will be necessary. Claims on behalf of holders of Shares on blank transfer will not be entertained.

EXPLANATORY STATEMENT

With regard to Item No. 5 of the above Notice Mr. G. T. Routledge was a Director of this Company for a long time. He vacated his office under Section 314 of the Companies Act. Your Board of Directors co-opted Mr. O. N. Goenka as a Director in his place. Mr. O. N. Goenka vacates his office in terms of Section 262(2) of the Companies Act, 1956. The vacancy may be filled up by the members.

HUKUMCHAND JUTE MILLS, LTD.

NOTICE TO SHAREHOLDERS.

NOTICE is hereby given that the next Annual General Meeting of the Shareholders will be held at the Registered Office of the Company, 9, Bra-bourne Road, Calcutta, on Friday, the 9th November, 1956, at 4-30 P.M. for the following purposes:—

1. To receive and pass the Directors' Report and the Audited Accounts for the year ended 31st March, 1956.
2. To declare Dividends.
3. To elect Directors in place of those retiring.
4. To appoint Auditors.
5. To pass the following resolution as a Special Resolution: "RESOLVED that Sri D. P. Goenka, a Partner of the Managing Agents be and is hereby re-elected a Director of the Company."
6. To transact any other business that may be brought before the Meeting.

Dividends, if declared, will be paid to the Registered Shareholders only.
The Share Transfer Register of the Company will be closed from 1st November, 1956 to 9th November, 1956, both days inclusive.

By Order of the Board,
RAMDUTT RAMKISSENDASS,
Managing Agents.

Calcutta, the 9th October, 1956.

INDIA GENERAL NAVIGATION & RAILWAY COMPANY LIMITED.

NOTICE

THE Company's Calcutta Stock Transfer Registers will be closed from Friday, the 9th November, 1956 to Thursday, the 22nd November, 1956, both days inclusive.

By Order of the Board,
KILBURN & CO. PRIVATE LTD.,
Managing Agents.

THE BENGAL FLOUR MILLS CO. LTD.

NOTICE is hereby given that an Interim Dividend on the shares of the above Company of 11½% free of Income Tax, for the year ending 31st December, 1956, was declared by the Board of Directors on 22nd October, 1956, payable on or after 9th November, 1956 to those Members whose names are registered in the Register of Members of the Company on the 9th November, 1956. Dividend Warrants will be despatched to Members and no application to the Company is necessary.

The Register of Members of the Company will be closed from 5th November, 1956 to 9th November, 1956, both days inclusive.

By Order of the Board,
BALMER LAWRIE & CO., LTD.,
D. MANSON,
Secretary,
Managing Agents.

21, Netaji Subhas Road,
Calcutta,
22nd October, 1956.

THE CALCUTTA ELECTRIC SUPPLY CORPORATION LIMITED.

(Incorporated in England)

NOTICE is hereby given that the Board of Directors of this Company have declared payment of an Interim Dividend on the Company's Ordinary Stock at the rate of £3 per cent net (tax applicable at 3s 6d. in the £) for the year ended 31st December, 1956. Payment will be made on 15th November, 1956, to those stock-holders whose names are registered in the Company's Stock Register on 26th October, 1956.

Applications for transfers received in this Office before 12 O'clock noon on Friday, the 26th October, 1956, will, if otherwise satisfactory, be registered at that date for the purpose of participation in the above Dividend.

By Order of the Board,
I. A. MACPHERSON,
Agent.

VICTORIA HOUSE,
Calcutta, 16th October, 1956.

**RESIDENTIAL, OFFICE &
FACTORY BUILDINGS:
ROPEWAY TRESTLES &
STATIONS: BUCKETS &
HANGERS: BUNKERS:
CONVEYORS & TOWERS:
FOOT OVER-BRIDGES:
TEA GARDEN STRUCTURES:
PIT HEAD FRAMES, ETC...**

**LIGHT AND MEDIUM
STRUCTURAL
STEEL WORK**

STRUCTURAL DEPARTMENT
MARTIN BURN LTD
12 MISSION ROW CALCUTTA I
BRANCHES
BOMBAY NEW DELHI KANPUR

MSDX 2

COAL COMPANIES

O. Po. F. and Dd. indicate Ordinary Preferred Ordinary Founders' and Deferred shares respectively. P next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Number of Spindles	Number of Looms	Net Block Account	Reserve & Funds	Cash & Securities	NAMES OF MILLS	Accounts closed	Dividends per cent	Latest Market Quotations as available until
Rs.			Rs.	Rs.	Rs.			1954 1955 1956	24-10-56 9-10-56 A year ago
25,50,000	26,43,478	24,50,000	6,60,570	Amalgamated	3-9	236	6,83,393	26,953	31-5 61-71 .. 10 22 23 24
1,00,00,000	1,96,15,288	1,40,49,223	18,35,889	Bengal P	4-10	2	26,18,986	7,31,563	71-71 81-81 .. 200 503 503 506
4,49,350	3,08,193	70,000	2,24,303	Bengal Bhatdee	6-12	2	15,145	8,933	11-11 11-11 .. 10 16 16 11
2,25,000	2,48,198	5,30,654	3,64,478	Bengal Nagpur P	6-12	2	50,568	1,07,984	11-11 11-11 .. 10 16 16 11
15,97,000	14,16,665	6,91,475	13,32,076	Bhaigoran	9	152	6,13,899	39,978	11-11 11-11 .. 10 6 6 7
40,00,000	68,01,474	20,23,235	32,65,320	Bharat Collieries P	6	335	2,52,221	27,433	11-11 11-11 .. 10 7 7 8
7,15,000	35,63,291	14,29,045	68,704	Bhulanbarare	6-12	106	20,810	1,87,446	11-11 11-11 .. 10 12 12 13
16,00,000	38,97,275	16,18,636	7,185	Bokar & Rangur	6-12	315	1,21,936	79,196	11-11 11-11 .. 10 13 13 15
7,50,000	18,56,899	24,29,925	11,60,066	Borres P	6-12	106	2,14,622	84,207	11-11 11-11 .. 10 13 13 15
90,92,480	2,38,29,968	1,73,17,802	25,32,133	Burrakur P	6-12	21	11,90,330	1,15,376	11-11 11-11 .. 10 16 16 17
49,97,000	35,80,075	750	1,75,962	Central India	3	166	1,33,037	14,019	11-11 11-11 .. 10 17 17 18
8,00,000	16,67,573	13,30,519	15,752	Central Kurkud P	6-12	323	34,743	82,768	11-11 11-11 .. 10 17 17 18
6,00,000	1,13,876	7,22,556	7,22,556	Churulia	6-12	106	4,374	2,129	11-11 11-11 .. 10 17 17 18
16,00,000	23,76,131	1,20,000	35,989	Dhenc Main	6-12	106	70,801	2,43,279	11-11 11-11 .. 10 17 17 18
2,40,000	2,234,688	2,234,688	2,234,688	East Indian	4	128	2,137,640	259,767	11-11 11-11 .. 10 17 17 18
29,63,760	1,15,25,712	83,55,409	24,17,690	Equitable P	6-12	19	8,87,453	82,379	11-11 11-11 .. 10 17 17 18
10,00,000	6,74,708	2,07,486	3,32,972	Ghusick & Muslia	3	307	12,979	24,844	11-11 11-11 .. 10 17 17 18
6,50,000	5,06,856	4,95,544	4,95,544	Jayraj Kajora	6-12	20	24,150	3,401	11-11 11-11 .. 10 17 17 18
8,00,000	3,17,780	7,25,000	7,92,425	Huriladih	6-12	19	2,70,524	45,085	11-11 11-11 .. 10 17 17 18
3,50,000	6,31,200	5,66,816	1,407	Kalapahari	2-8	2	1,38,130	2,21,237	11-11 11-11 .. 10 17 17 18
15,00,000	31,71,836	24,32,396	25,61,314	Karanpura Development	6-12	21	49,116	17,839	11-11 11-11 .. 10 17 17 18
20,00,000	24,60,896	1,77,175	26,967	Karanpura Collieries P	2	21	2,26,982	6,965	11-11 11-11 .. 10 17 17 18
5,00,000	10,29,548	16,60,000	11,25,332	Katras Jheriah	1-7	2	5,92,347	1,33,475	11-11 11-11 .. 10 17 17 18
1,38,400	6,75,000	95,000	11,80,294	Khas Kajora P	6-12	326	49,776	1,918	11-11 11-11 .. 10 17 17 18
6,65,750	10,84,977	85,000	9,560	Mandulpur	6-12	326	79,868	79,868	11-11 11-11 .. 10 17 17 18
7,48,240	2,62,442	1,50,000	5,04,429	Nazira	6-12	347	82,501	23,598	11-11 11-11 .. 10 17 17 18
7,00,000	5,13,418	26,617	61,641	New Bansdeopur	3-9	5	59,011	6,071	11-11 11-11 .. 10 17 17 18
17,76,230	31,15,787	20,01,763	3,78,538	New Beerboom P	4-10	2	2,64,716	94,383	11-11 11-11 .. 10 17 17 18
6,00,000	11,71,307	75,000	40,447	New Manbhoom	3-9	202	25,330	2,233	11-11 11-11 .. 10 17 17 18
2,50,000	7,69,622	1,75,500	10,12,916	North Damuda	1-7	306	7,954	32,184	11-11 11-11 .. 10 17 17 18
1,15,000	4,42,488	2,85,193	1,53,246	North West	3-9	2	51,420	15,950	11-11 11-11 .. 10 17 17 18
7,50,000	1,20,000	12,19,897	23,26,751	Ondal P	6-12	106	22,197	56,646	11-11 11-11 .. 10 17 17 18
8,34,000	9,21,342	10,882	4,39,011	Parasa P	6-12	207	1,08,077	33,343	11-11 11-11 .. 10 17 17 18
15,75,000	12,40,000	16,00,000	12,21,654	Pencr Valley	3-9	236	4,16,450	33,343	11-11 11-11 .. 10 17 17 18
2,50,000	2,62,405	7,000	11,334	Pure Sitalpur	6-12	5	2,008	18,581	11-11 11-11 .. 10 17 17 18
23,99,500	37,59,038	19,17,105	39,198	Ranegunge	3-9	79	1,83,814	16,846	11-11 11-11 .. 10 17 17 18
13,50,000	7,98,001	14,29,643	14,29,643	Rewa	6-12	236	4,96,775	26,029	11-11 11-11 .. 10 17 17 18
20,00,000	23,74,261	7,52,027	1,01,427	Samsa	12	48	1,80,660	31,543	11-11 11-11 .. 10 17 17 18
2,50,000	1,56,194	11,356	11,356	Searsole	1	353	89,009	11,078	11-11 11-11 .. 10 17 17 18
2,80,000	10,92,193	8,36,598	7,87,726	Seepore P.	6-12	2	2,42,112	49,299	11-11 11-11 .. 10 17 17 18
8,00,000	23,624	5,29,306	6,32,757	Sendra	6-12	106	4,098	7,503	11-11 11-11 .. 10 17 17 18
17,50,000	22,81,968	10,75,016	63,654	South Karanpura	2-8	21	59,079	51,533	11-11 11-11 .. 10 17 17 18
8,00,000	1,43,000	15,69,596	21,89,890	Standard	6-12	106	47,444	17,347	11-11 11-11 .. 10 17 17 18
10,00,000	15,58,085	15,075	3,910	Talcher	9	277	22,689	3,85,056	11-11 11-11 .. 10 17 17 18
3,50,000	4,68,000	3,33,000	8,176	Union	6-12	279	4,033	44,167	11-11 11-11 .. 10 17 17 18
49,98,000	39,55,550	50,000	2,17,164	Western Bengal	3	166	4,09,648	7,262	11-11 11-11 .. 10 17 17 18
7,00,000	32,55,152	1,30,000	40,000	West Jamuria	6-12	19	1,31,849	122	11-11 11-11 .. 10 17 17 18

N = Nominal

COTTON MILLS

Paid-up Capital Ordinary	Number of		Net Block Account	Reserve & other Funds Premiums & Forfeited Share if any	Cash & Securities	NAMES	Accounts closed	Manufacturing Agents	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up Per Shares	Latest Market Quotations as available until			
	Spindles	Looms									Rs.	Rs.	1953		1954	1955	Rs.	24-10-56	9-10-56	A year ago
Rs.			Rs.	Rs.	Rs.				Rs.	Rs.			Rs.	Rs.	Rs.	Rs.		
15,00,000	14,108	356	14,62,919	1,73,478	11,90,008	Basanti P	12	49	1,97,268	41,227	21	..	..	10	61	61	54	
32,72,540	22,197	505	47,69,676	23,18,908	24,351	Benares P	3-9	120	1,27,187	4,79,247	..	..	..	10	12	13	11	
7,11,280	36,000	932	17,17,120	2,20,369	30,842	Bengal Luxmi	3	27	3,66,176	47,818	..	..	..	40	40	40	36	
27,00,000	37,476	624	23,53,000	15,50,000	3,84,224	Bengal Nagpur P	6-12	236	5,23,389	18,199	21-Nil	Nil	..	10	9 1/2	9 1/2	9 1/2	
15,00,000	38,764	992	31,35,500	1,09,84,251	21,32,642	Birla Cotton	1	22	5,28,332	4,25,221	30	30	30	10	30 1/2	30 1/2	30 1/2	
6,00,000	42,272	641	37,54,142	22,75,588	1,44,948	Bowser P	6-12	138	84,028	23,47,372	Nil-Nil	Nil-Nil	Nil-Nil	100	150	150	97 1/2	
30,00,000	22,000	510	8,43,453	29,51,420	1,00,393	Cawnpore Textiles	3	25	6,73,253	36,767	11 1/2	10	Nil-5	5	9 1/2	9 1/2	3 3/4	
1,00,563	1,01,308	2,762	9,94,63,168	2,74,48,393	2,94,83,803	Delhi Cloth & Genl P.	6	238	1,81,44,478	82,759	7	9	9	2 1/2	40 1/2	40 1/2	39 1/2	
19,00,000	42,944	518	34,12,181	25,71,925	1,53,884	Dunbar	6-12	138	9,92,378	1,37,951	Nil-Nil	Nil-Nil	Nil-2 1/2	100	274	274	272	
63,00,000	54,000	1,200	22,44,751	66,33,360	43,05,583	Elgin P	9	25	32,80,464	93,386	15	10	10	10	27 1/2	27 1/2	21 1/2	
1,20,00,000	59,250	1,872	33,99,575	1,80,53,952	47,29,268	Kesoram P	3	22	37,41,719	2,45,435	11 1/2	8 1/2	8 1/2	20	17 1/2	17 1/2	16 1/2	
33,96,288	35,864	864	17,48,143	9,75,679	74,08,555	Mohini P	12	45	9,53,316	5,158	..	..	..	25	..	..	..	
30,00,000	88,000	1,825	47,44,546	52,19,601	32,65,055	Muir P	12	208	18,77,941	7,77,290	..	..	..	25	85	85	118	
22,89,824	18,848	1,367	43,25,577	26,00,968	1,45,701	New Victoria P	12	237	18,83,371	13,76,473	Nil	..	..	2 1/2	23	23	11	
19,47,150	23,196	795	22,57,946	18,38,739	2,02,179	Rampooria Cotton	6	4	6,16,936	1,094	..	6 1/2	10	10	15 1/2	14 1/2	14 1/2	
5,00,000	1,14,836	2,077	2,83,77,688	2,65,04,931	32,30,412	Swadeshi (Cawnpore) P	12	333	43,71,838	7,09,029	5	7 1/2	7 1/2	100	12 1/2	12 1/2	10 1/2	
1,57,50,000	48,754	1,310	91,31,708	1,89,73,217	43,89,979	Bangalore W. C. Silk P	12	26	56,34,938	2,38,649	25	30	30	100	563 1/2	582 1/2	575	
1,78,41,800	1,20,012	2,770	3,20,71,600	1,37,39,278	23,80,514	Buckingham Carnatic P	12	26	1,01,66,075	2,38,445	10	10	10	100	196 1/2	200	185	
20,00,000	28,000	..	18,03,003	20,30,274	11,26,239	Cambodia P	12	210	1,96,274	27,593	7 1/2	Nil	5	10	14 1/2	14 1/2	13 1/2	
12,00,000	23,864	..	5,41,058	9,30,363	36,53,502	Coimbatore Cotton	12	188	5,53,750	61,404	..	..	..	100	392	393	340	
20,00,000	72,832	407	47,91,212	17,99,581	22,227	Coimbatore Spg & Wvg	6	46	7,52,342	10,23,340	Nil	..	..	50	90	91	73	
20,00,000	50,640	295	12,25,505	7,99,000	38,77,434	Kaleeswarar	12	139	58,71,434	1,677	..	..	..	100	335	335	285	
24,00,000	30,512	200	32,38,868	16,25,000	7,43,757	Kothari Textile P	6	141	3,25,924	2,39,382	5	6	10	10	18	18	16	
23,64,000	48,756	..	15,01,051	21,70,200	78,350	Lakshmi	12	186	31,41,248	2,209	..	..	..	50	256 1/2	259	173 1/2	
1,75,02,480	4,65,324	..	2,15,02,107	1,13,81,878	70,831	Madura	12	108	77,86,509	18,86,813	20	20	20	15	49 1/2	50 1/2	52	
12,00,000	21,856	609	8,43,189	3,85,363	10,32,898	Malabar Spg & Wvg	12	240	85,193	84,039	..	..	..	200	113	113	112	
60,00,000	24,252	603	20,49,893	69,00,000	1,19,11,155	Metur Industries	12	29	48,44,863	45,835	22 1/2	35	42 1/2	100	452	455	405	
13,61,780	6,000	..	14,15,992	8,90,279	1,34,663	Mysore Spun Silk	3	142	1,753	3,986	Nil	Nil	..	60	172	172	130	
4,00,000	20,137	Nil	8,36,608	5,00,000	24,24,308	Palani Andavar P	12	30	7,39,437	2,687	..	..	..	60	172	172	130	
7,79,700	15,540	416	5,42,118	4,43,421	2,65,911	Sitaram Spg & Wvg	3	164	87,724	3,083	..	..	..	60	172	172	130	
7,00,000	28,104	270	12,98,563	18,23,501	11,71,324	Vasanta P	12	47	16,37,450	..	..	..	..	100	340	340	243 1/2	

† Liquid Assets.

BOMBAY COTTON MILLS

O. Po. C. and Dd. indicate Ordinary Preferred Ordinary Founders' and Deferred Shares respectively. P next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Number of Spindles	Number of Looms	Net Block Account	Reserve & Funds	Cash & Securities	NAMES OF MILLS	Accounts closed	Dividends per cent	Latest Market Quotations as available until
Rs.			Rs.	Rs.	Rs.			1953 1954 1955	24-10-56 9-10-56 A year ago
33,00,000	48,552	1,016	76,85,647	23,92,600	13,11,543	Ahmedabad Advance P	6	269	2,94,748

MISCELLANEOUS COMPANIES

O., Po., C. and Dd indicate Ordinary, Preferred Ordinary Contributory and Deferred Shares respectively. P. next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Portfolios Shares If any	Cash and Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			
									1952	1954	1955		24-10-56	9-10-56	4 years ago	
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.				Rs.	Rs.	Rs.	Rs.	
MININGS.																
£2,369,796		£1,73,459	£2,534,298	Burma Mines Ltd.	12	153	£608	£304	NH			3 1/2	3 1/2	31	2	
30,00,000				Chrestian Mica Industries Ltd. P	12	312	11,97,137	10,883	61	73		100	163	163	171 1/2	
15,00,000	43,47,289	22,78,383	34,23,759	Consolidated Tin Mines	3	87	£10,533	£22,218	73	73		5d	83	83	10 1/2	
£318,088	£238,420	£51,484	£112,683	Indian Copper Corporation	12	88	£1,299,804	£117,083	10	25	45	2s	23	23	23	
£914,200	£876,054	£1,853,056	£1,376,169	Meta) Corpn P.	3	343	-2,39,779	-4,51,131	NH	NH		100	10 1/2	11 1/2	6	
29,19,430	£1,58,847	£01,886	13,723	Jrissa Minerals Development	6-12	21	4,40,034	1,18,875	20-20	10-10	10	10d	10 1/2	11 1/2	8 1/2	
2,82,673	23,37,499	35,58,897	32,52,617	Javoy Tin Dredging	12	14	£9,059	-£19,118	NH	NH		10	2 1/2	2 1/2	25 1/2	
20,00,000																
£375,000	£445,323	£317,487	£234,326									2s				
CEMENT LIME SLATE, ETC.																
43,14,600	41,51,412	21,43,429	29,64,072	Assam Bengal Cement	3	80	1,70,813	6,44,675				100	7 1/2	7 1/2	7 1/2	
70,976	35,51,055	11,49,492	14,292	Bengal Potteries	12	155	7,85,229	17,340	61	10		100	13	13	14 1/2	
31,70,655	25,13,276	26,53,750	4,80,720	Bisra Stone Lime	3-9	21	6,79,553	24,693	81-5	5-61	81-81	44	40	40	43 1/2	
10,00,000				Dalmia Cement (Bharat) P.	12	123	56,57,138	2,87,995	10	10	12 1/2	100	14 1/2	15 1/2	15 1/2	
60,00,000	62,91,411	98,26,915	2,11,38,275	Kumardbubi Fireclay & Silica P	12	121	6,05,311	49,404	15	15	15	100	15 1/2	17	13 1/2	
26,50,000	77,49,749	72,13,923	2,14,327	Reliance Firebrick & Pottery	2-8		1,10,341	18,501	NH-10	NH-10	10-10	10	12	22	20	
5,00,000	10,81,502	22,45,000	6,74,212	Sone Valley Portland Cement	12		7,83,437	41,941				10	9 1/2	9 1/2	9 1/2	
15,00,000	59,94,174	22,45,000	2,27,012	Sutna Stone & Lime	6-12	3	69,593	652	31-61	51-61	51-61	10	16 1/2	16 1/2	17	
3,22,560	1,63,551	61,287														
CHEMICAL INDUSTRIES																
62,00,000	1,50,41,342	42,71,273	68,648	Alkali & Chemical Corp of India	9	121	19,39,845	1,19,168	6	6	8	100	22 1/2	23 1/2	21 1/2	
40,00,000	21,91,251	15,000	61,675	Bathgate & Co Ltd P.	12	324	-3,54,305	-22,19,376	NH			10	2 1/2	2 1/2	1 1/2	
11,45,800				Bengal Chemical & Pharm P.	4	245	14,18,430	11,70,500	6	6	6	100	100	100	110 1/2	
11,08,930A	56,08,902	43,35,000	1,49,08,740	Frank Ross P.	2	129	46,933	858	NH	NH	NH	6	2 1/2	2 1/2	2 1/2	
22,54,700B				Smith Stanistreet P.	6	191	4,25,309	83,868	10	10	20	8	12 1/2	12 1/2	13	
4,95,000	82,695	69,370	15,903													
5,00,000	4,29,261	10,45,949	2,27,193													
ELECTRIC LIGHTING POWERS.																
10,99,600	£7,69,341	26,19,793	22,94,558	Arra Electric Supply	3-9	32	3,05,594	46,384	6-5	5-5	5-5	100	158	158	166	
20,00,000	26,70,587	6,55,896	4,84,956	Bareilly Electric Supply	6-12	32	33,783	20,490	12-5	5-5	5-5	100	141	141	151	
17,00,000	80,72,095	22,47,869	11,75,289	Benares Electric Light Power	5-12	32	35,507	38,507	51-61	61-61	61-61	10	18	18	19 1/2	
5,81,260	10,86,663	5,90,855	95,318	Bhagalpur Electric Supply	12	202	1,44,138	41,815	5	61	5	10	83	83	83	
£4,262,646	£18,897,213	£7,242,300	£595,368	Calcutta Electric Supply P.	12	90	£1,52,226	£136,163	6	6	6	21	13 1/2	13 1/2	15 1/2	
6,60,040	17,68,438	5,34,904	93,184	Cuttack Electric Supply	12	202	1,24,236	26,455	NH	3		10	9	9	9 1/2	
17,51,050	38,10,419	4,01,599	3,39,344	Dacca Electric Supply P.	12	202	3,89,844	12,706				10	4 1/2	4 1/2	9 1/2	
5,21,640	8,42,506	1,65,000	3,037	Jhansi Electric Supply	12	168	71,309					10	9 1/2	9 1/2	8 1/2	
22,49,550	42,84,132	14,91,996	8,31,532	Jubbulpore Electric Supply	3-9	32	2,14,545	27,527	51-4	51-4	51-4	10	14 1/2	14 1/2	15 1/2	
4,95,000	5,44,554	2,51,058	1,13,029	Mirzapur Electric Supply	12	202	58,676	27,739	5-5/8			9	7 1/2	7 1/2	7 1/2	
5,82,330	17,12,129	1,78,313	83,869	Muzafferpore Electric Supply	12	202	73,159	-7,076	NH	NH		10	9 1/2	9 1/2	7 1/2	
8,99,700	4,54,057	77,927	3,48,165	Muttia Electric Supply	12	329	30,021	2,268	3-3			10	11 1/2	11 1/2	12 1/2	
35,07,380	85,46,049	37,10,223	11,51,661	Palna Electric Supply	12	202	740,283	63,905	71	71		10	11 1/2	11 1/2	12 1/2	
5,00,000	2,87,192	92,919	2,24,719	Saugor Electric Supply	6-12	32	26,549	2,248	21-21	21-21	21-21	10				
9,10,000	1,57,951	2,72,300	1,20,959	Shajahanpur Electric P.	3	202	55,624	14,394	5			10	8 1/2	8 1/2	7	
16,80,000	27,99,505	5,35,596	3,38,039	Silwa (Jherria) Electric	12	21	3,29,874	44,269	73			10	11 1/2	11 1/2	12	
56,00,000	1,62,42,470	55,82,639	13,28,418	United Provinces Electric	3-9	32	5,39,938	80,988	5-5	5-5	5-5	100	155 1/2	155 1/2	160	
5,98,500	7,78,128	2,07,493	7,77,619	Upper Ganges Valley Elec.	6-12	32	93,211	8,097	12-43	12-43	12-43	10	13 1/2	13 1/2	15 1/2	
4,97,500	9,83,503	4,45,371	6,17,317	Upper Jumna Valley Elec.	3-9	32	65,313	28,289	61-61	61-61	61-61	10	20 1/2	20 1/2	19 1/2	
ENGINEERING & METAL																
6,00,000	1,74,689	6,49,870	2,10,157	Arthur Butler (Muzafferpore) P.	10	300	1,52,744	1,01,965				10	9 1/2	9 1/2	8 1/2	
20,00,000	51,62,373	16,39,587	42,18,134	Bhardia Electric Steel	12	31	11,67,212	3,95,940	73			10	17 1/2	17 1/2	16 1/2	
39,61,853	48,94,558	60,13,020	2,31,294	Braithwaite India	12	289	5,59,761	14,277	14-27	18-17 1/2	25	1	29 1/2	29 1/2	29 1/2	
12,04,000	11,00,577	20,99,831	2,31,294	Bridge & Roof	12	24	1,16,247	1,51,297	11-71	11-71	11-71	10	36 1/2	36 1/2	33 1/2	
19,88,670	43,02,291	65,50,000	2,34,387	Britannia Building & Iron P	3	109	2,40,547	17,197	5	5	5	10	8 1/2	8 1/2	12 1/2	
10,00,000	17,90,445	30,75,000	17,672	Britannia Engineering	12	165	7,37,822	1,36,319	15	15		10	18 1/2	18 1/2	17 1/2	
5,00,000	5,44,177	1,00,000	6,594	British India Electric Cons.	6-12	24	91,270	-26,929	NH-15	NH-15	NH-15	10	31 1/2	31 1/2	31 1/2	
84,00,000	1,37,50,426	94,65,000	8,62,721	Burn P. (Engineering)	4	32	40,53,297	96,435				15	382	382	335	
12,50,000	20,64,770	22,00,000	45,733	Houghly Docking	12	32	1,72,120	2,037	15	12 1/2	12 1/2	50	139	138	137	
36,94,590	23,07,100	6,60,000	55,916	Indian Galvanizing	12	24	5,46,700	41,267	8	4	10	10	21 1/2	22 1/2	24	
5,18,37,060	15,50,80,610	3,24,19,315	2,60,33,538	Indian Iron & Steel P.	12	32	1,12,98,649	1,64,401	10	10	10	10	34 1/2	34 1/2	34 1/2	
3,65,000	3,90,976	90,000	3,47,063	Indan Malleable Casting	3	222	-26,994	-82,872				10	4 1/2	4 1/2	2 1/2	
19,49,256	30,46,716	47,33,987	13,61,471	Indian Standard Wagon P.	3	32	41,06,372	24,072	19	19	25-30	25	225	225	156	
26,580	35,69,979	1,73,15,122	1,64,34,728	Indian Steel & Wire Products	3	122	13,11,485	2,58,850	30	30	30	100	76	76	86	
32,00,000	45,97,847	57,91,388	15,35,612	Jessop & Co P.	10	290	47,27,193	14,130	15	15	30	100	193	193	193	
15,00,000	44,15,822	43,12,118	1,56,283	Kumardbubi Engineering P.	11	21	6,23,312	2,14,225	167	163	16 2/3	5	37 1/2	39 1/2	56 1/2	
10,50,000	4,44,410	29,21,646	7,20,534	Marshall Sons (India)	6	170	99,627	93,713	12 1/2	12 1/2		2	6 1/2	6 1/2	7 1/2	
49,98,000	34,04,843	11,68,291	2,93,571	National Iron and Steel	3	192	7,08,383	3,99,513				4	8 1/2	8 1/2	7 1/2	
6,00,000	9,22,727	6,10,232	1,36,103	Saran Engineering	3	25	1,69,352	9,264	15 1/2	12 1/2	6 1/2	4	7 1/2	7 1/2	6 1/2	
60,00,000	1,55,63,547	3,51,516	12,57,731	Textile Machinery	12	22	9,44,777	1,47,573	73			10	22 1/2	23 1/2	25 1/2	
SUGAR, BREWERIES, ETC.																
14,00,000	10,57,296	15,41,237	1,34,061	Balarampur Sugar	6	25	1,73,892	20,890	NH	15	13	5	73	73	11 1/2	
19,49,025	9,79,539	5,00,000	1,42,183	Belund Sugar	9	127	13,39,925	49,906	10	15		7 1/2	12 1/2	12 1/2	11 1/2	
15,00,000	4,67,680	36,89,916	20,40,455	Bharat Sugar P.	6	316	4,04,260	13,205	15	15	15	10	17	17	22	
33,57,580	22,31,225	13,59,916	26,47,199	Buland	10	92	1,43,927	8,477	10			10				
32,00,000	44,63,474	37,37,630	3,59,362	Carew (S.G.) P.	6	158	2,65,567	12,445	NH			10	20 1/2	20 1/2	24 1/2	
30,00,000	14,38,021	57,83,651	16,43,641	Channarayn Sugar P.	6	25	8,73,991	32,023	20	73	73	10	20 1/2	20 1/2	24 1/2	
20,00,000	19,38,855	26,04,091	9,55,327	Darbhanga	3	171	9,61,957	1,12,397	15	15		10	22 1/2	23	33 1/2	
26,00,000	20,28,769	33,35,766	41,32,151	Dyer Meakin (Breweries)	3	110	7,70,916	8,143	10	10	11 1/2	5	5 1/2	5 1/2	22 1/2	
12,50,649			3,84,913	Gwalior Sugar P.	9	237	-57,978	8,819				100	77	77	6 1/2	

† Liquid Assets * 1956

MISCELLANEOUS COMPANIES-Contd.

O, Po, C and Dd indicate Ordinary Preferred Ordinary Contributory and Deferred Shares respectively. P, next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Forfeited Share	Cash & Securities	NAMES	Accounting Method	Measuring Agency	Net Profit (including taxation)	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available unit.	A year ago			
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954	1955	1956	Rs.	24-10-56	9-10-56	1-10-56
SUGAR BREWERIES ETC.															
11.00,000	6,45,722	3,75,000	10,90,564	New Savan Sugar and Gur	3	140	95,437	52,205				10	6 1/2	6 1/2	6 1/2
9,00,000	7,28,559	17,64,369	58,734	Purbapuri Sugar P.	10	25	5,08,340	6,871	7 1/2	7 1/2		10	15 1/2	15 1/2	17 1/2
16,39,820	26,52,127	35,00,000	4,84,350	Rannagunj Cane & Sugar P.	5	1	18,11,764	20,350	15	20		10	26 1/2	28 1/2	26 1/2
19,49,606	25,52,953	39,28,219	13,92,915	Raza Sugar	10	92	10,78,193	3,144				10	20 1/2	20 1/2	20 1/2
2,30,000	1,42,169	6,54,762	1,85,111	Ryan Sugar P.	3	35	1,43,788	2,400				10	20 1/2	20 1/2	20 1/2
11,39,000	15,94,631	18,37,529	98,312	Samastipuri Central Sugar	9	25	-79,022	8,477	5	Nil		10	13 1/2	13 1/2	15 1/2
20,10,000	72,62,286	36,66,768	1,63,444	Shree Krishna Gyanodaya Sugar P.	7	335	12,99,571	34,046	15	17 1/2		10	12 1/2	12 1/2	10 1/2
7,94,500	13,54,858	11,65,175	11,16,368	Shree Sitaram Sugar	9	140	1,90,057	7,991				10	15 1/2	15 1/2	14 1/2
9,99,550	14,54,274	1,54,304	1,42,695	Sitalpore Sugar	8	94	-1,39,515	-1,39,515	Nil	Nil		10	4 1/2	4 1/2	6 1/2
16,00,000	6,07,804	7,99,778	42,25,72	Upper Provinces	3	341	4,23,880	39,061	12			10	21 1/2	21 1/2	22 1/2
3,00,000	38,92,308	21,57,557	3,69,235	Upper Ganages Sugar P.	5	227	10,24,525	82,931	25	25		10	9 1/2	9 1/2	7 1/2
14,00,000	14,24,740	23,74,426	10,72,924	Upper India Sugar	4	302	16,80,886	86,393	15	20		100AC 12BC	280	280	127
MISCELLANEOUS															
8,00,000	2,20,232	1,56,200	9,53,526	A Firpo (Restaurateurs)	10	85	84,518	4,475				100	4 1/2	4 1/2	7 1/2
1,50,00,000	1,40,80,594	62,17,715	51,361	Air India Ltd.	12	269	-6,02,785	-14,30,401				100			
2,00,00,000	2,58,39,100	68,01,534	50,022	Air India International Ltd.	12	322	-10,51,340	30,205				100			
47,50,000	1,31,03,534	15,00,000	5,97,941	Aluminium Corp P.	3	132	12,82,024	32,582	Nil	Nil		100	11 1/2	12	7 1/2
2,50,00,000	12,43,917	14,50,000	55,36,559	Anderson Wright Ltd.	12	1	4,94,322	24,401	7 1/2			10	11 1/2	11 1/2	11 1/2
30,00,000	10,11,675	37,63,779	14,41,315	Angelo Bros	5	268	11,84,131	3,43,961	12 1/2	20		10	24 1/2	24 1/2	23 1/2
30,00,000	17,54,434	27,66,265	5,49,631	Assam Tea Corp.	12	274	8,55,163	1,18,355	12 1/2	12 1/2		10	20 1/2	20 1/2	19 1/2
13,39,998	21,25,615	28,30,285	64,182	Assam Saw Mills & Timber	3	21	-97,045	-5,14,337	Nil	Nil		10	3 1/2	4 1/2	5
20,00,000	61,61,597	23,00,000	61,84,691	Associated Hotels of India P.	3	204	8,82,993	32,683	2			10	4 1/2	4 1/2	5
80,01,400	33,50,000	1,09,53,006	1,12,08,422	Balmer Lawrie & Co.	12	304	32,12,152	503,129	7 1/2	7 1/2		100	168 1/2	173	194 1/2
12,00,000	2,65,000	8,24,890	1,80,322	Baracoe Coke	3-9	128	2,16,123	22,708	13	-7		10	19 1/2	19 1/2	19 1/2
6,00,000	76,414	Nil	30,72,417	Bengal Timber Trading P.	4	129	-4,43,164	-1,19,103				100	41	41	43
50,10,000	19,33,822	Nil	19,39,359	Bharat Airways Ltd.	4	22	-3,19,593	-3,19,229				10	51	54	44
20,00,000	7,95,433	7,95,433	62,81,006	Birds Investments P.	3	160	5,89,372	1,15,707	12 1/2	12 1/2		10	17 1/2	17 1/2	19 1/2
49,97,020	76,95,085	31,11,814	2,09,476	Britannia Biscuit P.	3	50	8,14,201	1,79,777	10			10	15 1/2	14 1/2	14 1/2
23,08,796	13,18,785	23,37,735	3,38,373	British Ceylon Corporation P.	12	4	27,15,574	1,85,955			10	10 1/2	10 1/2	10 1/2	11 1/2
3,25,00,000	59,89,738	1,18,60,524	2,50,83,650	British India Corporation P.	12	33	-39,23,938	-27,36,584	11	Nil		7 1/2	11 1/2	11 1/2	11 1/2
32,50,000	2,10,569	5,83,376	1,16,62,847	Calcutta Gas Co (Propr.) Ltd P.	3	235	6,87,704	22,189	5	6		10A 10B	7 1/2	7 1/2	7 1/2
32,50,000	5,92,789	2,40,684	1,02,576	Calcutta Silk Manufacturing P.	3-9	213	45,711	22,586				10			5
90,00,000	17,68,710	67,71,158	2,49,58,018	Duncan Brothers & Co Ltd.	12	169	48,24,539	4,28,060	12			100	121	121	143
1,60,00,000	2,94,69,046	3,14,86,174	4,04,79,333	Dunlop Rubber Co. (India) P.	12	96	96,72,154	11,71,685	15	15		10	29 1/2	29 1/2	36
51,26,000	54,12,212	44,22,172	1,48,29,523	Eastern Investments Ltd P.	12	21	12,83,240	3,06,138	9			100	147	147	172
13,79,357	4,53,826	1,37,937	1,02,21,711	F & C Order (India) Ltd P.	3	84	-4,26,249	-5,26,994				10	11 1/2	11 1/2	10 1/2
20,00,000	12,88,300	21,97,541	85,53,601	French Motor Car	3	51	8,97,504	1,26,757	12 1/2	12 1/2		20	21	21 1/2	20 1/2
14,00,000	14,92,000	10,02,000	11,384	Ganges Rope	3-9	19	89,571	27,194	7 1/2	7 1/2		100	186	186	190 1/2
2,25,000	34,12,813	55,893	5,26,762	General Investments Trust P.	2-8	21	26,644	8,637	21	-23	31	75	43	43	43
20,00,000	27,68,049	40,00,000	1,09,15,326	Gillanders Arbuthnot & Co Ltd P.	3	105	29,17,809	1,51,360	7 1/2	14		10	14 1/2	14 1/2	14 1/2
40,00,000	11,31,333	7,81,000	1,28,337	Gladstone Lyall & Co Ltd P.	12	237	1,02,345	34,565				10	25 1/2	25 1/2	20 1/2
30,00,000	32,90,010	17,22,203	98,384	Godfrey Phillips (India) Ltd P.	10	110	19,01,201	11,96,811	10	20		10	25 1/2	25 1/2	20 1/2
			6,222,424	Great Eastern Hotel	3	225	5,30,579	16,373				250	250	250	229
10,00,000	17,38,764	1,61,175	9,221	Hindustan Ice & Cold Storage	9	24	43,337	24,274				5	11	11	1
35,20,000	31,95,729	1,98,806	19,72,453	Hoare Miller & Co Ltd	12	325	-91,337	67,868				10	6 1/2	6 1/2	7 1/2
13,18,000	7,42,66,399	7,80,000	5,50,382	Imperial Tobacco	12	325	3,66,59,515	24,94,274	6	8	8	10	15 1/2	15 1/2	15 1/2
1,60,00,000	2,41,97,863	53,33,999	10,13,114	Indian Aluminium Co. Ltd.	12	293	26,79,662	14,08,074	Nil	10		10	16 1/2	16 1/2	16 1/2
1,52,89,220	98,54,740	1,62,50,000	3,29,322	Indian Cable P.	3	34	77,23,81	28,98,462	10	12 1/2		10	34 1/2	34 1/2	32 1/2
83,75,000	22,07,260	2,21,280	11,69,467	Indian National Airways	12	93	36,302	-12,62,971				100	61	61	61
1,25,00,000												100	61	61	61
8,27,970	7,44,398	5,38,000	17,67,867	Indian Rubber Manufacturers P.	3	173	1,79,618	32,616	5	5		10	17 1/2	18 1/2	12 1/2
20,00,000	4,64,735	11,85,487	10,03,705	Indian Wood Products	9	88	17,28,038	2,76,619	27 1/2	30		10	47 1/2	47 1/2	43 1/2
5,00,00,000		2,16,228	12,78,049	Investments and Finance P.	2-8	21	57,450	9,746	21	-21	31	100	65	65	65
2,40,000	15,362	4,45,244	3,20,757	Ivan Jones Ltd.	9	194	1,39,321	36,496				2	3 1/2	3 1/2	3 1/2
5,87,500	2,23,827	2,97,161	6,66,985	James Wright P.	12	281	62,875	5,299	5			50	4 1/2	4 1/2	4 1/2
1,17,500									Nil			10			
2,00,00,000	51,23,900	55,00,000	3,73,43,977	Jardine Henderson Ltd P.	3	39	41,68,361	4,70,107	7 1/2	7 1/2		100	92	91 1/2	111 1/2
6,34,000	3,17,363	6,02,958	3,21,617	Macfarlane & Co.	3	133	-14,078	-4,849				50	3	2 1/2	2 1/2
66,300												10			
1,50,00,000	82,21,000	44,53,211	3,30,53,361	Macnell & Barry Ltd. P.	3	334	37,93,020	62,7156	7 1/2	7 1/2		100			
1,37,53,000	36,41,510	54,56,063	1,85,74,341	Marthin Burn Ltd. P.	9	309	71,18,708	2,03,456	13 1/2	13 1/2		10	24 1/2	24 1/2	26 1/2
40,00,000	37,19,459	72,01,900	2,34,00,554	McLeod & Co. P.	12	282	25,04,502	1,87,834	17			100	240	240	240
1,15,00,000	1,10,37,201	69,74,249	7,33,389	Metal Box Co. of India Ltd. P.	3	167	62,82,608	16,24,249	10	12 1/2	16 1/2	10	28 1/2	28 1/2	23 1/2
20,00,000	19,89,407	74,12,035	11,31,121	National Insulated Cable P.	3	1	30,26,600	2,22,282	10			10	15 1/2	25 1/2	18 1/2
10,00,000	31,74,413	40,40,000	2,67,693	National Rolling & Steel Ropes	6	7	18,65,549	31,724		15		10	10 1/2	10 1/2	10 1/2
79,97,000	61,97,296	78,33,576	23,37,205	National Tobacco P.	12	79	12,06,160	9,03,430	5			10	13 1/2	13 1/2	10 1/2
23,32,100	2,322	5,11,161	29,35,297	New India Investment Corpn.	12	35	1,38,595	1,72,173				75	75	75	50 1/2
50,00,000	1,51,265	36,49,630	75,67,949	Octavius Steel & Co. Ltd.	12	321	17,51,273	99,624	7 1/2			100			
1,80,300	23,658	21,43,939	2,89,433	Publicity Society of India	3	145	1,47,248	27,315	25	25		4	12 1/2	12 1/2	9
1,25,24,400	1,13,34,982	6,41,684	23,43,331	Rails India Ltd. P.	1	332	-22,02,373	-63,99,179	Nil	Nil		100	46	46	33
75,00,000	5,68,867	1,57,70,028	22,22,121	Rohde Industries P.	12	248	11,73,210	3,42,910	20	20		10	28	28	30
20,00,000	14,85,073	26,76,18,622	22,26,32,151	Hindusthan Co-operative	12	71	4,95,339	1,83,375	12 1/2			25			
32,00,000	5,08,807	17,75,683	3,25,24,206	New Asiatic	12	329	3,50,916	7,677	7 1/2			10	5 1/2	5 1/2	5 1/2
8,00,000	3,07,444	3,38,42,102	3,06,39,297	Rube General	12	39	3,35,337	30,348	61			5	3 1/2	3 1/2	5 1/2
5,75,000		21,62,072	77,92,806	Standard General Assurance	12	27	91,890	12,241				10	9 1/2	9 1/2	10 1/2
		67,00,490	87,82,585	Triton	12	38	6,48,034	2,61,326	45	45		25	170 1/2	170 1/2	170
FLOUR MILLS															
12,00,000	7,32,000	9,10,637	1,80,433	Bengal	6-12	24	1,90,186	76,836	10-15	15-7 1/2		10	36 1/2	36 1/2	33 1/2
5,60,000	75,07,040	2,47,038	2,17,304	Delhi P.	10	97	1,05,473	1,26,880				10			

MISCELLANEOUS COMPANIES-Cont'd.

O Po. and Dd. indicate Ordinary, Preferred, Ordinary, Contributory and Deferred Share respectively. P. next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net placed Account	Reserve & other Funds Premiums & Share V any	Cash & Securities	NAMES	Accounts Billed	Mineral Assets	Net Profit according to auditor	Carry over	Dividend			Paid-up Net Share	Market Quotations as available until			
									1904	1905	1906		24-10-06	9-10-06	A year ago	
Rs.	Rs.	Rs.	Rs.				Rs.	Net				Rs.	Rs.	Rs.	Rs.	
PAPER MILLS																
45.00 000	34.01,812	35.81,841	4.21,350	Bengal P.	5-12	24	12.54,725	4,01,825	51-61	81-10	..	25	110	110	..	
55.00 000	36.44,096	66.05,611	54.80,394	India Paper Pulp	3-4	2	6.56,442	14,387	7-5	7-7	7-..	10	241	241	241	
25.00 000	15.56,877	10.22,640	5.27,307	Mysore Paper	3-4	226	4,13,342	9,553	..	..	..	10	18	18	10 1/2	
1.46.82.500	3.73,45,917	2.09,26,641	4,10,09,950	Jorient Paper P	3-4	22	34,42,702	2,29,499	11-1	5-61	..	10	368	391	311	
1.25.33.760	98.47,589	60.82,393	1,07,79,721	Shree Gopal Paper P.	5-12	140	20,89,821	1,61,203	14-71	61-61	..	10	17 1/2	17 1/2	17 1/2	
20.00 000	33.02,717	6.50,000	60.68,288	Star Paper P.	5-4	36	3.58,614	13,795	21-5	5-71	..	10	11 1/2	11 1/2	15 1/2	
10.00 000									..	..	..	23 1/2	41	41	41	
4.37.540 P.O.									14-71	10-11	..	10 A	391	391	403	
56.30 000 A.O.	2,74,87,803	3,22,75,945	69,17,535	Vitagpur P.	3-5	106	45,03,615	95,68	14-71	10-11	..	10 B	391	391	403	
56.04.800 B.O.									14-71	10-11	..					
PRESSING COMPANIES																
8.00 000	4.64,596	5.26,886	9.04,699	Calcutta Hydraulic	6	2	1,35,881	85,479	..	Nil	..	100	61	61	61	
4.00 000	2.07,346	1.00,435	3,57,613	amperdown	1	11	46,306	2,301	..	..	..	100	121	121	121	
5.00 000	1,61,434	1,95,900	3,90,372	Central Hydraulic	6	2	60,996	13,957	..	..	..	100	135	135	135	
REAL PROPERTY STORAGE																
10.00 000 A												A500	875	875	890	
1.25.00 000 B	13.50,000	12,42,798	6.94,391	Bengal Bonded Warehouse	4-10	73	84,007	3,172	3-5	5-5	5-..	107 1/2	107 1/2	111	111	
2.00 000 C												C100	174 1/2	174 1/2	174 1/2	
25.00 000 D												D12 1/2	223	223	223	
1.42.150	11,68,346	4.23,135	33,823	Calcutta Safe Deposit	8	9	81,259	3,142	..	..	..	10	81 1/2	81 1/2	81 1/2	
10.00 7800	22,96,665	6,43,176	1,48,388	Humayun Properties P	3-5	..	1,43,649	64,759	..	..	..	10	103 1/2	103 1/2	111	
2.30.000 D									..	..	..	1 Dc	11 1/2	23 1/2	11 1/2	
94.00 000	33,89,847	35,71,674	32,94,136	Widnapore Zemindary P.	6	2	3,93,496	68,064	..	..	..	100	34 1/2	34 1/2	41 1/2	
TRAMWAYS & STEAMER																
20.00 000	1,08,44,146	1,00,69,622	30,95,902	Bengal Assam Steamship F	10	2	10,81,427	55,826	71	71	..	100	145 1/2	145 1/2	157 1/2	
6.25.00 000	6,17,570	1,75,000	2,01,118	Calcutta Landing & Shipping	4-10	69	25,522	4,261	11-24	11-24	..	10	155	155 1/2	161 1/2	
12.50 000	25,52,622	9,09,181	4,99,939	Calcutta Stearn Navigation	5-12	113	90,794	76,939	..	..	..	10	122	122	111	
2.700 000	22,685,932	21,542,085	5,525,586	Calcutta Tramways P.	12	38	2,189,638	2,22,564	71	..	..	10	17 1/2	16 1/2	16 1/2	
3.78.050	1,52,816	4,13,728	6,83,344	Fraser	1	139	4,82,620	12,485	..	..	..	10	161	161	161	
2.855,580	22,273,124	2,990,878	8,135,381	India General Nav Railway P	12	139	270,304	12,485	..	..	..	10	10 1/2	10 1/2	8 1/2	
2.25.00 000	6,11,69,772	8,157,151	99,24,304	India Steamship P.	1	891	1,30,192	2,26,061	Nil	Nil	..	10	17 1/2	17 1/2	15 1/2	
14.08.220	35,14,969	24,75,000	5,94,450	Port Shipping	6-12	2	1,54,518	43,305	5-5	71-71	..	10	17 1/2	17 1/2	15 1/2	

†1956 • Liquid Assets

SOUTH INDIAN MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary	Net Profit Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Account Number	Market Value	Net Profit including Taxation	Carry forward	Dividends per Share			Paid-up per Share	Best Market Quotations as available until		
									1950	1951	1952		23-10-56	8-10-56	1 Year to 30 Rs
Rs	Rs	Rs	Rs				Rs	Rs			Rs	Rs	Rs	Rs	
CEMENT															
51,04,620	39,78,019	8,87,097	14,29,937	Andhra Cement P.	12	16	10,73,622	4,638	10	-	-	10	15½	15½	16
ENGINEERING															
7,50,000	7,12,101	82,967	15,912	Brunton & Co P.	12	270	84,162	1,80,754	-	-	-	10	6½	6½	8
13,78,666	11,77,029	14,945	18,437	Indian Steel Rolling Mills P.	12	230	1,38,571	Nil	-	-	-	10	14½	14½	15½
SUGARS															
19,92,000	57,01,920	25,64,000	3,49,248	Deccan Sugar & Akbari P.	5	218	12,39,032	1,12,384	-	-	10	16sh. A	11½	12½	9½
£80,000 A	£749,840	£896,278	£33,344	East India Distilleries Sugar P	9	319	£212,186	£57,298	10	10	£1B	34½	34½	34½	26½
£3,00,000 B				Indis Sugar and Refineries P.	9	-	10,68,066	1,30,234	2½	27½	-	10	16½	16½	22½
29,09,000	4,48,826	19,36,515	33,48,866	Mysore Sugar	6	264	5,83,036	85,709	-	-	-	10	46	46½	46½
21,79,280	23,64,171	62,95,164	36,13,235	United Breweries	3	320	2,55,158	3,951	-	-	-	75	217	206	173
6,00,000	£	9,00,000	17,01,004												
MISCELLANEOUS															
2,00,000	1,84,643	4,01,956	1,69,126	A. V. Thomas & Co Ltd.	12	270	67,424	82,011	-	-	-	10	15	16	17
43,33,400	51,24,761	91,12,163	£3,93,862	Champion Reel & Cold Mine	12	322	30,17,944	3,542	-	-	-	10	8½	4½	3½
£45,96,741	3,07,66,646	3,24,061	14,56,822	Fertilisers & Chemical	12	341	13,30,272	73,018	-	-	-	10	-	-	-
40,00,000	23,16,662	30,20,000	1,20,143	Harry & Co Ltd & Co	12	319	19,29,282	1,90,154	15	15	-	2	-	-	-
40,50,000	51,89,127	13,11,514	12,90,355	Jettur Chemicals Industrial Corp	3	363	9,64,549	8,153	NU	84	6½-6½	10	10½	10½	9½
3,00,000	2,74,278	4,00,000	2,56,330	Mysore Chemicals & Fertilisers	6	333	1,32,627	6,672	-	-	-	10	23½	23½	22½
24,81,222	9,25,232	8,06,775	78,136	Mysore Chemicals & Fertilisers	6	151	24,664	236	-	-	-	10	8½	8½	9½
81,33,400	99,94,107	67,63,169	15,68,879	Mysore Cold Mining	12	328	24,55,864	-	-	-	-	10	2½	2½	2½
1,50,00,000	1,67,861	-	19,750	Mysore Match	9	124	12,839	862	-	-	-	10	15	15½	11
10,00,000	10,94,415	-	3,079	Mysore Tobacco	3	201	10,039	45,631	-	-	-	10	11½	6½	5½
37,73,400	18,27,424	51,84,276	3,54,689	Nunddroos Mines	12	328	20,43,694	-	-	-	-	10	16½	17½	18½
32,10,360	19,89,033	22,24,495	1,75,753	Soregaum Gold Mining P.	12	326	15,45,422	-	-	-	-	10	16½	17½	18½
40,00,000	46,37,599	80,57,471	80,57,471	Dancong (Provisions) P.	6	221	19,71,470	5,47,067	15	-	-	10	-	-	-

RUBBER COMPANIES

Paid-up Capital Ordinary	Net block Account	Reserve & other Funds	Cash & Securities	Accrue under utilization	Putturi Rubber	Estimate Rubber	NAMES	Account Rubber	Wagonette Agents	Net Profit including Seller	Dividends per cent			Sales in 1956	Latest Market quotations available until		
											1955	1955	1954		23-10-56	8-10-56	1 year ago
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.				Rs.				Rs.	Rs.	Rs.	
17,32,000	9,36,219	4,06,285	4,44,630	2,052	1,45,403	..	Se Be Rubber	3	276	..	..	..	3	5 1/2	5 1/2	5	
17,04,185	29,68,801	18,13,093	7,65,683	7,270	15,10,888	16,68,000	Johni Malabar P.	110	7,77,900	..	20	25	15-154	11 1/2	11 1/2	9	
4,00,000	3,25,576	27,758	62,784	422	1,71,648	..	Johnas Plantations P.	2	120	89,336	..	..	..	22 1/2	23 1/2	17 1/2	
4,00,000	1,020,233	6,84,049	1,37,660	2,535	2,25,765	..	Salpetta	1	170	1,13,150	..	..	..	38 1/2	38 1/2	28 1/2	
27,00,000	64,93,184	13,10,432	11,82,445	11,922	7,35,401	..	Midland Rub & Prod P	3	270	4,89,174	..	..	..	33 3/4	33 3/4	16 1/2	
5,00,000	6,84,332	2,13,800	1,96,495	1,273	1,83,230	..	Peninsular Plantations	4	259	2,12,012	10	..	20-15	25 1/2	26	21 1/2	
35,52,50,000	36,52,238	2,21,378	1,73,719	2,456	7,64,244	..	Magir Rub & Prod	6	270	3,33,540	..	..	..	10	12	12 1/2	
10,00,000	21,09,379	25,000	1,69,125	1,872	5,25,438	..	Teetoo Rubber	1	172	1,92,914	..	..	..	11 1/2	12 1/2	11 1/2	
41,00,000	67,21,749	19,13,944	13,12,632	6,939.5	10,32,214	10,15,000	Travencore Rubber & Tea	12	9	14,96,762	10	15	..	25	25	25	
40,00,000	11,55,155	1,63,000	3,74,540	1,156	3,69,304	..	Tropica Plantations	12	171	2,04,029	..	..	..	34 1/2	34 1/2	25 1/2	
26,28,580	6,72,252	2,11,412	2,49,541	738	2,74,873	..	Vaikundam	12	114	80,789	..	..	..	..	..	..	

1954

BOMBAY MISCELLANEOUS COMPANIES

O. P. F. D. G. and R indicate Ordinary Preferred Ordinary Founders' Deferred Guarantee and Rebate Shares respectively P next to the names of the company indicates that the company also has Preference Shares Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Portfolios Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954	1955	1956	Rs.	23-10-56	8-10-56	20th Nov 56
CEMENT															
12,67,59,333	16,16,27,689	6,15,51,096	3,90,26,918	Associated Cement	7	53	4,71,77,960	5,62,770	8½	10	..	100	194	197	217
ELECTRIC LITG POWER															
6,99,95,600	11,08,94,307	69,91,218	20,82,140	Ahmedabad Electricity	9	146	35,75,580	188	6½	5	..	100	93½	94½	111½
2,92,83,500	4,18,62,358	52,34,507	65,30,599	Andhra Valley Power Supply F	6	267	46,19,171	25,735	7½	7½	..	1,000	1,238½	1,250	1,477½
1,74,99,700	2,14,85,122	39,32,487	5,79,834	Bombay Suburban Elec Sup.	3	146	19,21,739	45	7	7	..	100	110½	110	120½
38,08,200	17,49,053	4,75,323	14,87,557	Poona Electric Supply P	12	229	3,86,015	..	..	..	..	100	146	146	146
2,34,45,225	3,37,65,356	63,82,045	58,39,875	Tata Hydro Elec Power sup P	6	267	37,75,597	21,171	7½	7½	..	100	131	129	150½
5,02,78,750	3,98,37,405	1,41,56,578	1,29,22,549	Tata Power P.	6	267	77,32,961	27,952	7½	7½	..	1,000	1,318½	1,510	1,547½
ENGINEERING & METAL															
53,42,200	17,06,292	44,16,374	1,54,08,311	Alcock Asndown	12	268	8,79,666	1,35,820	12½	..	..	100	330	336½	337½
6,00,000	29,341	4,43,904	59,338	Jost's Engineering	3	115	62,291	1,598	15	5	5	50	98	96	98
40,00,000	11,26,513	10,00,000	9,74,664	Larsen & Toubro P.	3	351	14,60,736	28,740	10	10	10	10	19	19	14½
40,85,100	81,25,753	2,02,500	49,333	Machinery Mgrs Corp'n Ltd P	3	330	2,02,006	64,676	NU	NU	..	100A	96½	96½	96½
1,10,00,000	15,00,978	16,66,194	7,06,290	McKenzie	7	283	1,49,085	64,938	..	..	..	100	205½	209½	185½
2,50,000	5,834	1,00,53,052	1,79,52,042	Premier Construction P.	12	284	3,35,178	59,102	25 5/6	28 1/3	..	300	31F	168	140½
4,18,72,400	4,80,59,980	26,78,952	44,49,499	Tata Locomotive & Eng. P.	3	69	3,303	50,350	NU	NU	..	100	168	167	140½
9,63,75,000	32,44,07,755	16,63,05,536	12,34,83,510	Tata Iron & Steel P.	3	269	9,26,44,872	4,04,945	14	14	14	750	191	193½	261½
INSURANCE COMPANIES															
20,00,000	..	23,84,913	95,98,033	British India General	12	297	4,24,629	1,18,606	..	..	..	10	13½	13½	13½
8,15,000	..	11,04,04,687	4,93,48,481	Empire of India Life	12	453	..	..	..	..	..	100	67½	67½	67½
8,46,120	..	36,33,999	46,38,693	Indian Mercantile	12	75	..	1,13,109	..	..	..	20	45½	45½	45½
18,74,940	25,01,134	2,88,51,155	4,61,49,442	Jupiter General P.	12	55	38,351	4,65,316	..	..	..	15	9½	9½	9½
1,68,81,590	..	1,68,81,793	17,25,18,352	New India	12	179	43,58,653	71,250	16 2/3	..	..	15	44½	45	49½
8,00,000	..	67,83,14,430	53,46,53,429	Oriental Life	12	298	..	..	..	..	..	200	3,650	3,650	6,550
15,99,270	..	29,41,060	39,86,789	Vulcan	12	255	6,05,803	2,81,242	10	..	..	10	15½	15½	15½
MISCELLANEOUS															
90,79,065	31,95,468	3,97,409	12,61,996	Air Service of India	6	336	-15,61,405	-37,22,790	..	..	..	15	..	..	..
47,97,250	21,34,989	35,75,182	78,89,034	Belapur Sugar	9	42	39,89,000	61,389	..	..	..	50	250	249	306
50,00,000	2,20,64,302	4,12,86,155	2,67,27,639	Bombay Barmah Trading	5	285	47,93,172	61,990	16	21	..	125	731½	731½	558½
42,00,000	1,21,04,053	1,14,431	31,14,308	Bombay Steam Navigation P.	6	256	1,54,215	30,135	..	..	..	50	267½	272	238½
45,00,000	1,09,250	1,09,250	1,09,250	Industrial Investment Trust	12	359	5,81,909	2,83,136	4	4	..	25	..	..	72
99,99,250	13,82,957	7,34,142	14,05,223	Kemur (Chemists)	12	87	68,229	16,942	..	..	..	100	215	215	215
1,19,900	3,74,35,779	1,81,13,445	2,39,042	National Rayon Corp'n	12	432	63,19,604	5,72,076	10	..	..	200	213½	213½	213½
1,57,71,400	18,36,63,413	12,46,31,677	1,10,16,957	Scindia Steam Navigation	6	198	32,72,555	22,72,555	20	20	..	20	18½	18½	18½
9,39,98,089	17,45,055	57,30,000	11,27,080	Shivrajpur Synd (Manganese)	11	146	35,49,059	21,561	80	80	..	10	86	86	111
7,00,000	1,95,71,944	13,51,214	4,14,939	Tate Chemicals P.	6	269	13,55,026	57,597	NU	NU	..	10	20	20	19½
70,07,470	75,25,701	34,08,536	22,33,813	Tate Oil P.	3	269	3,00,461	11,453	9	8	12	25	52½	52½	52½
2,75,00,000	1,46,45,903	2,43,20,936	1,50,49,201	Western India Match	12	274	14,95,281	5,61,384	11	11	..	100	175	178½	197½

*1956 Liquid Assets

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Block Account	Reserve & other Funds	NAMES	Accounts closed	Managing Agents	Net Earning	Carry forward	Dividends per cent			Paid-up per Shares	Latest Market Quotations as available until		
Rs.	Rs.	Rs.				Rs.	Rs.	1953	1954	1955	Rs.	24-10-56	9-10-56	A year ago
CALCUTTA														
17,24,000	20,62,356	2,00,804	Ahmedpur Kutwa S.S.G.	3	165	-29,367	..	2½	2½	2½	100	60	60	61½
21,89,300	33,40,889	6,00,702	Arrab Sasaram D B G	3-9	32	2,57,676	33,735	3-3	3-3	3-3	100	71½	71½	75
34,00,000	41,30,202	3,11,043	Bankura Damodar River S.S.G	3	165	46,607	..	2½	2½	2½	100	59	59	61½
19,00,000	29,09,643	4,91,171	Basraset Basirhat D.B.G.	3-9	331	18,844	1,18,863	..	..	..	100	10	10	19
17,80,000	21,78,786	2,20,877	Burdwan Cutwa S.S.G.	3	165	78,839	..	4	2½	2½	100	59	59	63½
31,00,00	35,46,011	..	Chaparmukh Sighat S.S.G.	3-9	32	62,234	10,849	129-129	12-11	11-1	100	53½	53½	45
4,75,000	3,20,040	4,75,306	Cherra Chhatka Ropeway	3	38	7,071	9,917	12½	5-..	NH	5	7½	7½	6½
2,47,650	2,75,015	65,326	Darjeeling Ropeway	3	101	18,007	4,549	11	2½-..	2½	10	7½	7½	6½
22,50,000	62,20,813	13,52,600	Jehri-Rohtas	3	335	6,42,311	37,814	6½	7½	10-12½	10	54½	14½	13½
11,49,700	20,10,843	1,68,143	Putrab Islampur S.S.G.	3-9	32	-33,016	5,917	98-98	99-1	1-1	100	13½	54	55
16,00,000	50,82,188	17,87,954	Howrah Amta D.R.G (P)	3-9	32	1,13,351	90,009	3-3	3-3	3-3	100	70	70	70½
8,00,000	13,87,138	4,43,410	Howrah Sheakhala D.B.G.	3-9	32	28,827	20,122	3-3	3-3	3-3	100	65	65	54½
19,50,000	27,95,689	2,47,135	Kalighat Falta S.S.G.	3	165	-1,99,473	..	2½	2½	2½	100	59	59	60
8,91,100	15,16,175	10,551	Katakhal-Lala Bazar S.S.G.	3	165	81,257	..	4½	5	..	100	75	75	74½
15,00,000	62,56,929	28,77,041	Shahdara Delhi Saharanpur	3-9	32	6,26,073	17,25,546	6-6	6-6	6-6	100	129½	129½	152½
1,75,000	5,41,779	2,04,841	Tezpore Balipara Tramway P	3-9	165	-43,574	5,944	..	..	..	100	..	..	..

Managing Agents, Managing Directors and Secretaries with their respective address—(Contd.)

320. F. W. J. Penn—United Breweries, Ltd., Bangalore-1.	329. Sri G. D. Bhagat—15, Shib Thakur Lane, Calcutta.	338. M. G. Investment Corp., Ltd.—127, Mahatma Gandhi Road, Fort, Bombay.	348. Sahu Jain, Ltd.—11, Clive Row, Calcutta.
321. F. O. Williams—14, Old Court House St., Calcutta.	330. Mahindra & Mahindra, Ltd.—Gateway Building, Apollo Bunder, Bombay.	340. K. O. Cheriyan—Travancore.	349. Chandmull Batia—7, Canning Street, Calcutta.
322. Messrs. Tata Sons, Ltd.—New India Assurance Buildings, Mahatma Gandhi Rd., Fort, Bombay-1.	331. N. L. Roy & Sons—Canning St., Calcutta.	341. James Finlay & Co., Ltd.—2, Netaji Subhas Road, Calcutta.	350. K. E. Agarwal—Empire House, Hornby Road, Fort, Bombay.
323. Anderson Wright & Co.—7, Wellesley Place, Calcutta.	332. M. Paspatti—21, Ravelin Street, Fort, Bombay.	342. U. N. Chatterjee—2, Royal Exchange Place, Calcutta.	351. E. & P. (Management), Ltd.—J. K. Building, Douglas Road, Ballard Estate, Bombay.
324. Bathgate & Co.—17/19, Old Court House St., Calcutta.	333. Jalpuria Bros., Ltd.—33, Netaji Subhas Road, Calcutta.	343. Eastern Smelting & Refining Co., Ltd.—10, Clive Row, Calcutta.	352. C. G. Mahant—Ewart House, Bruce Street, Fort, Bombay.
325. John Rutherford Blaikie—Virginia House, 37, Chowringhee, Calcutta.	334. B. Latimer—2, Fairlie Place, Calcutta.	344. V. J. Pillani—Victoria Bunder, Colaba.	353. N. K. Jhajar—4, Netaji Subhas Road, Calcutta.
326. Beriwal Bros.—53, Netaji Subhas Rd., Calcutta.	335. Sahu Jain, Ltd.—Dalmiagar.	345. The National Tea Corporation—130, Cotton Street, Calcutta.	354. G. C. Kano—P-8, Mission Row Extension, Calcutta.
327. Marwar Textiles (Agency), Ltd.—Waudby Road, Fort, Bombay-1.	336. Tulidas Kilachand—Scindia House, Douglall Road, Bombay.	346. Seshasayee Brothers (Travancore), Ltd.—Eloor Factory, Alwaye.	355. C. G. Robertson—16, Strand Road, Calcutta.
328. John Taylor & Sons (India), Ltd.—Mysore, Oorgram, South India.	337. Beriwal & Co.—63, Netaji Subhas Road, Calcutta.	347. Associated Commercial Co., Ltd.—161/1, Harrison Road, Calcutta.	

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Calcutta Bombay Madras

A LETTER FROM THE BANK

TWISTING MR. BLACK'S GOOD INTENTIONS

It is difficult to see why the exchange of letters between Mr. Eugene Black, President of the World Bank, and Mr. T. T. Krishnamachari should have caused such a fuss. If the public is not already aware that serious doubts exist in some quarters both here and abroad about the wisdom of India's present economic policies, then it has not been reading its newspapers, and certainly not its Capital. If the mission Mr. Black sent to New Delhi earlier this year reported that too little attention is being paid to transport in the second plan and that private enterprise and foreign capital are not receiving the encouragement they ought to have, then it was only expressing views already held by the majority of the country's responsible economic opinion. It is true that the only recommendation which those views can usually claim is the goodwill and self-interest which prompts them, while Mr. Black has behind him the weight of a body of funds which can make all the difference to India's development plans. But it is not clear why so much interest should have been aroused by what is, after all, only the latest recruitment to the vast army of doubters which already exists. And there is certainly no logical reason why the occasion should have been interpreted by some as an attempt to interfere in India's domestic affairs.

There seem to be two main reasons why it has been. The first is the memory of what happened to the World Bank's plans to help with the Aswan Dam. The second, is the comment made on Mr. Black's letter by the world's most honoured newspaper, *The Manchester Guardian*. There is certainly no parallel between India's case and Egypt's. Although the Bank had a right to refuse to spend its money on Egyptian development while that country's own resources are being wasted on bombing planes, the final decision, when it came, was largely a political one. India is not squandering her sustenance on aggressive weapons, although whether the waste, as distinct from the political danger, of spending money on bombers is any greater than throwing it away on *Ambar Charkhas* is a moot point. And there is no reason to suspect that relations with the United States are any the worse because Indian politicians profess socialism instead of capitalism, and practise neither efficiently. In fact, it should not have been necessary for Mr. Nehru to reassure his recent Press conferences that relations with the World Bank are still friendly. India will no doubt go on getting her loans, providing the projects they are required for are sound ones. But whether as many will be forthcoming as might be if India's economic future were more promising and current policies less hampered by muddled ideology and sentimental fads, is another matter. As India's banker, Mr. Black has a right to express his opinions and there is no doubt, whatever his critics may say, that he would be doing less than his duty if he were not to act upon them. That is why Mr. Krishnamachari gave the best reply possible under the circumstances—a propitiatory one—although his answers to most of the points raised suggested a complacency which, considering his new responsibilities, it is unlikely he feels.

★

Neither Mr. Black nor Mr. Krishnamachari, and certainly not Mr. Nehru, is to blame for twisting this exchange of letters into something more sinister than a purely banker-client affair. There is little doubt that *The Manchester Guardian* is the real culprit. It is one thing to plug the general theme, as the paper rightly does, that the west's approach to Asia's problems should be conducted on economic rather than military lines and that all assistance should be without strings, and quite another to imply that undeveloped countries have a natural right to assistance no matter how inefficient and wrong-headed their internal policies may be. No sound commercial institution, which the Bank most certainly is, whatever its political ties, is going to throw its money away, and no newspaper leader writer in possession of his senses would suggest that it ought to. If it is desirable

Black would be able to give maximum help to the process.

That the World Bank President is justified in his doubts about the present course of economic development is too obvious to be questioned. The minor rôle given to private enterprise is not to be explained away completely by its lack of resources, ability or initiative. It is true that the State has the major part to play in the development of basic industry, but if any proof is needed that the private sector would have done more had it been allowed to, there is no need to look any further than coal and steel. The reason for turning down the Birla project for a steel plant at Durgapur and choosing a State-sponsored one instead, was purely political. So was the decision to entrust the public collieries with the lion's share of the increased coal output required for the second plan, in spite of their obvious inability to do the job and the fact that it can still be done without serious difficulty and additional expense by the private pits. To maintain that the Government's policy on nationalisation is prompted primarily by concern for economic efficiency and not by ideological considerations, is to contradict the statement made by Mr. Nehru when recommending the new industrial policy statement to the Lok Sabha last April. Such expensive fads as the *Ambar Charkha* and Prohibition will cost the country dearly, yet nobody can seriously maintain that they are sound economic contributions to India's development. Prohibition can be expected to waste Rs. 200 crores of revenue over the next five years. It would be tiresome to express this in terms of steel plants, railway wagons, machine tools, or even schools and hospitals, which will have to be forgone. But such is the price the country seems to be prepared to pay to satisfy the whim of a few Congress faddists.

to think that some of the grievances of the employees owe their origin to the fact of take-over, and Parliament and the people may well find that these very demonstrations have led to a situation in which the much advertised benefits of nationalisation will be just impossible to achieve.

One of the glib assumptions of the advocates of nationalisation is that as soon as an industry is declared the property of the people its workers are on a sudden so imbued with a sense of public duty that the tensions known to have existed between them and their private employers simply disappear. Of course, they do nothing of the sort. There is the experience of nationalised industries and services in Britain to show that, if anything, nationalisation leads to the most fantastic demands being made by labour. When a worker is employed by the State he in fact deals with a Minister, a politician dependent on popular support, and the argument soon ceases to be an economic one. It is difficult enough to explain a balance sheet to a single voter; to attempt to do so before a vast electorate is the most frustrating job in the world. Issues are then decided on purely political considerations, which usually favour workers in the mass. Ministers saddled with administrative responsibilities are caught in the coils of their ill-considered pre-election promises, and it is the administration which suffers in the end.

Private employers are to be forgiven if they permit themselves some malicious pleasure when a State-owned industry faces the difficulties they are themselves confronted with very frequently because of high-minded official pronouncements on how labour should be treated in the middle of the enlightened twentieth century. But that is by the way. It is the economic consequences of the intrusion of politics into business which Parliament and the people will have to face up to, and the daily Press of the country clearly has a duty in the matter which it cannot shirk indefinitely. It may be taken for granted that industries are taken over by the State not so much to set an example of how higher moral principles should be implemented in their running as to run them, as the Government likes to claim, more efficiently. It is because the idea is to run such industries on business lines that corporations are created, so that they may not be reduced to the inertia of government departments. It is the avowed wish of the Government that the insurance corporation should reap the full benefits of nationalisation; the benefits of centralisation in fact. It should now be possible to effect savings in many directions, to rationalise, and to mobilise what has hitherto gone to shareholders and in other allegedly wasteful ways. The criticism heard in Parliament and the Press of losses incurred by some nationalised industries leaves one in no doubt that the general desire is that, even after nationalisation, industries should be run economically and efficiently.

Can Parliament or the Press or the people claim that the conditions created by these three are such as could enable the new corporations to live up to what is expected of them? Mr. H. M. Patel, chairman of the Life Insurance Corporation, is already engaged in a bitter debate with his workers. Nationalisation makes sense only if there are obvious economic advantages accruing from it; the advantages Parliament and the people will demand to see very shortly. And yet, what is the kind of backing Mr. Patel is receiving? The insurance employees' organisations have enlisted the support of several Members of Parliament, and the daily Press appears extremely reluctant to alienate the employees, its patrons in the circulation department. Mr. Patel is surely entitled to something more than that, if only because these very parties, Parliament and the Press, will be unsparing in their criticism if he should produce an annual report showing no economies consequent on nationalisation.

The current argument over new pay scales in the insurance corporation will perhaps blow over; there may even be a compromise, either on the corporation's terms or on the employees'. What will remain are the problems of nationalisation. If this drastic liquidation of private enterprise does not, obviously and manifestly, lead to public good, in terms of economies, then second thoughts are clearly warranted on the whole question. The Government runs many charitable hospitals and homes; nobody asks how much money they make. If, however, nationalised industries are not to be run on the same ill-defined political or humanitarian principles, and yet not on well-known economic bases, Parliament owes it to the people to say so. What cannot go on is that Members of Parliament and the Press in general should support every demand of the employees—because they vote and buy newspapers—and then insist that the corporations should be good business propositions as well. Mr. Verma, chairman of the Damodar Valley Corporation, has the problem of surplus staff on his hands; and Mr. Patel, chairman of the Life Insurance Corporation, does not know how to show savings without economising on something. Between them they should ask the Government, which may ask Parliament, what it is that is expected of them.

DEVELOPING INLAND WATER TRANSPORT

EVIDENCE has been growing that the country is heading for a serious shortage of transport during the second five year plan. The railways have already admitted that in spite of their ambitious expansion programme, they are not likely to be able to cope with the increase in traffic that will result as economic development proceeds. The jealousy with which they have regarded other competing forms of transport seems to have been assuaged by this realisation, although a statement issued some months ago by Mr. K. B. Mathur, Member for Transportation in the Railway Board, claiming many questionable advantages for rail over road transport, did not provide the fairest example of the change in thinking. Mr. Mathur's arguments were effectively answered by Mr. B. V. Vagh, Vice-President of the Indian Roads and Transport Development Association, on behalf of the road transport industry; now, a persuasive case outlining the advantages of inland water transport has been presented by Captain W. T. Martin, Superintendent of the Joint Development Department of the R.S.N. and I.G.N.R. Companies. He points out that inland water transport is well suited for carrying large quantities of raw materials in bulk. In highly industrialised countries, it is used to move such commodities as coal, ores, building materials, oil, steel, machinery, chemicals and foodgrains on a large scale. In north-east India, where other forms of transport are often disrupted by floods, river transport can carry all types of goods in small quantities or in bulk. It is particularly suited for taking machinery, heavy lifts and heavy pipe sections over the long distances from Calcutta to Assam, and bringing back jute and tea. The capital and maintenance costs of inland water transport, it is suggested, compare favourably with those of the roads or the railways. The cost of craft needed to carry one million tons of goods a year over a haul of 1,000 miles amounts to Rs. 12 crores (with the traffic carried one way only). In

Contents		
Developing Inland Water Transport ..	574	
India and the World Bank ..	589	
Cuts in U.K. Expenditure ..	590	
Record Traffic at Bombay Port ..	591	
Industrial Trends in U.K. ..	576	
U.K. Credit Regulation ..	582	
Labour Participation in Management ..	584	
Monetary Methods and Objectives ..	588	
Ditcher's Diary 577	Jute	593
Money 583	Engineering	594
Stocks and Shares 585	Plantation Topics	595
Commodity Markets 587	Calcutta Markets	596
City Cable 588	Company Notices	596-97

accordance with the present system of training works adopted in the rivers of north-east India, the annual cost of maintaining the channels works out to Rs. 300 to Rs. 500 a mile.

Captain Martin states that the freight rate for goods carried by inland water transport from Calcutta to Assam averages 1 to 1½ annas a ton-mile, the distance being between 800 and 1,000 miles. The freight rate for jute, which comes down from Assam to Calcutta, averages 1.04 annas a ton-mile. For tea, it averages 1.68 annas a ton-mile. Although river distances are generally somewhat longer, he claims that these rates are much cheaper than those for road or railway transport. The average life of inland water vessels (tugs and barges) is estimated at about 50 years, which compares favourably with the life of railway rolling stock and is much more than that of road vehicles. Expansion in inland water transport, it is pointed out, would not cost much in terms of foreign exchange. Tugs and barges are being constructed in India when the steel is available; only their machinery is imported, which applies also in the case of the railways and road vehicles. Inland water transport, it is emphasised, is particularly suited for long-distance traffic and for bulk commodities. The average haul for all traffic handled by the companies which operate inland water vessels in north-east India is 840 miles. Their system extends from Calcutta to Dibrugarh via the Brahmaputra (a distance of 1,150 miles), and from Calcutta to Patna via the Ganges (a distance of 920 miles). Each of the flotillas they operate normally carries the equivalent of four metre-gauge goods trains or 1½ broad-gauge goods trains. It is often argued that slowness is a major disadvantage of inland water transport. But Captain Martin points out that it is possible to move a greater quantity of traffic between two points within a given length of time by this means than by any other. Cargoes despatched between Calcutta and Assam, he claims, are delivered quicker by water transport than by either rail or road.

The purpose of these arguments is not to suggest that one form of transport should be developed instead of another; Captain Martin takes the entirely rational view that "all modes of transport need to be co-ordinated and developed to the fullest extent possible." The railways have for long assumed in themselves an inherent superiority; Mr. Vagh's case for road transport and Captain Martin's for inland water transport show that the assumption is far from true. Each has its own advantages and its own limitations, and the one way in which balanced development can be achieved is to free them from a plethora of unnecessary restrictions and regulations. It is important that the railways should not bully their way to success by exploiting the virtues of their particular ownership; it is no less important that the Central and State Governments should try to seek some measure of agreement, after years of fruitless effort, on a common transport policy.

A NOVEL PROPOSAL FROM INDIAN ALUMINIUM

SHAREHOLDERS in the Indian Aluminium Co. Ltd. will shortly meet to consider a noteworthy new method by which they may help finance their company's large expansion plans. This is represented by the proposal to issue Rs. 2,68,13,200 worth of Convertible Loan Stock, which carries interest at the rate of 5 percent per annum, and is to be issued in units of Rs. 200 each. The Loan Stock will be offered to those who are ordinary shareholders of the company on 20th December, 1956; they can apply for Rs. 200 worth of it for every 15 ordinary shares they then own. Holders will have the option to convert their Loan Stock into ordinary shares after it is issued. For each Rs. 200 worth of the Stock, they will get 15 fully-paid ordinary shares if they convert before 15th December, 1957; 14 ordinary shares if they convert between 1st January, 1958, and 30th June, 1960; and 12 ordinary shares if they convert between 1st July, 1960, and 15th December, 1970. After the last of these dates, they will no longer have the option to convert. But on 2nd January, 1971, and on the same date in each succeeding year, the company will redeem at par Loan Stock amounting to Rs. 25 lakhs, until the whole lot has been redeemed. At any time after 31st December, 1970, the company may also redeem at par all or any of the Loan Stock then outstanding, after giving three months' notice; if it chooses to redeem only part of the Stock, that part will be selected by drawings. Any of the Stock which remains outstanding on 2nd January, 1981, will be redeemed.

The notable feature of the proposal is that it gives Stockholders two clear choices. One is to satisfy themselves with a steady and assured return of 5 percent per annum by holding on to what they have. The other is to accept the promise offered by the equity of a rapidly expanding company which belongs to a prosperous young industry. They do not have to make up their minds at once; they may do so at any time over the next nearly 14 years.

Indian Aluminium some time ago announced details of its proposal to issue 411,000 rights ordinary shares, of a par value of Rs. 10, at a premium of Rs. 2-8 each. The proceeds of the rights issue, and of the new Convertible Loan Stock, are intended to finance partially the expansion programme, the main feature of which is the establishment of an aluminium smelter in Hirakud, Orissa. The smelter will have an initial capacity to produce 10,000 tons of aluminium ingot, but can later be expanded to produce 20,000 tons or more per annum. The amount required for the company's expansion programme and for additional working capital is estimated at Rs. 8.65 crores. Aluminium Ltd., the majority shareholder in Indian Aluminium, has agreed to subscribe to 50 percent of the new issue of ordinary shares, and 50 percent of the Convertible Loan Stock issue. The progress of the Loan Stock conversions will be watched with considerable interest. It is possible that a number of holders may decide to convert in the very early stages of the issue, on the apparently fair expectation that the company is likely to maintain its last ordinary distribution of 9 percent. That distribution was supported by the encouraging working results for 1955; the 1956 results are expected to be a good deal better, since the Alupur smelter was only partially utilised last year. When the Hirakud project has been completed, which it is expected to be by the end of 1958, profits should show a quite impressive increase.

CURRENT COIN

Raw Material for Foundries.—In his presidential address to the fifth annual general meeting of the Indian Foundry Association this week, Mr. K. L. Jalan discussed some of the industry's problems which have hindered expansion in this important line of production. The prevailing scarcity of pig iron constitutes by far the most important of those. It has been officially claimed that the requirements of the foundry industry, estimated to rise to 800,000 tons by 1960-61, will be met indigenously through the steel-making plans,

but Mr. Jalan doubted whether the indigenous sources could, as planned, be able to meet the growing demand. At any rate, the current shortage is unlikely to be met out of the present production in the country and the plans to expand steel-making capacity, both in the public and the private sector, will not fructify until late 1958. Mr. Jalan, however, appreciated the fact that the Government is contemplating the import of about 150,000 tons of pig iron in 1956-57 and he urged that the imports should be so planned that a continuous flow of supply is always ensured. A suggestion was also made by him to raise pig iron production in the country by working inferior ores with lignite or non-coking coals. This, he said, could be done with low shaft furnaces. Madras, where suitable lignite deposits exist, offered some scope and he understood that a private industrialist was going to put up a low shaft furnace in Salem for producing 20,000 to 30,000 tons of pig iron a year. Mr. Jalan commended the idea from two points of view. First, it would relieve the strain on bigger units and facilitate better regional distribution. And second, the pressure of demand on transport could be correspondingly relieved. Inadequate supply of hard coke is no less a serious problem for the industry which has already found it difficult to obtain its requirements during the past few years. It has been estimated by the Fuel Research Institute that by 1960 the industry's needs of hard coke would be about 80,000 tons a month (current monthly production in India is about 32,000 tons), and there is little prospect of the country raising its production to meet the foundries' needs now or in the near future. He, therefore, asked of the Government of India, whose Minister of Heavy Industries, Mr. M. M. Shah, was present at the meeting, to enlighten the industry on the following matters which are of great importance to its working: the estimated production of foundry-grade pig iron in the 1957-61 period and the quantity it has been proposed to import, the distribution of the total supply between the public and private units, the prospective supply of by-product hard coke and whether the prices of coke would be equalised as it is proposed to equalise coal prices.

More Indian Cotton Consumed.—In keeping with the growing need for conserving foreign exchange, the Indian mill industry has been progressively switching over from foreign to domestic cotton. Against 4,768,912 bales of cotton (Indian and foreign) consumed in 1954-55, the mills consumed in 1955-56, 4,968,707 bales. In 1954-55 the quantity of Indian cotton consumed was 4,138,438 bales; this rose to 4,365,456 bales in 1955-56. The industry is able to shake off some of its dependence on foreign cotton, because the rise in the consumption of domestic supplies has been steady. From 2,987,000 bales consumed in 1951-52, the figure increased to 3,612,000 bales in 1952-53, to 3,889,000 bales the following year, and to the all-time record of 4,365,000 bales in 1955-56. There has been a steady decline in the consumption of foreign cotton. Against 1,084,000 bales of foreign growths consumed in 1951-52, only 603,000 bales were consumed in 1955-56—and indications are that this decline will continue—quite apart from U.S. aid-cotton. Another development is the sharp fall in Egyptian cotton imports due essentially to price disparities. Against 2,460 bales (720 lbs. each) imported between 1st September and 10th October, in the 1955-56 season, only 1,245 bales were imported during the corresponding period in the new season. The rising trend in the prices of Egyptian cotton has probably been responsible for this setback. Indian mills will be producing less superfine and fine fabrics hereafter, because of the heavy excise levy, and the lack of attractive export markets for these goods. There will, therefore, be a considerable fall in the off-take of cotton used for fine and superfine material, and Egyptian cotton is admirably suitable for this type of production. In this context there is no wonder that mills neglect Egyptian styles, especially when prices are stepped up. Indian spinners now appear to be looking for PIMA Grade I cotton of 1-9/16" staple length, which is quoted in Bombay at around Rs. 2,380, against the prevailing quotation of Rs. 3,090 for Egyptian Karnak.

Hyderabad State Bank Take-over.—The Hyderabad State Bank, constituted under the Hyderabad State Bank Act of 1941 to provide banking facilities for the State's agriculture, commerce and industry, was renamed "The State Bank of Hyderabad" on 22nd October when the Reserve Bank of India took over its shares. There is no proposal yet for its merger with the State Bank of India. In view of the reorganisation of States it has been decided to transfer the management of the Hyderabad Government loans, which are at present being managed by the Hyderabad State Bank, to the Reserve Bank of India with effect from 1st November 1956. The books of the Bank's offices and 50 branches in Hyderabad State and in Bombay, in so far as they relate to the Hyderabad loans, were closed from 29th October 1956, for transfer of the records to the Reserve Bank of India's offices and State treasuries. Holders of

securities enfaced for payment of interest at the Hyderabad State Bank and its branches have been requested to tender their securities for payment of interest, renewal etc., at the Public Debt Office of the Reserve Bank of India at Hyderabad, or local treasuries on or after 1st November. Holders of the 4 percent Hyderabad State Development loans of 1963, 1967, 1968, as well as of the Central and other State Government loans enfaced at Hyderabad, have also been asked to present their securities at the Reserve Bank of India's Public Debt Office. Holders of such securities enfaced at the Bombay Branch of the Hyderabad State Bank have been requested to tender them at the Reserve Bank's Public Debt Office, Bombay.

All-Weather Textiles.—Applying aluminium flakes suspended in resin to a lining fabric after it has been woven and dyed is not exactly new—it has been used in Britain for some time now in the manufacture of waterproofs—but it has been left to an American manufacturer to extend the application of the process to enable people to wear the same weight of clothing all the year round, since it is found that it supplies additional warmth in winter and gives coolness in summer by reflecting the sun's rays. Garments lined with the new material were displayed in London recently, and our correspondent reports that they looked much the same as those with conventional linings. It was hardly the best time of the year for a display of these garments, for autumn fashions are now being displayed. However, travel coats made of wool, alpaca and camel hair have been treated and would change in their degree of warmth according to the weather met by the traveller. The woman torn between buying a light-weight summer raincoat or a winter-weight raincoat can compromise by having either when it is lined with the metal insulation. A black velvet theatre coat, also shown, will please any wearer who has to choose between warmth and glamour. The linings can be dry-cleaned and are porous. It is estimated that the process adds about 1s. 6d. a yard to the cost of a normal lining.

"CAPITAL" CHRISTMAS TOY FUND

STATEMENT OF ACCOUNTS FOR 1955

Balance from 1954	Rs. 1,006 10 0	
Collection for 1955*	Rs. 3,213 10 0	Rs. 4,220 4 0
Less cost of toys distributed to 8,500 children in 1955	Rs. 3,006 11 9	
Postage	Rs. 14 1 0	Rs. 3,020 12 9
Balance in 1955 B.F.	Rs. 1,199 7 3	

* Includes donation from H. E. The Governor of Bihar, Rs. 10.

OVER-PRODUCTION OF GOODS

THE large extensions that are approaching completion have caused our jute manufacturers to make a review of the situation. A well-attended meeting of the Indian Jute Manufacturers Association was held last Thursday to consider the desirability of going on short time. Every one present appeared to be satisfied that a curtailment of production was desirable, but when it came to the question of how that curtailment was to be brought about, a considerable divergence of opinion was at once apparent. The increase in the production of jute manufactures has been brought about in three ways: (1) By the addition to the looms of the existing mills. (2) By the introduction of the electric light into a number of them. (3) By the erection of new mills. The representatives of those mills that were not the proud possessors of the electric light appeared to consider that, before any general curtailment could be carried out, the electric light should be stopped, and then they were agreed almost unanimously to work five days a week of so many hours each. It was pointed out that the electric light was only one form of extension, and that if it was to be discontinued, all new looms that had been erected since its introduction should also be stopped, but this reasoning did not find favour with those who had not the light. It seems to us that the electric light is quite as much an extension as the addition of looms. Thus, for instance, if a mill with 500 looms were to add another 50 it would increase its producing power 10 percent, and if the same mill instead of adding the looms were to put in an installation of the electric light, it would practically be able to work two hours a day longer, or taking the day at twelve hours, the production would be increased by about 13 percent. If, therefore, the mill that had added the electric light was to discontinue it, the one that had added the 50 looms should also shut them down, and similarly the new mills which have not commenced to work should remain silent.

FROM
CAPITAL

4th November, 1896.

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SOUTH EASTERN RAILWAY TENDERS

SALE OF 130 CONDEMNED WAGONS

The General Manager invites tenders for the sale of 130 Condemned wagons stabled at Mathurakati Scrap yard, South Eastern Railway, Khargpur. Tender No. S4/S/3/3 in this connection is obtainable from the office of the Controller of Stores, South Eastern Railway, Garden Reach, Calcutta-23 on production of Cash Receipt for Rupees five only from the Chief Cashier, South Eastern Rly., Garden Reach, Calcutta-23, by local firms and on remittance of Rupees five only by Money Order to the Controller of Stores, South Eastern Rly., Garden Reach, Calcutta-23 by outside parties. The cost of tender forms is not refundable. The wagons may be inspected on any working day before the closing date of the Tender. The closing date is the 27th November '56 at 12 Noon.
GENERAL MANAGER.

INDUSTRIAL TRENDS IN THE UNITED KINGDOM

NARROWING OF PROFIT MARGINS

(BY A SPECIAL CORRESPONDENT)

ALTHOUGH for fully a year past British industrial companies have referred to increasing difficulties, there has been, so far, with the exception of textile undertakings, little of this state of affairs reflected in their reports. However, many of those issued during the last few weeks have provided tangible evidence that the difficulties are making themselves felt definitely, mainly through the narrowing of profit margins. A striking example of this is provided by the powerful Imperial Chemical Industries which, while showing an increase of £15 million in turnover during the first half of 1956, nevertheless also records a fall of some £500,000 in trading profits. In other words, it has required a very substantial increase in business to maintain profits at their previous level. It may be recalled that I.C.I. was among the companies which agreed to stabilise the selling prices of certain of their products over an indicated period, in an endeavour to check inflation. Its latest financial results suggest that individual attempts to deal with inflationary tendencies existing in a country as a whole are attended by a considerable amount of risk to those who make them. Ironically enough, where deflation has occurred, as in the case of prices of some non-ferrous metals, I.C.I. has had to write down the value of the stocks of the metals it held. This shows that if deflation is to be truly sound, then it must be of a general and even nature. Partial inception of the process, however well-intentioned, only brings about another kind of instability.

It is not clear in what proportions the declines in profit margins which have occurred are attributable to increased competition in the home and foreign markets respectively. Some companies have emphasised their loss of overseas business; but, on the other hand, important contracts on foreign account have been announced, especially for engineering products. While precise figures cannot be given, it is probably true that keener competition is now being experienced in nearly all markets. The home market, despite the allegedly faithful pursuit of national economy, still has the advantage of the periodical placing of

Government and municipal contracts on a large scale. Although the practice of economy is worthy of admiration, nothing must be allowed to interfere with being up-to-date in armaments or the provision of amenities for the people. These beneficial official activities influence the index of national production, which now stands much where it did a year ago. It seems likely that, if the index could be based separate from State and similar financial excursions, then a decline in the current figure would be shown.

Portable Electric Tools

The newer industries continue to plan confidently for the future, and in some directions hardly likely to be known to the overseas reader. As would be expected, television is well to the front, and prominent electrical companies have near completion elaborate research laboratories for the study of coloured television. Given less publicity, and yet very much in the news, are improvements in portable electric tools which, while finding employment in industry proper, are being adapted to a hundred and one household uses. As in the United States, the "do it yourself" movement has become extensive in Britain, the reasons being the high cost of repairs to structures, difficulties of getting any kind of manual assistance and so forth. An exceptional amount of inventive attention has been turned to horticultural aids, especially for mowing, digging, lawn-cutting and trimming. Electric mowers and electric hedge-cutters are now fairly common, although for mowing, petrol-driven machines hold first place. It is possible to get an electric hedge-cutter (of a new type) for £6, against £16 a year ago for the only kind then available. Reports vary concerning the efficiency of these aids. Some of the dissatisfaction expressed is due to the difficulty of getting used to a new technique. There are also plenty of stalwarts who roundly declare that gardening is a craft which cannot withstand the impact of a minor industrial revolution and remain, so to speak, spiritually whole. But the truth is that you cannot have gardening as a craft in the absence of the old type of gardener, with his ability to stand up to the weather without a windproof jacket and not needing refreshment provided by the housewife four times a day. Nor can his fine feelings for plants be done without, or his knowledge—limited, perhaps, but sturdily independent.

This type, already hardly met with in a days march, will soon be as extinct as the dodo. So the future is rosy for electrical tools inside the house and on top of it and in the garden round about.

Quality Textiles

The British textile industry has witnessed a resuscitation of the arguments for and against concentration on qualitative rather than quantitative manufacture. The issue has been given fresh point through the holding in Gothenberg, Sweden, of an international conference on "Fabric Quality and Informative Labelling." Two hundred delegates, mainly European, discussed the subject. There were also representatives from the United States and Japan. The British and American delegates, with many examples in their countries of improvements in the quality of fabrics, and others soon to be given effect, were strongly in favour of pride of place being given to qualitative production. It was felt that there were no technical obstacles to Britain and the United States producing high class fabrics in greatly increased amounts. The principal problem is how to educate the public, so as to ensure that it demands this class of goods. One difficulty which has to be combated is the over-conservatism which, notwithstanding the demand for the novel, characteristic of much of the modern world, is still common among the average housewife. Even with nylon and "terylene", which are apparently well-established in public favour, a never-ceasing advertising campaign is deemed essential in order to prevent taste slipping back to the natural fibres. Fabrics which are blends of several fibres have the handicap of a scepticism about the enduring value of "mixtures." There is, too, another aspect. The laundries' handling of fine fabrics is often far from gentle or knowledgeable, and so brings these materials into unwarranted disrepute. The conclusion was reached that the first step to be taken is to ensure that the labelling of all fabrics is correct and clear, and that both shop assistants and purchasers should be given practical encouragement to know much more than they do at present about the properties of the new fibres. It is believed also that the public should be made acquainted with something of the scientific processes which have gone to the discovery of the man-made fibres. To this end, Imperial Chemical Industries has prepared a film under the title of *A Point of Departure* which, using an evolutionary approach, traces in simple manner the emergence of the modern fibres.

Care-Free Fabrics

The campaign proclaiming the virtues of a finish which allows the minimum of ironing of textiles is growing in strength, the Bradford Dyers' Association and other Lancashire textile concerns having allocated large sums of money for this purpose. The campaign is frequently conducted under the heading of "Care-free Fabrics", which description, for the time being at any rate, bids fair to become a slogan. As is well known, nylon and other man-made fibres have as an inherent virtue the capacity always to present a smooth front to a ruffled world. The man (said to be a diplomat) who allegedly goes round the world with one nylon shirt, washing and drying it each night, has supplanted Santa Claus. The challenge, in this respect, of the man-made fibres to cotton and rayon fabrics could not be ignored. Hence, manufacturers of these last fabrics have sought to impart much the same virtue by means of finishing. This is done by means of resins, and also largely depends upon the reducing of space between the fibres used in the fabrics. The fabric makers themselves admit of no questioning that the result is excellent from every point of view. Other experts have avowed that the lessening of the need to iron cotton and rayon, by finishing methods as so far disclosed, cannot be accomplished without affecting the fabrics adversely.

Synthetic Minerals

A substantial grant which the Nuffield Foundation has made for the study of synthetic minerals visualises an eventual long leap forward in human pursuits, contributing as it does to the at present largely unknown territory of cosmic chemistry. Far-reaching also are the "bubble chamber" detectors, which can keep pace with the new particle accelerators which play so prominent a part in the study of high-energy nuclear physics. It is still the case, according to Dr. C. Dodd, writing in the October 1956 issue of *Endeavour*, that "with existing techniques the analysis of the photographs produced in a single day by a bubble chamber operating in the beam of a pulsed accelerator would take over a year to complete." A new analysis technique, utilising existing electronic computers, is therefore essential. The giant computers are at present being located in the British Universities, but they are to be made available for industrial research purposes, as well as for scientific inquiry. The Oxford University is soon to install the latest model, made by Ferranti Ltd., one of the foremost British companies in the manufacture of radio and electrical machinery and equipment generally. It is claimed that this model will operate five times as fast as models at present being used. It should be noted, however, that it is estimated that to prepare a programme for one day's work by the computer will take three months. How can the human contribution to modern computation be speeded up? Does it mean only a revolution of the methods of organisation of human effort. Or does it imply that we shall have to produce individual brains of greater capacity and which will operate far more quickly?

A DITCHER'S DIARY

WE all have our birthdays, and *Capital* is no exception. When this particular time on the calendar comes round I usually announce that we are entering another year of publication—this time our sixty-ninth—and that, once again, no celebrations will be held. But the occasion is not allowed to pass entirely without something special to mark it and if we have no plans for our own anniversary there is nothing to stop our helping to make a success of somebody else's. The one I have in mind is, of course, Christmas and the way *Capital* helps is through its toy fund. Every year we try to brighten as many small children's Christmases as you make it possible for us. Last year's effort can be seen from the figures printed at the end of this week's "Current Coin." Collections showed an improvement on 1954, which was a creditable achievement after the depredations of the 1955 Budget, and there seems no good reason why this year's figure should not be better still—profits may be down, but hopes have surely never been higher. Although collections improved, less money was spent on toys last year because the balance brought forward was so much lower than that from 1953. We avoided what disappointment we could by spreading the money more thinly. Just as many children got toys, but perhaps they were not as durable or as elaborate as they might have been. We do not want to do that again this year and we even have hopes of increasing the number of poor children who will benefit. All contributions in the form of cash or cheques should be sent to the *Capital* Christmas Toy Fund, 5, Mission Row, Calcutta. And please sent them as early as possible.

I do not agree with the view I have heard expressed in certain quarters that Miss Padmaja Naidu, who takes over this week as the Governor of West Bengal, has received her high appointment solely because she is her mother's daughter. The late Mrs. Sarojini Naidu was, of course, a very great personality and doubtless India owes her a large debt. She held many high offices in the Congress, of which she was President for more terms than one. But a good part of her contribution to the country—and to my mind a no less important one—lay in fields other than political. She was, to begin with, an excellent poet: one who, alongside of Professor Manomohan Ghosh and Sri Aurobindo, secured for herself a distinguished place in what has since been called Indo-Anglian poetry, and could count among her admirers the well-known critic Sir Edmund Gosse. But she sacrificed the muse at the altar of the struggle for freedom, and was the first woman leader to have achieved all-India eminence which, I think, was an inspiring example for the country's entire womanhood. How eagerly it has been followed is seen in the subsequent crop of India's women leaders which includes such figures as Mrs. Vijaylaxmi Pandit, Mrs. Durgabai Deshmukh, Mrs. Hannah Sen, Mrs. Hansa Mehta and Mrs. Rameshwari Nehru, to name only a few. To be the daughter of such a mother is certainly a privilege of which, it is well known, Miss Padmaja Naidu has made good use. She has always been active in social service without elbowing her way to the limelight, and I am quite sure that she meant business when she said recently that her sole function as Governor would not be to preside over prize distribution ceremonies at schools. No doubt she will make an excellent beginning by applying herself to the urgent and vast task of bringing hope and succour to West Bengal's flood-stricken.

During the coming week, the Calcutta School of Music introduces the first of the cold season's

celebrities, pianist Claudio Arrau. I should be surprised if the name were well known to music-loving ditchers, but if the various Press reports which I have read on the accomplishments of this artist can be accepted as a basis for judgment, it is only a matter of a very short time before the Arrau light bursts into a brilliant international star. *The Manchester Guardian*—which is not always wrong—uses double superlatives to describe his performances. After two resoundingly successful tours of South Africa and a much-acclaimed recital at the Salzburg Festival in 1952, he now comes to Calcutta. On 6th November he will be playing with the Calcutta Symphony Orchestra, a selection of works by Beethoven, Mozart, Weber, Hadyn and Arthur Duckworth. His solo performance on the 8th, includes a tempting programme from List, Schumann, Beethoven, Mozart and Boulenc. This promises to be a stirring overture to the season's musical entertainment. I never fail to raise my metaphorical hat to the efforts which the Calcutta School makes in keeping us in touch with good music through inspired performers. It is a tremendous task magnificently carried out. I can only hope that the New Empire will be packed to capacity on both occasions so that Calcutta's devotees of music will be able not only to enjoy the genius of Arrau, but to help the School to keep up its good work as well.

Coffee-house admirers of Soviet régimes may have had good reason to rub their eyes in astonishment over the past few days' performance in Budapest. A "people's democracy" which can line up foreign tanks to mow down thousands of its own people when they ask for a voice in their own affairs does not, one suspects, accord entirely with the concepts of "socialist justice" on which leftist consciences have for years been nurtured—concepts which have previously been seen in practical operation in East Berlin and Poznan. One sincerely hopes that the past month's events in both Poland and Hungary will help persuade the Orwellian double-thinkers that imperialism is not purely a capitalist monopoly. The strength of the Russian forces sprawled over eastern Europe has clearly been considerable, and it is hard to see what purpose they could have been serving other than to provide a powerful backing of military repression for Moscow's political dictatorship and economic blood-sucking. Russian cronies like Mr. Sobolev may assert before the Security Council that the whole Hungarian uprising has been provoked and financed by western agents; but even he must at times wonder why, if this be true, one of the first impulses of the new Hungarian Government under Mr. Nagy has been to disband its security police and tell the Russian troops to get out. Indeed, in contrast to whatever Moscow has been saying, a feature of the Budapest proceedings has been the Hungarian officialdom implicitly to admit that the revolt reflects genuine popular discontent not only with the conduct of affairs at home but also with the dictation from Moscow. The admission has been made more explicitly this week in Mr. Nagy's announcement that he "fully acknowledges" the new autonomous councils formed by the Hungarian forces. Still, one might perhaps be forgiven for looking upon the latest moves towards democratisation in Poland and Hungary with a measure of scepticism. Both Mr. Gomulka and Mr. Nagy were not wholly averse from Mr. Stalin's company before he sent them to jail; they may like him no longer, but they have yet to show

how far the antipathy is based on ideological rather than merely personal grounds.

I see that the English Association has recently celebrated its jubilee. Founded in 1906, this important academic body has rendered signal service in the field of English scholarship, and although originally its aims were purely educational, namely, "to afford opportunities for friendly intercourse and co-operation amongst all who love our literature and language, and desire to spread a knowledge of them," over the years these have been widened to include much other activity. For example, it has compiled several standard anthologies of English poetry—*The Modern Muse* and *England* are among them—published pamphlets aimed at the general reader and the monumental *Year's Work in English Studies*, which last series is specially for the advanced student with access to academic libraries. The list of its presidents constitutes an impressive bead-roll of great names in literature and scholarship, among which figure those of several British Prime Ministers. It is, however, a matter of regret that despite its undoubtedly solid achievements, its membership has shown a continued decline in recent years, and that its various branches at home and overseas have not been as active as they might have been. I was not a little surprised to see from the Association's jubilee volume of *Essays and Studies* that two quite new branches have been opened in Trivandrum and East Pakistan. I wonder how it could have missed out Calcutta, India's cultural capital. If there is a branch here, I have not found it, nor has it me.

I was not lucky enough to meet Group Captain Cheshire, V.C., when he was in Calcutta, but that has not prevented me from following his activities with the greatest interest. Superbly successful in war, he appears to be devoting his life as a civilian selflessly making up to humanity at large for the destruction he, and the force of which he was a member, were obliged to wreak upon it in the cause of duty. There are not many of us blessed with so acute a sense of what should be our real attitude to mankind; but then, Cheshire has proved himself to be no ordinary mortal. Even now that India has a "socialistic pattern" of society, there are few places in the world where humanity can be served better than it can be here. The Cheshire Homes may seem a small contribution to India's welfare, but they are an important one for all that because, so I am told, their work is concentrated on those who have been pronounced incurable and who are all too likely in this country to end their days in squalor and neglect. A few such have already been admitted to a house in Serampore where a modest start has been made with the work. Medical assistance, skilled supervision, cleanliness and good food are available for them. But the continuation and extension of the Homes depends on public generosity. That is why the local committee of the Cheshire Homes of India is holding a dance and dinner on 2nd November at Firpo's restaurant with the entire entry fees and proceeds of the side shows to go to the cause. It is probably true that there are already too many charities in Calcutta, and it has never been my practice or intention to recommend them all. But I do feel that this one can be counted an exception, not only because it is a comparatively new venture so far as India is concerned, but also because it owes so much to the personality of a man to whom, and to the force in which he served, we all owe a great deal.

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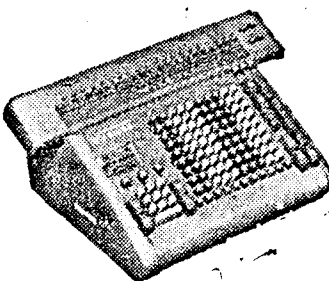


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The consent of the Government of India has been obtained to this issue by an order, a complete copy of which is available for public inspection at the Head Office of the Company. It must be distinctly understood that in giving this consent the Government of India do not take any responsibility for the financial soundness of any scheme or for the correctness of any of the statements made or opinions expressed with regard to them.

A copy of this Prospectus has been delivered to the Registrar of Companies, West Bengal, for registration, such copy having attached to it—

- the written consent of the Auditors mentioned herein to the issue of this Prospectus with their report included therein in the form and context in which it is so included;
- a statement in writing signed by the Auditors as to the adjustments made by them in arriving at the profits and statement of assets and liabilities included in their report and giving their reasons therefor; and
- copies of contracts Nos. 1 to 12 mentioned herein under the heading "Contracts" or memoranda giving full particulars thereof.

Application is being made to the Calcutta Stock Exchange for permission to deal in and for an official quotation of the Ordinary Shares of the Company.

The Subscription List will open at the commencement of Banking hours on the 7th day of November, 1956, and will close on the 14th day of November, 1956, or earlier or later at the discretion of the Directors.

GUEST, KEEN, WILLIAMS, LIMITED.

(Incorporated on the 17th day of February, 1931, under the Indian Companies Act, 1913 as Henry Williams India (1931) Limited, which name was changed to Guest, Keen, Williams, Limited on the 19th day of December, 1934).

SHARE CAPITAL

AUTHORISED

Rs. 3,00,00,000/- divided into 30,00,000 Shares of Rs. 10/- each.

ISSUED, SUBSCRIBED AND PAID-UP

Rs. 1,41,06,000/- divided into 14,10,600 Ordinary Shares of Rs. 10/- each fully paid.

LOAN CAPITAL

The Company has no debentures or other loan capital outstanding but has Bank overdrafts secured by hypothecation of stock-in-trade.

ISSUE OF

5,89,400 Ordinary Shares of Rs. 10/- each fully paid at Rs. 20/- per share.

PAYABLE IN FULL ON APPLICATION.

Applications for Shares by members of the public must be for a minimum of 50 Shares or for multiples of 50 Shares.

The Company is advised that the Ordinary Shares now being issued are "Approved Investments" within Section 27A of the Insurance Act, 1938.

An interim dividend of 8% free of tax was declared on the 20th September, 1956, to shareholders at that date in respect of the Company's 52 weeks financial period ending the 29th December, 1956. The Shares now being issued will rank for any further dividend that may be declared in respect of the said period and any subsequent financial periods and in all other respects *pari passu* with the Ordinary Shares of the Company already issued.

As the existing shareholders do not intend to apply for an allotment all the Shares now being issued will be available for allotment to the public save that 50,000 Shares of this issue are being reserved initially (without any obligation on the Company) for those employees who have a minimum of twelve months' service with the Company. Applications for Shares from such employees for a minimum of 10 Shares or for multiples of 10 Shares will be considered.

DIRECTORS:

Reginald Catlow, Esq., "Kinburn", 11, Ramsdale Road, Bramhall, Cheshire, England, Industrialist, (Chairman).

Henry Morton Leech Williams, Esq., M.B.E., B.A., 24/4, Alipore Road, Calcutta-27, Engineer & Company Executive, (Managing Director).

John Fide Healy, Esq., 11/1, Burdwan Road, Calcutta-27, Company Executive.

Kailash Chandra Mahindra, Esq., "Mont Blanc", Dadyseth Hill, Bombay-26, Industrialist.

Krishna Chandra Maitra, Esq., "Rushilla", Carmichael Road, Cumballa Hill, Bombay-26, Industrialist.

William Morris, Esq., 4, Kings Court, Theatre Road, Calcutta-16, Company Executive, (Secretary).

Sir Arcot Ramaswami Mudaliar, K.C.S.I., D.C.L. (Oxon.), 9, Lower Rawdon Street, Calcutta-16, Industrialist.

William Edward Murphy, Esq., Bengal United Service Club, 29, Chowringhee Road, Calcutta-16, Engineer & Company Executive.

BANKERS:

NATIONAL BANK OF INDIA LIMITED,
19, Netaji Subhas Road, Calcutta-1.

SOLICITORS:

SANDERSONS & MORGANS,
5 & 7, Netaji Subhas Road, Calcutta-1.

AUDITORS:

PRICE WATERHOUSE PEAT & CO.,
Chartered Accountants,
B-4, Clive Buildings, Calcutta-1.

REGISTERED OFFICE:

41, Chowringhee Road, Calcutta-16.

BROKERS:

CALCUTTA: PLACE, SIDONS & GOUGH,
6, Lyons Range, Calcutta-1.

BOMBAY: LEWIS & JONES, Bank of Baroda Building, Apollo Street, Fort, Bombay-1.

BOMBAY: BATLIVALA & KARANI, Union Bank Building, Dalal Street, Fort, Bombay-1.

NEW DELHI: HARBANS SINGH MEHTA & CO.,
33, Regal Buildings, Parliament Street, P.O. Box 300, New Delhi-1.

MADRAS: PATTERSON & CO., 22, Errabalu Chetty Street, P.O. Box 48, Madras-1.

History and Business.

The Company was incorporated in Bengal on the 17th February, 1931 as a Private Limited Company under the name HENRY WILLIAMS INDIA (1931) LTD. and was formed *inter alia*, with the object of acquiring and carrying on the business of HENRY WILLIAMS (INDIA), LIMITED, an earlier Com-

pany incorporated in Bengal in the year 1922, which founded the Company's manufacturing Works at Calcutta. The other main objects of the Company will be found set out below in this Prospectus. The change to the Company's present name was made on the 19th December, 1934 consequent upon the purchase of a large interest by GUEST, KEEN & NETTLEFOLDS, LTD., of Birmingham, England.

On the 4th December, 1948 GUEST, KEEN & NETTLEFOLDS, LTD., purchased from the other shareholders their interests in the Company, thus becoming the sole owners. On the 29th January, 1953, the Company formed a wholly owned Subsidiary, NETTLEFOLDS OF INDIA PRIVATE LTD., incorporated under the Indian Companies Act, 1913 for the purpose of carrying out the project for manufacturing wood screws and kindred fastenings in India. This Subsidiary as well as the Company has the right to use wood screw and kindred trade marks and labels, including the name "Nettlefolds", which is famous throughout the world for these products, under user agreements with the proprietors. The Company has also entered into a user agreement with George Goodman Ltd., of Birmingham, England in respect of the latter's trade mark and labels relating to safety-pins and kindred products manufactured by the Company in India. The Company has also entered into an Agreement with Exors. of James Mills Limited of Stockport, England, whereby the Company is permitted to manufacture in India under Licence certain products including railway permanent way fittings under Trade Marks and Patents belonging to Exors. of James Mills Limited, in consideration of which the Company pays a royalty based on the selling price of the products subject to a minimum payment of £500.00 per annum. The said Agreements contain provisions whereby the user of the Trade Marks undertakes that the goods to be manufactured shall be up to specification and that the Owner of the Trade Marks shall have a right of access to the place where the goods are manufactured for the purpose of inspecting all stages of manufacture.

The Company and its predecessors have always laid emphasis on the specialised lines of engineering and in particular those pertaining to Railways. The fulfilment of orders received from the Railways has always constituted a large part of the Company's activities. The Company is one of the pioneers in India of rolling special sections used in the manufacture of springs for which business it continues to execute a very substantial part of the Country's needs. In addition the range of manufactures includes baling buckles for the Jute Industry, and, of more recent years, grinding media for the Cement Industry and a growing variety of forgings for the Automobile Industry. Railway Points and Crossings, Permanent Way Fittings, Signal Fittings and Rolling Stock components are all made at the Calcutta Works, which is in the advantageous position of having its own Rolling Mills and Furnace Plant for making special and alloy steels. For nearly 30 years the Company has been the largest single producer in India of Steel Railway Sleepers, and its Bolt and Nut Department is by far the largest Bolt and Nut unit in India.

The Bhandup Works which commenced manufacturing in September, 1953 is now the largest producer in the Country of high-class steel and brass Wood Screws. As additional lines this Works started manufacturing Safety-pins in the latter half of 1954. Cotter Pins in the first half of 1955, Hypodermic Needles in January, 1956, Tinmen's Rivets in June, 1956 and Metal-thread Screws in July, 1956. These products of the Bhandup Works are marketed and distributed throughout India by Nettlefolds of India Private Ltd.

The Company specialises in mechanical engineering and also has a valuable Agency section importing and selling a wide range of mechanical and electrical products of the following well known overseas manufacturers:—

- | | |
|---|--|
| Associated Locomotive Equipment Ltd., London, England. | Locomotive Poppet Valve Gear. |
| William Beardmore & Co. Ltd., Glasgow, Scotland. | Wheels and Axles, Locomotive Crank Axles, Heavy Steel Castings, Forged Steel Rolls, Miscellaneous Forgings, etc. |
| Beyer Peacock & Co. Ltd., London, England. | Railway Locomotives. |
| British Rollmakers Corporation Ltd., Crewe, England. | Rolls and Rollers for Rolling Mills and for the Paper, Rubber and other Industries. |
| Bruce Peebles & Co. Ltd., Edinburgh, Scotland. | Electric Motors, Generators, Transformers, Rectifiers, Converters, etc. |
| Cowans Sheldon & Co., Ltd., Carlisle, England. | Loco Breakdown Cranes, Overhead Cranes, Dock Cranes, Turntables, etc. |
| Crompton Parkinson, Ltd., London, England. | Stud Welding Equipment. |
| Drabble & Sanderson Ltd., Sheffield, England. | Woodworking Equipment, Tools, etc. |
| Drewry Car Co. Ltd., London, England. | Diesel Locomotives and Rail Cars. |
| Exors. of James Mills, Ltd., Stockport, England. | Bright Drawn Bars and Wire, Ledloy Steel Bars, Bright Steel Taper Pins, Cotter Pins, Machine Keys, Grooved Pins and Studs, Shakeproof Lock Washers, etc. |
| Guest Keen & Nettlefolds (Midlands) Ltd., Birmingham and Darlington, England. | N. P. K. Self-Tapping Screws, Special Bolts, Nuts, Machine Screws and a wide range of other fastenings. |

GUEST, KEEN, WILLIAMS, LIMITED.—Cont'd.

Guest Keen & Nettlefolds (South Wales) Ltd., Cardiff, Wales.

Hauck Manufacturing Co., Brooklyn, U.S.A.

Henry Williams Ltd., Darlington, England.

Manganese Bronze and Brass Co. Ltd., Ipswich, England.

Mills Scaffold Co. Ltd., London, England.

Murex Limited, Rainham, England.

Murex Welding Processes Ltd., Herts, England.

M. & C. Switchgear, Ltd., Glasgow, Scotland.

P. & M. Co. (England) Ltd., London, England.

Shaw Son & Greenhalgh, Ltd., Huddersfield, England.

Somerset Wire Co. Ltd., Somerset, England.

Thomas White & Co. Ltd., Paisley, Scotland.

Turton Bros. & Matthews Ltd., Sheffield, England.

"Twistee" Reinforcement Ltd., Smethwick, England.

Tyer & Co. Ltd., Dalston, London, England.

United Wire Works (Birmingham) Ltd., England.

Ukside Engineering Co. Ltd., Newport (Mon.), Wales.

Land, Premises and Plant.

The Company has its main office at Calcutta, offices at Bombay Madras New Delhi and at London, England, and manufacturing works at Bhandup near Bombay and at Calcutta.

The Calcutta Works is situated at Shalimar, Howrah, West Bengal, on two sites owned by the Company each of which is within its own ring fence, the older site containing an area of approximately 33 acres and a site recently acquired for future development containing an area of approximately 11 acres. The two sites are joined by railway sidings and are readily accessible to Andul Road. Erected on this land is a modern, well-equipped, manufacturing works with a covered floor area totalling approximately 6,21,000 sq. ft. The Works is well served by internal railway sidings, adequate to handle incoming raw materials and outgoing finished goods. Ample water is available from deep tubewells and surface tanks. The Plant and Machinery is well maintained in efficient condition and at the 31st December, 1955, the written down book value of the fixed assets pertaining to the Calcutta Works was Rs. 1,03,93,006/-.

The Bhandup Works, approximately 18 miles from Bombay on the main Agra Road is served by its own siding from the Central Railway. The property on which the Works are situated comprises a residential area of approximately 15 acres on the west side of the Agra Road, and an industrial area of approximately 53 acres on the east side of the Agra Road, which latter accommodates the Works proper. Approximately 13 acres of the industrial area are rented on a 50 years lease to Sankey Electrical Stampings Private Ltd. The industrial area has its own electric generating station, water is taken both from the mains supply and from wells on the Estate. This Works has a covered floor area of approximately 70,000 sq. ft. and all the Plant and Machinery has only recently been installed and is well maintained in efficient condition; at the 31st December, 1955, the written down book value of the fixed assets pertaining to the Bhandup Estate was Rs. 45,59,276/-.

The Company's Head Office at Calcutta is held on lease, and a written undertaking has been received for an extension of this lease until the 30th June, 1979. The offices at Bombay, Madras New Delhi and at London, England, are all held under tenancy agreements on reasonable terms.

Management and Staff.

Of the Directors, the Chairman, Mr. R. Catlow has for most of his working life been connected with GUEST, KEEN & NETTLEFOLDS, LTD., England, and has, since August, 1952, been a member of the Board of that Company. There are four full-time Working Directors, all of whom have been in the employment of the Company for many years either as executives or Directors and have considerable practical experience as engineers and commercial men, as well as holding technical qualifications. There are three non-executive Directors in India, who have recently joined the Board, whose experience and guidance will form a valuable contribution to the efficient running of the Company.

The Managing Director and the three other full-time Directors are responsible for the day to day running of the business, and they are ably assisted by experienced officials, many of whom have spent most of their working lives with the Company.

The total number of employees of the Company including the management, staff and operatives employed at Calcutta and Bhandup Works is approximately 3,550. The Company has been operating and will continue to operate recruitment and training schemes for its employees both in India and overseas, which it anticipates will continue to provide and train executives and operatives for its requirements. The efficiency and continuity of management at all levels are maintained by the Company's long standing practice of promotion wherever possible from within the organisation. Labour relations have, on the whole, been very satisfactory and there is reason to hope that they

Hot and Cold Rolled Steel Strip, Steel Rod and Wire.

Oil Burners, Flame Guns and Torches.

Railway Track and Signalling Equipment.

Bronze, Brass, White Metal, and "Otilite" Self-Lubricating Bronze Bearings.

Tubular Scaffolding and fittings, Prefabricated Tubular Steel Structures, Racking, Grandstands, etc.

"Thermit" Welding of Rails.

Electrodes, Welding Plant and Accessories.

Switchgear up to 3.3 KV. Automatic A. C. Control Gear, etc.

Rail Anchors, Rail Lubricators, Switch Point Protectors, Rail Benders, Hydraulic Track Jacks.

Boiler Fittings, High Pressure Valves, etc.

High Tensile Steel Wire.

Woodworking Machinery.

High Speed Steel, Tool Steel, Twist Drills, Spiral and Volute Springs and Metal Working Tools.

Reinforcing Fabric and Bars for Concrete.

Railway Electrical and Mechanical Signalling Instruments, etc.

Non-ferrous Rod and Wire.

Mining Machinery, Bolland and Sinking Capstans, Ram Pumps, Haulage Gear, Winders, Flexible Couplings, etc.

will continue to be so. Opportunities are assured by the Company's technical and commercial training policy for the promotion of Indian Nationals in the management of the affairs of the business, and additional requirements of technicians are supplemented by imported staff with specialised qualifications.

Development.

At the Calcutta Works the extensions and modernisation begun in 1954, of the Bolt and Nut cold forging department are now substantially completed, and the modernisation of the Bolt and Nut hot forging department has already commenced. The modernisation and extension of the Forging Plant and Rolling Stock fittings requirements are now being embarked upon. In addition, plans are being made for a greatly increased output of the special steel sleepers required for railway points and crossings. To keep pace with the modernisation of the fabricating departments, and to ensure a satisfactory supply of bars, rods and special sections to these departments, modernisation and expansion of the Rolling Mills at the Company's Calcutta Works are now in progress. In addition to meeting the needs of the Calcutta and Bhandup Works this development provides not only for the growing requirements of spring steel bars and special sections for the Company's outside customers, but also for further potential capacity to take up additional supplies of steel semis as and when they become available under the Government programme for the development of the Steel Industry. Another development linked with the Rolling Mill expansion is the installation of a second Electric Steel Melting Furnace to provide special and alloy steels, which will increase the existing capacity from 6,000 tons to 12,000 tons per annum. It is expected that the new Electric Steel Melting Furnace will begin operating during the year 1957. It is also expected that the initial stages of the Rolling Mill expansion scheme will come into production at the end of the year 1953 and that its subsequent stages will be implemented by the end of the year 1959. It will be seen therefore that the cost of this expansion programme will be spread over some four years.

The Rolling Mill and the Steel Furnace expansion schemes have been approved by the Government of India under the Industries (Development and Regulation) Act, 1951, and the Registration and Licensing of Industrial Undertakings Rules, 1952, as follows:—

A Licence (No. L/4/75/55 dated the 3rd December, 1955, for the manufacture of bars and rods) has been obtained from the Central Government for effecting a substantial expansion to this industrial undertaking, of which a copy is open to public inspection at the Head Office of the Company. It must be distinctly understood that in granting this licence the Government of India do not take any responsibility for the financial soundness of this undertaking or for the correctness of any of the statements made or opinions expressed in regard to it.

A Licence (No. L/4/72/55 dated the 12th November, 1955, for the manufacture of special steels including spring steel and alloy steel) has been obtained from the Central Government for effecting a substantial expansion to this industrial undertaking, of which a copy is open to public inspection at the Head Office of the Company. It must be distinctly understood that in granting this Licence the Government of India do not take any responsibility for the financial soundness of this undertaking or for the correctness of any of the statements made or opinions expressed in regard to it.

The Company is also developing at its Calcutta Works the manufacture of Tungsten-Carbide for Drawing Dies and Rock Drill Bits, for which latter there is a growing demand for use in the construction of the Country's River Valley Projects and quarrying generally.

A further development is the manufacture of steel Road Wheels for pneumatic tyre equipment, plans for which have been drawn up. It is proposed, in the first instance to manufacture only

wheels for Animal Drawn Vehicles but later on for Motor Cars.

In their letter Ref. No. 11 (85) IA (LA)/55 dated 3th June 1956, the Government of India informed the Company that the manufacture of Animal Drawn Vehicle Wheels is not governed by the Industries Act and that the Company is not required to obtain a Licence for this purpose. The manufacture of Motor Car Wheels has received the approval of the Government of India under the Industries (Development and Regulation) Act, 1951, and the Registration and Licensing of Industrial Undertakings Rules, 1952, as follows:—

A Licence (No. L/11/36/56 dated 19th June, 1956, for effecting a substantial expansion to this industrial undertaking for the manufacture of Motor Car Wheels) has been obtained from the Central Government for effecting a substantial expansion to this industrial undertaking, of which a copy is open to public inspection at the Head Office of the Company. It must be distinctly understood that in granting this Licence the Government of India do not take any responsibility for the financial soundness of this undertaking or for the correctness of any of the statements made or opinions expressed in regard to it.

To augment existing service facilities for the production department a new Tool Room and Machine Repair Department are being built and equipped with the latest precision machinery.

At the Company's Bhandup Works a considerable expansion in the productive capacity of wood screws is almost completed and the resultant increase in production is already being experienced; at the same time this Works is now manufacturing Metal-thread Screws and Timmen's Rivets. Cotter Pins and Hypodermic Needles as new lines. These developments have all received the approval of the Government of India under the Industries (Development and Regulation) Act, 1951, and the Registration and Licensing of Industrial Undertakings Rules, 1952, as follows:—

A Licence (No. L/4/70/55 dated the 29th October, 1955, for effecting a substantial expansion to the existing undertaking for the manufacture of wood screws) has been obtained from the Central Government for effecting a substantial expansion to this industrial undertaking, of which a copy is open to public inspection at the Head Office of the Company. It must be distinctly understood that in granting this Licence the Government of India do not take any responsibility for the financial soundness of this undertaking or for the correctness of any of the statements made or opinions expressed in regard to it.

A Licence (No. L/4/49/55 dated the 29th April, 1955, for the manufacture at Bhandup, Bombay, of metal-thread screws of smaller sizes and small rivets including timmen's) has been obtained from the Central Government for effecting a substantial expansion to this industrial undertaking, of which a copy is open to public inspection at the Head Office of the Company. It must be distinctly understood that in granting this Licence the Government of India do not take any responsibility for the financial soundness of this undertaking or for the correctness of any of the statements made or opinions expressed in regard to it.

The following schemes not being classed as "Scheduled Industries" under the said Act have received the approval of the Government of India as follows:—

Approval for the scheme to manufacture Safety-pins was given by the Ministry of Commerce and Industry letter ref. No. E. I. 47(2)/53 dated the 6th March, 1953, and approval for doubling the capacity was given by the Ministry of Commerce and Industry letter ref. No. E. I. 47(2)/53-G.I. dated the 25th August, 1955.

Approval for the manufacture of Wire goods, — Screw Hooks, Eyes, Cotter Pins and Gate Hooks was given in the Ministry of Commerce and Industry letter ref. No. Eng. Ind. 34(12)/53 dated the 14th September, 1953, and approval for substantial expansion of production was given in the Ministry of Commerce and Industry letter ref. No. G. Ind. 37(5)/55 dated the 23rd April, 1956.

Approval for the manufacture of Hypodermic and Scrum Needles was given by the Ministry of Commerce and Industry letter ref. No. Eng. Ind. 45(3)/54 dated the 27th April, 1954.

It is expected that the expenditure on these aforementioned projects together with normal replacement of fixed assets during the next four years will be between four and five crores of rupees, a part of which will be provided out of the proceeds of this issue, and the Directors expect to be able to finance the balance of this expenditure out of future earnings and resources which may become available from time to time.

Objects of Issue.

The objects of this new issue are to enable the Company to expand its production, to enlarge the scope and range of its activities, to provide additional working capital and to afford an opportunity for the participation of Indian Capital.

The Company was converted into a Public Company on the 22nd October, 1956.

GUEST, KEEN, WILLIAMS, LIMITED.—Cont'd.

FINANCIAL INFORMATION.

Auditors' Report.

The following is a copy of the Report of the Company's Auditors, Messrs. Price Waterhouse Peat & Co., Chartered Accountants.

The Directors, Messrs. GUEST, KEEN, WILLIAMS, LTD., 41, Chowringhee Road, Calcutta-16.

Dear Sirs,

We have examined the books and accounts of GUEST, KEEN, WILLIAMS, LTD., as kept in Calcutta in which are incorporated the certified returns from the Calcutta Works, Bhandup Works (which started production in 1953) and Bombay and Madras Branches for the five years ended 31st December, 1955, and the books and accounts of Nettlefolds of India Private Ltd., a wholly owned subsidiary company of GUEST, KEEN, WILLIAMS, LTD., as kept in Bombay for the period from 29th January, 1953 to 31st December, 1955 and report that the profits or losses of the Companies are as set forth. These profits or losses have been arrived at after charging all expenses of working, management and consultants' fees including provision for normal depreciation on the basis as allowable for taxation and after making such adjustments as in our opinion are appropriate.

GUEST, KEEN, WILLIAMS, LTD.

	52 Weeks ended 29-12-51	53 Weeks ended 2-1-53	52 Weeks ended 2-1-54	52 Weeks ended 1-1-55	52 Weeks ended 31-12-55
INCOME—					
Closing Stocks and Work-in-Progress	Rs. 41,53,778	Rs. 36,81,569	Rs. 45,04,829	Rs. 41,63,466	Rs. 47,37,375
Sales	3,29,12,716	2,89,83,116	3,18,15,861	4,83,64,371	6,10,06,827
Interest—					
(a) Bank	—	50,776	324	153	—
(b) Investments	—	362	1,347	1,399	1,205
(c) Other Sources	—	51,138	1,671	22,781	19,973
Miscellaneous Income	4,46,644	5,15,351	5,28,189	7,42,774	6,55,648
	3,75,15,892	3,32,31,174	3,66,50,548	5,32,94,944	6,64,21,028
EXPENDITURE—					
Opening Stocks and Work-in-Progress	43,14,077	41,55,778	36,81,569	43,04,829	41,63,466
Raw Materials consumed and Agency Stock Received	1,42,92,080	1,34,02,754	1,74,19,834	2,67,41,160	3,12,06,421
Manufacturing, Establishment, Selling and Distribution Expenses	48,10,246	50,80,751	54,72,862	69,23,483	86,88,214
Salaries and Wages	74,18,032	76,34,660	75,04,043	93,49,669	1,13,49,770
Interest on Bank Overdraft	13,947	—	1,75,111	2,72,485	2,51,304
	3,08,47,502	3,02,83,943	3,41,95,819	4,75,91,617	5,56,68,175
Net Profits before Depreciation and Taxation	66,68,390	29,47,231	24,54,729	1,07,52,853	99,30,534
Depreciation (Normal)	2,56,007	2,65,446	4,77,128	5,73,585	8,22,319
Net Profits before Taxation	64,12,383	26,81,785	19,77,602	49,67,742	91,08,215
Taxation after allowance of normal depreciation only	26,99,869	15,38,601	3,10,223	25,75,406	51,85,397
Net Profit	37,12,514	11,23,184	16,67,379	23,92,274	47,45,137
The Initial Allowance and Development Rebate and Double Extra Shift Allowances which are not included are as follows—					
Initial Allowance	47,528	2,61,568	7,56,555	2,84,600	1,08,994
Development Rebate	—	—	—	2,68,729	2,66,218
Double Allowance	1,19,527	1,45,902	3,43,842	5,86,769	6,63,978
Extra Shift	77,998	72,120	98,949	1,60,598	2,02,520

Note:—No provision has been made for any Taxation that may be imposed in respect of the Final Dividend declared for the period ended 31st December, 1955.

NETTELFOLDS OF INDIA PRIVATE LTD.

	Period 29-1-53 to 2-1-54	52 Weeks ended 1-1-55	52 Weeks ended 31-12-55
INCOME—			
Closing Stocks and Work-in-Progress	Rs. —	Rs. 84,457	Rs. 36,32,623
Sales	—	21,78,424	7,413
Miscellaneous Income	42	8,596	36,40,036
	42	22,71,817	36,40,036
EXPENDITURE—			
Opening Stocks and Work-in-Progress	—	84,457	—
Purchases	—	20,80,116	32,05,949
Other Expenses	—	1,41,311	2,84,419
Service Charge by Guest, Keen, Williams, Ltd.	—	48,000	52,200
	—	22,69,430	36,47,025
Net Profit/(Loss) before Taxation	—	2,387	13,011
Provision for Taxation	—	1,028	7,589
Net Profit/(Loss)	—	1,359	5,422

We also report that the assets and liabilities of GUEST, KEEN, WILLIAMS, LTD. and NETTELFOLDS OF INDIA PRIVATE LTD. as at 31st December, 1955, which is the last date to which the Companies' Accounts were made up prior to the date of this report are as set out below. These assets and liabilities have been arrived at after making such adjustments as in our opinion are appropriate.

GUEST, KEEN, WILLIAMS, LTD.

	Rs.	Rs.
Fixed Assets at original cost plus balance of increase on revaluation as at 31st December, 1946 less Depreciation to 31st December, 1955	1,73,38,634	
Investments—		
In Government Securities at cost	21,213	
In fully owned Subsidiary at cost	5,00,000	5,21,213
Current Assets—		
Stocks of raw materials, manufactured goods and stores on hand, in transit or in process at cost or market value whichever is lower	1,40,35,513	
Debtors considered good (unsecured)	1,12,43,401	
Advances recoverable in cash or for value to be received	8,33,036	
Due from fully owned Subsidiary on Current account	2,65,948	
Loan—Unsecured	3,37,590	
Cash in hand and at Banks on Current Accounts	2,41,349	2,69,56,837
Total Assets	4,48,16,684	
Less: Liabilities and Provisions—		
Sundry Creditors	1,06,97,379	
Loan from Bank (Secured by Hypothecation of Stocks)	35,88,383	
Unsecured Loan from fully owned Subsidiary	4,50,000	
Provision for Dividends	24,68,550	
Provision for Taxation	46,33,094	2,18,37,406
Net Assets at 31st December, 1955.	Rs. 2,29,79,278	

We also report that the dividends paid by Guest, Keen, Williams, Ltd. out of profits on its paid up capital are as follows:—

	14,10,600 Ordinary Shares of Rs. 10/- each	
Fifty-two weeks ended 29th December, 1951	20 % per annum less tax	Rs. 20,80,635
Fifty-three weeks ended 3rd January, 1953	15 % per annum less tax	15,60,476
Fifty-two weeks ended 2nd January, 1954	6 % per annum less tax	6,24,150
Fifty-two weeks ended 1st January, 1955	15 % per annum less tax	15,60,476
Fifty-two weeks ended 31st December, 1955	Interim 7½ % per annum without deduction of tax Rs. 10,57,950 Final 10 % per annum without deduction of tax Rs. 14,10,600	24,68,550

No dividend has been declared by Nettlefolds of India Private Ltd., since the date of its incorporation on 29th January, 1953.

Yours faithfully,
PRICE WATERHOUSE PEAT & CO.

GUEST, KEEN, WILLIAMS, LIMITED.—Cont'd.

Profits and Prospects.

The period covered by the Auditors' Report includes the five years to the 31st December, 1955. The profits for the 52 weeks ended the 29th December, 1951, were exceptional for that time and marked the end of the post-war boom. The profits for the 53 weeks ended the 3rd January, 1953, reflected a definite change to a buyers' market and falling off in customers' requirements which continued for the greater part of the 52 weeks ended the 2nd January, 1954, and was caused mainly by the holding off by Government of its normal purchases of railway requirements. This was general in the Engineering Industry at that time but particularly affected the Company's steel Railway Sleeper Department which had to close down due to the absence of any orders whatsoever. The profits for the 52 weeks ended the 1st January, 1955, reflected a return to better trading conditions and were assisted by the earnings of the new Wood Screw Department at Bhandup Works and the first Steel Furnace at the Calcutta Works. The period ended the 31st December, 1955, showed further improvement in earnings, mainly assisted by the Company's progressive plant development and modernisation coupled with a continued rising demand from customers. The trading so far this year shows continued improvement and this together with the state of the Order Book leads the Directors to believe that (in the absence of circumstances beyond their control) with the additional finance now to be made available to the Company, and with the Company's various development schemes gradually coming to fruition, profits of current and future financial periods will show an increase consistent with the growth of the Company.

STATUTORY AND GENERAL INFORMATION.

Minimum Subscription.

(a) The minimum amount which in the opinion of the Directors is required to be provided in respect of each of the matters mentioned in clause 5, part 1 of Schedule II of the Companies Act, 1956, is Rs. 95,00,000/-, made up as follows:—

(i) Cash purchase price of property purchased or to be purchased	Rs. 71,75,000
(ii) Expenses of this Issue	Rs. 3,25,000
(iii) Re-payment of monies borrowed in respect of the proposed matters	Nil
(iv) Additional Working Capital (being the balance)	Rs. 20,00,000

(b) The amounts to be provided over the next four years in respect of the matters aforesaid otherwise than out of the proceeds of this Issue, are estimated to be Rs. 2,78,25,000/- and will be provided out of such facilities as may be available to the Company from time to time.

Underwriting.

The Shares now intended to be issued have not been underwritten but the Company will pay brokerage as indicated below.

Contracts.

The following contracts, not being contracts in the ordinary course of business, which are or may be material have been entered into by the Company during the two years preceding the date of this Report:—

(1) Dated the 5th October, 1955, between the Company and P. & M. Company (England) Ltd., whereby the former Company is given the sole right to manufacture in India under Licence from P. & M. Company certain products including Nail Anchors under Trade Marks and Patents belonging to the latter.

(2) Dated the 28th September, 1956, between the Company and Jardine Henderson & Co., Ltd., appointing the latter Registrars and Share Transfer Agents to the Company for a period of five years.

(3) Dated the 1st January, 1956, between the Company and Henry Morton Leach, William Leach, the latter Managing Director of the Company for a period of five years at a salary of Rs. 6,000/- per month and such other benefits, privileges and emoluments granted to Senior Staff by the Board of Directors. In addition Mr. H. M. L. Williams is paid a commission of 1% of the net profits of the Company of any year.

(4) Dated the 16th November, 1955, between Guest, Keen & Nettlefolds, Ltd., of the first part, Guest Keen & Nettlefolds (Midlands) Ltd., of the second part and the Company of the third part, for registration of the latter Company as registered user under the Trade Marks Act, 1940 of certain Trade Marks relating to wood screws and kindred products.

(5) Dated the 9th March, 1956, between Guest Keen & Nettlefolds (Midlands) Ltd. and the Company's wholly owned subsidiary India Private Ltd., for registration of the latter Company as registered user under the Trade Marks Act, 1940 of certain Trade Marks relating to wood screws and kindred products.

(6) Dated the 20th September, 1956, between the Company and Sankey Electrical Stampings Private Ltd., whereby the former Company leased to the latter certain pieces of machinery and plant situated at Bhandup Works together with several structures, buildings, and erections standing thereon and other rights and liberties appertaining thereto for a period of five years commencing from 1st January, 1956, at a monthly rental of Rs. 1,041-7-1.

(7) Dated the 13th April, 1955, between the Governor of West Bengal of the first part, the Administrator Howrah Municipality of the second part and the Company of the third part, whereby the Governor agreed to sell (the Administrator confirming) and the Company agreed to purchase certain pieces or parcels of land containing an area of approximately 33 Bighas 5 Colutta Works, for the sum of Rs. 5,32,400/-. The purchase price has since been paid by the Company and the property conveyed to it by a Conveyance dated the 24th August, 1955.

(8) On 9th July, 1956, an order on the Brightside Foundry & Engrs. Ltd., Sheffield, England, for the supply of Rolling Mill Equipment the cost of which is estimated to be Rs. 2,816,240 (Rs. 1,16,83,200/-).

(9) On 25th January, 1956, an order on G. W. B. Furnaces Ltd., Dudley, England, for the supply of one Tagliatelli Electric Furnace the cost of which is estimated to be Rs. 3,09,492 (Rs. 4,06,560/-).

(10) Various orders numbered 10/1 to 10/7 dated 10th October, 1956, on various orders for the supply of Wheel-making Equipment. The cost of these orders is estimated to be Rs. 2,40,533 (Rs. 5,40,440/-).

(11) Various orders numbered 11/1 to 11/6 dated between 30th May, 1955 and 7th July, 1955, on various orders for the supply of Plant & Machinery the cost of which is estimated to be Rs. 18,38,717/-.

(12) Various orders numbered 12/1 to 12/17 dated between 21st February, 1955 and 3rd September, 1956, on various contracts and suppliers for the supply and erection of Buildings, Plant and Machinery and Equipment the total cost of which is estimated to be Rs. 35,65,530/-.

Redeemable Preference Shares.
The Company has not within the two years preceding the date hereof issued and it does not at present intend to issue any Redeemable Preference Shares.

Other Previous Issues.

No Shares or Debentures have been issued or agreed to be issued within the two years preceding the date hereof either for cash or as fully or partly paid up otherwise than in cash.

Commission.

No sums have been paid within the two years preceding the date hereof or are payable as commission for subscribing or agreeing to subscribe or procuring or agreeing to procure subscriptions for any Shares in or Debentures of the Company or as discount in respect of Shares issued.

Payment to Promoter.

No amount or benefit has been paid or given within the two years preceding the date hereof or is intended to be paid or given to any promoter or to any officer of the Company apart from normal remuneration and reimbursement paid to such officers.

Option to Subscribe.

The Company has not entered into any contract or arrangement and does not at present propose to enter into any contract or arrangement whereby any option or preferential right of any kind has been or is proposed to be given to any person to subscribe for any Shares in or Debentures of the Company.

Purchase of Property.

Save as respects property purchased or acquired or to be purchased or acquired under Contracts being Item Nos. 7 to 12 referred to above, the Company has purchased or acquired or proposes to purchase or acquire which is to be paid for out of the proceeds of the present issue or the purchase of acquisition of which has not been completed at the date of the issue of this Prospectus, is property of the Company.

(a) the contract for the purchase or acquisition whereof has been entered into in the ordinary course of the business of the Company, the company has not been in contemplation of this issue or this issue in consequence of the contract; or

(b) as respects which the amount of the purchase money is not material.

The property purchased or acquired or to be purchased or acquired under Contract Nos. 7 to 12 aforesaid has vested or will vest absolutely in the Company and there have been no other transactions relating to such property within the two years preceding the date of this Prospectus.

Miscellaneous.

The fixed assets of the Company were revalued in the year 1946 and as a result of such revaluation the value of the said assets was increased from Rs. 20,47,417/- to Rs. 1,26,01,828/- of which Rs. 85,48,499/- being credited to Capital Reserve Account. On 29th August, 1947, the Company issued 11,75,500 fully paid Bonus Shares at Rs. 10/- each by capitalising the sum of Rs. 1,17,55,000/- standing to the credit of Capital Reserve Account which was made up of the aforementioned amount of appreciation of value of fixed assets together with a further sum of Rs. 22,00,591/- transferred from General Reserve Account during the year 1947.

Directors.

The Articles of Association of the Company provide that:—

The number of Directors shall not be less than three nor (unless otherwise determined by the Company in General Meeting) more than nine. The Consultant (see reference below) has the right to appoint up to one-third of the total number of Directors and to nominate the Chairman. A Director does not require any share qualification. Each of the Directors of the Company shall (unless otherwise determined by the Company in General Meeting) be paid out of the funds of the Company as remuneration for his services as a Director the sum of Rs. 200/- in respect of each Meeting of the Directors which he attends. If any Director being willing shall be called upon to perform extra services or to make any special exertions in or residing away from his usual place of business or residence for any of the purposes of the Company, or in giving special attention to the business of the Company as a member of a Committee of Directors, the Company may remunerate the Director so doing either by a fixed sum or by a percentage of profits or otherwise as may be determined by the Directors and such remuneration may be either in addition to or in substitution for his share in the remuneration from time to time provided for the Directors. The Articles provide that the business of the Company shall be managed by the Directors who may exercise all such powers of the Company as are not by law or by the Articles required to be exercised by the Company in General Meeting. The powers of the Directors are, however, subject to any regulations which may be made by the Company in General Meeting not being inconsistent with the Articles or the provisions of any law.

Interest of Directors.

Mr. H. M. L. Williams is the Managing Director of the Company and receives remuneration for his services as such.

Mr. J. F. Healy, Mr. W. E. Murphy and Mr. W. Morrice are salaried employees of the Company and in addition together share a commission totalling 1% of the net profits of the Company.

Mr. R. Catlow, Mr. H. M. L. Williams and Mr. J. F. Healy are shareholders (each holding less than one-tenth of the issued capital) of the Company and of NETTELFOLDS, LTD., the principal shareholders of this Company. Mr. H. M. L. Williams and Mr. J. F. Healy are also Directors of NETTELFOLDS OF INDIA PRIVATE LTD., the wholly owned Subsidiary referred to above. Save as above no Director has any financial or other interest in any of the property acquired by the Company within the two years preceding the date hereof or proposed to be acquired by it.

Indemnity.

The Articles provide that every Director, Manager or Officer of the Company or any person employed by the Company as Auditor shall be indemnified out of the funds of the Company against all liability incurred by him as such Director, Manager, Officer or Auditor in defending any proceedings, whether civil or criminal, in which judgment is given in his favour, or in which he is acquitted or in connection with any application in which relief is granted to him by the Court.

Management.

The Management of the Company is vested in and exercised by the Directors. The Company has no Managing Agents.

Consultant.

Guest, Keen & Nettlefolds, Ltd., a Company incorporated in England was appointed the Technical Consultant of the Company by virtue of an Agreement dated the 17th September, 1948, effective from the 1st January, 1949, and terminating on the 31st December, 1967, in accordance with the terms of the said Agreement, inter alia, the Consultant undertook to furnish the Company with technical assistance in regard to manufacture and details of plant processes and methods for the production of engineering products (other than wood screws and their kindred products) which was the subject of separate Agreements with the Company and with the Company's wholly owned subsidiary. Furthermore, the Consultant undertook to leave to the Company technical instructors and advisers and to advise the Company of any patent invention development process or manufacturing improvement and the results of any research carried out by the Consultant relevant to the manufacture of the Company from time to time. In addition the Consultant agreed to afford overseas technical training for the Company's employees. The overseas training has extended from training Indian Officers at the highest level at an Administrative Staff College in England to courses for Works Junior Supervisory Staff on specialised machines at the various works of Guest, Keen & Nettlefolds, Ltd. in the United Kingdom. All these facilities will still be fully available to the Company and the Company relies on them for its continued technical

development. For the services to be rendered pursuant to the said Agreement which have undoubtedly been of great benefit in the past and which the Directors consider essential for the future prosperity and expeditious development of the Company, the Consultant receives a remuneration of twelve and a half per cent of the profits of the Company with an assured minimum of Rs. 80,000 per annum and a fixed royalty of Rs. 2,000 per annum. The Consultant in accordance with its rights under the Agreement is entitled to appoint and has appointed two Directors. The Directors so appointed are ex-officio Directors and are not subject to retirement by rotation. By an Agreement dated the 30th May, 1950 between the same parties as are parties to the said Agreement dated the 17th September, 1948, the Company has agreed to accept performance of the obligations contained in the last mentioned Agreement, by G. K. N. Group Services Ltd., a wholly owned subsidiary of Guest, Keen & Nettlefolds, Ltd.

Borrowing Powers.

The Articles provide that the Directors may from time to time raise or borrow any sum or sums of money for the purposes of the Company and may secure the repayment of any sum or sums of money so borrowed in such manner and upon such terms and conditions in all respects as they think fit. The Directors' borrowing powers are now limited by Section 233 (1) (d) of the Companies Act, 1956.

Voting Powers.

The Articles provide that, subject to any special rights or restrictions affecting any particular class of shares, on a show of hands every member present in person or by proxy shall have one vote, and on a poll every member present in person or by proxy shall have one vote for every Ordinary Share held by him. There are no special rights or restrictions attaching to the present Ordinary Share Capital of the Company.

Restrictions on the right to transfer and vote.
The Articles provide that the Directors may decline to register any transfer of shares upon which the Company has a lien, and in the case of shares not fully paid up may refuse to register a transfer to a transferee of whom they do not approve. No member shall be entitled to be present or to vote on any question either personally or by proxy or as proxy for another member at any General Meeting or upon a poll or be reckoned in a quorum whilst any call or other sum shall be due and payable to the Company in respect of any of the shares of such member.

Auditors' Consent.

Messrs. Price Waterhouse Peat & Co., have given and have not before delivery of this Prospectus for registration withdrawn their written consent to the issue of this Prospectus with the inclusion therein of their Report, set out above, in the form and context in which it is included.

Main Objects.

The Main Objects of the Company, as set out in sub-clauses (a), (b) and (c) of Clause 3 of its Memorandum of Association are as follows:—

- To acquire and take over as a going concern the undertaking and certain assets of Henry Williams (India), Limited, and with a view thereto to enter into and carry out effect, with or without modifications or alterations as may be agreed upon, whether before or after the execution thereof, an agreement already prepared and expressed to be made between Henry Williams (India), Limited and the Liquidators thereof of the one part and the Company of the other part, a draft whereof has been subscribed with a view to identification by A. H. Bishop, a Director of the Company.
- To carry on the business of iron-founders, mechanical and railway engineers, and manufacturers of railway appliances, agricultural implements and other machinery, toolmakers, brass-founders, electrical and other workers, mill-wrights, colliery owners, ship owners and ship-builders, machinists, iron and steel converters, smiths, wood-workers, builders, painters, metallurgists, electrical engineers, water supply engineers, gas-makers, farmers, printers, carriers, and merchants in all branches of manufacture, repair, convert, alter, let on hire, and deal in machinery implements, rolling-stock, and hardware of all kinds, and to carry on any business (manufacturing or otherwise) which may seem to the Company capable of being conveniently carried on in connection with the above, or otherwise calculated directly or indirectly, to enhance the value of any of the Company's property and rights for the time being.
- To carry on any business relating to the winning and working of coal and other minerals, the production and working of metals, and the production and manufacture of the Company or any other materials which may be usefully or conveniently combined with the engineering or manufacturing business of the Company, or any contracts undertaken by the Company, and either for the purpose only of such contracts or as an independent business.

Documents.

Copies of the Memorandum and Articles of Association of the Company, the Consent Order of the Controller of Capital Issues, the Licences issued by the Controller of Government referred to above, the Contracts referred to above as being material contracts and/or copies thereof, the above-mentioned Auditors' Report and copies of the balance sheets and profit and loss accounts upon which the Report is based can be inspected at any time during the usual business hours at the Registered Office of the Company for a period of fourteen days from the date of publication of this Prospectus or at any other subscription list closes whichever is earlier.

Copies of the material contracts specified above or memoranda giving full particulars thereof and the consent of Messrs. Price Waterhouse Peat & Co. were attached to the copy of this Prospectus delivered to the Registrar of Companies West Bengal, for registration.

APPLICATION AND ALLOTMENT.

Applications for shares which must be for 50 shares, or multiples of 50 shares (10 shares in the case of applications from employees) must be made on the accompanying official form and will be refused if not so made. The application form together with remittance for the full amount payable on application must be sent to the Brokers or a Branch of the National Bank of India Ltd., in India, the remittance being made by cheque or draft which, if it is desired to avoid payment of Bank charges must be drawn either upon a branch of the National Bank of India Ltd., in India, to which the application and remittance by cheque or draft are being sent, or upon a Bank situated in a town in which there is a branch of the National Bank of India Ltd. If drawn upon a Bank elsewhere the appropriate bank charges must be included in the remittance otherwise the application will be refused.

Cheques or Drafts should be made payable to the "National Bank of India Ltd., Account Guest, Keen, Williams, Ltd., New Issue", and should, for the applicants' protection, be crossed "A/c Payee only". A separate cheque or draft must accompany each application form.

GUEST, KEEN, WILLIAMS, LIMITED.—Cont'd.

of any balance of the application money received will be refunded to the applicant, in which event Bank's commission, if any, will be payable by the applicant.

Share Certificates will be available for issue in exchange for Letters of Allotment on and after 15th March, 1957, and each applicant who is allotted more than 100 shares will receive Share Certificates in lots of 100 shares, and such smaller denominations as may be required to complete the total number of shares allotted except when the applicants request Share Certificates in larger denominations.

BROKERAGE.

Brokerage at the rate of 4 annas per Ordinary Share will be paid by the Company on allotments made in respect of applications bearing the stamp of a recognised stock broker.

Copies of this Prospectus and forms of application may be obtained from the Brokers at the addresses given above and from the Bankers named above, at any of their branches in India.

For R. CATLOW
Sd. H. M. L. WILLIAMS
(Duly Constituted Attorney)

Sd. H. M. L. WILLIAMS
For J. F. HEATLY
Sd. R. B. RITCHIE
(Duly Constituted Attorney)

Sd. K. C. MAHINDRA
Sd. K. C. MAITRA
For W. MORRICE
Sd. R. B. RITCHIE
(Duly Constituted Attorney)

Sd. A. RAMASWAMI MUDALIAR
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Dated at Calcutta, 22nd October, 1956.

STRICTER REGULATION OF CREDIT URGED**OFFICIAL APPEAL TO U.K. BANKERS**

BANKERS in other countries may see significance in the recent request to British bankers to apply more resolutely the official policy of restraining credit. The simple implication of the request, that Mr. Harold Macmillan, the Chancellor of the Exchequer, was not going to abandon his restraints merely because they had become unpopular, was immediately perceived. The Chancellor made sure that it should be so, by the peculiar solemnity of the occasion at the Treasury, and by including representatives of overseas banks in the gathering. But there are other implications, possibly of more permanent interest, as they relate to the technique of monetary control itself rather than to the policies which guide the use of this control. In banking circles in Britain, the policy is approved, but the method of applying it is criticised. The official communiqué released after the meeting (itself an unusual procedure) emphasised that monetary action could be effective only "if the Government and the banking organisations worked in close co-operation, and asserted that the Government was doing its share of the task of deflation. The Government has, indeed, as the Chancellor reminded the bankers, done much—reduced expenditure (notably subsidies), cut capital plans, removed investment allowances, raised direct taxation of profits and indirect taxation of many goods, restricted hire-purchase, transferred local authorities' borrowing from the Exchequer to the capital market, promoted saving by the public, and planned forced saving through a substantial budgetary surplus. Yet the bankers are still

not convinced that the Government has done all that is necessary or all that it could have done.

The one glaring omission from the list of the Government's achievements is effective control of credit. The Chancellor has in effect said to the bankers: "We have undertaken all these other measures—we have played our part; now you take care of credit." And the bankers will, of course, loyally abide by the directive to continue, and if necessary reinforce, the restriction of advances to their customers. But they will not be convinced that restriction of credit is a proper part of their function; they will still feel, as they have felt for a year past, that the Government is shirking its responsibility. Of the various explanations of the Chancellor's unorthodox procedure (these directives are usually issued through the medium of the Bank of England) the most convincing is that an appreciable increase in the supply of Treasury bills in the next few months is foreseen. The banking system will tend to become excessively liquid, and the monetary pressure on the banks to restrict their lending, already weak, will become weaker. To counteract this tendency, the Chancellor has suggested to the banks that it will be advisable to invest more of their resources in Government stocks, which are not liquid assets in the bankers' sense. It is interesting to compare the request of a year previously, that the banks should not sell Government stocks to replenish their liquid resources as a basis for lending. The authorities "advise" the banks on their investing as well as on their lending.

This suggestion that it is now opportune to invest in Government stocks has another significance. The reason why the banks have been until recently reluctant to take advantage of the good yields on such stocks is the possibility that bank rate will be raised again and that Government stocks will therefore depreciate further. To convince them that they can safely increase their investment portfolios the authorities must convince them that no further rise in Bank rate is envisaged. The Chancellor has, in fact, made it known that, unless a new crisis develops, Bank rate will remain at 5½ percent until conditions favour a reduction. He has thus discarded a potentially useful weapon. The details of the plan can now be seen more clearly. The Chancellor is restricting spending (both public and private), promoting saving (both public and private), and maintaining a relatively high rate of interest to support these actions. But his policy will be frustrated if credit is plentiful; and the expansion of the floating debt which must, at least temporarily, result from the Treasury's direct financing of the nationalised industries' requirements, and from the repayment of the unconverted portion of maturing War Bonds in mid-August, will broaden the credit base. So the banks are asked to ignore the abundance of money and to act as though money were tight.

Open Market Operations

The authorities recognise that an easy money market cannot be controlled by "open market" operations any more effectively than a boat can be steered with slack rope at the helm. The bankers argue that this inefficiency can be corrected only by tightening the rope. They have not the slightest doubt that if the Government and the central bank so wished they could exercise such control of the banks' liquid assets that no exhortations and directives would be needed; normal banking principles would prevent the banks from lending more than was desirable. Moreover, the whole monetary system could be made so tight that evasion of the banks' restraints by borrowing from other sources would become impossible. It seemed a few months ago that Mr. Macmillan was aware that the Government, and only the Government, should be responsible for contracting credit, and that he was forming plans to reduce the floating debt. By raising taxes and curtailing expenditure he will, indeed, somewhat reduce the debt, provided that the Treasury bills issued to finance the new commitment to the nationalised industries are quickly funded into bonds. But what is really needed is a much larger funding operation, including a substantial part of the floating debt that has accumulated over the years. In the present state of the bond market such an operation would, indeed, be difficult. Yet there is a lingering suspicion that the main impediment to it is not the technical difficulty but the Chancellor's reluctance to use the one deflationary instrument that Britain has never used in this generation, severe contraction of credit. Perhaps he believes that inflation is curing itself; and perhaps he is right. But the banking community believes that the illness is only dormant, and that it will break out in a new crisis within a year or two unless it is eradicated soon.

I.S.I. STANDARD FOR ACTIVATED CARBON

The Indian Standards Institution has published an Indian standard (IS: 877-1956) on methods of sampling and test for activated carbon used for decolourising vegetable oils and sugar solutions. This standard prescribes the methods of sampling and tests for determining moisture, ash, bulk density, matter soluble in water, and dilute hydrochloric acid, titrable acidity or alkalinity and pH value of the aqueous extract. Screen analysis and methods of determination of filtrability and oil retention and decolourising power have also been prescribed. It is hoped that the methods prescribed in this standard will enable the producers as well as consumers to assess the quality of the material and will also serve as an incentive to the indigenous industry. Copies of this standard, which has been prepared by I.S.I.'s Heavy Chemicals (organic) Sectional Committee, are now available for sale at the I.S.I. offices in Delhi, Bombay and Calcutta.

Finance in India and Abroad**THE CALCUTTA MONEY MARKET****INTERBANK CONDITIONS TIGHT**

Wednesday, 31st October.

BUSINESS in the money market has reached a very low ebb. The depth of the slack season has now been reached, and it is expected that a general improvement may take place from next week. Demand conditions are very slack, but still considerably higher than at this time last year. The expectations of an early improvement are based on the fact that the sugar crushing season is due to start in a few days' time. The cotton crop is now due, and accommodation will soon be required on account of the kharif harvest. Money is extremely tight in the Calcutta interbank market. Banks have paid up to 4 percent for call loans, and it is reported they are willing to go even higher. This was the highest interbank rate quoted this year.

There have not been many bills in the market this week, but a few tea documents have been in evidence. Gunny bills have been scarce. Remittance has been fair. Sterling weakened considerably on the first news of a deterioration in the Middle East political situation, but has since shown signs of recovery.

Silver was quiet on profit-taking in view of the Diwali festival. The price dropped from the previous week's level of Rs. 173-14 to 170-15, quoted today. The rate for the ready metal was Rs. 171-8. The London price remained unchanged at 78½d. The price of foreign silver in New York was the same at 90½ cents.

Gold was firm and the price advanced from Rs. 104 to Rs. 104-4. The sovereign at Rs. 68-4 showed a gain of 4 annas.

During the week ended 26th October, Government of India Treasury Bills for Rs. 36,12,00,000 were sold in favour of the Reserve Bank.

A decline of Rs. 10.65 crores to Rs. 1,418.89 crores in active notes was the outstanding feature of the return of the Reserve Bank of India for the week ended 26th October, 1956, while the total note issue was Rs. 1,40 crores higher at Rs. 1,451.95 crores. The currency expansion was adjusted by reducing foreign securities by Rs. 29.81 crores to Rs. 492.02 crores and increasing rupee securities by an equivalent amount to Rs. 720.69 crores. This was done probably by a transfer to the banking department, in which balances held abroad increased by Rs. 20.64 crores to Rs. 90.23 crores. Deposits of the Government of India and other Government accounts improved by Rs. 1.24 crores and Rs. 21.99 crores to Rs. 54.15 crores and Rs. 27.81 crores respectively. Balances of commercial banks at Rs. 51.39 crores showed a rise of Rs. 1.06 crores. Other loans and advances declined from Rs. 86.17 crores to Rs. 83.35 crores, of which advances to scheduled banks against usance bills totalled Rs. 40.29 crores against Rs. 41.29 crores. These advances amounted to Rs. 318.20 crores since 1st January, 1956. Ways and means advances stood at Rs. 3.88 crores (Rs. 4.04 crores).

The return of the State Bank of India for the week ended 19th October, 1956, shows a rise of Rs. 4.28 crores in total deposits to Rs. 231.94 crores. Investments in Government securities and other authorised investments are down by Rs. 8 lakhs and Rs. 10 lakhs to Rs. 96.35 crores and Rs. 11.29 crores, respectively. Advances, including loans, cash credits and overdrafts, and bills discounted and purchased, have decreased by Rs. 1.48 crores to Rs. 128.70 crores. Cash and balances are, in consequence, shown at Rs. 15.81 crores or Rs. 1.35 crores higher.

The statement of the position of scheduled banks for the week ended 19th October, 1956, discloses Demand and Time liabilities at Rs. 643.41 crores (Rs. 10.86 crores on account of borrowings from banks) and Rs. 454.17 crores (Rs. 1.89 crores), compared with Rs. 632.35 crores (Rs. 10.44 crores) and Rs. 453.91 crores (Rs. 2.26 crores), respectively, in the previous week. Cash and balances with the Reserve Bank have increased by Rs. 3.06 crores and Rs. 1.36 crores to Rs. 39.46 crores and Rs. 49.92 crores, respectively. There is a drop of Rs. 36 lakhs in investments to Rs. 372.74 crores. Advances and bills discounted at Rs. 758.10 crores show a decrease of Rs. 1.40 crores. The ratios to total liabilities of cash and balances and of advances and discounts, are, in consequence, shown at 8.1 percent and 69.1 percent, against 7.8 percent and 69.9 percent.

According to a recent notification issued in the Gazette of India, the Government of India has extended the legal tender character of all currency notes of the Government of India and bank notes other than those bearing the Asoka pillar emblem in the design and in the water-mark for a further period of six months with effect from 28th October, 1956. This extension has been considered necessary to avoid inconvenience to those who may be still holding such notes.

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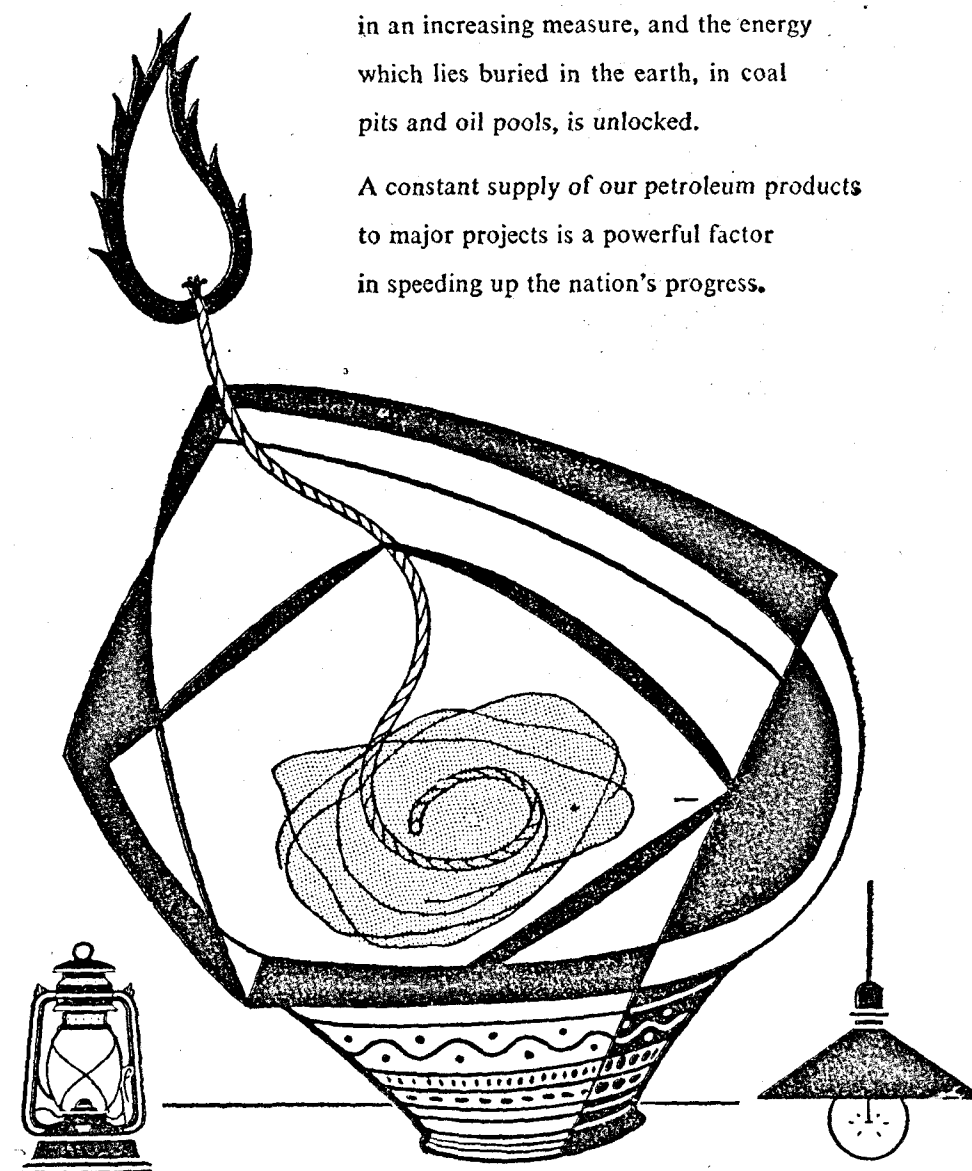
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RESERVE BANK

ISSUE DEPARTMENT

	(In 000's of Rupees)	Week ended	28-10-55
Liabilities—			
Notes in Banking Dept.	33,07.39	21,01.31	16,00.74
Notes in Circulation	14,18,88.66	14,29,53.82	13,05,85.79
Total Notes issued	14,51,96.05	14,50,55.13	13,21,86.53
Assets—			
A Gold Coin and Bullion	1,17,76.03	1,17,76.03	40,01.71
Foreign Securities	4,92,01.91	5,21,83.16	6,27,09.72
Total of A	6,09,77.94	6,39,59.19	6,67,11.43
B Rupee Coin	1,21,40.05	1,20,08.13	1,11,14.69
Rupee Securities	1,22,69.06	6,90,87.81	5,43,60.41
Total	14,51,96.05	14,50,55.13	13,21,86.53

BANKING DEPARTMENT

Liabilities—			
Capital Paid-up	5,00.00	5,00.00	5,00.00
Reserve Fund	5,00.00	5,00.00	5,00.00
National Agricultural Credit (Long term) Fund	15,00.00	15,00.00	—
National Agricultural Credit (Stabilisation) Fund	1,00.00	1,00.00	—
Deposits—			
(a) Central Govt.	54,15.40	52,91.03	49,33.36
(b) Other Govts.	27,80.78	5,82.40	30,22.88
(c) Banks	51,38.63	50,33.60	57,71.41
(d) Others	12,76.06	13,04.29	15,75.37
Bills Payable	12,51.64	10,15.14	7,85.33
Other Liabilities	97,95.52	97,79.74	19,56.52
Total	2,82,58.03	2,56,06.19	1,90,88.87
Assets—			
Notes	33,07.39	8.98	16,00.74
Rupee Coin	7.01	7.92	6.78
Subsidiary Coin	9.01	5.00	5.00
Bills Discounted Int.	—	—	58.30
Govt. of India Treasury Bills	4,77.01	8,34.24	6,56.95
Balances held abroad	90,22.65	69,50.40	85,27.18
Loans to Govt.	3,88.35	4,04.35	2.00
Other Loans etc.	83,35.10	86,16.57	19,56.83
Investments	55,14.45	54,80.58	50,33.27
Other Assets	11,97.06	11,86.84	12,41.82
Total	2,82,58.03	2,56,06.19	1,90,88.87

SCHEDULED BANKS

	(In 000's of Rupees)	19-10-56	12-10-56	21-10-55
Demand Liabilities—				
(a) Borrowings from Banks	10,85.79	10,43.60	12,95.06	
(b) Others	6,32,55.48	6,21,91.34	6,04,27.68	

Time Liabilities—			
(a) Borrowings from Banks	1,89.00	2,26.20	5,67.00
(b) Others	4,52,27.64	4,51,64.26	4,16,25.51
Borrowings from State Bank Demand Liabilities	11,88.19	11,57.45	4,38.87
Time Liabilities	39,46.43	36,40.19	33,47.49
Cash	49,91.88	48,56.02	55,15.65
Balances with the Reserve Bank	10,29.49	10,16.30	10,69.12
Balances with other banks in current account	13,33.91	12,66.34	23,42.16
Money at call and short notice	3,72,74.17	3,73,10.43	3,92,95.77
Investments in Central and State Govt. Securities	6,11,11.81	6,12,77.25	4,62,33.26
Advances	97,28.64	97,65.21	60,28.23
Inland bills purchased and discounted	49,69.39	49,07.15	47,67.19
Foreign bills purchased and discounted	—	—	—

CLEARING HOUSE RETURNS

	Rs (thousands)	Calcutta	Bombay
Week ended			
26-10-56	62,48.59	62,03.46	—
19-10-56	44,41.88	57,28.84	—
10-10-56	52,77.33	59,03.37	—
5-10-56	55,81.36	56,47.51	—

STATE BANK OF PAKISTAN

ISSUE DEPARTMENT

	(In 000's of Rupees)	Week ended	Week ended
Liabilities—		12-10-56	5-10-56
Notes in Banking Department	7,19.67	9,07.22	—
Notes in Circulation	2,90,03.08	2,68,18.10	—
Total Notes issued	2,97,22.75	2,97,25.32	—
Assets—			
A Gold Coin and Bullion	11,33.41	11,33.41	—
Sterling Securities	87,70.69	87,70.69	—
Government of India Securities	16,68.25	16,68.25	—
India Notes representing assets recoverable from the Reserve Bank of India	43,02.58	43,02.58	—
B Rupee Coin	5,99.49	6,02.06	—
Govt. of Pakistan Securities	1,26,58.27	1,26,58.27	—
Head with Reserve Bank of India pending transfer to Pakistan	—	—	—
Gold Coin and Bullion	18.02	19.02	—
Sterling Securities	4,40.63	4,40.63	—
Govt. of India Securities	1,04.99	1,04.99	—
Rupee Coin	29.51	29.51	—
Total	2,97,22.75	2,97,25.32	—

BANKING DEPARTMENT

Liabilities—			
Capital Paid-up	3,00.00	3,00.00	3,00.00
Reserve Fund	3,00.00	3,00.00	3,00.00
Deposits—			
(a) Central Government	37,25.92	34,74.45	—
(b) Provincial Government	9,20.63	8,83.17	—
(c) Banks	16,35.54	16,08.03	—
(d) Others	3,75.73	4,18.66	—
Bills Payable	13.45	14.46	—
Other Liabilities	8,11.94	7,99.11	—
Total	80,67.21	78,58.49	—
Assets—			
Notes	7,19.67	9,07.22	—
Rupee Coin	—	—	—
(a) Pakistan	11	12	—
Subsidiary Coin	—	—	—
(b) India	12	9	—
Bills Purchased and Discounted—			
(a) Intercast	—	—	—
(b) Govt. Treasury Bills	2,10.26	2,16.46	—
Loans and Advances to Govt.	—	—	—
Provincial Govt. Debtor Balances	—	—	—
Other Loans and Advances	4,48.45	4,41.40	—
Investments	57,72.20	57,72.30	—
Other Assets	9,16.40	10,20.89	—
Total	80,67.21	78,58.49	—

LABOUR PARTICIPATION IN MANAGEMENT

SOME EXAMPLES FROM ABROAD

(FROM OUR NEW DELHI CORRESPONDENT)

A MISSION consisting of senior officers of the Government of India and representatives of workers has gone abroad to study workers' participation in management. The Labour Secretary, Mr. Vishnu Sahai, is leading the team, which is to visit France, Belgium, the U.K., Western Germany, Sweden and Yugoslavia. The following is a brief account of the schemes which are in operation in Yugoslavia, Western Germany and France.

The Yugoslav Federal Assembly passed in 1950 what is called the Basic Law on the management of State economic enterprises and higher economic association by workers' collectives. The law proposes the administration of the undertaking or the association of undertakings through two elected bodies of workers, namely, the Workers' Council and the Management Committee. The Workers' Council is elected by direct secret ballot by all the workers and officials of an undertaking. The strength of the Council varies from 15 to 120 members, depending upon the size and structure of the undertaking, and holds office for one year. The Council meets at least once every six weeks. It deals with all important and policy matters, such as approving the plans and the balance sheet of the undertaking, taking decisions on the administration of the undertaking, distributing the disposable part of the net income and wage fund surplus, and issuing the rules. The Workers' Council elects the Management Committee, and is also empowered to dismiss managers. The entire Workers' Council or any of its members may be dismissed by the work people before the expiry of their term of office for inefficient performance of duties.

The Management Committee is the executive organ of the Workers' Council. It is elected by the Council from among its members and consists of three to 11 persons (including the manager), depending upon the size of the undertaking. At least three-fourths of its members must be workers employed directly on production or in the basic economic activity of the undertaking. A new Management Committee should not contain more than one-third of the members of the previous Committee and nobody can be a member for more than two consecutive terms. The Management Committee is in charge of the day-to-day administration and is responsible for various matters such as preparing basic draft plans and issuing monthly operational plans, looking after internal organisation and job classification, taking steps to increase production and to improve the efficiency and skill of workers, etcetera. The members are not paid for their work on the Committee, but are entitled to compensation equivalent to their wages lost in the performance of the Committee's duties. The Basic Law of 1950 provides for the establishment of a Workers' Council and a Management Committee for an association of undertakings, also elected by the personnel. But these provisions have never been applied as it is feared that higher economic associations might become monopolistic combines. The new changes have, it appears, produced beneficial results, such as appreciable reductions in the labour force in individual undertakings, coupled with an increase in overall production and savings in raw materials, fuels, etcetera. The system of management by workers is still in the process of evolution. The trade unions in Yugoslavia have, on their part, been providing training to workers in the art of business management, which is essential for the success of the system.

Co-determination in W. Germany

In West Germany, labour participation in management, or "co-determination", is governed by two legislative enactments: (i) the Co-determination Law, 1951, and (ii) the Works Constitution Act, 1952. The former is applicable only to large undertakings, that is, those normally employing more than 1,000 persons, and operating as joint-stock companies. It provides for the establishment of two organs, namely, the Board of Supervision and the Managing Board for administration of undertakings covered by it. The former sets and reviews the policies which are executed by the latter. It consists of 11 members—ten representing the workers and shareholders, or five each, and the eleventh being an independent member chosen by the representatives of both workers and shareholders. The five workers' nominees must have the approval of the trade unions concerned and they have to be accepted by the shareholders without question. The Managing Board, which runs the undertaking, consists of three directors, of which one is a nominee of the trade unions concerned. The Works Constitution Act, 1952, applies to all undertakings except those covered by the 1951 Act. It provides, among other things, for the establishment of Works Councils and Economic Committees and for collaboration between employees and management. The clause relating to co-management or employee participation provides that one-third of the members of the Board of Supervision must be employees' representatives. The workers' representatives elected under this Act require no union endorsement. Adequate data is not available to judge how far the co-determination system has been successful. However, from an on-the-spot investigation conducted in 1953 into the working of the co-determination system in two steel companies employing about 33,000 workers, it was noticed that the system could function satisfactorily, at least in periods of good business activity.

Important among the conclusions that emerged from this investigation were: (i) the prevalence of a general atmosphere of mutual trust and collaboration between workers and management, seldom found to the same degree in other industries; (ii) decisions by the Managing Board were made by a consensus of opinion instead of a majority vote, indicating a spirit of true partnership; (iii) the position of the Labour Director was not an incongruous one and he commanded a position of influence even though he was in a minority; and (iv) there was evidence of psychological and economic gains to the workers. Among the economic gains to workers were increased wages, better and more welfare benefits and greater job security, compared with the undertakings in which the system of co-determination did not prevail.

French Experiment

In France, labour participation in management is more highly developed and organised in the public sector than in the private sector. In the latter, there is no direct participation in management, but only a system of co-operation. The term public sector covers a wide range of nationalised industries and services, such as mines, banks, insurance, electricity and gas, posts and telegraphs and several public undertakings such as railways and other means of transport. In public undertakings of the latter type, the Government has only a share in the capital, while the nationalised industries are owned and managed exclusively by the Government. There is no uniformity in the organisation and management of undertakings in the public sector other than the nationalised industries in the management of which certain broad principles are observed. One of these is the workers' right to participate in the management of industries as well as undertakings.

Generally speaking, the administration of nationalised industries is a three-tier system—a general administrative body at the head of each industry, a board of directors at the head of each undertaking and within the undertaking itself, an arrangement for representation of the staff. The strength of workers' representatives in the administrative bodies is generally about one-third of the total number of members. The position, however, varies from industry to industry. There is no uniform method of selecting workers' representatives on the administrative bodies. It is governed by State decrees or ordinances relating to the particular industry. In the bodies at the industry level, workers' representatives are generally nominated by the most representative organisations on the basis of their strength in the industry. At the unit level, representatives are chosen from among the staff of the undertaking itself. It is difficult to give any idea of the progress achieved by the introduction of the present system of labour management co-operation because industry in France was generally subject to various controls, such as of prices, wages, credits, etcetera. However, since nationalisation, notable increases have occurred in the total output of the coal, electricity and gas industries, and in labour productivity.

SCHOLARSHIPS FOR TRAINING IN BANKING IN AUSTRIA

The Austrian Banks (Messrs Creditanstalt-Bankverein, Wien I, Schottengasse 6, and Messrs Oesterreichische Laenderbank AG, Wien I, Am Hof 2) have offered one scholarship each for practical training of Indian nationals in banking in Austria for a period of one year. Candidates should possess a first class degree in Commerce or Economics or equivalent qualifications with Banking and/or Currency as one of the subjects or a second class degree in Commerce or Economics with at least four years' practical experience in a scheduled bank. They should have a working knowledge of German and should be between 18 and 25 years of age on 30th November, 1956. The selected candidates will get about Rs. 350 a month for their maintenance and other incidental expenditure in Austria. Passage expenses both ways will have to be borne by the candidates themselves. Application forms and other relevant information can be obtained from the Ministry of Education, Scholarships Division (S-9), Government of India, New Delhi. The last date for receiving applications in the prescribed forms is 30th November, 1956.

TOBACCO EXPORT INCREASES WHILE ACREAGE AND OUTPUT FALL

The export of unmanufactured tobacco increased during 1954-55. During the year, 72.8 million lbs. were exported against 69.0 million lbs. in 1953-54. Indian's foreign exchange earnings from this export during 1954-55 were nearly Rs. 10 crores. Domestic consumption in the year showed a significant increase over that of the previous year; during 1954-55, 565 million lbs. were cleared for home consumption, against 529 million lbs. in 1953-54. The total tobacco cultivation in India, however, showed a small decline during 1954-55. Total acreage under tobacco and its production in the country during the year were 860,000 acres and 2,48,000 tons as against 910,000 acres and 268,000 tons for 1953-54. The fall in area sown to the crop and in the output was attributed to unfavourable climatic factors. This information is contained in a recent publication entitled Tobacco in India, 1954-55, brought out by the Directorate of Economics and Statistics, Union Ministry of Agriculture. This publication also gives a detailed analysis of the position of the tobacco economy during 1954-55 along with the relevant information on cultivation and trade in principal producing countries of the world.

Stocks and Shares

SPECULATIVES IMPROVE ON WAR RUMOURS

SHARP RISE IN IRONS AND COPPERS

Wednesday Evening.

THE dull conditions which persisted throughout the holiday period and threatened to continue indefinitely, have suddenly been dispelled by the dramatic turn of political events in the Middle East. Reacting in the usual bullish fashion to war rumours, operators have today lifted Indian Irons from round about Rs. 34 to Rs. 34-11. Other speculatives have tended to improve in sympathy and Indian Coppers have benefited from the increase in the London price of the metal; the share is now quoted at Rs. 4-8. Among other speculatives, Burrakur are better at Rs. 16-12 on interested support and Texmaco have improved to Rs. 23-2. There is a general feeling among operators, which is supporting the bullish trend, that the lifeless character is beginning to show concern at the lifeless character of the country's stock markets and intends to do something to improve matters. It is rumoured that the Finance Minister, Mr. Krishnamachari, is coming to Calcutta soon to discuss the situation with the city's business men.

Investment counters have improved in isolated cases, but the general undertone in the various sections remains weak. Among engineering shares, Jessops and Richardson and Cruddas have featured. Government securities remain comparatively quiet.

The behaviour of the market will no doubt be governed during the next few days by developments in the international sphere, but it would be surprising if operators remained permanently bullish about a situation which contains such threats for the Indian economy.

Details of the week's trading follow.

There has been a slightly better tendency in the Government security market and selling pressure has abated considerably. Scattered demand was seen in short and medium-dated stocks, while sellers predominated in long-dated loans. Towards the close, the 3% Conversion Loan recovered to Rs. 74-4 in restricted trading. Non-terminals paper was quoted at Rs. 74-4. Among short-dated loans, there was scattered enquiry in 3% 1957 loan at Rs. 99-12 and 3% 1958 met with demand at Rs. 99-8. In the medium-dated section, enquiries were found in 3% 1959-61 loan at Rs. 97-15; 3% 1963-65 were done at Rs. 94-5; 2½% 1961 made Rs. 93-7; and 2½% 1962 were available at Rs. 93-15. In National India loans, 3½% 1961 had good demand at Rs. 99-4 and 3½% 1965 was steady at Rs. 98-8. Long-dated stocks were weak, with 3% 1966-68 quoting Rs. 92-8 and 3% 1970-75 freely available at Rs. 88-13. State loans continued weak and offerings were larger than in the previous week. The 4% 1968 U.P. loan was quoted at Rs. 98-11, 4% 1968 Madras loan was offered for Rs. 98-12 and 4% 1968 West Bengal loan was available at Rs. 99-13. There were enquiries for 4% 1968 Saurashtra loan and the price improved to Rs. 99-9.

Business in preference shares was restricted. Sellers predominated in jutes, and miscellaneous issues were selectively bought. Among jutes, Auckland First were done at Rs. 80 and Auckland Second made Rs. 64-8. Anglo-India were crossed at Rs. 107-12 and Clive 6% came to hand at Rs. 86-8. Naitahi Second Preference declined to Rs. 73 and National were crossed at Rs. 112. Northbrook were in demand at Rs. 79-8. In the miscellaneous group, Allahabad Bank were transacted at Rs. 114, Carew at Rs. 102 and Shaw Wallace were crossed at Rs. 79. Business was done in Dalmia Cement First Preference at Rs. 100-8. Indo-Burmah Petroleum and Indian Iron and Steel were transacted at Rs. 105 each.

In the engineering group, Indian Irons rallied to Rs. 34-9 on short-covering. Jessop were done at Rs. 37-12 and Textile Machinery at Rs. 23-2.

In the coal section, Burrakur came to hand at Rs. 16-12 and Central India at Rs. 7-9. Western Bengal were done at Rs. 6-7 and Bharat Colliery at Rs. 7-8.

Among jutes, National were transacted at Rs. 24-12 and Dalhousie at Rs. 95. Megna were taken at Rs. 89-8 and Kelvin at Rs. 210.

Business in the miscellaneous group was limited. Among textiles, Elgin improved to Rs. 29-12 and Kesoram were available at Rs. 17. New Victoria made Rs. 2-10. Among cement companies, Asoka Cement were steady at Rs. 12-9 and Sone Valley under; pig iron, production 290,900 tons, despatches 19,100 tons; semis for sale, production 52,800 tons, despatches 52,200 tons; finished steel for sale, production 142,500 tons; despatches 138,900 tons. The net value of the materials despatched, after deducting from the invoices the rebate payable to the Government, freight on outward traffic, commissions, discounts and rebates paid to other parties, amounted approximately to Rs. 860 lakhs. The figure of net realisations includes approximately Rs. 50 a ton to be credited, after taxes, to a separate development fund earmarked specifically for capital expenditure on the expansion programme of the company under an agreement with the Government.

Turnover was restricted in the tea section and selective buying was observed. Baghmari came to hand at Rs. 23-6 and Brooke Bond at Rs. 21-10. East India were done at Rs. 26-8 and Hantapara were maintained at Rs. 201. Tezpur were wanted at Rs. 23-11 and Patrakola were in demand at Rs. 230.

The profit of MACNELL AND BARRY, LTD. amounted to Rs. 52.03 lakhs for the year ended last March, against Rs. 37.39 lakhs. Bringing in Rs. 6,21,756 and other miscellaneous receipts, there is a balance of Rs. 58,28,096. The ordinary dividend has been increased from 7½ percent to 11 percent. The harbour boating replacement reserve is allocated Rs. 2.86 lakhs (Rs. 2.21 lakhs), and general reserve Rs. 8 lakhs (Rs. 2 lakhs), leaving a carry-forward of Rs. 6,31,124. The directors say that towards the end of the year under review the company acquired the remainder of the issued share capital of Kilburn and Co. Ltd, which is now a wholly-owned subsidiary.

There is a net profit of Rs. 93,312 for the HULIBARI TEA ASSOCIATION LTD. for the year ended last December, compared with Rs. 12,81 lakhs. The dividend has been reduced from 80 percent to 12½ percent. The carry-forward is Rs. 99,369, against Rs. 1,07,181 brought in. The crop increased from 16,07,368 lbs to 17,67,246 lbs, while the average sale price declined from 42.42 annas to 26.95 annas a lb. Estimates for 1956 have been made for a crop of 21,500 mounds at a cost of Rs. 23.73 lakhs.

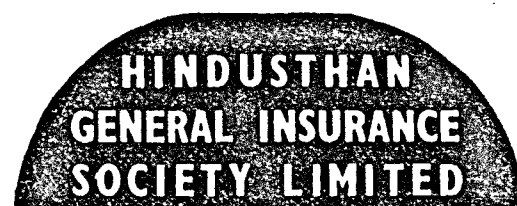
The BROOKE BOND ESTATES INDIA LTD. has earned a profit of Rs. 13.64 lakhs for the year ended last December, against Rs. 46.65 lakhs. The dividend has been reduced from 47½ percent to 12½ percent. Taxation absorbs Rs. 6.20 lakhs (Rs. 19½ lakhs), leaving a carry-forward of Rs. 5,15,711, against Rs. 9,32,859 brought in. The crop rose from 32,58,393 lbs to 36,07,458 lbs, but the average sale price declined from Rs. 2-14½ to Rs. 1-15 a lb.

After providing Rs. 6 lakhs for depreciation and Rs. 23 lakhs for taxation, and transferring Rs. 10 lakhs (Rs. 8.38 lakhs) to dividend equalisation reserve and Rs. 10 lakhs (Rs. 7 lakhs) to development reserve, there is a balance of Rs. 14,44,024, including Rs. 2,29,489 brought in, for the ORIENT PAPER MILLS LTD. for the half-year ended last March. The ordinary dividend has been maintained at 10 annas a share, leaving a carry-forward of Rs. 2,12,435. The directors say that a licence has been received from the Government of India for establishing a paper mill in Vindhya Pradesh having a rated capacity of 100 tons a day. The necessary leases of forests in Vindhya Pradesh have been secured and signed to ensure a sustained supply of raw materials for the new project. The paper mill is to be established near Amlai railway station on the Bilaspur-Katni line. It is proposed to raise further capital of Rs. 50 lakhs by the issue of preference shares in order to meet the requirements of funds to implement the modernisation and expansion programme of the company.

The INDIA MACHINERY COMPANY has made a gross profit of Rs. 2.13 lakhs for the year ended June, 1955. Providing Rs. 40,000 for taxation, bringing in Rs. 20,711 and making other adjustments, a balance of Rs. 17,337 is carried forward.

The net profit of the BHARAT JUTE MILLS amounted to Rs. 50,949 for the year ended March, 1955. Bringing in Rs. 11,618, there is a balance of Rs. 62,567. Taxation reserve absorbs Rs. 25,000. Reserve fund is allocated Rs. 25,000, leaving a carry-forward of Rs. 12,567.

Messrs. Tata Industries Private Limited, managing agents for the TATA IRON AND STEEL CO. LTD., report the results of the working of the company for the quarter ended 30th June, 1956 as under: pig iron, production 290,900 tons, despatches 19,100 tons; semis for sale, production 52,800 tons, despatches 52,200 tons; finished steel for sale, production 142,500 tons; despatches 138,900 tons. The net value of the materials despatched, after deducting from the invoices the rebate payable to the Government, freight on outward traffic, commissions, discounts and rebates paid to other parties, amounted approximately to Rs. 860 lakhs. The figure of net realisations includes approximately Rs. 50 a ton to be credited, after taxes, to a separate development fund earmarked specifically for capital expenditure on the expansion programme of the company under an agreement with the Government.



FOR SERVICE & SECURITY

Board of Directors:

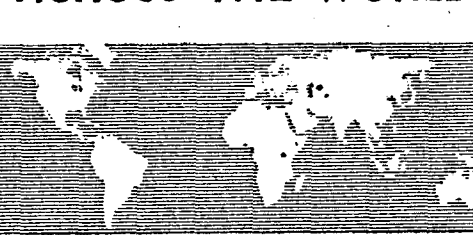
Dr. N. N. Law, M.A., Ph.D., (Chairman)
Shri J. N. Sen Gupta, M.A., B.L.,
Raja Radharaman of Pilibhit
Shri P. N. Talukdar, M.A. (Cantab),
Managing Director.

Branches at:

ASANSOL • BANGALORE • BOMBAY • COCHIN
CUTTACK • DACCA • GAUhati • HYDERABAD (DNJ)
INDORE • JALPAIGURI • LUCKNOW
MADRAS • NAGPUR • NEW DELHI • PATNA

FIRE • MARINE • MOTOR
MISCELLANEOUS ACCIDENT

Head Office:
HINDUSTHAN BUILDINGS
CALCUTTA

TESTED AND PROVED
ACROSS THE WORLD

PRICES HIGHER IN BOMBAY ECONOMIC POLICY DOUBTS TROUBLE OPERATORS

Tuesday Evening.

AFTER remaining quiet throughout the past week, sentiment on the Bombay Stock Exchange improved substantially towards the close, mainly due to short-covering. During the early part of the period under review, operators were scared by rumours of increased bank rate and fears of fresh taxation. There was a general inclination to wait before extending commitments as the forthcoming meeting of the A.I.C.C. is expected to formulate the Congress economic policy which will be placed before the country on the eve of the general election. Slow off-take in the piecegoods market was regarded as an additional damper. Towards the close, however, sentiment improved as shorts were anxious to cover their position in view of fresh troubles in Egypt.

Tata Steels recovered to Rs. 192.4, as did Indian Iron to Rs. 34.9 on better advices from Lyons Range. Alcock Ashdown were lowered to Rs. 331.4 and Tata Locomotive lost at Rs. 169.8. Premier Construction were slightly steady at Rs. 108.8 and Larsen and Toubro were available at Rs. 18.8.

Widespread losses dotted the textile group, though closing levels were slightly higher. Bombay Dyeing recovered to Rs. 626.4, as did Century to Rs.

549.8. Simplex were absorbed at Rs. 201.8 and Swadeshi were taken at Rs. 252.8. India United Ordinary were steady at Rs. 12.5 on the publication of a dividend. Apollo lost at Rs. 2.13 and Tata Mills were transacted at Rs. 55.8. Selected buying took place in Kohinoor around Rs. 346.

Miscellaneous shares were easier in sympathy with the general trend. Among cement shares, Associated Cement declined to Rs. 196.4 and Digvijay were steady at Rs. 193.12. Sugar shares were fairly steady, with Belapur making Rs. 252.8 and Walchandnagar Industries were transacted at Rs. 280. Short-covering lifted Scindia Steam to Rs. 19.3 and Great Eastern Shipping were steady at Rs. 22.6. Tata Chemicals were quietly taken at Rs. 20.1 on the announcement of an ordinary maiden dividend at 10 annas a share. Hindustan Motors were offered at the lower price of Rs. 9.7, while National Rayon recovered to Rs. 261.8 on bear-covering.

Banking shares were about steady, with scattered incidental support. Bank of Baroda were absorbed at Rs. 102 and Bank of India were transacted at Rs. 143. Central Bank came to hand at Rs. 53.8. Insurance shares lacked interest, with sellers predominating, and New India Assurance were freely available at Rs. 45.4.

Electricity supply undertakings met with fair demand, and Ahmedabad Electric improved to Rs. 94.1. Tata Hydro met with scattered interest at Rs. 126.8.

THE WEEK'S TRANSACTIONS

(In the following list of stocks and shares in which transactions have taken place during the past week the figures indicate Opening Quotations. Highest for the week. Lowest for the week. Closing Quotations—Quotation for the Corresponding Closing Date a Year Ago, the last named being shown in parenthesis and will not be given where such a quotation is not available.)

GOVERNMENT SECURITIES

2½% Loan (1962)—Rs. 93.12—93.12—93.12—93.12.
3% " (1966)—Rs. 74.3—74.10—74.1—74.3.
3% " (1970-75)—Rs. 88.15—88.15—88.14—88.14.
3% " (1963-65)—Rs. 94.5—94.5—94.5—94.5-6.
3% " (1958)—Rs. 99.11—99.11—99.11—99.11.
3½% " (1961)—Rs. 99.5—99.5—99.3—99.3.
3½% " (1964)—Rs. 98.5—98.5—98.5—98.3.
3½% " (1965)—Rs. 98.6—98.10—98.6—98.10.
3½% " (1974)—Rs. 98.11—98.11—98.11—98.11.
4% U.P. (1968)—Rs. 98.10—98.11—98.6—98.6.
4% West Bengal (1968)—Rs. 99.12—99.12—99.12—99.12.
4% U.P. (1964)—Rs. 99.10—99.10—99.10—99.10.
4% West Bengal (1967)—Rs. 99.12—99.12—99.12—99.12.

BANKS

Allahabad (Pref.)—Rs. 113—114—113—114.
Bank of Bikaner—Rs. 22—22—22—22.
Hindustan Commercial—Rs. 11.15—11.6—11.2—11.6—
(19.10).
Hindustan Mercantile—Rs. 13.4—13.4—13.4—13.4—
United Bk. of India (D' Share)—Rs. 4.7—4.8—4.7—4.8—
(4.10).
United Commercial—Rs. 56—56—56—56—(51.8).

RAILWAYS

Bukhtiarpur Bihar—Rs. 9—9—9—9—
Burdwan Cutwa—Rs. 58.6—58.6—58.6—58.6—(60.4).
Chaparmukh Silghat—Rs. 52.8—52.14—52.8—52.14—(45).
Dehri Rohas—Rs. 13.10—13.10—13.6—13.6—(13.8).
Futwah Islampur—Rs. 53.6—53.6—53.6—53.6—(55).
Howrah Amta—Rs. 62.8—62.8—62.8—62.8—(70.8).
Kalkata Falta—Rs. 60.12—60.12—60.12—60.12—(61.8).

COTTONS

Benares—Rs. 1.4—1.4—1.4—1.4—(1.1).
Cawnpore—Rs. 9.2—9.2—9.2—9.2—(9.5).
Elgin—Rs. 28.15—29.12—28.15—29.12—(21.6).
Jayshree—Rs. 6.8—6.13—6.8—6.11.
Kesoram—Rs. 16.15—17.16—17—16.15.
New Victoria—Rs. 2.10—2.10—2.9—2.10—(1.14).
Do. (Pref.)—Rs. 5.9—5.10—5.9—5.10—(5.12).

COALS

Bharat—Rs. 7.3—7.4—7.3—7.3—(8.5).
Bhalgrah—Rs. 6.3—6.3—6.1—6.2—(7.2).
Burrakur—Rs. 16—16—15.9—15.9—(14.5).
Borra—Rs. 24.8—24.10—24.8—24.10—(30).
Central India—Rs. 7.7—7.9—7.5—7.9—(7.10).
Gourangdi—Rs. 7.12—7.12—7.12—7.12.
New Huntodh—Rs. 2.7—2.7—2.7—2.7.
United—Rs. 9.14—9.14—9.14—9.14.
Western Bengal—Rs. 6.4—6.7—6.6—6.7—(7.2).
West Ghusick—Rs. 12—12—12—12.

JUTES

Anglo-India—Rs. 170—172—168—168—(225).
Do. (Pref.)—Rs. 107.12—107.12—107.12—107.12—
(119).
Agarpara—Rs. 11.3—11.4—11.2—11.4—13.12.
Auckland (Pref.)—Rs. 81—81—80—80—(96).
Do. (2nd Pref.)—Rs. 66—67—64.8—64.8—(70).
Belvedere—Rs. 130—130—130—130—(198.8).
Birla—Rs. 17.8—17.8—17.7—17.8—(19.8).
Bengal—Rs. 16.3—16.3—16.3—16.3—(17.8).
Barnagore—Rs. 134—136—124—136—(177).
Clive (6% Pref.)—Rs. 87—87—86.8—86.8—(92).
Dalhousie—Rs. 97—97—94—94—(130.8).
Ganges—Rs. 62.8—62.8—62.8—62.8—(92).
Howrah—Rs. 22.4—22.4—21.10—22.2—(28.4).
Kelvin—Rs. 210—210—209—210—(307.8).
Do. (Pref.)—Rs. 108—108—108—108—(120).
Khardah—Rs. 129—129—128—128—(203).
Kinnison—Rs. 168—168—168—168—(197).
Kankannarh (Pref.)—Rs. 87.8—87.8—87.8—87.8—(95).
Lansdowne—Rs. 102—102—101—101—(133).
Lawrence (B' Pref.)—Rs. 75.8—76—75.8—76—(95).
Do. (7% Pref.)—Rs. 103—103—103—103—(115).
Megna—Rs. 90—90—84—84—(93).
Naihati—Rs. 86—86—86—86—(113.8).
Do. (2nd Pref.)—Rs. 79.4—79.4—79.4—79.4—
National—Rs. 24.6—24.15—23.15—24.12—(32.3).
Do. (Pref.)—Rs. 112—112—112—112—(126).
New Central—Rs. 15.11—15.13—15.2—15.4.
Nuddea—Rs. 25—35.4—34.12—35.4—(47.12).
Nuskarpara—Rs. 16.9—16.9—16—16—(19).
Northbrook (Pref.)—Rs. 79.2—79.8—79.8—79.8—(93).
Presidency—Rs. 5.4—5.5—5.2—5.4—(6.6).
Rameshwara—Rs. 6.6—6.6—6.5—6.5—(7.12).
Reliance—Rs. 9.8—9.11—9.8—9.10—(13.4).
Shree Ambica—Rs. 15.4—15.4—15.4—15.4—(15.11).
Union—Rs. 152—152—152—152—(119.8).
Do. (Pref.)—Rs. 101.8—102—101.8—101.8—(118).

MININGS

Associated Minings—Rs. 10.4—10.4—10.4—10.4.
Burma Mines—Rs. 3—3—2.15—3—(2.2).
Consolidated Tin—Rs. 2.4—2.6—2.4—2.6—(2.12).
Chrestien Mica—Rs. 16.13—16.14—16.13—16.14—(18).
Indian Copper—Rs. 4.6—4.9—4.2—4.8—(6.8).
Karanpara Development—Rs. 188.14—19—18.14—19—
(17.4).
Metal Corp—Rs. 10.5—10.8—10.3—10.4—(8.8).
Do. (Defd.)—Rs. 3.8—3.8—3.8—3.8—(2.12).
Tavoy Tin—Rs. 12—13—12—13—(10).

CEMENTS

Ashoka—Rs. 12.2—12.9—12.2—12.9.
Assam Bengal—Rs. 7.2—7.4—7.2—7.4—(7.7).
Do. (Defd.)—Rs. 1.4—1.7—1.4—1.7—(1.13).
Bengal Potteries—Rs. 3.9—3.9—3.9—3.9—(3.14).
Dalmia (Bharat)—Rs. 14.15—15.14—14.10—(15.13).
Do. (Rs. 2.8 Paid-up)—Rs. 5.12—5.12—5.11—5.11.
Do. (Pref.)—Rs. 100—100—100—100—(102).
Orissa—Rs. 13.4—13.5—13—13.1.
Sone Valley—Rs. 9.2—9.5—9—9.5—(8.3).

CHEMICALS

Bengal—Rs. 103—103—103—103—(110.8).
Bathgate & Co. (Pref.)—Rs. 42.14—42.14—42.6—42.6.
Frank Ross—Rs. 2.2—2.3—2.2—2.3—(2.3).

ELECTRICS

Agar—Rs. 159—159—159—159—(165).
Calcutta—Rs. 13—13—13—13—(15.4).
Do. (Pref.)—Rs. 11.2—11.2—11.1—11.1—(12.11).
Patna—Rs. 11.13—11.14—11.13—11.14—(13).
Upper Jamuna—Rs. 18—18—18—18—(19.8).
U.P.—Rs. 158—158—158—158.

ENGINEERINGS

Burn & Co.—Rs. 374—374—371—371—(330).
Braithwaite & Co.—Rs. 28.11—29.4—28.9—29.4—(28.11).

Commodity Markets

BRITISH TEXTILE REVIEW

FREE TRADE IN EUROPE

PRESIDENT Eisenhower's decision to raise the tariff on woven wool fabrics imported in excess of certain limits, coincided with the European discussions on forming a free trade area. The coincidence was fortuitous, but it increased Bradford's interest in the discussions. An article on the subject by Mr. R. Robson, head of the statistical department of the Cotton Board, which appeared in *International Review of Cotton and Allied Textile Industries* at the same time, helped to clarify the issues. Until a few months ago Britain stood rigidly aloof from this European plan (which relates, of course, to intra-European trade in general, not only to the textile trade), but she has yielded to the threat of virtual exclusion of her goods from the Continent. The main alternative scheme are Customs union, with a common European tariff against other countries' goods, and a free trade area, with no control over individual countries' tariffs against non-European goods. Britain has strongly favoured the latter, as it would allow her to maintain imperial preference between one non-European product and another. It is recognised, however, that cheap Asian products allowed duty-free into Britain would tend to circulate all over the common market, and other European textile industries are even less willing than British textile industries to receive such competitive goods.

Promoting Specialisation

The form of the common market would determine its detailed effects on the textile industries, but the mere fact of expanding a market from national to international proportions would promote specialisation. Mr. Robson remarked that existing European markets were generally big enough to support efficient producing units, except, perhaps, in the case of prints or rayon staple, which could benefit from a very wide scope. He mentioned also that transport of machinery, as well as textile goods—would restrain the rearrangement of Europe's textile production. Nevertheless, free trade would certainly strengthen some branches and cause others to wither away. Mass production would be stimulated, costs reduced, and some European producers would be in a stronger position to sell their goods outside of the common market. Obviously, such a plan puts a premium on efficiency. The U.K. cotton industry is efficient in a technical sense, but it must be admitted that in recent years it has been, as a whole, less successful than its continental counterparts. Competition in man-made fibres would be very keen, but the British units could mostly hold their own, although some sections of the rayon industry would suffer. The wool industry, judged by its success as an international exporter, is already proven efficient; its high-quality goods have been selling well in the dollar markets and in some European markets, especially Western Germany. In the lower-price range, this industry would suffer more competition from Italy, but as a whole it might benefit most from freedom of European trade. It is wise, however, to recall the warning of Sir Frank B. Sanderson, chairman of Salts (Saltaire), the big worsted group, that "competition is perhaps more severe today than at any time since the war".

Problems of Exporters

The quota and tariff arrangements approved by President Eisenhower at the end of September were a necessary reminder that the north American markets would not tolerate a persistent increase in imports of foreign wool goods. Some people in Yorkshire were apprehensive because of the increase of 17 percent in the British industry's exports to the U.S.A. in the first eight months of this year, compared with the same period of last year. They would be more comfortable in markets where success did not bring its own nemesis. But it was evidently the success of the Japanese rather than the British that stiffened the American restrictions, and it will evidently be the British who will suffer most from the increase in tariffs on imports in excess of the quota.

British exporters of cotton goods are concerned more with the competition of other exporters than with the restriction of individual markets, though the problems are not entirely separable. The Cotton Board's quarterly survey contrasted the rising trend of yarn production with the falling trend of cloth exports, both on the international plane. It is doubtful, however, if the decline in Japan's exports of cotton goods in the second quarter, which was an important factor in the total decline, will continue, for it was in Japan that output of yarn increased most strongly. A week or two earlier the International Federation of Cotton and Allied Textile Industries published figures showing changes in the numbers of looms installed at the end of January. These figures showed considerable decreases for Europe—especially Britain and France—and considerable increase for Asia, notably Japan. It is noteworthy that, whereas the number of looms in place at the end of January, totalling some 2,870,000, was 19,000 less than a year previously, the number of automatic units had increased by 31,000. In following this trend, Lancashire is still handicapped by under-employment of its machinery. The average operation of British looms is about 37 hours a week, whereas Hong-kong's are working almost "round the clock". On this basis expenditure on automatic machinery cannot be fully remunerative.

There was more encouraging evidence of technical progress at the Sixth National Fabric Fair at the Royal Albert Hall, London, in October. Some of the products worth special mention are cottons treated with a new stain-resistant water-repellant finish by Calico Printers' Association, combined with the same group's well-known crease-resistant finishes; a superfine strong viscose rayon, by Courtaulds, which is remarkably like Egyptian cotton; a finish for filament Terylene, by Imperial Chemical Industries, which makes it remarkably like silk; a finish for spun rayon, by Joshua Hoyle, which adds this material to the list of those which need almost no ironing after washing. Numerous interesting fabrics showed the trend towards subtle combinations of fibres. Opened at the same time was an exhibition of Lurex materials at the firm's new headquarters in London. It happened to coincide with the personal appearance of the controversial American entertainer, Liberace, who has an inclination towards materials with gold or silver threads in the weave. Lurex showed materials embodying this technique, made up into attire ranging from sumptuous evening dresses to a sports jacket (from Australia). The most dress-conscious elements in London are already very interested in these metal-fibre cloths.

WHOLESALE PRICE INDEX RISES

THE official wholesale price index (base: year ended August, 1939=100) advanced by 0.2 percent to 418.1 during the week ended 13th October, 1956, compared with 417.4 (revised) for the previous week. The index was lower by 0.2 percent when compared with the corresponding week of last month, but was higher by 16.6 percent than that of a year ago. Higher prices of rice in Calcutta (+5%), wheat in Amritsar (+4%) and in Hapur (+1%), gur in Ahmednagar and gram in Hapur (3% each) and sugar (+1%) raised the index for Food Articles by 1.1 percent to 593.1, compared with 587.7 (revised) for the previous week; prices of rice in Patna (-4%) and coffee-Plantation P.B. (-1%) were, however, marked down. Lower prices of raw silk in Bangalore (-2%) and linseed in Bombay, raw cotton and raw jute (1% each) brought down the index for Industrial Raw Materials by 0.2 percent to 503.2, although the prices of copra (+4%), and linseed in Calcutta, castorseed in Bombay and groundnuts (+2% each) showed advances. The index for Semi-Manufactures moved down by 0.8 percent to 401.5. Items which showed noticeable changes were: buffalo hides and gingelly cake (-6% each), gingelly oil (-5%), castor oil in Madras and copra cake (-3% each), linseed oil in Bombay and cowhides (-2% each), mustard oil in Kanpur, castor oil in Calcutta and Groundnut oil (+3% each), and mustard oil in Calcutta and Coconut oil in Cochin (+2% each). The index for Manufactures remained stationary at the previous week's level of 390.0 (revised). The Miscellaneous index moved up by 0.2 percent to 585.5, compared with 584.2 for the previous week due to an increase in the price of chillies (+1%).

INDEX NUMBERS BY GROUPS AND SUB-GROUPS

(Base: Year ended August, 1939=100)

Groups and Sub-Groups	13-10-56	Week Ended 6-10-56	15-9-56	15-10-55
I Food Articles:	393.1	388.7(R)	391.5	319.4
Cereals	510*	502*	506	392
Pulses	381	383	393	293
Others	249*	247(R)	247	226
II Industrial Raw Materials:	503.2	504.2	506.4	407.3
Fibres	478	483	479	416*
Oilsseeds	557	557	578	383
Minerals	535*	535	517	431
Others	422*	422	422	421
III Semi-Manufactures:	401.5	404.7	408.7	330.0
Leather	361*	373	373	335
Mineral oils	210	210	208	202
Vegetable oils	572	570	589	369
Cotton yarn	491*	497	503	408
Metals	327*	327	329	276
Oilcakes	468	483	488	350
Others	363	363	361	330
IV Manufactures:	390.0	390.0(R)	391.6	370.2
Textiles	424*	424(R)	427	400
Jute	—	429	430	391
Cotton	426*	426*(R)	430*	399*
Rayon and Silk	470*	470*	470*	479*
Woollen	266	266	266	272
Metal products	388	388	388	371
Others	295*	295	295	285
V Miscellaneous:	585.5	584.2	585.5	559.0
All Commodities:	418.1	417.4(R)	418.9	353.7

R=Revised * =Estimated.

SUGAR PRODUCTION AND STOCKS

The production and despatches of sugar from indigenous factories amounted to 1,859,000 and 1,649,000 tons up to 15th October, 1956, in the current season as against 1,590,000 and 1,148,000 tons respectively in the corresponding period of last year. The stocks with the factories on the same date stood at 6,32,000 tons, compared with 495,000 tons last year.

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B. PARKER,
Manager.

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WIDESPREAD LOSSES IN STOCK MARKETS INFLUENCE OF MIDDLE EAST DEVELOPMENTS

London, 31st October. Quiet and irregular conditions prevailed in the stock markets prior to the Israeli-Egyptian developments. When this news became known, prices were marked down sharply, so that wide-spread, and often appreciable, losses were recorded, compared with the previous levels. There was little actual selling as the sharp marking down of prices by dealers discouraged potential sellers. The quiet and unsettled conditions prevailing prior to the Israeli news reflected the delicate international situation, particularly in the Middle East, and the uncertain performance of Wall Street before the Presidential elections. After moving narrowly, gilt-edged securities dropped sharply, following the Israeli news. "Iron Curtain" bonds were in demand in the foreign sector, following the political developments in eastern Europe. Interest in the industrial market was selective for most of the week, but again the news from the Middle East at the end of the period brought a sharp reaction with widespread, and in some cases substantial, losses recorded on balance. Gold shares declined in the absence of support. Oil fell back heavily at the end of the period, with British Petroleum and Shell in the lead. Rubbers reacted on the news that one rubber group is forming an investment trust to invest its surplus assets. The feature in teas was a sharp rise in several Ceylon issues following increased bids for shares of the companies concerned.

The Money Market

The previous improvement in credit conditions was well maintained in the money market during the past week. The flow of funds to the market was more in keeping with its requirements. Only once was any help provided by the authorities and that only on a small scale. Easier conditions brought money down to 4½ percent and it was felt that this might be the level at which the present official policy aims in order to promote an easier trend in certain interest rates. There was a fair offtake of bills, with banks buying January and hot maturities at 4½ percent, although some tried to get the same bills at 4½ percent, but this rate was fully resisted. As a result of better short-term loan conditions, the mixed average rate for bills sold at the week's tender was again reduced. Applications for £200 million worth of 91-day bills totalled £346,955,000 which were allotted at the average rate of 99s 2½d percent. For the £60 million worth of 63-day bills, applications totalled £65,425,000, which were allotted at the average rate of 99s 10½d percent. This week £270 million worth of bills are offered comprising £200 million of 91 days' maturity and £70 million of 63 days' maturity. The Bank of England return for the week ended 24th October shows that notes in circulation were about £4 million lower at £1,874 million and that bankers' deposits were about £5 million higher at £242 million.

Stock Market Prospects

The Investors' Chronicle market newsletter writes: London gilts have been consolidating their rally, but without new buying, the recent highs may be a temporary ceiling. After penetrating the Suez low, industrials are in for a technical rally. Gold shares could shortly have a strong technical rally led by Free States. Dominated by political considerations, Wall Street is merely consolidating and its outlook is unpredictable. London has soon to contend with a change from a cold to a hot war on the wages front, as the bargaining season is ahead. Equities no longer stand to benefit from inflationary wage demands. This is a profitless inflation which may direct attention to gold shares.

Activity on Wall Street

Foreign scrip were highlighted by a speculative demand for Polish issues on account of the recent political developments. Prices moved forward to a new high for the year with some Government bonds gaining up to four points and the City of Warsaw nearly three points before easing on profit-taking. Elsewhere, dealings were slow. German Nationals were fractionally mixed. Danish and Greeks were selectively lower, but Norwegians held steady. Several Italians declined one point on small sales. Japanese were largely neglected. U.S. Government bonds experienced one of the sharpest declines in months with several long-dated issues dropping to new lows for the year. The movement was attributed to the fear of competition from higher-yielding corporate debentures scheduled for placing on the market in the weeks ahead. Corporates also lost ground in slow dealings. Convertibles were generally lower, reflecting the steady decline on Wall Street.

Hongkong Gold Softens

The undertone of the Hongkong gold market was steady throughout the week, but later, reported arrivals of 22,000 ounces from Macao counteracted the bullishness. Developments in eastern Europe and Singapore caused little reaction, while the reported capital influx from Saigon had very little effect as money was said to be finding its way into real estate. Values had advanced to \$(H)269½ by Thursday, but dipped to close late at \$(H)268½. The official offtake was 770 taels and the unofficial 1,600 taels. The carry-

over charges were 170 cents a ten taels in the buyers' favour.

Platinum Futures Trading

Trading in platinum futures will begin on 3rd December on the New York Mercantile Exchange, announced Mr. Joseph Mersel, the president. The contract will call for the delivery of 50 troy ounces of certified quality platinum bar or sheet with four delivery months under the trading regulations—January, April, July and October—and the contract opening 18 months in advance. In addition, there will be a spot market in which 50 ounces of certified lots may be bought or sold for immediate delivery on the day of the transaction.

Copper Output Outside U.S.A.

Production of refined copper in countries outside the United States in the month of September amounted to 105,938 tons, compared with 120,706 tons in August and 108,601 tons in September, 1955, according to the U.S. Copper Institute. Crude copper production in September consisted of 139,981 tons of primary against 150,013 tons in the previous month and 140,606 tons in September of last year, and 759 tons of secondary against 460 in the previous month and 1,049 tons in September of last year. Deliveries to fabricators in September totalled 116,222 tons against 114,928 tons in the previous month and 117,547 tons in September 1955. Copper stocks at the end of September are placed at 215,820 tons against 219,122 tons in the previous month and 174,377 tons in September last year.

Mixed Trend in Vegetable Oils

In spite of the fact that Singapore remained closed, lack of demand from Europe caused some price shading on the part of dealer-sellers and Straits coconut oil closed barely steady. A similar trend was noted in Ceylonese, but trade was negligible in spite of sellers' readiness to take £1 a ton under shippers. Resale deals in the Philippine copra were reported at \$17½ c.i.f. November-December, against \$180 wanted for first-hand. British Standard Specification grade linseed oil admitted a firmer trend with ex-tank U.K. offers around £1 a ton higher. Groundnut oil was fully steady with Nigerian claiming useful enquiry from Rotterdam. Nigerian groundnuts were firmer with the Board wanting £76 c.i.f. January-March, after making £75 c.i.f. North Contango. Rhodesian f.a.q. sold at £60 c.i.f. November-December over the week-end and sellers are now asking £81. Castor oil was strong on the prospects of scarcity of Indian oil following the recent heavy U.S. buying. It is estimated that only about 2,000 tons are left unsold in India, and new crop shipments will start in January-February next year.

Steadiness in Rubber

Only small fluctuations occurred in rubber last week and values finally were about a ½d a lb. higher on balance. Traders attributed much of the underlying steadiness to an unexpected increase in the demand for float parcels and also to a welcome improvement in enquiries from U.K. factories, which, it was said, booked moderate quantities towards the close. Another contributory factor was the development of interest in forward shipment parcels with good sales reported in January-March, 1957, shipment. Nearby rubber, it was said, was much in excess of requirements for the time being, but stocks were running down and would need replenishing before long. Scarcity of supplies continued to be the main characteristic of the sole crepe market and sellers had no difficulty in obtaining bids of 44½d a lb. for 4th inch smooth No. 1 on the spot.

Freight Increase on Pepper Shipments

The Straits-New York Shipping Conference notified shippers that the freight rate on pepper (black or white in bags) from Malayan base ports to the U.S. Atlantic and Gulf ports will be increased from \$(U.S.)72.25 to \$(U.S.)79.50 a 20 cwt. as from 1st January, 1957.

Freight Markets Firm

Firm conditions prevailed in North American coal and grain trades under a sustained demand. Miscellaneous enquiries were also on a good scale and included a Liberty-size cargo of rice from the Gulf to West Coast India at \$30.50 free discharge, end-November. A contract covering 70,000 tons of bagged sulphate from New Westminster to India was mentioned around \$23 f.i.o. over December to June. South American and Cuban sugar and Far Eastern trades were generally quietly firm, although new orders were noted for the Far East ern account. In Mediterranean trades, offers were wanted for 8,000 to 10,000 tons of phosphate from Kossier to Cochin, free discharge November. Time charter enquiries were resumed on a good scale and the rates were firm. Very firm conditions persisted, but chartering was on a very small scale because of owners' reluctance to commit vessels at the current rates. There were reports of 125s f.i.o. being paid for ore from Marmagao to Japan, December-January.

U.K. Automobile Exports

Lack of shipping space was hampering the U.K. motor car industry's export drive, Sir William Rootes, chairman of Rootes Motors, said in London. Sir William who was speaking at a Press conference on the motor show said that fully 3,000 vehicles were held up in the U.K. awaiting shipment. He stated that new models, coupled with the industry's intensive sales drive, had produced orders which, had it not been for the shortage of shipping, would have resulted in a large increase in dollar earnings. Markets for British cars in both the United States and Canada were now well established, he added. Referring to spare parts, Sir William declared that in his opinion the criticism of shortage overseas was not justified.

MONETARY METHODS AND OBJECTIVES

ADJUSTMENT OF INTEREST RATES

BRITAIN'S notorious inflation seems to be more or less under control, and if the Suez crisis, with its long-term implications, could be put out of mind, one could say that there was little risk of resurgence of that trouble within the next year or two. Such confidence may seem rash in view of the militant attitude of the labour unions on wage claims, but the unions cannot override the economic facts, and these facts will make it difficult for employers to grant wage increases and for employees to press for them. The economy is no longer visibly over-extended; demands have been reduced until they are in approximate equilibrium with supplies. Other countries have experienced the same trouble, in varying degrees, though with less serious results, because they are less vulnerable. These countries have likewise, in varying degrees, mastered their inflation; though in some of them the task is by no means completed.

The present seems an opportune time, therefore, to consider the methods that have been used to control inflation; and, in fact, the International Monetary Fund, in its recent annual report, has uttered some interesting thoughts on the subject. They are, of course, open for discussion, and the discussion should help the national authorities to make their future actions more efficient—whether the task is to impose further restraints or to relax some restraints imposed already. Most people agree with the I.M.F. that corrective methods have been much improved in the recent phase. In the past, Governments have too easily relied on restriction of foreign exchange and on physical control of trade. In recent years, while they have not entirely abandoned such devices, they have been more willing to reduce excessive demands by monetary action. Such action takes various forms, principally, the direct form, taxation, and the indirect form, central regulation of the supply of money. The I.M.F. is not convinced that the Governments, having eschewed physical controls, have always adopted the best alternatives to such controls.

Reliance on Bank Rate

A disadvantage of high interest rates, which are an essential—usually the main—element of indirect monetary control, is that they operate more against capital investment than against consumption. An advantage of fiscal measures is that they can be applied specifically against consumption. In some countries, especially Britain and Western Germany, capital investment has imposed such strains that high interest rates have been needed, regardless of direct fiscal policy. But the structure of interest rates is complex. There is—or should be—a clear distinction between short- and long-term rates, and the authorities have not always operated on the most appropriate rate. The argument of the I.M.F. tends to the conclusion that Governments and central banks have relied too much on the mechanism of Bank rate and have not used resolutely enough the mechanism of the long-term interest rate. The criticism can hardly be made against Western Germany, where long-term rates are very high; and not all London bankers agree that long-term rates in Britain were kept too low. But it is a curious fact of the British monetary position that the difference between short- and long-term rates has virtually disappeared.

One of the difficulties of the British authorities in making their policy effective is the excessive liquidity of the financial system. The high ratio of the British banks' liquid assets to deposits would normally stimulate their lending; but the directive which restricts their lending has largely nullified the natural tendency to increase advances to their customers. Yet the "liquidity preference" of the business community in general has compelled the Government to cover its current deficit by issuing Treasury bills rather than long-term securities and has thereby disturbed the financial position. Britain's experience has shown that central monetary control cannot work promptly and efficiently while its effects are cushioned by ample liquid resources.

Whatever the economic trend, it is desirable to tighten the mechanism of control. One method of doing so is to re-establish the differential between short- and long-term rates, so that holders of liquid funds have a positive incentive to invest them on longer term. Another method is to convince these holders that long-term rates will not remain high much longer and that it is wise to invest in long-dated securities while they can do so on favourable terms. These methods can be combined by reducing short-term rates; but if long-term rates are raised confidence in capital values will be weakened and the "liquidity preference" will be confirmed. This is not quite the conclusion to which the I.M.F. seems to incline; nor, perhaps, is it practical economics at this time. Inflation can still reassert itself, and it would be deplorable if over-hasty action undid the good work of the past year or two. Yet the fact remains that high short-term rates stimulate liquidity, and that liquidity is an unstabilising force. Moreover, the restraints on consumption are not only restraining production to a degree that may soon be excessive but also curtailing industries' capital plans—based on current interest rates—for producing more in the future. It may be that a policy of restraining consumption, by taxes, and relaxing restraints on investment, through interest rates, would be rewarded.

New Delhi

PRIME MINISTER CLARIFIES ISSUES RAISED BY BLACK-KRISHNAMACHARI CORRESPONDENCE

RELATIONS WITH WORLD BANK REMAIN VERY FRIENDLY

(FROM OUR NEW DELHI CORRESPONDENT)

THE great debate started by the publication of the Black-Krishnamachari correspondence continues. The Prime Minister silenced many critics by declaring at a Press conference that the exchange of letters between the Indian Finance Minister, Mr. T. T. Krishnamachari, and the President of the World Bank had in no way affected India's relations with the Bank, "which are very friendly. Do not imagine that we are quarrelling with each other. We are dealing with each other as we have done for the last several years, in a friendly way. Mr. Black expressed his opinion and we have explained to him our point of view."

Mr. Nehru was asked whether it was within the jurisdiction of the World Bank to express an opinion like it did on the policy of a country. He said: "Well, anybody can express an opinion; it has nothing to do with jurisdiction. It may have unfortunate results or fortunate results, but we cannot challenge the jurisdiction of any individual. I do not suppose you would like your freedom to express your opinion restricted in any way, I mean people of the Press." Asked if the Planning Commission had formally considered the suggestions put forward by Mr. Black about giving more importance to private enterprise, Mr. Nehru declared: "No; this question we have already considered and we have made our broad policy, basic policy and our specific programme in the second five year plan. There it is." A correspondent said that Mr. Black seemed to suggest a particular revision of the approach to mineral exploitation, so that there should be some relaxation of restrictions concerning minerals. Mr. Nehru pointed out that Mr. Black had more or less said that India was not fully utilising private enterprise for the furtherance of her plans. "There is no question of our not doing so; but our judgment as to how best to utilise it may be different from his to some extent. But there is undoubtedly a basic difference in our approach and his approach. That difference will not affect our dealings with each other or our relations."

Foreign Capital

A questioner said that Mr. Black made a specific point that the Government of India's present policy towards foreign capital was not encouraging enough; did Mr. Nehru accept that there was any substance in that view, and, if so, was any modification of the Government's policy on the matter possible? Mr. Nehru replied: "The answer to that is not for me to give. It is merely for the owners of foreign capital to say whether they are encouraged or discouraged. He may be right, for what I know, in that particular matter. What can I say? But I don't think that foreign capital need have any kind of apprehension because, whatever our internal policies might be, if we deal with a foreign investor, we give him fair, reasonable terms and the guarantee of the State. What more can anybody require?" Asked if he thought it fair to say that foreign capital had been greatly frightened by the Suez Canal nationalisation, seizure of the Dutch assets in Indonesia and things that had happened in that part of the world, the Prime Minister said: "I do not know. Owners of capital, from all accounts—I have no intimate knowledge of these matters—are very sensitive human beings. The slightest thing that happens, they think it might perhaps involve some future risk. It makes them draw themselves into their shells. People are so sensitive and timorous. As a matter of fact, there were the great days of capitalism when it was adventurous, when it was not timorous. It simply went out, took risks and won. Those were the great days of capitalism, in the United States and elsewhere. But if you are thinking of China and India, that is a different matter. The whole of the nineteenth century has seen in the United States the adventurousness of the entrepreneur and the capitalist. They went ahead and took enormous risks and got enormous dividends out of that." A correspondent pointed out: "We have restricted the dividends very much now. The risks are there, but the dividends are not there." But Mr. Nehru contradicted him by saying: "Not at all. The dividend may be restricted, but the risk is also restricted. In fact, the dividend has been pretty sure." Asked whether Mr. Black's letter had been written in his personal capacity or on behalf of the Bank, the Prime Minister said that it was very difficult to distinguish between the two things. "He is the President of the World Bank. I do not know, I do not suppose, that the letter was put up before the Bank's directorate and passed. People do not function that way. As for whether what Mr. Black had said was believed to be the considered opinion of the board of the Bank, he declared: "How do I know? But one may presume that, apart from any particular details, this represents broadly the opinion of the Bank."

Ideology and Credit-worthiness

Mr. Black's Indian and foreign critics have accused him of interfering with the ideology of the Congress Party, and asserted that he should

have confined his comments to India's loan-worthiness. But some elucidation of the position is necessary. The Government has various institutions for financing or controlling the capital structure of undertakings in the private sector. The issue is whether, say, the Industrial Finance Corporation should offer loans solely according to the loan-worthiness of an undertaking, or whether it should take other factors into consideration also. It will be admitted that it should take all the relevant factors into consideration before advancing loans.

Then, again, there are cases in which the Controller of Capital Issues has refused permission for the flotation of shares on the open market on the ground that the companies concerned already had adequate resources to finance the projects for which additional capital was wanted. The machinery for the control of capital issues was largely created because of the shortage of financial resources. In fact, it has little to do with the credit-worthiness of an undertaking. The Government has set up the Industrial Finance Corporation because of the shortage of financial resources for the private sector, and its right to enquire into matters other than loan-worthiness is not questioned. The Corporation would, on the contrary, be criticised if it advanced a loan to an undertaking which was spending large sums of money not on the business of the firm, but on the ideology of its directors.

Limited Resources

The resources of the World Bank are limited. It is designed to assist the development of every member country in the world, including India. At the invitation of the Government of India, and not at the instance of Mr. Black, a World Bank mission came here to study needs for financial assistance for the specific purpose of implementing the second five year plan. The mission made a report. This was followed by Mr. Black's letter, in which it was implied that India would not seem to need extra resources if the party in power could afford to spend large sums of money to finance projects which were dictated purely by its ideology. The Finance Minister's letter to Mr. Black was very dignified and showed a high degree of economic soundness and diplomacy. It is confidently expected here that Mr. T. T. Krishnamachari will succeed in securing loans from the World Bank before long. As a first step, he has sent the Finance Secretary, Mr. P. C. Bhattacharyya, to Washington to assist Mr. B. K. Nehru in his negotiations with the World Bank. Mr. P. C. Bhattacharyya is a former Financial Commissioner for the Railways, and was responsible for drawing up their second plan. He is now Finance Secretary on the Revenue and Expenditure side, and is fully aware of the urgency of foreign exchange requirements, which amount to about Rs. 1,000 crores during the plan period.

Textile Policy Revision

The ideological battle, as Mr. Black might have called it, is going on over the Government's textile policy. The Commerce Ministry's demand that it should be allowed to expand the mill sector of the textile industry on the basis of a per capita consumption of 20 yards by 1961 has failed to secure adequate support. The section parading the cottage industry banner does not deny that consumption has been rising more rapidly than was expected by the Planning Commission, and that the target of 18 yards per capita will be reached much earlier than 1961. In fact, according to present trends, it should be reached by 1958. It is noteworthy that because of a large subsidy, the production of khadi has gone up. But in spite of huge rebates and other inducements, its consumption has not been encouraging so far. It remains unattractive because of its high cost and poor durability as compared with mill-made cloth. In plain language, khadi cannot appreciably ease a cloth famine if and when it comes. It is in this context that Government, according to reports, has asked the Ministry of Commerce to elucidate its plan for advancing the target date from 1961 to 1958 so far as the per capita consumption of 18.5 yards of cotton textiles is concerned. This means stepping up cloth production in all sectors—mills, powerlooms and handlooms. It means also a re-examination of the whole textile policy in 1958. An early decision is expected.

U.K. Heavy Industries Mission

The Coates mission on heavy industries, which arrived here last week, has had important talks with leading Ministers and Government officials. The mission has been told that since the tempo of development has already exceeded the estimates of the Planning Commission, it is expected that the 1961 targets of consumption for several industries, such as textiles, fertilisers, electrical goods and cement, will be reached by 1958. This will automatically enlarge the scope for development. India, it is explained, is anxious to start undertakings to manufacture machinery rather than to expand its imports.

Speaking at a Press conference, Sir Eric Coates said: "You have unlimited manpower and your raw material potential is of a high quality. Your transport is excellent, no doubt, but to assist big industrial development it will have to be developed." The primary purpose of the mission, Sir Eric said, was to find out what heavy industries already existed, to build on them, and then to take a view as to what further heavy industrial resources the country would need. "We shall not be picking or pin-pointing sites, but of course the general location of heavy industries is important."

Sir Eric added: "We shall advise the Government of India objectively and as well as we can, but we are not concerned with who produces or who continues to implement the advice we may give. Ours is purely a reporting mission." He said that it was also not concerned with the financial resources of the Government for these things. Answering another question, the leader of the mission said that the steel programme was basic to the development of heavy industries. He thought India would be self-supporting in steel in due course. Sir Eric hoped that the mission would be able to submit its report to the Government some time in January.

During its stay here, it will have group discussions on different aspects of its work. These include mining machinery, equipment for chemical plants, foundries, forges and heavy machine tools. The mission is now on a tour of Calcutta, the Chittaranjan locomotive works, the Sindri fertilizer factory, Ranchi, coal and iron ore mines (where the problems of mechanisation will be specially studied), and Jamshedpur (where it will visit the Tata Engineering and Locomotive works as well as the Tata Iron and Steel works). It is expected to visit a few other industrial centres also before concluding its tour by the middle of November. It will report on the lines of future development of heavy engineering industries to the Government.

Co-operative Sugar Factories

The number of licences issued so far, and those it is intended to issue during the second plan period, for establishing sugar factories indicate that 55 co-operative units will be working by 1960-61. Their establishment will involve a capital outlay of Rs. 50 crores. Their output will be more than a quarter of the total sugar production in the country. They are expected to bring cane-growers an additional income of about Rs. 3 crores a year. Of the 34 new factories for which licences have been granted so far, 14 will be in Bombay, five in Andhra, four in Punjab, three each in Uttar Pradesh and Madras, two in Mysore and one each in Assam, Bihar and Orissa. One of these factories has already started production. 11 more are expected to start operations during the 1956-57 season, and the remaining in the following two years. Machinery for 19 of these sugar factories has already been ordered. Fifteen plants have been purchased from Western Germany, two from Britain and two from Czechoslovakia. Most of them are of modern design, with automatic equipment, and have a crushing capacity of 800 to 1,000 tons, with scope for expansion up to 1,250 tons. Their prices range from Rs. 45.6 lakhs to Rs. 71.5 lakhs.

Buying Ships Abroad

In addition to the purchase of one ship from Yugoslavia, orders have been placed for two ships with German firms and for one ship with an Italian firm. Negotiations for the purchase of one more ship from Yugoslavia are now going on, as also are negotiations for placing orders for two ships in the United Kingdom. India has bought an oil tanker from Sweden.

Orders for Railway Under-frames

The Government has placed orders with a Polish firm for the supply of 650 broad-gauge under-frames for the railways, valued at Rs. 19.3 million. Orders have also been placed for three cranes with a British firm and for nine cranes with a French firm, at a total cost of Rs. 13 lakhs.

German Technical Mission Arrives

A German technical mission, headed by Professor August Ruecker and consisting of Professor Schoenfeld, Mr. Ingenieur Duensing and Professor Dr. Reiner Thedieck, arrived here last week. It has come in connection with the offer made by the West German Government of technical assistance in establishing a higher technological institute. The Government of India has set up a committee to collaborate with the mission. It consists of Mr. Y. N. Sukthankar, Cabinet Secretary (chairman), Sir Shri Ram, Dr. A. N. Khosla, Dr. D. S. Kothari, Professor M. S. Thacker, Dr. V. K. R. V. Rao, Mr. Tarlok Singh, Mr. Sudhir Ghosh, Dr. A. Nagaraja Rao, Mr. C. S. Menon, Professor B. Sen Gupta, Mr. A. Zaman, and Mr. L. S. Chandrakant. The mission will visit Dhanbad, Calcutta, Kharagpur, Madras, Bangalore, Poona, Bombay and Roorkee during its five-week stay in India. It will also visit important technical institutions, national laboratories and universities to acquaint itself with the nature and standard of technical education and research.

U.K. Financial Writers to Visit India

The Government has invited some leading British financial editors and economists to visit India during the cold weather. Among those who have so far accepted the invitation are: Mr. Bird, of the Economist; Mr. Duncan Bird, Financial Editor of The Times; Mr. Andrew Shonfield, of the Financial Times; Miss Barbara Wootton, of Norman Cramp, of the Sunday Times; Mr. Paul Bareaud, of the News Chronicle; and Mr. M. Filgate, of the Financial Times.

London

CHANCELLOR DETERMINED TO CUT EXPENDITURE

HEALTH SERVICE CHARGES TO GO UP

(FROM OUR LONDON CORRESPONDENT)

THE Chancellor of the Exchequer has not abandoned his intention to cut Government expenditure by £100 million in the current financial year. In June, it will be remembered, he announced cuts totalling £76 million and promised that further cuts would be announced later in the year. A further instalment, of £17½ million, was announced in the House of Commons on Thursday last. It met with a stormy reception from the Opposition benches, for the bulk of the total, £9½ million, comes from increasing, from December, the present one shilling charge on National Health Service prescriptions to one shilling for each item (to produce £750,000 this year and £5 million in a full year) and by raising the price of milk by a halfpenny a pint from 1st January, "Until the end of the winter" (to cut the subsidy by £4½ million this year). Those who are unable to pay the higher prescription fee will be reimbursed on the same basis as they are now, while school and welfare milk will not be affected by the increased price. A further £9 million is contributed to the fresh cut by the Defence Services, chiefly by reductions in manpower requirements in the Army and R.A.F. and by revision of the re-fit programme in the Navy.

Mr. Macmillan received a stormy reception, but was quite unmoved by the epithets—"a brute", "cruel", "heartless" and "Scrooge"—were among the milder ones—hurled at him. He explained that the cuts take no account of additional expenditure not provided for in the original Estimates nor of any underspending. There has been an additional civil expenditure of £15 million and there is the further expenditure, which cannot yet be estimated, on the Suez military preparations. The retail cost of living would only be increased by 0.22 percent from the changes he had suggested, and as there is an average of one and three-quarter items on each prescription, the additional average expenditure by the patient would be 9d. against the average cost a prescription of 8s. 9d. and of the service as a whole £59 million, according to the latest figures, of which the recovery is now estimated at £6.8 million and this will rise to £12 million with the extra charge.

Wage Problems

It must be obvious, however, that Mr. Macmillan's "courage" in adopting unpopular measures to fight inflation will furnish the Labour party with fresh political ammunition and the trade unions with what will be regarded as further justification for wage claims. The engineers have just put in theirs for a 10 percent increase, and though Mr. Cousins of the Transport and General Workers Union denied in a speech to the Institute of Directors that the unions were entering upon a recklessly militant period of industrial relations, he reaffirmed that they could not accept wage restraint and that the resolution passed at the Trades Union Congress was not "window dressing."

He was influenced in his attitude by a statement issued the day before by the British Employers' Confederation, which said that no general wage increases or changes in terms of employment which would increase costs would now be justified. The Confederation has been examining the Ministry of Labour's statistics on earnings, wages and the cost of living, and has concluded that wages have been rising faster than prices and output. The Confederation consists of 62 employers' associations whose members give work, between them, to about 70 percent of the workers employed in private industry.

The employers state that it is incorrect to suggest that prices have been forced up through the abolition of controls and the reduction of subsidies and that wages have lagged behind. This suggestion must be refuted, they say, or it will injure the national economy. The Confederation quotes the Ministry of Labour's figures for June, 1947, October, 1951, and August, 1956. Between October, 1951, and August this year retail prices had risen by 22 percent and wage rates by 34 percent. In the same period earnings rose by 38 percent. "In the last few months," it says, "prices have been relatively stable." Discussing the consequences, the Confederation asserts that wages are the largest single element in costs in industry as a whole. A general increase in wages would be self-defeating and would cause a further rise in prices.

September Trade Gap Explained

Details are now available in the *Trade and Navigation Accounts* of the disappointing trade deficit in September. This is always the slackest time of the year but the drop in exports was more than could be accounted for by seasonal factors. The trade gap widened as a result to £64 million, compared with an average in the third quarter of £56 million. Apparently, the sharpest drop was in engineering exports, which until last month had been doing exceptionally well. Exports of ships and railway vehicles were particularly low. Bicycles also did badly, their total value being £900,000 during the month, against £1,817,000 in September, 1955. The loss in this case seems to have been particularly concentrated in the American market, where exports in the first nine months of the year amounted to £1.8 million, against £3.2 million during the same period last year. The United States tariff on cycle imports was recently raised and this is obviously having an effect, but apparently the British trade has been worse hit than others. Apart from bicycles our exports to North America were well maintained in September at very little below the average monthly rate for the year, which has been some 26 percent above the 1955 rate.

Although the trade gap widened in September, the pattern of trade was good from the point of view of the reserves. Thus the main drop in exports was in sterling area shipments while the main cut in imports was from non-sterling area countries. This seems to continue the pattern of the Balance of Payments White Paper, which showed that it was the United Kingdom which was making the largest contribution to the rebuilding of the reserves.

Orders for Machine Tools

New orders for machine tools showed a sharp recovery in July, according to the Machine Tool Trades Association, both in the home and export markets, which was probably the outcome of the

International Machine Tool Exhibition held in London in May, as it usually takes a couple of months for orders to be finalised. Nevertheless, in the first seven months of this year the value of new machine tool orders from home and export markets together is shown as being about 6 percent lower than during the same period of 1955. That deliveries in July were at record levels to both home and overseas customers is welcome news, but the rise has been slow and slight over the past year and the industry has still not begun to catch up with the order-book. At the end of June outstanding orders still amounted to £104.6 million, equal to about 15 months' output. The value of export orders on the books was higher than ever before and formed over 20 percent of the total. The only sign that the slackening of demand has brought some relief to the hard-pressed industry is that the order-book has at least not increased much since March.

No Treasury Deposit Receipts

The Chancellor of the Exchequer rejected a suggestion made by Mr. Harold Wilson in the House of Commons this week that a system of borrowing by Treasury deposit receipts might be introduced again. These receipts were created during the war and maintained for about six years after the war in order to guide liquid bank funds directly towards the Exchequer. The idea of reviving them has been much discussed lately, not only as a possible means of sterilising the excess liquid funds of the banks which they are now unable to lend to customers, but also to reduce the cost of borrowing to the Government without affecting the general level of interest rates. Mr. Macmillan said he had examined but rejected the idea. As a further step to bring the lending rates of the Public Works Loan Board into line with those prevailing in the market, higher rates for medium and long-term loans were announced by the Treasury. These rate adjustments are in line with the official policy to encourage local authorities to raise funds from the market. They bring P.W.L.B. rates more strictly into line with recent local authorities' borrowing operations in the market. While the short loans for not more than five years (which are in practice very rare) are to remain at 5½ percent, loans for five to 15 years or longer, will in future cost 5½ percent instead of 5½ percent.

Savings on the Railways

In March this year the Minister of Transport asked the Transport Commission for a report about its future prospects. The chairman, Sir Brian Robertson, lost no time in getting on to the job, for on it depended the question whether he could raise fares and freights to make the railways cover costs and wipe out the steadily increasing deficit, which hangs like a millstone round the Commission's neck. The report made its appearance as a White Paper, and is sufficiently reassuring to have persuaded the Government to introduce a bill in the new session of Parliament to authorise the grant of new financial help to the British Transport Commission, so that it may be helped to meet annual deficits on the railways until modernisation and other changes produce profits. The Commission estimates that it will be able to do so from 1961-62 onwards. Until the railways have made good the deficiencies of the past 30 years, the Government proposes that special advances should be made to the Commission out of the Consolidated Fund equivalent to the revenue deficit in each year. The total so advanced may be limited to £250 million. The Commission would have to repay these advances by instalments. It would have also to meet interest charges on the advances at perhaps 5½ percent, but additional special advances to cover payments of interest would be available to the Commission. These two new advances would be distinct from the Commission's existing borrowing powers.

The Commission's report gives details of the improvements that British Railways are hoping to make in the next few years and lists under four main headings the savings that are expected to result from its modernisation programme. They hope to save at least £45 million by the modernisation plan itself, which envisages an important reorganisation of freight and passenger traffic and the electrification of many hundred miles of track. The savings expected from the elimination of unnecessary or unremunerative services would amount to about £3 million a year at the end of the next six-year period. Increased productivity should produce a saving of at least £5 million a year by 1961 and the railways' new freedom to levy competitive freight charges should enable them to increase revenue by £20 million a year in 1961 to 1962. It is anticipated that the staff of British Railways would support the new project, but when asked whether the Commissions financial forecast would be upset if there was to be an increase in railway wages, Sir Brian agreed that the railwaymen had it in their power to work not only the present plan but the very industry on which their livelihood depended. He did not, however, think that they would do so, and looked forward to a new era of co-operation.

Brevities

Advances to nationalised industries rose by £18 million in October, £12 million going to the C.E.A. and £3 million to the Gas Council. The Chancellor's "below-the-line" deficit, however, still compares well with that at this time last year. It now stands at £198½ million, against £344 million.

Mr. Stephen Garvin, head of the General Division of the F.B.I. Overseas Department, has just begun a series of visits to regional centres, where he will speak about India's second five-year plan and the Indian market for British goods.

Bombay

PORT TRUST HANDLES RECORD TRAFFIC

CALCUTTA FIGURE FOR 1955-56 SURPASSED

(FROM OUR BOMBAY CORRESPONDENT)

THE Bombay Port Trust set up a new record in 1955-56 by handling over 10,300,000 tons of cargo as against 7,600,000 tons in the previous year. Imported cargo touched a new level at 6,700,000 tons, compared with 5,630,000 tons in 1954-55. The increased inflow is accounted for by higher imports of metals, machinery and railway materials. Exports in 1955-56 amounted to 3,600,000 tons, which represents an increase of approximately 1,600,000 tons over the previous year. For the first time ever, the volume of cargo handled in Bombay exceeds the Calcutta figure by nearly a million tons. This record figure was achieved in spite of earlier fears that a substantial volume of shipping would be diverted to other ports because of recurring dock labour trouble here. The financial year closed with a surplus of Rs. 266 lakhs in the general account as against Rs. 217 lakhs in 1954-55, envisaged in the revised estimates. The revenue on general account amounted to Rs. 962 lakhs as against Rs. 678 lakhs in the previous year. The expenditure also correspondingly increased from Rs. 603 lakhs to Rs. 676 lakhs. The total revenue on general and pilotage accounts for the year was Rs. 981 lakhs as against Rs. 696 lakhs in 1954-55 and expenditure amounted to Rs. 689 lakhs against Rs. 613 lakhs.

A saving in expenditure was possible because the Government of India disallowed the contribution to renewal and replacement funds. The expenditure of approximately Rs. 111 lakhs on capital account was incurred by withdrawals from the general reserve fund. Since the institution of the Trust, the total expenditure on capital account amounts to Rs. 39.31 crores, but the net expenditure is Rs. 37.04 crores against which the outstanding debt is Rs. 19.02 crores. Of this, Rs. 6.54 crores is due to the public, Rs. 9.07 crores to the Government and the balance represents internal loans held by the Trustees themselves. The amount due to the Government is being repaid by annual equated instalments and the remainder by means of a sinking fund. The total expenditure on staff also increased in the year under review to Rs. 399 lakhs from Rs. 374 lakhs in 1954-55. It is expected that the volume of cargo arriving here will increase considerably when the deliveries of capital goods ordered for the development programmes envisaged under the second five year plan gather momentum. It was only during the first five year plan period that port improvement schemes could be taken in hand. Some of these are nearing completion while others have been carried over to the second plan period.

Marine Oil Terminal

One of the first projects to be taken in hand was the marine oil terminal in Butcher Island for the transport of oil to the two refineries in Trombay. The main contract for the deep water berths was first awarded to the Royal Netherlands Harbour Works Company Ltd. of Amsterdam, but this was subsequently transferred at their own request to their subsidiary, the Netherlands Harbour Works Company of India. A sum of Rs. 10 crores has already been spent on this project, most of which is now complete. Some minor works have yet to be finished on this project and a sum of Rs. 1 crore has been provided. There are seven submarine pipelines between Butcher Island and Trombay, of which three are 24 inches in diameter, two of 16 inches and of 12 inches diameter. These are for refined and crude oil and have already been commissioned and another one of 8 inches diameter is for the transport of fresh water to the island. The distance between anchor points is a little over 12,500 feet. Storage tanks, roads and bridges, power house building, storage reservoir and oil pump houses are now complete. Another scheme in hand is the development of Prince's and Victoria Docks at an estimated cost of Rs. 14 crores. This scheme envisages the construction of an entrance lock at the south-east corner of Victoria Dock to accommodate ships drawing up to 30 feet in the Prince's Dock and 32 feet at Victoria Dock, and to permit a round-the-clock movement of ships. The communication passage between the Prince's and Victoria Docks will be widened and the jetty berths in the Victoria Dock extended landward by 75 feet.

The present length of 1,000 feet of the Hughes Dry Dock is not sufficient to accommodate a T2 tanker and a large vessel at the same time. It is, therefore, proposed to extend the length by another 125 feet at a cost of Rs. 47 lakhs. This will give an additional passenger berth. Another scheme is to extend the upper arm of the Prince's Dock so as to provide four repair berths. This is estimated to cost Rs. 90 lakhs.

The electric distribution system is also to be redesigned. A scheme has been drawn up for receiving bulk supplies of electric energy at 22 kV at three primary stations from which 6.6 kV will be fed to several secondary sub-stations at various points in the docks. These secondary sub-stations will step down the supply to low tension at 420/240 volts. The total cost of this scheme is estimated at Rs. 27.31 lakhs of which over Rs. 8 lakhs has already been spent. The present hydraulic cranes

in use at Alexandra Dock and Ballard Pier will be replaced by electric cranes. Of the 88 cranes to be installed, 34 were scheduled for the first plan and the remainder for the second five year plan. The total cost of this operation is estimated at Rs. 324.9 lakhs of which Rs. 94.9 lakhs has already been spent. The hydraulic cranes now in use at Alexandra Dock will be removed and re-installed at Prince's and Victoria Docks. The Bombay Port Trust's railway system comprises over 134 miles of main lines and sidings. It handles about 2.5 million tons of traffic each year or approximately 50 percent of the terminal goods traffic of Bombay. The freight earnings amount to over Rs. 8 crores each year. There are also a number of open wharves and basins where the cargo carried by coastal and country craft and the overside cargo from the docks and the stream is handled. These wharves provide an aggregate quayage of 41,000 feet and are equipped with cranes and other facilities for handling and storing cargo. The Timber Ponds at Sewree cover an area of 60 acres and form an important part of the facilities available. The grain depot covering an area of 1,000,000 square feet and 90,000 square feet plinth area and the 432,500 square yard depot are examples of the storage facilities available for special types of cargoes.

L.S.I. SETS UP STRUCTURAL AND METALS DIVISION COUNCIL

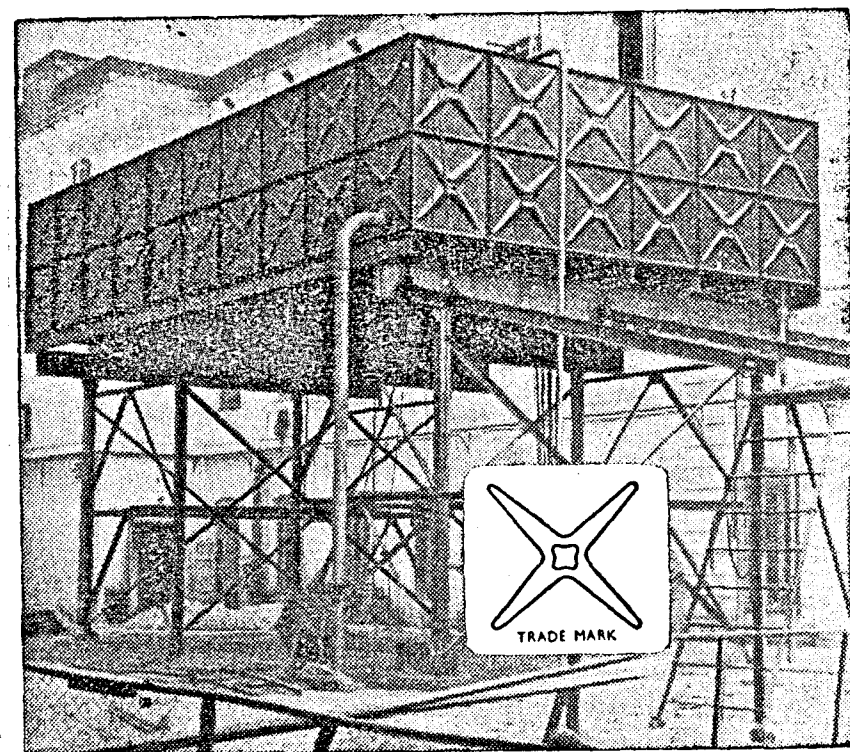
The Indian Standards Institution has constituted a Structural and Metals Division Council, which was inaugurated recently by Mr. M. M. Shah, Union Minister for Heavy Industries. Sir Jehangir Ghandy, Director-in-Charge of the Tata Iron and Steel Co. Ltd. was elected chairman of the new Council. This new division has been created to integrate the work of standardisation relating to ferrous and non-ferrous metals, foundry, refractories, metalliferous ores, metal structural, structural engineering and welding. Every endeavour will be made to co-ordinate the metallurgical aspect with customers' needs. The division will also set up machinery to deal with the urgent problems of rationalisation concerning alloy and special steels. The aim will be to simplify and reduce the great diversity of present Indian requirements to make possible indigenous manufacture on an economic basis. Speaking at the inauguration, Sir Jehangir said that the formation of the Council marked a major step forward in the progress of the work launched three

years ago to devise ways and means of economising the consumption of steel and organising its use along rational lines. He referred to the expert view that as much as 25 percent of all steel employed in structural engineering in India today was being wastefully used involving a loss of some 150,000 tons a year, valued at over Rs. 10 crores (£7.5 million). Reviewing the work already done on the steel economy project, he said that I.S.I. had broken new ground in working out standards and practices based on modern manufacturing and fabricating techniques. This would ensure that wasteful uses based on outmoded ideas of design were eliminated and the output of the expanding steel industry was efficiently utilised. He felt sure that with the co-operation of all the interests represented on the Council, the new division would press on with its work as fast as possible and thus provide adequate support to the plans now under way for the development of steel and other heavy industries.

FUNCTIONS OF COMPANY LAW REGIONAL DIRECTORATE

The various requirements of the new Companies Act have been brought to the notice of the public from time to time by announcements from the Government. The office of the Regional Director, Company Law Administration, situated at P-29, Mission Row Extension, Calcutta, is also offering advice and guidance to those who approach it in connection with the implementation of the various provisions of the Act. This Directorate is staffed with the necessary technical personnel. Companies, especially the smaller ones, can freely use the facilities provided by this organisation. It has, however, to be borne in mind that while the department will be ready and willing to give any advice or assistance on matters relating to the observance of the law's various requirements, it cannot offer legal advice on problems of a personal or private nature with which the companies might be faced. To facilitate and expedite action on the various queries that might be made by companies, an advisory section has been formed in the Regional Directorate, and members of the public who desire to seek the aid and guidance of the department may contact the Officer-in-Charge, Advisory Section of the Directorate. As from 1st November this year, the jurisdiction of the Regional Directorate has been extended to West Bengal, Orissa, Assam, Manipur and Tripura.

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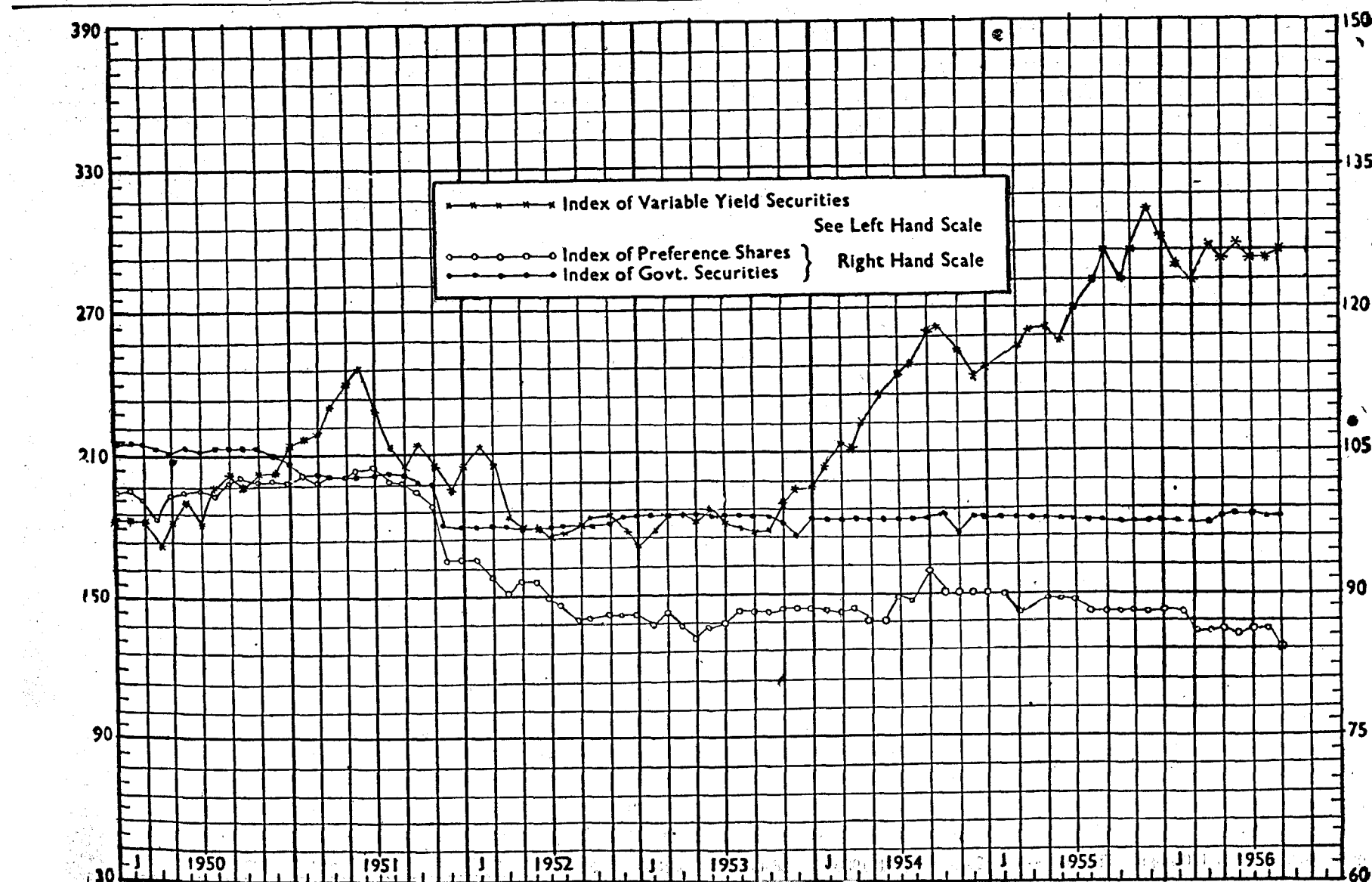
"CAPITAL" STOCKS AND SHARES INDEX*

The Capital Stocks and Shares Index (Base: 1939) has now been brought up to August, 1956. Compared with July, the August index for government securities shows a rise of 0.1 point, while that for preference shares indicates a drop of 1.5 points.

There were increases in banks 5.7 points, cotton 12.0 points, coals 3.0 points, jute 6.7 points, cement 3.6 points, engineering 7.3 points, sugar 2.6 points and miscellaneous 11.3 points, while decreases occurred in mining and oils 14.2 points, tea 9.8 points and papers 23.2 points.

Combining all the factors, the Capital variable yield securities index shows that the index for stock prices in the above classes of shares advanced by 2.8 points during August, 1956.

Points.			Variable-Yield Securities.													
	Index of Govt Securities	Index of Preference Shares.	Banks	Cotton Mills	Coals	Jute Mills	Mining and Oil	Cement, Lime etc.	Eng and Metal Works	Tea Shares	Paper Mills	Sugar Shares	Others	Combined Index.		
Weights.	---	---	7	12	9	11	10	6	17	4	7	6	11	100		
1952.																
September	97.0	87.6	128.0	200.8	189.9	163.0	97.1	89.8	156.9	217.2	538.7	150.9	213.6	180.3		
October	97.7	87.7	129.1	192.6	186.8	170.6	99.9	93.0	162.0	207.9	543.3	150.5	217.7	181.5		
November	98.1	87.8	128.8	189.7	181.2	159.5	94.7	89.1	156.2	192.2	522.1	144.9	217.2	175.6		
December	98.1	87.4	131.4	188.5	175.1	150.0	92.2	89.6	159.3	166.7	517.5	139.5	218.2	173.2		
1953.																
January	98.0	86.4	131.9	188.9	167.5	144.0	105.4	88.9	162.6	179.1	517.5	133.5	223.9	176.0		
February	97.9	87.8	133.5	199.6	175.6	147.2	101.4	91.9	165.3	189.7	549.3	148.9	234.2	182.3		
March	98.2	86.4	136.7	204.1	184.8	144.0	96.8	92.1	165.3	196.0	569.2	155.9	222.4	183.1		
April	98.1	85.1	135.9	203.7	181.2	144.0	95.3	92.1	168.7	192.2	548.6	153.9	219.3	181.9		
May	98.1	86.4	136.7	208.7	183.2	148.0	99.6	94.3	173.4	179.1	569.2	164.1	222.9	186.3		
June	97.8	86.8	133.5	199.2	179.2	144.4	97.1	93.2	166.0	203.7	560.6	161.9	213.6	181.9		
July	97.6	86.6	135.1	199.2	172.6	140.4	90.7	90.9	162.6	192.6	550.6	161.2	213.1	178.7		
August	97.6	88.5	134.0	197.6	156.3	135.3	88.8	88.3	164.0	177.8	539.4	162.6	215.1	175.2		
September	97.7	88.6	131.7	192.6	160.3	132.1	97.1	89.3	160.9	204.1	547.3	169.9	216.3	177.1		
October	97.5	88.7	135.1	223.9	164.9	136.1	109.4	93.0	173.7	207.1	553.1	171.9	227.0	189.8		
November	96.1	88.7	134.0	201.7	167.5	144.4	112.5	97.5	180.0	247.4	628.1	171.9	230.1	193.4		
December	97.8	88.3	138.8	209.5	169.5	140.0	108.5	97.1	184.8	236.8	610.1	168.2	232.2	193.8		
1954.																
January	97.8	88.2	135.6	217.7	175.1	135.7	130.3	95.4	192.2	244.0	681.2	178.6	239.9	203.3		
February	97.8	88.0	137.7	223.1	176.6	142.0	148.8	92.8	205.3	242.7	713.0	181.6	254.9	212.4		
March	97.9	88.3	130.1	223.1	171.5	134.1	140.8	94.1	207.6	258.4	753.4	178.9	248.7	211.6		
April	97.8	87.6	134.8	222.7	176.6	136.9	134.9	92.4	221.8	261.4	781.2	183.9	255.9	216.8		
May	97.8	86.9	133.2	220.7	180.7	133.7	153.7	95.4	217.4	288.9	835.5	188.9	261.6	222.8		
June	98.0	90.7	128.0	238.4	199.5	148.4	171.5	103.3	244.6	314.4	862.7	192.5	289.6	239.8		
July	98.3	89.3	127.7	236.7	200.5	146.0	162.9	108.5	253.0	350.9	926.3	196.9	294.1	246.1		
August	98.2	92.6	126.7	238.4	215.3	158.3	179.2	115.4	266.4	379.7	1009.8	198.6	309.5	260.4		
September	97.9	90.0	129.1	240.8	203.1	163.8	183.8	118.0	270.1	381.0	987.3	206.3	309.0	262.0		
October	96.9	92.2	128.8	243.4	193.4	136.9	173.1	120.9	255.0	384.0	1012.5	205.3	299.7	253.2		
November	96.6	90.4	122.8	243.4	179.7	149.2	150.6	109.2	242.6	377.6	916.4	201.6	275.0	238.6		
December	97.8	90.0	122.8	217.7	185.8	155.1	159.2	107.7	248.3	371.7	936.3	207.0	279.1	242.5		
1955.																
January	97.9	90.3	126.7	218.2	191.9	150.7	160.2	112.8	301.1	399.3	1019.7	205.3	286.3	259.6		
February	97.8	88.3	122.5	209.5	185.8	146.0	158.0	107.4	297.4	376.8	984.0	202.6	278.6	252.4		
March	97.8	89.0	120.7	214.0	189.9	153.1	157.7	112.4	309.5	392.1	1040.3	212.8	283.3	260.8		
April	97.9	89.2	121.2	216.1	198.5	152.7	148.2	114.3	304.1	373.8	1054.2	201.3	280.4	259.2		
May	98.0	89.0	119.1	215.7	192.9	146.4	152.5	112.4	302.7	347.1	1042.3	195.6	283.2	255.2		
June	98.1	88.9	118.8	224.3	202.6	150.3	179.8	113.9	315.5	391.2	1105.2	190.3	289.4	271.1		
July	98.2	87.7	112.6	249.1	211.7	150.3	204.1	121.0	322.9	378.9	1148.3	210.6	302.3	281.8		
August	98.0	87.8	124.1	241.3	214.3	156.3	231.8	126.8	351.1	366.2	1147.0	224.3	303.3	293.3		
September	98.1	87.7	119.9	242.5	206.1	149.6	222.3	120.4	336.0	354.7	1099.3	217.3	297.2	283.0		
October	98.3	87.1	120.1	257.8	203.1	142.8	225.0	130.3	363.9	353.0	1176.8	224.3	317.8	296.8		
November	98.1	87.7	125.4	278.0	222.4	147.6	219.2	135.3	375.0	349.2	1304.7	223.6	350.3	311.9		
December	98.3	87.1	131.9	261.5	216.8	140.0	234.2	131.1	356.5	291.1	1301.3	218.6	332.2	302.4		
1956.																
January	98.3	88.4	129.9	245.8	218.4	136.0	225.9	124.4	334.3	292.8	1258.9	198.3	312.1	288.5		
February	98.3	86.4	122.0	246.6	206.7	132.9	217.0	120.6	331.6	286.4	1242.4	193.6	301.8	282.6		
March	97.9	86.2	123.3	277.1	207.7	119.8	229.0	124.1	355.5	331.8	1310.0	185.6	298.2	295.6		
April	98.0	86.7	123.5	275.1	202.1	115.8	226.9	124.2	345.4	321.2	1287.4	181.9	296.6	290.5		
May	98.2	85.6	127.7	274.7	206.1	121.8	228.4	136.1	356.2	324.2	1361.0	182.9	298.7	298.8		
June	98.2	86.9	125.4	261.9	202.6	117.0	233.3	127.5	325.9	337.7	1352.5	188.9	314.2	290.9		
July	97.9	86.0	128.3	283.7	201.1	112.7	226.6	124.9	330.0	313.6	1365.6	189.3	297.7	291.7		
August	98.0	84.5	134.0	295.7	204.1	119.4	212.4	128.5	337.3	303.8	1342.4	191.9	309.0	294.5		



MIDDLE EAST DEVELOPMENTS PUSH UP GUNNY PRICES

LARGE BUSINESS IN RAW JUTE

THE delicate international situation in the Middle and the Far East has had a strong influence on the Calcutta jute goods and fibre markets. After a quiet opening, prices in particular saw its heaviest activity for several weeks. Over the week-end, it was estimated that mills purchased about 150,000 maunds of jute. Late on Tuesday, they again became general buyers, and another 500,000 maunds changed hands. Sellers were very firm throughout these transactions. As a result of buyers' keenness, they were in a position to dictate terms, and took their advantage to the full in the matter of price, assortment and delivery dates. All the business, however, was not confined to mills, as heavy covering was reported by several sellers against October shipment contracts. In most cases, these involved heavy financial losses, as the contract rates were considerably lower than current prices. It was also evident in some cases that mills were forced into buying by their low stock position, which was aggravated by the non-arrival of previous orders. These conditions caused sellers to adopt very bullish ideas, encouraged by the improved goods market.

One of the most difficult fibres to come by these days appears to be good Daissee. Many of the indications given out over the week were for this type of jute, but in most cases offers fell below expectations. It appears that the size of the Daissee crop has been miscalculated, and for a variety of reasons much of the better grade Daissee has gone "underground". Daissee, or the so-called "Daissee" which is for sale over the jetty, however, is not in short supply, but the reason for this is clear. A large percentage of the fibre sold in this way is not real Daissee jute, but is Tossa from good Murshidabad, Western and jungle agencies, which can be procured in most cases for about Rs. 2 a maund below the Daissee price. Much of this jute is first consigned to Cossipore and then delivered to the mill by lorry and country-boats. Pucca Daissee sellers have naturally taken exception to this procedure, so prices in the *mokams* have been pushed up as they have attempted to get the normal premium over the inferior fibre which is being sold at inflated prices. This has priced the jute out of the market, and prompted operators to hold on to their stocks in the hope of an improvement.

The finished goods market is very firm. Reports from America on the high level of burlap consumption, coupled with the tension in the Middle East, caused prices to rise steadily in the second half of the week. Fairly good business was reported, both with overseas buyers and for local consumption. Over the week, heavy goods rates advanced by about Rs. 3 a 100 bags, while hessian improved about Rs. 1-4 a 100 yards. Interest at the beginning of the week was very limited and prices tended to fall back. But speculative activity and shipper covering at the lower levels prompted a recovery, so the losses were made good. After the week-end, prices continued to rise, becoming very firm late on Tuesday as events in and around the Suez Canal area were publicised. The forward section of sacking was particularly strong at this stage, and January-March shipment commanded a premium of up to Re. 1 a 100 bags over the near positions. Less than a month ago this position was at a discount. Similarly, in hessian, forward shipment has risen to par with near deliveries, as against a discount of over Re. 1 at the beginning of October. This has lent some confidence to the gunny market.

THE JUTE MARKETS

Manufactured Goods: At the opening of the gunny market last Thursday, prices showed a general improvement as rumours of Government interest prevailed. B Twills advanced by 8 annas, so ready shipment was quoted at Rs. 114-4 a 100 bags and January-March at Rs. 114-10. Hessian also showed a rise, with 40in. 10oz. 3 annas better at Rs. 41-13 and Rs. 41-11 a 100 yards respectively for near and forward shipment. Only small business was done at this level and prices began to fall as speculative elements took their profit. Prices recovered again, however, and by Saturday morning ready B Twills had jumped to Rs. 115 with forward shipment at an 8-anna premium. Both near and forward 40in. 10oz. was quoted at Rs. 41-11. Business was again put through and overseas enquiries for forward shipment caused these positions to improve, so that over the week-end the premium in heavy goods advanced to 12 annas. Apart from this, there was very little alteration in Monday's opening prices but a very steady sentiment prevailed. Local markets were interested in various types of heavy goods, and this, coupled with overseas interest in hessian, pushed prices up throughout the day. By Tuesday morning, B Twills were quoted at Rs. 115-8 and hessian at Rs. 42-2. During the day, prices were influenced by the situation in the Middle East, and the market started a steady rise, with business reported at each new level. By the close, heavy goods had improved by about Rs. 1-8 a 100 bags. The market

STEADY PRICE LEVEL

(FROM OUR DUNDEE CORRESPONDENT)

THE raw jute market is maintaining quite a firm tone. The upset of the communications in Pakistan appear to be primarily responsible for the higher level, and no doubt when conditions return to something like normal, after the distribution of foodgrains has been completed, jute will be plentiful. There may be so much coming forward that sellers may be glad to sell at prices slightly lower than those obtaining at the moment. At the moment, there is a scarcity of raw jute through the failure of supplies to come in from the upcountry markets in the volume that is usual at this time of the season. Rail, road and steamer communications are more or less occupied with the transit of rice, etc., of which imports are enormous, into the ports of Chittagong and Chalna. How long the disturbance will continue cannot be determined, but the position will surely ease some day. There never has been any question as to the quantity of jute available this season being insufficient to meet the world's requirements. It is just unfortunate that the material cannot be got down quickly enough for shippers to implement their contracts in time. There is a natural fear on the part of spinners here and on the Continent that they will not receive their purchases on the due date. Anything available for near delivery is being eagerly bought up and at prices above the shipment values.

Mill Firsts are quoted now at £108 a ton lowest and £110 has been paid for that quality on spot, while Mill Lightnings rule from £93. Mill Hearts from £87 and grade Mill Hearts from £82, good marks of Daissee-2/3 from £92.10s and grade from £87.10s, grade Tossa-2/3 from £101.10s and fours from £92, c.f. U.K. October-November-December shipment. Spinners are buying moderately. The better grades of jute yarns were raised in price from Tuesday, 23rd October. No change is made in ordinary "JCH" or "JCC" yarns, but the small sizes and the Rio yarns are up by £5 a ton. Rove is also up, but by only £2.15s a ton for 48lbs. and also 96lbs., while 200 lbs. is left unchanged. The cloth market remains fairly busy, with a quiet and steady trade passing. Calcutta goods are quiet and easy, with 40in. 10oz down to 63s 3d and 70oz. to 48s 6d October-November-December, and B Twills at 173s 9d. same shipments, all f.o.b. Calcutta.

U.S. BURLAP CONSUMPTION AND STOCKS

U.S. burlap consumption continued at a high level in September. At 80 million yards, it was only 3 million yards below August—a record month—and was 10 million yards more than during September a year ago. The momentum which got underway in August seems to be continuing; but undoubtedly September's good performance was helped along by a substantial pick-up in piecegoods business, chiefly for the automobile trade. U.S. burlap stocks showed little change in September, having declined 1 million yards from August, which were, however, 23 million yards more than at the end of September, 1955. At an estimated 258 million yards at the end of the month, 124 million yards were spots and 134 million yards were afloats. Appearing below are two tables which include the September figures—(1) based on member reports to the Textile Bag Manufacturers Association and the Burlap and Jute Association and (2) projected to represent the estimated consumption and stocks for the entire industry:

U.S. burlap consumption (as reported to TBMA) (Million yards)			U.S. burlap consumption (estimated industry total) (Million yards)		
1956		1955	1956		1955
Jan.	68	58	Jan.	72	62
Feb.	64	61	Feb.	68	65
Mar.	67	68	Mar.	71	71
Apr.	65	60	Apr.	69	63
May	69	69	May	73	73
June	59	71	June	62	75
July	59	53	July	61	56
Aug.	79	49	Aug.	83	73
Sept.	77	68	Sept.	80	70
Total		607	Total		639
Mo. Av.		67	Mo. Av.		71
Oct.		70	Oct.		74
Nov.		70	Nov.		70
Dec.		67	Dec.		74
Total		784	Total		826
Mo. Av.		65	Mo. Av.		69

U.S. burlap stocks (as reported to TBMA) (Million yards)			U.S. burlap stocks (estimated industry total) (Million yards)		
1956		1955	1956		1955
Jan.	213	217	Jan.	243	245
Feb.	214	227	Feb.	245	256
Mar.	224	224	Mar.	253	254
Apr.	224	232	Apr.	255	258
May	216	230	May	247	261
June	216	221	June	240	252
July	219	223	July	244	245
Aug.	228	209	Aug.	259	237
Sept.	229	211	Sept.	258	235
Oct.		210	Oct.		240
Nov.		211	Nov.		239
Dec.		215	Dec.		247

Engineering and Transport

PLANS TO INCREASE OIL PRODUCTION IN INDIA

GOVERNMENT SEEKING FOREIGN AID
(FROM A CORRESPONDENT)

THE Indian Government has been seeking the assistance of foreign oil companies in working out its plans for the exploration and developing of domestic petroleum resources. The Indian Minister for Natural Resources, Mr. K. D. Malaviya, has returned from a four-week tour of the United States, Canada and France, accompanied by a team of geologists and geophysicists, during which he studied the different aspects of the oil industry in these countries and had talks with the leaders of the industry there. The Production Minister, Mr. K. C. Reddy, who is in Moscow might discuss with Russian authorities how far they can help India in setting-up a modern oil refinery on a long-term credit basis.

According to informed sources, the U.K. and the United States are interested in developing India's oil resources on fairly reasonable terms, provided "there are sufficient incentives." The Indian Minister will soon make a number of proposals to the Indian Government involving large-scale U.S. technical assistance in oil exploration. Although it is at present not clear how large these programmes will be, they will be sponsored by the International Co-operation Administration (I.C.A.), which recruits key personnel from private industry for sending abroad. Mr. Malaviya has confirmed that the Indian Government wishes foreign oil companies to explore and produce oil in the country. "It should be easier for such companies to deal directly with the Government and the Government is willing to consider concessions that may act as incentives for them," he says. U.S. officials have told him that the United States would be prepared to consider any proposal for technical assistance favourably. American officials, however, appear to have indicated that in a venture like the oil business, private industry should have the fullest scope to function freely.

There has been a distinct appreciation of the mixed pattern of economy that India has been trying to adopt in recent years. It was categorically said by the Indian Minister for Natural Resources, during his tour, that there need be no fear of nationalisation of private oil holdings.

Canadian Aid

Canada has offered to undertake further airborne surveys in India for the exploration of oil under the Colombo Plan. Her techniques are said to be economical and quick. The Canadian oil industry and Government have shown much interest in the development of India's oil resources. A Canadian team has already made an aeromagnetic survey of the Jaisalmer area and the Gangetic valley, the results of which are being collated. The new Canadian team which will arrive later this year will cover areas which have not so far been surveyed, but which hold promise of oil according to other indications. The Indian Government is also studying the Canadian system of granting oil concessions. Under it, the Canadian Government has received \$550 million in 10 years from the sale of oil concessions to the "highest bidders."

Geologically, India has large sedimentation basins where oil may exist, such as the areas north of Bombay, in Punjab, in the Ganges valley, south of Kashmir and in the Rajasthan desert region. At present, exploration is going on in western India under Government direction and in eastern India, under the private sponsorship of the British-owned Assam Oil Company and the American-owned Standard Vacuum Organisation. But India lacks technicians. Soviet Russia has sent some and is willing to provide equipment for prospecting and exploration. The French and Germans are also willing to help with this phase.

The controversial question relating to the refinery for the crude oil produced in the Assam oilfields has been referred by the Indian Government to an 11-man committee with Mr. S. S. Vasisht, Adviser to the Ministry of Railways, as chairman. Besides a Rumanian and a French expert, the committee includes a representative of the Government of Assam, and another of the Assam Oil Company. Other members are officials. It is to report by the end of November. The site for the refinery will be decided after taking into account the relative merits of the location of the oilfield itself or within its close proximity, and the question of its location at a centre of consumption or at a place from which the areas of consumption could be easily fed. These merits are to be governed by factors such as the areas and quantities of consumption, the means of transport available or proposed, cost of transport of the material for the erection of the refinery and ancillaries and the crude oil or refinery products. The controversy about the location of the oil refinery centres on the respective claims of Calcutta and Assam. The Assam Oil Company has suggested Calcutta on technical and economic grounds, while Assam pleads that the location of the refinery near the oilfield is vital to the State's economy and the only way of mitigating its backwardness.

Oil Yield in Assam

According to Mr. W. B. Metre, senior geologist of the Assam Oil Company, the proved and probable resources in the Nahorkatiya area in Assam are sufficient to plan a production target of

2,500,000 tons of oil a year, in addition to 45,000,000 cubic feet of gas a day, equivalent to 600,000 tons of fuel a year. The declining production of the Digboi refinery is likely to average 300,000 tons of oil a year during the next three years, and on the evidence, India can be expected to meet 56 percent of her present estimated crude oil needs of 5,000,000 tons. In Nahorkatiya, 19 oil wells have been drilled so far, including five "wild-cats," and of these only two have been completed as successful producers. Before the discovery of oil in Nahorkatiya, over 200 deep and shallow holes were drilled outside Digboi.

Drilling in West Bengal

The Standard Vacuum Oil Company which has received exploration licences from the Indian Government for the Indo-Stanvac oil exploration project will soon have to obtain a prospecting licence too. The company has ordered a drilling rig and other equipment required for trial drilling in the West Bengal basin. The Indo-Stanvac project is based on an agreement between the Indian Government and the Standard Vacuum Oil Company of New York, under which the company has obtained the right to explore and, if successful, produce oil in an area of 10,000 square miles in West Bengal. The proposed drilling project will be manned by Indian and American technicians. The U.S. experts will train Indian technicians.

The proposal from the private sector for establishing an oil refinery in Bhavnagar, Saurashtra, on India's west coast, has been referred by the Indian Government to an expert committee led by Mr. S. S. Vasisht. The sponsors of the proposal have agreed to allow the refinery to function under Government control or in the public sector with the Government owning a majority of the shares. The project is estimated to cost about £15 million (Rs. 20 crores). The Iranian Oil Company and a French firm have agreed to finance the project between them to the extent of one-third of its capital cost. The location of the refinery will be decided by the committee after taking into account the relative merits of the location of the oilfields or within their close proximity, areas of consumption, and other connected factors. It is, however, uncertain whether the Indian Government will approve the setting up of any more refineries, besides the one proposed in Assam or Calcutta.

Suez and Oil for India

Most of India's oil supplies do not come through the Suez Canal, but the dispute over the Canal would affect India by pushing up freight rates. According to sources close to the oil distributing firms functioning in India, there will be at the most a short interruption in the regular supply line; as happened at the time of the Abadan trouble over nationalisation. It is, however, likely that with the increased demand for oil and steel under the second five year plan, there might arise a shortage of steel containers for transporting oil and storing it. Oil wagons, which carry oil from the main installations to various places in the country, may also be in short supply for about 18 months from now. However, oil companies are making efforts to lay in adequate stocks before the wagon shortage becomes acute.

POPULARITY OF BRITISH TURBOPROP PLANES

DEVELOPMENTS IN U.K. AND U.S.A.

THERE are two-and-a-half times as many British turboprop airliners on order in the free world as there are others—437, against 173. The foreign aircraft are made up of two types, the American *Electra*, offered with Rolls-Royce Tyne engines as alternative power-plants and the Dutch *Friendship* which not only uses Rolls-Royce Dart engines, but British accessories and other equipment. Of the 243 turboprop air-liners on order in the United States, 100 are British. A turboprop consists of a jet engine whose efflux jet is used to turn a turbine which drives an airscrew. There is also a small residual amount of thrust which is quoted when stating the power of the engine.

Rolls-Royce pioneered the development of the turboprop and, as soon as the last war ended, proceeded to lay the foundations of that superiority in the turboprop field which Britain enjoys today. The Americans, who by agreement had had a monopoly of the transport field during the war, pressed on with piston-engined airliners, "stretched" versions of which are not only still being produced, but evolved. It was, therefore, a shock to the American industry when *Viscounts* penetrated the domestic market—a feat never previously achieved by a British aircraft in quantity. The *Viscount*, which began airline operations in 1953 with B.E.A., was the first and is still the only turboprop airliner in service in the world. The *Britannia* is expected to start service shortly, but no foreign competitor is expected to be in service before 1958 at the earliest.

Why should a great industrial power like the United States get left behind in this way? American airliner requirements are dictated to a large extent by official needs. Some 1,100 "militarised" airliners are in service with the U.S.A.F. today—all piston-engined—and it was not until the Air Force foresaw the need of a fast tanker to refuel its B47 and B52 jet bombers that the adoption of pure-jet airliners—in which the Americans at that time had little faith—was considered. The

KC135 tanker was the result and this aircraft was ordered, in due course, as the 707 airliner. The DC8 followed shortly afterwards. Thus, until very recently anyway, there was no call for military turboprops in the U.S.A. Civil development suffered accordingly.

Long-range Airliners

In the U.K. for a variety of reasons—some good and some bad—the producers have seen fit not to produce a long-range pure-jet airliner. They have, however, in the *Britannia* 310 and its proposed variants a first-rate long-range airliner due to be in service next year—almost two years before the DC 8 or 707. *Britannias* will be slower, but quieter and more economical than the American jets. They will not need lengthened runways. A recent survey by Flight indicated that, to prepare for DC 8 and 707 operation, runways at a minimum of 58 international airports would have to be lengthened and strengthened at a cost of £80 million. This does not take into account some 70 other alternative, or diversion, airports also affected. Of course, at a number of these aerodromes, lengthening runways is not a practical proposition because of location and other considerations.

The belief is growing in certain quarters in the United States that perhaps she is again going to be left behind in the next jet development stage. The British, they argue, are using turboprops for long routes, economical aircraft that will be in service next year costing about £1 million, against the £2½ million of the big American jets. In 1955 or thereabouts, when DC 8s and 707s are still entering service, the British may produce still faster airliners equipped with high-lift devices for really slow take-off and landing, such as the "jet-flap," which would render the American jets obsolete in performance and, perhaps, economy.

U.K. AIRCRAFT EXPORTS CREATE NEW RECORD

BIG DEMAND FOR AERO-ENGINES

THE British aircraft industry exports more in a fortnight than any other European country does in a year. Mr. Reginald Maulding, U. K. Minister of Supply, stated recently in assessing the value of the industry's current export drive to the national economy. The latest export figures to which he was referring show that the September total of £7,728,584 brings the aggregate for the first nine months of 1956 to £80,786,663, which is an increase of no less than 71.5 percent over the same period during 1955—itsself, a record year. Mr. Maulding described "a magnificent record of achievement". Of this total, the sale of aircraft totalled £56.7 million, engines £20.7 million, electrical equipment £1.9 million, tyres £491,000, and instruments just over £1 million. The U.S.A. was the U.K.'s best customer, buying £11½ million worth of aircraft. Australia bought almost £10 million and Sweden more than £4½ million worth.

World Market for Aircraft

It has been estimated that between 1958-1956, the world market for airliners will grow to about 2,700 aircraft, worth, with spares, more than £2,500 million. This will provide a rich harvest not only for airframe manufacturers but for engine constructors. Recent developments confirm that British companies are very much alive to this fact. Rolls-Royce, for example, are currently marketing four types of engine for the civil market. There are at present almost 500 airliners—many of them foreign—on order, powered by Rolls-Royce gas-turbine engines, and this is by far the largest number from any company in the world. The by-pass Conway has been specified for versions of the American DC 8 and 707, Avons, for the *Comet* and French *Caravelle*, Darts for the *Viscount* and Dutch *Friendship*, and Tyne for the *Avanguard* and American *Electra*. Although the *Electra* is not due to fly for some time yet, the manufacturer is already considering the purchase of two Tyne engines for evaluation. Meanwhile, Darts have logged almost 1½ million airline hours, and are still the only gas-turbine engines in airline service in the world.

The *Friendship*, orders for which are now, with options, approaching the 100 mark, is likely to provide a sizeable market for Darts for years to come. The Dart 10, scheduled for *Friendships* in 1960, will develop 3,000 h.p. and, already, Rolls-Royce are committed to build nearly 2,000 of these engines to meet existing *Viscount* and *Friendship* orders.

Bristol are engaged on developing the *Olympus* 6 which, with 16,000 lbs. thrust, is the most powerful engine yet announced in the world. Its great power and fuel economy make it eminently suited for installation in large airliners as well as in bomber aircraft. A batch of *Olympus* 10s—power-plant of the Vulcan bomber—has just been returned to the maker by the R.A.F. for overhaul, and their condition is such that the overhaul life may be extended shortly—a point of great interest to potential airline customers.

Most Powerful Engine

Napier are undertaking a powerful sales campaign in the United States following interest shown in the *Eland* turboprop engine during the recent I.A.T.A. conference. American airlines equipped with DC 6Bs, and with earlier marks of *Constellations* and *Conquairs*, are being encouraged to convert from piston to gas-turbine power. Reports indicate that *Eland* conversion kits are arousing interest. U. S. Army representatives have visited the Napier factory in this country to examine *Oryx*

and *Gazelle* powerplants for use in helicopters. These engines are advanced technically, and have already completed many hours of test running.

Military Engines

In the military field, de Havilland, engaged on *Cyrion Junior* and *Specter* development, have been, with other British manufacturers, negotiating for license agreements with German companies. Western Germany is already evolving advanced airframes, but it will be dependent on foreign engines for some time to come. Gas-turbine and rocket engines cannot be built at a moment's notice from scratch. Smaller civil aircraft are not forgotten either. Installation of an Alvis Leonides engine has resulted in the revival of an aircraft which was discarded some years ago because of lack of power. This is the Canadian *Husky*, which made its first with its new engine early in July. Flying time has since accumulated rapidly and the manufacturer states that performance is outstanding. Two other aircraft in use in Canada may be re-engined with *Leonides*, thus extending yet further a promising field in the dollar market. All *Husky* conversion work will be undertaken in Vancouver.

EXTRA IRON AND STEEL QUOTA FOR PROCESSING FACTORIES

With the object of promoting the export of Indian iron and steel goods, the Government of India announced on 16th November, 1952, its decision to make available to manufacturers additional quantities of iron and steel subject to certain conditions. The latest position is that additional allotment is available to the extent of 100 percent for all categories of steel other than sheets and plates and 10 percent of the manufacturers' quota for plates and sheets used in goods to be exported. This concession, says a Press note of the Engineering Export Promotion Council, is not largely availed of by engineering concerns. The Council requests them to avail themselves of this facility and in case of any procedural difficulty, they have been advised to contact it. As announced by the Government, the conditions governing the eligibility for additional allotment are as follows: (1) The manufacturer desiring additional allocation of iron and steel on the basis of exported articles shall produce satisfactory documentary evidence to prove that the articles for which additional allotments of iron and steel are claimed were actually manufactured by him and exported to a foreign country (For the purpose of this scheme, export to Nepal and the foreign possessions in India will not be treated as exports to a foreign country). (2) The additional allocation will be made only with reference to the article the export price of which is not less than Rs. 1,000 a ton. (3) The additional allotment of sheets and plates in a quarter will not exceed 10 percent of the quota of the manufacturer in the previous quarter, and of other items of iron and steel 20 percent of such quota.

Manufacturers who wish to take advantage of the scheme should apply by the first week of each quarter to the Industrial Adviser (Engineering), Development Wing, Shahjehan Road, New Delhi, for additional allotments, together with the following particulars and documents: (a) a full description of each article exported in the preceding quarter, the weight of each article, the number of articles of each kind exported, the export price charged for each article and the country to which exported, supported by the relevant documents; (b) a certificate from the State Director of Industries to the effect that the articles were manufactured by the manufacturer; and (c) the quantity of each category of iron and steel consumed by the manufacturer in the production of each article exported. In cases where it is definitely known that a manufacturer will export his products at least up to the limits indicated above, additional allotments of iron and steel may be authorised in advance during any period, necessary adjustments being made in the succeeding period on receipt of full particulars after actual export.

BOMBAY OIL TERMINAL NEARING COMPLETION

The three jetties of the new Rs. 10-crore marine oil terminal in Butcher Island, three and a half miles east of the Bombay harbour, are nearing completion. Two jetties are already in operation for crude oil and black oils, and the third is expected to be completed in 1957. The terminal is being built by the Bombay Port Trust. It will handle three large oil tanker of 34 feet draft simultaneously day or night. The jetty is L-shaped and 1,600 feet long. The longer arm of the L-shaped berthing jetty is so constructed that when tankers are in berth they will be in line with the tidal flow. Six submarine pipelines, each two and a half miles long, connect the terminal with the oil refineries in Trombay. These pipelines carry crude direct to the Burmah-Shell Refinery tank farm and are also used for shipment of finished products to other ports in India.

FIRST STEEL WORKS TO USE NUCLEAR POWER

On 17th October, the Workington Iron and Steel Company, a branch of the United Steel Companies Limited, became the first steel works in the world to use electric power generated by atomic energy. Earlier that day, the Queen of England visited the Calder Hall atomic power-station and formally opened the link connecting the station's 46 m.w. output with the national grid. Then she travelled to Workington

where, by pressing a release switch, she introduced the flow of electricity from Calder Hall to help drive the 2,500 h.p. and 2,750 h.p. D.C. motors of the Company's rail mill, which has been newly modernised at a cost of over £1 million. The Queen's visit coincided with the centenary of the Workington Iron and Steel Company, which was founded as the Workington Manganese Iron Company in 1856, in order to exploit the local deposits of the rich Cumberland iron ore. To mark the centenary of the company, the Queen unveiled a commemorative plaque in a new apprentices' training centre at the works. The plaque outside the Bessemer Memorial School, as it is to be called, also records the centenary of Sir Henry Bessemer's first announcement of his revolutionary steel-making process. Bessemer was the first to appreciate that Cumber-land hematite iron ore was particularly well suited to his process, and to this day Workington continues to use the original Bessemer steel-making method.

T.I.S.C.O. ORDERS SEVEN U.S. LOCOMOTIVES

The Tata Iron and Steel Company has ordered seven industrial locomotives worth over \$5,00,000 from the International General Electric Company. In making the announcement, General Electric said that the locomotives were slated for use as part of T.I.S.C.O.'s major plant expansion. The locomotives to be built will include two of the largest diesel-electric units built by the U.S. company, with ratings of 115 tons and 720 horse power. The others include four 80-ton diesel-electric and one 25-ton diesel-electric. Because they will operate in temperatures ranging up to 120 degrees and 100 percent humidity, as well as extremely dusty conditions, all will be fitted with air filters to the engine cab and traction motors. All will be broad (66 inches) gauge. Delivery is scheduled to begin in February, 1958, and the last units are slated for shipment in August.

RECORD U.S. STEEL OUTPUT IN 1957 FORECAST

Steel production in the United States of between 116 million and 120 million tons is being forecast for next year by the industry's market experts in their reports to top management. The *Wall Street Journal*, in a survey of steel industry factors, notes that high output might make 1957 one of the best production years on record, if not the best. Some industrial economists believe that there is a good chance of 1957 surpassing the peak production of 1955 when 117 million tons was achieved, the journal notes. Steel is now being made at the rate of about 130 million tons a year, the fastest rate ever, with production during the first week of October, scheduled at 102 percent of the rated capacity. The *Journal* points out that demand continues strong from almost every major consuming industry and the above-capacity level of operations, probably, will be maintained for the balance of the year to raise production for this year to around 115 million tons. An important uncertainty for steel producers, according to the *Journal*, is how the no-strike agreement with labour will affect steel buying and inventory policies. In past years, as labour contract deadlines approached, consumers built up stocks. They will not be confronted with strike threats next year, now that the industry and the union have a three-year no-strike contract. As a result, a good deal of the pressure for the spring build-up of inventories is likely to be off. Although mills generally have not opened their books for the first quarter orders, they have sampled their customers' plans and are convinced that orders will be plentiful.

B.O.A.C. TO BUY U.S. BOEINGS

The U.K. Government has given permission to British Overseas Airways Corporation to buy 15 American Boeing 707 jet airliners at an approximate cost of £44 million. The aircraft will be powered by British Rolls-Royce Conway engines and will be used on the Corporation's international routes, mainly in the western hemisphere. The Rolls-Royce Conway, which is the only by-pass engine in the world, has already been chosen by Air-India International for its three Boeings. The power plant is lighter than other comparable engines and has a much lower fuel consumption. The 707 can carry up to 147 passengers and its makers claim a cruising speed of 550 miles an hour and a range of 5,000 miles. When Mr. Gerard d'Arlanger became chairman of B.O.A.C. earlier this year, one of his first actions was to set up a committee to examine its aircraft requirements for the next ten years. Most of the Corporation's future needs had already been met by orders for *Comet* *Fours* and several marks of *Britannias*, but B.O.A.C. decided that if it was adequately to meet the severe competition on the North Atlantic, it would have to buy one of the very large American turbo-jet airliners.

In selecting the Boeing airliner, B.O.A.C. has been influenced by the fact that great deal of flying experience has already been obtained with a military version of it. The *Boeing* 707, which will be available for delivery in Europe about 1960, will be less flexible than the *Comet* and *Britannias* because it will require specially long and strong runways which are at present available at only a limited number of airports. Discussions are, however, taking place with leading British aircraft firms on the design of a new supersonic jet airliner which would be sufficiently flexible to meet B.O.A.C. requirements on world-wide routes. Such an aircraft should be ready to enter passenger service in 1962.

Plantation Topics

LONDON TEA SALES

AT last week's London tea sales, the 59,722 packages on offer realised an average price of 5s 10.45d a lb. against 5s 10.75d at the previous sale and 5s 1.01d a year ago. Plain broken pekoe was quoted at 3s 5d a lb. against 3s 4d at the previous sale. Prices obtained by some of the companies are given below:

	No. of packages	Average per lb.
Amalgamated	... 1,176	5/2½
Amgoorie	... 255	10/0½
Anglo-American	... 1,242	5/5½
Assam Co.	... 2,027	6/7½
Assam Cons.	... 636	5/7
Assam Doars	... 892	5/7½
Assam Frontier	... 630	6/9½
Attaree Khat	... 629	6/2½
Bogawantalawa	... 360	6/8
Budla Beta	... 396	6/2½
Chubwa	... 622	6/7½
Consolidated Estates	... 312	7/1½
Consolidated Tea & Lands	... 3,829	4/8
Dekhari	... 553	8/9
Docras	... 960	4/7½
Doom Dooma	... 567	8/7½
Eastern Produce	... 426	6/8½
Empire of India	... 864	5/4
Jetinga Valley	... 210	4/1
Jhanzie	... 773	6/11½
Jokai	... 2,735	6/9½
Jorehaut	... 1,788	8/6½
Kanan Devan	... 2,100	4/5½
Lanka Plantations	... 246	6/11½
Lumwa	... 456	7/11½
Makum	... 360	8/1
Namdang	... 240	7/1½
Rajawalla	... 678	7/6
Scottish Tea & Lands	... 1,413	5/
Singlo	... 474	6/6½
United Planters	... 1,062	7/9½
Upper Assam	...	...

U.K. Tea Stocks

U. K. stocks of tea on 19th October, amounted to 108.7 million lbs. against 111.4 million lbs. a year ago (converted at 110 lbs. a package).

COCHIN TEA SALES

At Sale No. 29, there was a fair demand. Low Mediums and Mediums were 2 annas to 3 annas easier. Good Mediums and better liquorings were 4 annas to 6 annas lower. Whole Leaf grades had a good demand at barely steady rates.

NORTH INDIAN TEA CROP REPORTS

The following summary of crop and weather telegrams has been received for the month of September, 1956.

Upper Assam: Weather dry; rain badly wanted; hot dry weather interfering with outturn; unless rain falls shortly leaf prospects will generally be poor; immediate prospects fair; outturn last month about normal to good.

Central Assam: Weather dry and interfering with outturn; unless rain falls shortly leaf prospects will generally be poor; immediate prospects fair to bad; outturn last month about normal; crops below normal at Jorhat.

Lower Assam: Weather dry; the monsoon has ceased and an early cold weather seems imminent; weather too cold for the time of year at Bishnauth and is checking leaf, but hot at Tezpur where rain is much wanted, unless rain falls shortly leaf prospects will generally be poor; looper attacks heavy on some gardens in Borsola.

North Cachar: The monsoon has ceased and an early cold weather seems imminent; rainfall for the month has been deficient at North Cachar; immediate prospects fair to good; outturn last month about normal; blight not so severe.

South Cachar: Weather generally dry and is interfering with outturn; immediate prospects generally fair; outturn last month normal to good; helopeltis prevalent throughout the district; black rot prevalent in Hailakandi and Longai.

Eastern Doars: Weather dry; the monsoon has practically ceased and an early cold weather is imminent; immediate prospects fair; outturn last month normal to good; outturn to date considerably over last year at Kalchini; black rot lifting at Kalchini.

Central Doars: Weather seasonable; the monsoon has practically ceased and an early cold weather is imminent; immediate prospects fair to good; outturn last month normal; outturn to date considerably over last year; helopeltis prevalent at Binnaguri; despatch position remains acute at Binnaguri.

Western Doars: Weather generally seasonable but dry at Nagrakata; rainfall for the month has been deficient at Oodlabari and Nagrakata; immediate prospects fair to good; outturn last month about normal; outturn to date considerably over last year in Chulsa; black rot prevalent in Oodlabari and Chulsa; helopeltis prevalent in Cachar, but is lifting at Oodlabari.

Darjeeling: Weather seasonable; crop prospects generally unfavourable; outturn last month poor; helopeltis prevalent; blight blight prevalent.

Terai: Weather seasonable; crop prospects fair; outturn last month normal; helopeltis prevalent in the north and noticeable in the south.

Calcutta Markets

DECLINING TREND AT TEA EXPORT SALE

FAIR GENERAL DEMAND FOR DUSTS

AT Sale No. 19, held on 29th and 30th October, offerings at the Export Auction consisted of 62,200 packages. The market opened with a good general demand, but this weakened as the Sale progressed. Medium Assam Broken Pekoes opened steady, but eased later and at the close, were selling about 1 anna below last rates. C.T.C. teas and the better kinds of orthodox manufacture were 3 to 4 annas easier, while Whole Leaf grades were 1 to 2 annas lower and sometimes more. Clean Common Broken were 1 anna dearer, while Clean Black Fannings and non-wither Doars were a strong feature and were often 1 to 2 annas dearer. Darjeeling teas met with better demand and selected lines sold at dearer rates.

Quotations

	1956
Clean Black Pekoe	2 1 0
Plain B.P.	1 13 0 to 1 13 6
Medium Assam B.P.	2 1 0 to 2 2 0
Best C.T.C. Assam B.P.	3 0 0

At the Internal Sale, Dust offerings consisted of 18,949 packages. There was a fair general demand at easier rates. The Sale eased as it progressed and at the close, most kinds were selling a full 4 annas below brokers' valuations. The best liquoring C.T.C. descriptions, were 1 to 2 annas easier, while the medium C.T.C.'s were an irregular 2 to 4 annas easier. Assam Dust of orthodox manufacture declined by 2 to 4 annas, while black exportable types and non-wither Doars eased by 2 to 3 annas.

Quotations

	1956
Medium Doars Dust	2 2 0 to 2 3 0
Medium Assam Grains Dust	2 3 0
Medium Assam C.T.C. Dust	2 8 0 to 2 9 0
Best Assam C.T.C. Dust	2 14 0

Leaf catalogues consisted of 1,617 packages for which there was a fair demand at irregularly easier rates.

SECTIONAL RISE IN FREIGHT RATES

HIGHER rates have again been conceded in the American coal trades, and there has been a limited but steady demand for vessels on time charter. Single voyages Hampton Roads to the Continent were arranged at the higher rate of 76s and to Japan at \$(U.S.)21.50. Calcutta-Port Sudan paid 115s for a handy-sized November loader. Considerable activity was evident in the Indian ore trades with Vizagapatam-Northern Range paying \$(U.S.)24 and Madras to the same destination \$(U.S.)24.50. East Coast India (one port) Gdynia or Gdansk conceded 145s f.i.o. Bombay Genoa paid 116s f.i.o. and Mormugao-Rijeka 112s. In the time charter section a 9,300-ton motorship obtained 52s 6d for 12 months' trading and a 13,000-ton fast motorship \$(U.S.)7.60 for five months. Two Liberty ships obtained \$(U.S.)5.65 and 5.60 for 12 months and another similar ship \$(U.S.)5.10 for 33 to 37 months' trading. Black Sea-India was arranged at 126s for steel goods while in the grain trades, North Pacific-Bombay paid \$(U.S.)26.50 and U.S. Gulf-W.C.I. 250s.

LINSEED IMPROVES

After a very weak opening last week, slightly better conditions were noted at the close, following enquiries from crushers, chiefly for ready delivery. Arrivals were still very poor, and ready stocks were scarce. Although overseas prices were very much out of line, a few local enquiries helped strengthen the market. Latest quotations were based on ready at Rs. 23-12 a maund.

SUGAR PRICES FALL

During the week ended 31st October, sugar sales in the Calcutta market averaged 4,500 bags daily. Arrivals a day were 3,000 bags and stocks totalled 120,000 bags. Rates for ready sugar, ex-Kantapur delivery, were Rs. 31 for ordinary grain and Rs. 32-12 for big grain. The market went dull again, and prices fell by 6 annas to 8 annas a maund.

HIDES AND SKINS

The market in skins was firm and prices showed an upward tendency. Stocks were less than in the preceding week.

Bazaar Sales

(Between 23rd October and 29th October, 1956)
Cowhides: Wet salted (Ord.) 10,000 pcs. on the basis of Annas 9; Wet salted (Ord.) 6,000 pcs. on the basis of Rs. 6-8 to Rs. 8-6; Wet salted (Slaughtered) 16,800 pcs. on the basis of Rs. 13-8 to Rs. 20.
Goatskins: Wet salted (Daissee, Killed) 58,490 pcs. on the basis of Rs. 260 to Rs. 310 and Rs. 335 to Rs. 350; Assam-Dinajpur 31,700 pcs. on the basis of Rs. 220 to Rs. 310; Puneah-Kisanganj 2,500 pcs. on the basis of Rs. 255 to Rs. 265; Muzafferpore 13,000 pcs. on the basis of Rs. 275 to Rs. 285.

Bazaar Stocks

(29th October, 1956)
Cowhides: Wet salted 1,72,000 pcs.
Goatskins: Wet salted (Daissee, Killed) 44,000 pcs.; Muzafferpore-Patna-Pakur-Puneah-Kisanganj 1,66,000 pcs.; Assam-Dinajpur-Jalpaiguri 38,000 pcs.

COMPANY AND PUBLIC NOTICES

THE MEGNA MILLS COMPANY, LIMITED.

NOTICE is hereby given that an Annual General Meeting of the Members of the above Company will be held at the Registered Office of the Company, No. 16, Strand Road, Calcutta-1, on Friday, the 30th November, 1956, at 11-00 a.m., for the following purposes:-

1. To consider and pass the Audited Accounts of the Company for the half-year ended 31st March, 1956, and to receive and adopt the Directors' and Auditors' Reports thereon.
2. To declare Dividend recommended by the Directors.
3. To elect Directors.
4. To appoint Auditors and fix their remuneration.

As Special Business:

To consider and, if thought fit, to pass, with or without modification, the following Resolutions:-

5. As an Ordinary Resolution.

"RESOLVED that the Board of Directors be and is hereby permitted with effect from the commencement of the Companies Act, 1956, to borrow moneys from time to time for carrying on the business of the Company notwithstanding that the moneys to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) exceed the aggregate of the paid-up Capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose."

6. As a Special Resolution.

"That the regulations contained in the printed document submitted to this Meeting and for the purposes of identification signed by the Chairman thereof be and the same are hereby approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of all existing Articles thereof."

The Share Transfer Books of the Company will be closed from 16th to 30th November, 1956, both days inclusive.

By Order of the Board,
R. L. McINTOSH,
Secretary.

16, Strand Road,
Calcutta, 29th October, 1956.

Note: A Member of the Company who is entitled to attend and vote may appoint a proxy to attend and vote instead of himself. A proxy need not be a Member of the Company.

SIJUA (JHERRIAH) ELECTRIC SUPPLY CO. LTD.

Fourth Drawing of First Debentures (5% Registered) 1976.

HOLDERS of First Debentures (5% Registered), 1976 are hereby advised that the Fourth Drawing will be held at 11 A.M. on Wednesday, the 12th December, 1956, at the Registered Office of the Company, Chartered Bank Buildings, Calcutta.

For & on behalf of

SIJUA (JHERRIAH) ELECTRIC SUPPLY CO. LD.,
J. A. STEVEN,
Deputy Chairman.

Chartered Bank Buildings,
Calcutta, 24th October, 1956.

SHELLAC MARKET QUIET

During the week ended 30th October, the market was steady at the beginning, and quiet at the end. The range of quotations was as follows:

Pure Buttonlac	Rs. 127-8, 128-8, 127 buyers, 125/123 value.
Lemon No. 1 Shellac	Rs. 131, 131-8, 129 buyers, 126 value.
Lemon No. 2 Shellac	Rs. 125, 126-8, 121 buyers.
F.O. Std. 1 Shellac	Rs. 122 buyers, 123 done and buyers, 120-8 buyers, 120 done.
Pure T.N. Shellac	Rs. 119, 120, 115 basis done and buyers.
4% I.T.N. Shellac	Rs. 108, 110, 105 buyers.
No. 1 Kusmi Seedlac	Rs. 120, 121-8, 116-8 value.
No. 2 Kusmi Seedlac	Rs. 118 buyers, 113-8 value, 112 buyers.
Fine Bysaky Seedlac (Manbhumi)	Rs. 110, 110-8, 106-8 buyers.
Fine Bysaky Seedlac (C.P.)	Rs. 105-8, 106-8, 101-8 buyers.
Ordinary Bysaky Seedlac (C.P.) under 5%	Rs. 100 done, 103-8 to 94 buyers.
Ordinary Bysaky Seedlac (C.P.)	Rs. 92 done and buyers, 93/90 buyers, 89-8 value.
Kireelac	Rs. 37 to 35-8 buyers.

Shipments during October until the 24th were 18,911 packages comprising shellac 12,256 packages, seedlac 3,553 packages, buttonlac 689 packages and other 1,414 packages.

THE INDIA JUTE COMPANY, LIMITED.

NOTICE is hereby given that an Annual General Meeting of the Members of the above Company will be held at the Registered Office of the Company, No. 16, Strand Road, Calcutta-1, on Friday, the 30th November, 1956, at 11-15 a.m., for the following purposes:-

1. To consider and pass the Audited Accounts of the Company for the half-year ended 31st March, 1956, and to receive and adopt the Directors' and Auditors' Reports thereon.
2. To declare Dividends recommended by the Directors.
3. To elect Directors.
4. To appoint Auditors and fix their remuneration.

As Special Business:

To consider and, if thought fit, to pass, with or without modification, the following Resolutions:-

5. As an Ordinary Resolution.

"RESOLVED that the Board of Directors be and is hereby permitted with effect from the commencement of the Companies Act, 1956, to borrow moneys from time to time for carrying on the business of the Company notwithstanding that the moneys to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) exceed the aggregate of the paid-up Capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose."

6. As a Special Resolution.

"That the regulations contained in the printed document submitted to this Meeting and for the purposes of identification signed by the Chairman thereof be and the same are hereby approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of all existing Articles thereof."

The Share Transfer Books of the Company will be closed from 16th to 30th November, 1956, both days inclusive.

By Order of the Board,
R. L. McINTOSH,
Secretary.

16, Strand Road,
Calcutta, 29th October, 1956.

Note: A Member of the Company who is entitled to attend and vote may appoint a proxy to attend and vote instead of himself. A proxy need not be a Member of the Company.

THE CUTTACK ELECTRIC SUPPLY COMPANY LIMITED.

NOTICE is hereby given that the Annual Ordinary General Meeting of the Shareholders will be held at the Registered Office of the Company, Ranihat, Cuttack, on Monday the 19th November, 1956 at 12-15 noon, for the following purposes:-

1. To receive and pass the Directors' Report and the audited Accounts for the year ended 31st December, 1955.
2. To declare a Dividend.
3. To elect a Director in place of the retiring Director.
4. To elect Auditors for the ensuing year, and to fix their remuneration.

The Share Register of the Company will be closed from 12th November, 1956 to 19th November, 1956, both days inclusive.

By Order of the Board,

OCTAVIUS STEEL & CO., LTD.,
A. H. GALLOWAY,
Managing Director,
Managing Agents.

Calcutta, 25th October, 1956.

NOTE: A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member.

THE ETHELBARI TEA CO. (1932) LTD.

THE Directors of the Company have decided to recommend to the forthcoming Annual General Meeting of the Shareholders, a tax-free dividend of 12½% or Rs. 1/4/- per fully paid Ordinary Share of Rs. 10/- in respect of the year ended 31.12.55.

By Order of the Board,
L. C. KANOL,
Director.

P-8, Mission Row Extension,
Calcutta, 30th October, 1956.

THE OODLABARI COMPANY LIMITED

THE Annual Ordinary General Meeting of the Shareholders will be held at the Registered Office of the Company, No. 14, Old Court House Street, Calcutta, on Wednesday, the 28th day of November, 1956, at 3-00 p.m., for the following purposes:-

- (1) To receive and adopt the Directors' Report and the audited Accounts for the year ended 31st December, 1955.
- (2) To declare a dividend.
- (3) To elect Directors in place of the retiring Directors.
- (4) To elect Auditors for the ensuing year and to fix their remuneration. In this connection Special Notice is hereby given that the Company has received from Sri Jiwanmali Sethia, a member of the Company, notice of an intention to propose Messrs. Kothari & Co., Chartered Accountants, to the office of Auditors of the Company in place of the retiring Auditors, Messrs. Price, Waterhouse, Peat & Co.

And as Special Business:-

- (5) To consider and if thought fit to pass the following resolution, namely:-
"That the Books, Registers and other documents required to be kept by the Company and referred to in Sections 49, 144, 163, 196, 301, 304, 307 and 372 of the Companies Act, 1956, shall be available for inspection at the Registered Office of the Company, by the persons respectively referred to in those Sections as being entitled to inspection, between the hours of 10 a.m. and 12 noon on each business day, upon twenty-four hours' written notice of intention to inspect, such notice indicating what books, documents and registers are intended to be inspected."

The Share Transfer Book of the Company will be closed from 20th November 1956 to 28th November 1956, both days inclusive.

OCTAVIUS STEEL & CO. LTD.,
A. H. GALLOWAY,
Managing Director,
Managing Agents.

Calcutta, 30th October, 1956.

NOTE:-

- (i) In connection with the business to be transacted under item 4 and item 5 of this Notice, please see annexed Explanatory Statement.
- (ii) A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and on a poll to vote instead of himself and the proxy need not be a member.

EXPLANATORY STATEMENT

Item 4. In the Special Notice given in accordance with Section 225 of the Companies Act 1956, by the Company to the Shareholders under item 4 of the annexed notice for Annual General Meeting intimation has been given of intention to move a Resolution for the appointment of Messrs. Kothari & Co. to the office of Auditors of the Company for the current year in place of the retiring Auditors, Messrs. Price, Waterhouse, Peat & Co.

Item 5. With reference to the resolution relating to inspection of Books, Registers and other documents, referred to in the accompanying notice, the Companies Act, 1956 provides that the Company may impose reasonable restrictions on such inspection but so that not less than two hours in each day are allowed for inspection, and the resolution is being moved in order to comply accordingly with the Act.

DARJEELING TEA & CHINCHONA ASSOCIATION LTD.

NOTICE is hereby given that the Ninety-third Annual General Meeting of the Shareholders will be held at the Registered Office of the Company, No. 4, Fairlie Place, Calcutta, on Friday, the 23rd November, 1956, at 11-10 a.m.

AGENDA

- (1) To receive and approve the Report of the Directors and the Company's audited Accounts for the year ended 31st December, 1955.
- (2) To declare a dividend.
- (3) To elect Directors.
- (4) To appoint Auditors and fix their remuneration for the current year.

The Dividend, if passed, will be paid only to Registered Shareholders or their Mandatees, and holders of Shares on blank transfer are requested to send in such Shares for registration in good time before the closing of the Company's Share Transfer Books on 12th November, 1956. The Books will remain closed until 23rd November, 1956.

By Order of the Board,

KILBURN & CO. PRIVATE LTD.,
R. J. L. OAKLEY,
Managing Director,
Managing Agents.

Calcutta,
31st October, 1956.

PAHARGOOMIAH TEA ASSOCIATION LTD.

THE Sixty-sixth Annual General Meeting of the Shareholders will be held at the Registered Office of the Company, No. 4, Fairlie Place, Calcutta, on Friday, the 23rd November, 1956, at 11 A.M.

AGENDA

- (1) To receive and approve the Report of the Directors and the Company's audited Accounts for the year ended 31st December, 1955.
- (2) To declare a dividend.
- (3) To elect Directors.
- (4) To appoint Auditors and fix their remuneration for the current year.

The Dividend, if passed, will be paid only to Registered Shareholders or their Mandatees, and holders of Shares on blank transfer are requested to send in such Shares for registration in good time before the closing of the Company's Share Transfer Books on 12th November, 1956. The Books will remain closed until 23rd November, 1956.

By Order of the Board,

KILBURN & CO. PRIVATE LTD.,
R. J. L. OAKLEY,
Managing Director,
Managing Agents.

Calcutta,
31st October, 1956.

PASHOK TEA CO. LTD.

NOTICE is hereby given that the Eighty-fifth Annual General Meeting of the Shareholders will be held at the Registered Office of the Company, No. 4, Fairlie Place, Calcutta, on Friday, the 23rd November, 1956, at 11-20 a.m.

AGENDA

- (1) To receive and approve the Report of the Directors and the Company's audited Accounts for the year ended 31st December, 1955.
- (2) To elect a Director.
- (3) To appoint Auditors and fix their remuneration for the current year.

By Order of the Board,

KILBURN & CO. PRIVATE LTD.,
R. J. L. OAKLEY,
Managing Director,
Managing Agents.

Calcutta,
31st October, 1956.

THE GENERAL INVESTMENT & TRUST CO., LTD.

AT the Directors' Meeting held on 25th October, 1956, the following Interim Dividends for the year ended 28th February, 1957, were declared:-

- On the 1st Cumulative Preference Shares @ 2½%, without any deduction in respect of taxation payable by the Company.
- On the 2nd Cumulative Preference Shares @ 3% less Tax.
- On the Ordinary Shares @ 2½%, without any deduction in respect of taxation payable by the Company.

By Order of the Board,

D. P. DUNDERDALE,
Chairman.

Chartered Bank Buildings,

Calcutta, 25th October, 1956.

NOTE: The above Dividends will be paid on or after 10th December, 1956, to those Shareholders so entitled whose names appear in the Company's books on the 4th December, 1956, or to their Mandatees. No application for Dividend Warrants will be necessary.

THE INVESTMENT & FINANCE CO. LTD.

AT the Directors' Meeting held on 25th October, 1956, the following Interim Dividends for the year ended 28th February, 1957, were declared:-

- On the 1st Cumulative Preference Shares @ 2½%, without any deduction in respect of taxation payable by the Company.
- On the 2nd Cumulative Preference Shares @ 3% less Tax.
- On the Ordinary Shares @ 2½%, without any deduction in respect of taxation payable by the Company.

By Order of the Board,

D. P. DUNDERDALE,
Chairman.

Chartered Bank Buildings,
Calcutta, 25th October, 1956.

NOTE: The above Dividends will be paid on or after 10th December, 1956, to those Shareholders so entitled whose names appear in the Company's books on the 4th December, 1956, or to their Mandatees. No application for Dividend Warrants will be necessary.

INDIAN COPPER CORPORATION LIMITED.

The following are the returns for the quarter ended 30th September, 1956:-

	S/Tons	110127
Ore treated		2,211
Average value of ore treated	L/Tons	1995
Refined Copper produced		1
Refined Copper issued to Mine		1452
Rolled Brass produced		66
Yellow Metal circles produced		43
Rolled Copper produced		1325

The results of development work carried out on the properties of the Corporation during the quarter under review are as follows:-

	Footage developed.	Footage sampled.	Footage payable.
Mosaboni	2399	1998	1325
Badia	270	182	

By Order of the Board,

GILLANDERS ARBUTHNOT & COMPANY LIMITED,
Managing Agents.

Clive Buildings,
Netaji Subhas Road,
Calcutta.
17th October, 1956.

THE INDO-BURMA PETROLEUM COMPANY LIMITED

NOTICE is hereby given that the Board of Directors of the above Company have declared an Interim Dividend of Re. 1 (One) free of Income-tax per Ordinary Share for the year ending 31st December, 1956 payable on 21st November, 1956 to those members whose names appear on the Register of Members as on 13th November, 1956.

The Register of Members of the Company will remain closed from 13th November, 1956 to 20th November, 1956, both days inclusive.

By Order of the Board,

STEEL BROTHERS & COMPANY LIMITED,
Managing Agents.

"Clive Buildings",

Netaji Subhas Road,
Calcutta.
29th October, 1956.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	Hour I.S.T.
Indian Standard Wagon Co. Ltd.	2-11-56	11 a.m.
Rancherra Tea Co. Ltd.	8-11-56	4 p.m.
Margaret's Hope Tea Co. Ltd.	8-11-56	4-10 p.m.
Bhatkawa Tea Co. Ltd.	8-11-56	4-20 p.m.
Hulidibari Tea Association, Ltd.	9-11-56	12-15 p.m.
Hukumchali Jute Mills, Ltd.	9-11-56	4-30 p.m.
Bombay Burmah Trading Corporation, Ltd. (E).	12-11-56	11-20 a.m.
Cuttack Electric Supply Co. Ltd.	19-11-56	12-15 p.m.
Orient Paper Mills, Ltd.	20-11-56	3 p.m.
Tirrihannah Co., Ltd. (Tea).	21-11-56	2-30 p.m.
Dibrugarh Co., Ltd. (Tea).	22-11-56	4 p.m.
Pahargoomiah Tea Assocn. Ltd.	23-11-56	11 a.m.
Darjeeling Tea & Chin. Assocn. Ltd.	23-11-56	11-10 a.m.
Pashok Tea Co. Ltd.	23-11-56	11-20 a.m.
Oodlabari Co., Ltd.	23-11-56	3 p.m.
Megna Mills Co., Ltd. (Jute)	30-11-56	11 a.m.
India Jute Co., Ltd.	30-11-56	

JOINT STOCK COMPANIES' DEBENTURES

'CAPITAL' STOCK AND SHARE LIST

THE INVESTORS' GUIDE AND SHAREHOLDERS' GAZETTE

Official quotations of the Calcutta, Bombay, Madras, London Stock

Exchange Associations and other sources.

Wednesday 31st October, 1956.

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GOVERNMENT LOANS					PORT TRUST LOANS										IMPROVEMENT TRUST LOANS																			
Amount Outstanding Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.	Amount Rs.	Interest per cent	Year of issue	Repay- able	Market quotations Rs.	Amount Rs.	Interest per cent	Year of issue	Repay- able	Market quotations Rs.	Amount Rs.	Interest per cent	Year of issue	Repay- able	Market quotations Rs.															
GOVERNMENT OF INDIA																				CALCUTTA					BOMBAY					CALCUTTA				
2,48,91,47,000	3	1946	1986 or later	74 1/2	30,24,300	4	1914	1974	99	36,50,000	4	1904	1964	99 1/2	25,00,000	5 1/2	1929	1959	107															
					76,90,100	4	1915	1975	99						50,00,000	4	1934	1964	99 1/2															
8,93,35,000	3	1896-97	At the option of the Government of India after 10 months' notice.	74 1/2						35,00,000	4	1905	1965	99 1/2	35,00,000	3 1/2	1935	1965	94															
					88,02,300	3	1921 1st	1981	82	15,00,000	4	1906	1966	99 1/2	30,00,000	3	1936	1966	90															
					1,50,00,000	6 1/2	1921 2nd	1981	144 1/2	44,00,000	4	1907	1967	99 1/2	50,00,000	3	1937	1967	91															
57,00,69,000	2 1/2	1946	1961	93 1/2											20,00,000	3	1938	1963-68	90															
45,63,07,000	2 1/2	1946	1960	96 1/2											30,00,000	4	1952	1962	99 1/2															
50,35,63,000	3	1951	1958	99 1/2	£892,600	5	1923	1953-83	£791	75,00,000	4	1908	1969	99 1/2	1,02,00,000	4	1956	1968	99															
					£901,000	5	1924	1954-84	£791																									
1,16,17,46,000	3	1938	1963-65	94 1/2						40,00,000	4	1909	1970	100																				
1,10,11,78,000	3	1943	1966-68	92 1/2						36,00,000	4	1910	1971	100																				
															50,00,000	4	1899	1959	99 1/2															
75,86,72,000	2 1/2	1947	1962	93 1/2	99,84,500	5	1926 2nd	1956-86	100 1/2	75,00,000	4	1911	1972	100	30,00,000	4	1901	1961	99 1/2															
					1,49,49,500	5	1927	1957-87	102						30,00,000	4	1902	1962	99 1/2															
					1,49,30,000	5	1928	1958-88	103						60,00,000	4	1903	1963	90 1/2															
30,33,10,000	3	1950	1964	94 1/2											30,00,000	4	1904	1964	99 1/2															
14,77,48,000	2 1/2	1946	1976	83 1/2											30,00,000	4	1905	1965	99 1/2															
63,30,26,000	4	1926	1980-70	100 1/2	30,00,000	4	1931	1991	95																									
1,15,05,83,000	3	1945	1970-75	88 1/2	£835,100	3 1/2	1932	1962	£911																									
1,14,06,89,000	3	1944	1957	102 1/2	60,00,000	3 1/2	1935	1965	97 1/2																									
5,85,73,000	4 1/2	1928	1958-68	99 1/2	50,00,000	3	1946	1976	84 1/2																									
75,29,00,000	3 1/2	1953	1961	97 1/2						£892,600	5	1923	1953-83	£871	20,00,000	4	1906	1966	99 1/2															
1,13,65,54,000	3	1945	1959-61	97 1/2						£901,000	5	1924	1954-84	£871	15,00,000	4	1907	1967	99 1/2															
1,58,17,07,000	3 1/2	1954	1964	98 1/2											30,00,000	4	1908	1968	£95 1/2															
1,03,67,92,000	3 1/2	1955	1965	98 1/2	50,00,000	3	1945	1-2-2006	74						£566,600	4	1909	1969	95 1/2															
33,82,00,000	3 1/2	1956	1967	98 1/2	2,31,07,100	3 1/2	1936-37	1956-66	95 1/2	£835,100	5 1/2	1932	1962	£96	2,333,000	4	1910	1970	100															
66,64,00,000	3 1/2	1956	1974	98 1/2	25,00,000	3	1938	1963-68	90						25,00,000	4	1912	1972	99 1/2															
					50,00,000	3	1946	2006	74						18,00,000	4	1913	1973	99 1/2															
					50,00,000	2 1/2	1947	1977	79 1/2						60,00,000	4	1914	1974	99 1/2															
3,44,00,000	3	1944	1958	93 1/2	50,00,000	2	1948	1978	83 1/2						25,00,000	4	1916	1976	99 1/2															
3,00,00,000	3	1949	1962	93 1/2	1,00,00,000	2	1949	1959	97																									
3,00,00,000	3	1950	1960	96	50,00,000	2	1949	1959	97																									
3,00,00,000	4	1951	1962	98 1/2	50,00,000	2	1950	1980	82																									
3,50,00,000	4	1952	1964	98 1/2	1,00,00,000	2	1950	1960	95 1/2																									
5,00,00,000	4	1953	1963	101 1/2	30,00,000	2	1951	1981	91 1/2						40,00,000	5	1919	1957-79	102 1/2															
					1,50,00,000	3 1/2	1951	1961	98 1/2	31,47,169	3 1/2	1947	1977	A	66,00,000	5	1920	1955-80	118 1/2															
					30,00,000	4	1953	1963	100 1/2						25,00,000	3	1926	1956-80	101 1/2															
					50,00,000	4	1953	1963	98 1/2	9,88,000	3	1947	1977	A	25,00,000	4	1921	1961-80	99 1/2															
					90,00,000	4	1955	1985	98 1/2	3,00,000	3	1949	1979	A	10,00,000	3 1/2	1936	1966	94															
					77,00,000		1956	1986	97 1/2																									
MADHYA PRADESH																				MADRAS														
52,69,800	3	1946	1958	93 1/2																														
2,03,00,000	3	1948	1964	93 1/2																														
1,00,00,000	3 1/2	1951	1962	98 1/2																														
MADRAS																				MADRAS														
1,29,76,600	3	1939	1959	96 1/2																														
1,08,00,000	3	1944	1958	93 1/2																														
2,82,19,000	3	1945	1960	96																														
3,90,33,200	2 1/2	1946	1961	93 1/2																														
4,47,00,000	3	1950	1960	96																														
5,00,00,000	4	1952	1964	98 1/2																														
5,00,00,000	4	1953	1963	99 1/2																														
UTTAR PRADESH																				BOMBAY										MADRAS				
1,69,39,800	3	1936	1961-66	90 1/2																														
3,23,96,800	3	1944	1958	93 1/2	36,00,000	5	1928	1958	103																									
2,36,31,800	3	1946	1960	96 1/2	25,00,000	5	1929	1957	102																									
2,41,19,800	2 1/2	1946	1961	93 1/2	50,00,000	5	1929	1958	102 1/2																									
2,00,00,000	3 1/2	1951	1962	98 1/2	15,49,000	3 1/2	1951	1960	97	20,60,000	4	1913-15	1974	99 1/2																				
2,00,00,000	4	1952	1964	99 1/2																														
5,00,00,000	4	1953	1963	99 1/2																														
WEST BENGAL																				BOMBAY										MADRAS				
1,75,00,000	3 1/2	1951	1962	98 1/2	16,33,000	3 1/2	1951	1961	97 1/2																									
2,00,00,000	4	1952	1964	100 1/2																														
3,00,00,000	4	1953	1963	100 1/2	66,88,000	3 1/2	1951	1966	97 1/2																									
5,00,00,000	4	1955	1967	99 1/2	10,00,000	5 1/2	1932	1962	108	10,00,000	5	1920	1980	110																				
2,95,85,200	5	1933	1953-67	101 1/2	33,91,000	3 1/2	1935	1965	94	25,00,000	5	1928	1958	103 1/2																				
5,99,72,900	4	1936	1956-61	99 1/2	72,50,000	4 1/2	1954	1979	100	26,21,500	5	1929	1959	104																				
5,08,05,700	3	1946	25-1-1956	99 1/2																														
3,00,00,000	3	1953	15-7-1963	100																														
COCHIN																				BOMBAY										MADRAS				
30,00,000	3 1/2	1936	1956-61	99 1/2	60,00,000	3	1936	1966	90	2,00,00,000	3 1/2	1951	1966	94																				
1,00,00,000	3	1945	1955-56	98 1/2	47,60,000	3	1938	1968	90	6,25,00,000	3 1/2	1947	1977	86 1/2																				
					17,64,400	3 1/2	1942	1959	96 1/2																									
HYDERABAD																				BOMBAY										MADRAS				
3,34,70,000	4	1953	1963	100	31,13,600	4	1939	1959	99 1/2	2,50,00,000	3 1/2	1949	1979	86 1/2																				
2,12,21,800	4	1955	1967	99 1/2	12,10,000	3 1/2	1942	1972	92																									
					15,56,800	4	1940	1957	99 1/2	4,00,00,000	3 1/2	1950	1965	92 1/2																				

A=Held by the Govt. of India.

JOINT STOCK COMPANIES PREFERENCE SHARES

Dividends are cumulative and shares carry a preferential claim on the property for the payment of capital and on the profits for dividend except in case of companies marked otherwise. Months against names of companies indicate approximately times of payment of dividends.

Year of Issue	NAMES	Amount Issued in 000's	Rate per cent	Paid-up per Share	Market Quotations		Year of Issue	NAMES	Amount Issued in 000's	Rate per cent	Paid-up per Share	Market Quotations	
					31-10-56	A year ago						31-10-56	A year ago
	BANK.												
1901	Allahabad Bank (May Nov.)	15.00	6	100	114	135	1920	Birds' Investments (Dec.)	24.00	5 1/2	100	76	80
	COAL.						1918	Bombay Steam Navigation (July)	15.00	6 1/2	250	11	11
1905	Bengal Nagpur (Feb. Aug.)	11.25	7	100	105	118	1920	Britannia Biscuit (Feb. Aug.)	15	8	10	152	15
1894-97	Borra (June Dec.)	4.00	6 1/2	100	103	119	1920	British Ceylon Corporation (14) (Apr. Mar.)	7.50	6	5	93	11 1/2
1901-02	Burrakur (June Dec.)	22.98	7	100	109	127	1895-99	British India Corporation (Feb.)	81.00	8	100	124	135
1946	Burrakur (June Dec.)	4.50	6 1/2	10	73	81	1903-09	Burn Eng (1st & 2nd) (Feb. Aug.)	13.00	7	100	137	142
1905	Equitab (May Nov.)	4.00	6	100	104	117	1908-11	Burn Engineering (Feb. Aug.)	15.00	6	100	116	123
1931	Khas Kajora (Mar. Sept.)	1.93	5	10	5	2	1937	Calcutta Electric Supply (Mar. Sept.)	£1,900	5	£1	11 1/2	12 1/2
1920	New Beerboom (Jan. July)	2.00	7	10	12	134	1906	Calcutta Silk Manufacturing (July Jan.)	2.00	6	100	55	60
1898-99	Ondal (June Dec.)	2.00	6 1/2	100	110	115	1938	Calcutta Tramways (Jan. July)	£250	5 1/2	£1	91	81
	COTTON MILLS.						1905-24	Carew & Co (January)	8.00	6 1/2	100	101	105
1906	Ahmedabad Advance (Apr. Oct.)	10.00	5	100	110	110	1946	Cawnpore Sugar Works (Feb. Aug.)	10.00	8	100	127	143
1884	Bangalore (Jan. July)	6.00	6	100	125	128 1/2	1940	Chrestien Mica Industries Ltd.	30.00	5 1/2	100	58	65 1/2
1938	Basanti (Oct.)	5.00	6 1/2	10	8	8	1937	Dacca Electric Supply (July)	6.00	6	10	100	102
1896	Bengal-Nagpur (Apr. Oct.)	3.00	7	100	99	116	1937	Dalmia Cement (Bharat)	3.500	6	100	100	102
1900	Bowraah "A" (Apr. Oct.)	6.00	8	100	126	135	1945	Dalmia Cement (Bharat)	2.372	6	40	391	36
1900	Bowraah "B" (6 1/2) (Apr. Oct.)	6.00	7	100	661	70	1945	Delhi Flour Mills (Oct.)	90	7 1/2	100	133	133
1919	Bradbury "B" (Jan. Dec.)	14.75	7	250	324 1/2	324 1/2	1916	Deshgaurh Power Supply "A" (Jan.)	16.00	5	100	102	107
1928	Buckingham & Carnatic (Jan. July)	21.30	7 1/2	100	144	133 1/2	1935	Deshgaurh Power Supply "B" (Jan.)	12.00	4 1/2	100	91	91 1/2
1928	Cambodia (July)	1.00	7	100	122 1/2	125	1940	Dunlop Brothers & Co. Ltd.	45.00	4	100	82	72 1/2
1912	Central India (Apr. Oct.)	50.00	5	500	531 1/2	531 1/2	1948	Dunlop Rubber "First" (Jan. July)	30.00	6	100	125	126
	Delhi Cloth & General (Oct.)	20.00	4 1/2	25	20	20	1926	Dunlop Rubber "Second" (Apr.)	30.00	6 1/2	100	93 1/2	101 1/2
	JUTE MILLS.						1928-29	East India Distilleries (Jan. July)	£200	7	£1	17 1/2	17 1/2
1912	Elgin (May Nov.)	11.00	8	100	135 1/2	143 1/2	1897	Eastern Investments Ltd (Apr.)	2.500	5 1/2	100	75	77 1/2
1943	Elgin "B"	4.20	5	10	91	91	1928	General Investment & Trust (Feb. Aug.)	1.00	5	100	75	77 1/2
1919	Elphinstone (May Nov.)	25.00	7 1/2	100	87 1/2	87 1/2	1947	General Investment & Trust (Feb. Aug.)	1.00	6 1/2	100	65	70
1919	Kesoram (June Dec.)	20.00	7	100	130	133	1946	Gilanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	55	55
1925	Khatu Makaanji (Nov.)	10.00	6	100	88	88	1947	Gladstone Lyall & Co. Ltd.	15.00	6 1/2	100	66	66
1937	Kothari (Nov.)	12.00	6	100	103	104	1948	Godfrey Phillips India Ltd.	50 1/2	5 1/2	100	68 1/2	64 1/2
1909	Muir (Feb. Aug.)	30.00	6	100	81 1/2	89	1946	Gwalior Sugar (Decemable) (Dec.)	6.75	7	100	68	65 1/2
1913	New Great Eastern (Mar.)	3.00	5 1/2	200	185	185	1940	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1920	New Victoria (Apr. Oct.)	28.05	6	5	51	31 1/2	1940	Humayan Properties Ltd. (Nov.)	12.00	6	10	9 1/2	11
1933	Palani Andavar (Mar.)	2.00	7	50	58 1/2	58 1/2	1936	Indian Aluminium (Mar. Sept.)	40.00	5 1/2	100	83 1/2	75 1/2
1935	Swadeshi (Bombay) (May)	15.00	5	100	115	115	1945	Indo Burma Petroleum (Jan. July)	50.00	7 1/2	100	105	108 1/2
1927	Swadeshi (Cawnpore) (Mar.)	35.00	6	100	90	90	1915	Indian General Navy & Railways	£244	6	£10	85	82
1931	Vasanti (Apr. Oct.)	16.00	6 1/2	100	113	120	1899	Indian Cable Co (Nov.)	12.88	6	100	107	111
1908	Vishnu (Apr.)	16.00	7	500	550	550	1923	Indian Standard Wagon (Aug. or Sept.)	2.69 1/2	5	100	105	110
	JUTE MILLS.						1936	Indian Iron & Steel	2.69 1/2	5	100	105	110
1927	Agarpara (Jan. July)	10.00	7	100	104	116	1946	Investment and Finance (Feb. Aug.)	2.00	5	100	75	77 1/2
1943	Alexandra (Feb. Aug.)	9.00	7	100	97 1/2	106	1935	Investment and Finance (Feb. Aug.)	2.00	6 1/2	100	65	70
1896	Alliance (Mar. Sept.)	15.00	6	100	97	102	1945	James Wright (Jan. July)	1.30	6	50	41	40
1917	Anglo-India (May Nov.)	40.00	7	100	107 1/2	119	1937	Jardine Henderson Ltd.	50.00	5 1/2	100	65	78
1908	Auckland (July Jan.)	10.00	5 1/2	100	64 1/2	96	1946	Jessop & Co.	10.00	5	100	101	105 1/2
1943	Auckland (July Jan.)	15.00	4 1/2	100	105	115	1945	Jupiter General Insurance (Sept.)	4.99	6 1/2	10	10	10
1918	Bally (Jan. July)	2.00	7	100	105	115	1916	Kumardhubi Engineering (June)	12.00	5	100	98	107
1896	Barnagore (Oct. Dec.)	2.00	5 1/2	100	105	115	1915	Do. Fireclay & Silica (June)	2.00	7	100	116	116
1908	Belvedere (Jan. July)	7.00	7	100	79 1/2	97	1915	Martin Burn Ltd.	30.00	5	100	105	108 1/2
1940	Bengal (June Dec.)	23.64	7 1/2	100	85	102 1/2	1946	McLeod & Co.	10.00	5 1/2	100	83	89
1919	Birla (June Dec.)	9.00	7	100	105	111	1936	McLeod & Co.	20.00	5	100	75	83
1896	Budze Budge (May Nov.)	9.00	7	100	105	111	1936	Mettur Chemical & Industrial (Sept.)	20.00	6	100	99	88 1/2
1934	Calcutta (Jan. July)	6.00	6 1/2	100	109	120	1949	Mettur Chemical & Industrial (Sept.)	20.00	6 1/2	100	96	97
1919	Caledonian (June Dec.)	10.00	7	100	111	118	1938	Mittal Box Co of India Ltd.	30.00	6 1/2	100	92	92
1919	Cheviot (June Dec.)	10.00	7	100	111	118	1938	Mitnapore Zymindry (Feb.)	8.76	5	100	96	97
1928	Chitavalah (Mar. Dec.)	5.00	7	100	110	116	1938	Mittapore Zymindry (Feb.)	8.76	5	100	96	97
1900	Clive (First) (May Dec.)	8.00	6	100	98 1/2	105	1938	Mittapore Zymindry (Feb.)	8.76	5	100	96	97
1905	Clive "A" (Second) (May Dec.)	8.00	7	100	98	105	1938	Mittapore Zymindry (Feb.)	8.76	5	100	96	97
	JUTE MILLS.						1938	Mittapore Zymindry (Feb.)	8.76	5	100	96	97
1903-12	Dalhousie (July Jan.)	15.00	7	100	102	115 1/2	1938	Mittapore Zymindry (Feb.)	8.76	5	100	96	97
1897	Delta (June Dec.)	5.00	5	100	105	94	1936	National Insulated Cable	10.00	5 1/2	100	75 1/2	80
1912	Empire (Jan. July)	10.00	7	100	108	120 1/2	1942	National Tobacco (June Dec.)	25.00	5	100	70	71
1890-98	Fort Gloster (Jan. July)	14.00	7	100	115	88	1944	National Tobacco (Jan. Dec.)	2.00	4 1/2	100	70	71
1948	Fort Gloster (2nd)	7.00	5	100	115	128 1/2	1946	Northern India Oil (Jan. July)	2.00	6	100	48	56
1911	Fort William (May Nov.)	6.00	7	100	101	134	1936	Poona Electric Supply Co. Ltd. (June Dec.)	4.00	7	100	103 1/2	103 1/2
1916	Ganges (June Dec.)	10.00	7	100	101	101	1935	Premier Construction "First" (Apr.)	10.00	6 1/2	100	104	104
1895-04	Gouropore (June Dec.)	26.50	6	100	87 1/2	101	1922	Premier Construction "Second" (Apr.)	15.00	6 1/2	100	99 1/2	99 1/2
1913	Hastings (Aug. Feb.)	25.00	6	100	107 1/2	107 1/2	1922	Purtapore (Sugar) (Oct.)	6.00	10	10	161	16
1913	Hooghly (July)	11.00	10	10	107	14 1/2	1936	Rammugur Cane & Sugar (Aug.)	4.00	6	100	109 1/2	109 1/2
1890	Howrah (Jan. July)	8.75	7	100	102 1/2	123	1933-36	Rohas Industries (April)	20.00	7	100	127	134
1903-06	Howrah "A" (Jan. July)	17.50	7	100	108 1/2	114 1/2	1936	Rohas Industries "B" (Apr.)	36.00	4 1/2	100	64 1/2	68 1/2
1919	Hukumchand (Jan. Dec.)	40.00	7	100	91	114 1/2	1944-46	Shaw Wallace & Co. Ltd.	75.00	6 1/2	100	78 1/2	85 1/2
1898-04	Kamarhatty (Apr. Oct.)	10.00	6	100	87 1/2	105	1937	Shree Gopal Paper	7.50	6	100	119 1/2	126 1/2
1933	Kandarnah (Jan. July)	2.00	6	100	95	95	1937	Shree Krishna Gyanodaya Sugar "A" (Oct.)	6.00	6	100	100	101
1907	Kelvin (Mar. Sept.)	10.00	7	100	108	120	1906	Shree Krishna Gyanodaya Sugar "B" (Nov.)	12.00	5	100	75	89
1895-09	Kharad (May Nov.)	9.00	6	100	91 1/2	118	1906	Smith Stanistreet (Chemists) (Nov.)	5.00	10	50	70	66 1/2
1900-13	Kinnison (July Jan.)	15.00	7	100	101	115	1933	South Bihar Sugar (Oct.)	7.00	7	100	161 1/2	161 1/2
1910	Landsowne (July Jan.)	15.00	7	100	103	115	1936	Spencer & Co. "A" (Provisions) (Jan. July)	23.20	6 1/2	10	91	91
1912	Lawrence "A" (July Jan.)	5.00	7	100	103	115	1936	Spencer & Co. "B" (Provisions) (Jan. July)	36.80	8 1/2	10	103	11
1904-07	Lawrence "B" (July Jan.)	10.00	6 1/2	100	119	124	1936	Star Paper (Apr. Oct.)	10.00	5	100	82	8

COAL COMPANIES

O. Po. F. and Dd. indicate Ordinary Preferred Ordinary Founders' and Deferred shares respectively. P next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent			Latest Market Quotations as available until		
									1954	1955	1956	31-10-56	24-10-56	A year ago
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.				Rs.	Rs.	Rs.
25,50,000	26,43,478	24,50,000	6,60,570	Amalgamated	3-9	236	6,83,393	26,953	31-5	61-74	..	10	22½	22½
1,00,00,000	1,96,15,288	1,40,49,223	18,35,659	Bengal P	4-10	2	26,18,986	7,31,563	71-74	81-82	..	200	503	503
4,49,350	3,08,193	70,000	2,24,303	Bengal Bhatdee	6-12	2	1,51,149	4,951	11-11	..	..	10	16	16
2,25,000	2,48,108	5,30,654	3,64,478	Bengal Nagpur P	6-12	2	50,568	1,07,984	Nil-Nil	..	..	10	6	6
15,97,000	14,16,665	6,91,475	13,52,076	Bhailorah	9	152	6,13,899	29,978	..	..	..	10	6	6
40,00,000	68,01,474	20,23,238	32,65,324	Bharat Collieries P	6-12	106	2,22,221	27,433	61	..	..	10	12½	12½
7,15,000	15,82,291	14,29,045	68,704	Bhulanbararee	6-12	106	20,810	1,87,446	Nil-Nil	..	..	10	13	13
16,00,000	38,87,275	16,18,636	7,185	Bokarc & Ramgur	6-12	315	1,21,936	79,196	..	..	..	10	24½	24½
7,50,000	18,56,839	24,29,026	11,60,066	Borra P	6-12	106	2,14,632	84,207	10-10	10-10	..	10	16½	16½
90,92,480	2,38,29,968	1,75,17,502	25,32,131	Burakur P	6-12	21	11,90,330	115,376	21-34	34-34	..	10	16	14½
49,97,000	35,80,075	750	1,75,962	Central India	3	166	1,33,037	14,019	21	21	..	10	7½	7½
8,00,000	16,67,573	13,30,519	15,752	Central Kurkend P	6-12	323	34,743	82,768	34-74	..	..	10	2½	2½
6,00,000	23,76,131	1,43,676	1,43,676	Churulia	6-12	106	6,374	2,129	11-11	..	..	10	8	8
16,00,000	2,23,668	2,30,653	2,37,456	Dharm Main	6-12	19	70,801	2,43,279	Nil-Nil	..	..	10	8	8
2,240,000	1,15,25,712	83,55,049	2,17,690	East Indian	4	128	1,17,646	2,59,767	181	221	..	10	33½	33½
29,83,760	6,74,708	2,07,486	3,32,972	Equitable P	6-12	19	8,87,453	82,379	71-74	71-74	..	10	30½	30½
10,00,000	5,06,856	3,31,555	4,95,544	Ghusick & Musila	6-12	307	12,979	24,844	..	..	..	10	15	15
8,00,000	3,17,780	7,25,000	7,92,425	Guzdar Kajora	6-12	19	2,70,524	45,985	71-10	121-121	..	10	23½	23½
3,50,000	6,31,200	5,66,816	1,407	Hurralidhi	2-8	2	1,38,130	2,21,237	Nil-Nil	..	..	10	20½	20½
15,00,000	31,71,936	24,32,396	25,61,314	Karanpura Development	6-12	21	49,116	17,839	Nil-Nil	Nil-Nil	..	10	19	17½
5,00,000	24,60,896	1,77,175	26,967	Karanpura Collieries P	2	21	2,26,982	6,965	Nil	21	5	100	119	121
20,00,000	10,29,548	16,60,000	11,25,332	Katras Jheriah	1-7	2	5,92,347	1,33,475	28-28	25-30	35	10	62	55½
1,38,400	6,75,000	95,000	11,80,294	Khas Kajora P	6-12	326	49,776	1,918	..	..	..	10	9½	9½
5,65,750	10,84,977	85,000	9,599	Mundulpur	6-12	326	79,868	79,868	Nil-..	..	..	10	21	21
7,48,240	2,62,442	1,50,000	5,04,429	Nazira	12	347	82,501	25,598	..	..	..	10	7½	7½
7,00,000	6,13,416	26,617	61,641	New Bansodepur	3-9	5	59,011	6,071	31-74	71-74	..	10	10	10
17,76,230	31,15,787	20,01,763	3,78,538	New Beerbhoom P	4-10	2	2,64,716	94,383	31-31	31-31	..	10	19½	19½
6,00,000	11,71,307	75,000	10,44,47	New Manbhoom	3-9	202	25,330	2,233	Nil-Nil	Nil-Nil	..	10	11½	11½
2,50,000	7,69,623	1,75,500	40,192	North Damuda	1-7	306	7,954	12,949	..	..	..	10	21	21
1,15,000	4,42,488	2,85,193	1,53,246	North West	3-9	2	51,420	19,550	Nil-Nil	61	71-..	10	19	19
1,57,500	1,20,000	12,19,987	23,26,757	Ondal P	6-12	106	22,197	56,646	5-5	5-5	..	10	15½	15½
8,34,000	9,21,342	10,862	4,36,011	Parasee P	6-12	207	1,08,075	8,018	31-31	..	..	10	14½	14½
15,75,000	12,40,000	16,00,000	12,21,654	Pencor Valley	3-9	236	4,18,450	33,343	81-74	71-74	..	10	20½	20½
2,50,000	2,62,405	7,500	11,533	Pure Sitalpur	6-12	5	2,008	18,581	..	..	..	10	13½	13½
23,99,500	37,59,038	19,17,105	39,198	Raneegunge	3-9	79	1,83,814	16,846	21-21	21-31	..	10	13½	13½
13,50,000	7,98,001	9,28,385	14,29,643	Rewa	6-12	236	4,96,775	26,029	71-61	81-121	..	10	23½	23½
20,00,000	23,74,261	7,52,027	1,01,427	Samia	12	48	1,80,660	31,543	71	..	..	10	14	14
2,50,000	1,56,194	1,34,374	1,11,356	Seasole	1	353	88,009	11,078	25	30	15	10	7	7
2,80,000	1,09,193	8,36,598	7,87,726	Seebore P	6-12	2	2,42,112	49,299	142-14	11-11	11-11	10	29½	29½
8,00,000	23,624	5,29,306	6,32,757	Sendra	6-12	106	4,098	7,503	Nil-11	11-11	..	10	11½	11½
17,50,000	22,81,985	10,75,016	63,654	South Karanpura	2-8	21	59,079	51,533	Nil-11	11-11	..	10	9½	9½
8,00,000	1,43,000	13,69,395	21,89,890	Standard	6-12	106	47,444	17,347	71-71	5-5	..	10	23½	23½
10,00,000	15,58,085	15,075	3,913	Talcher	9	277	22,689	3,85,056	Nil	..	..	10	3½	3½
3,50,000	4,66,000	3,53,000	8,176	Union	6-12	379	4,033	14,167	5-21	21-..	..	10	14½	14½
49,98,000	36,56,550	50,000	2,17,164	Western Bengal	3	166	4,09,468	7,262	31	5	..	10	6½	6½
7,00,000	32,55,152	1,38,190	40,090	West Jamuria	6-12	19	1,31,849	122	Nil-Nil	Nil-..	..	10	11	11

N = Nominal

COTTON MILLS

Paid-up Capital Ordinary	Number of		Net Block Account	Reserve & other Funds- Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up per Shares	Latest Market Quotations as available until		
	Spindles	Looms									1953	1954	1955		31-10-56	24-10-56	A year ago
Rs.			Rs.	Rs.	Rs.				Rs.	Rs.			Rs.	Rs.	Rs.		
15,00,000	14,108	356	14,62,919	1,73,478	11,90,008	Basant P	12	49	1,97,268	41,227	21	..	..	10	61	61	57
32,72,340	22,197	505	27,69,676	23,18,909	24,551	Benares P	3-9	120	1,27,187	4,79,347	..	..	..	10	11	11	11
7,11,280	36,000	932	17,17,120	2,20,369	30,842	Bengal Luxmi	3	27	3,66,176	47,818	10	..	..	40	40	40	36
27,00,000	31,476	624	23,53,000	15,50,000	3,84,224	Bengal Nagpur P	6-12	236	5,23,389	18,199	21-Nil	Nil	..	10	9½	9½	91
15,00,000	38,764	992	31,35,500	1,09,84,251	21,32,642	Birla Cotton	3	22	5,28,332	4,25,221	30	30	30	10	30½	30½	90½
6,00,000	42,872	641	37,54,142	22,72,588	1,44,948	Bowen P	6-12	138	84,028	23,47,373	Nil-Nil	Nil-Nil	..	100	150	150	373
30,00,000	22,000	510	8,43,453	29,51,420	1,00,393	Cawnpore Textiles	3	25	67,253	36,767	11	10	Nil-5	5	9	9½	9½
3,27,92,900	1,01,808	2,762	9,94,63,168	2,74,48,393	2,94,83,803	Delhi Cloth & Genl. P.	6	238	1,81,41,278	82,759	9	9	9	25	40½	40½	38½
1,00,563														2½			
19,00,000	42,944	518	34,12,181	25,71,925	1,53,884	Dunbar	6-12	138	9,92,376	1,37,951	Nil-Nil	Nil-Nil	Nil-2½	100	274	274	304
63,00,000	54,000	1,200	22,44,761	66,33,360	43,06,583	Elgin P	3	25	32,80,461	93,386	15	10	10	10	29½	29½	21½
1,20,00,000	59,250	1,872	2,38,99,575	1,60,53,952	47,29,268	Kesoram P	3	22	37,41,719	2,45,435	11½	81	81	20	17	17½	16½
6,00,000	35,864	864	17,48,143	9,75,679	74,08,655	Mohini P	12	45	5,33,316	5,158	..	..	..	25	..	..	..
33,96,288														10	85	85	118
30,00,000	88,000	1,825	47,44,546	52,19,601	92,65,055	Muir P	12	208	18,77,941	7,77,290	..	..	..	100	85	85	118
22,99,882	78,848	1,367	43,25,577	26,00,968	1,45,701	New Victoria P	12	237	18,83,371	13,76,473	Nil	..	..	210	210	21	144
5,07,995														100	144	144	144
19,47,750	23,196	795	22,57,946	18,38,739	2,02,179	Rampooria Cotton	6	4	6,16,936	1,094	61	10	10	10	15½	15½	12
5,00,000											Nil	Nil	34	1	2½	2½	101
17,50,000											71	71	71	100	12½	12½	101
1,57,50,000	1,14,836	2,077	2,83,77,688	2,65,04,931	32,30,412	Swadeshi (Cawnpore) P	12	333	43,71,838	7,09,029	9	11½	11½	100	12½	12½	101
Po														100	12½	12½	101
40,50,000	48,754	1,310	91,31,708	1,89,73,217	43,89,979	Bangalore W C Silk P	12	26	56,34,938	2,38,649	25	30	30	100	563½	563½	585
1,78,47,800	1,20,012	2,770	3,20,71,600	1,87,39,278	23,80,514	Buckingham Carnatic P	12	26	1,01,66,075	2,38,445	10	10	10	100	194	194	189
2,00,000	28,000	..	18,03,003	20,32,074	11,26,239	Cambodia P	12	210	1,96,274	27,593	71	Nil	5	10	14½	14½	141
12,00,000	23,864	..	6,41,058	9,00,000	36,53,502	Coimbatore Cotton	12	188	5,53,750	61,404	..	..	..	100	392	392	340
20,78,900	72,832	407	47,91,212	7,98,681	22,227	Coimbatore Spg & Wvg	6	46	7,52,342	10,23,340	Nil	..	..	50	90	90	79
6,50,000	50,640	295	12,25,505	17,90,000	58,77,434	Kaleeswarar	12	139	2,05,780	7,677	..	..	..	100	335	335	285
24,00,000	30,512	200	52,38,868	16,25,000	7,43,757	Kothari Textile P	6	141	3,25,924	29,382	5	5	5	10	17½	18	16½
23,64,000	48,756	..	15,01,051	21,70,200	78,050	Lakshmi	12	186	31,41,248	2,209	..	..	..	50	258	250½	174
1,75,02,480	4,65,324	..	2,15,02,107	4,13,81,878	31,04,681	Madura	12	108	78,56,509	18,86,813	20	20	20	15	49½	49½	54
1,00,00,000	1,21,856	..	3,43,149	5,85,363	1,02,889	Malabar Spg & Wvg	12	240	..	85,193	..	..	..	200	113	113	112
60,00,000	24,852	603	29,09,032	69,00,000	1,19,91,155	Mettur Industries	3	29	49,44,859	45,835	22½	35	42½	100	432½	452	408
13,61,780	5,000	..	14,15,992	8,90,279	1,34,663	Mysore Spun Silk	3	142	1,753	3,986	Nil	Nil	..	61½	61½	61½	135
20,137,111	Nil	Nil	8,36,608	5,00,000	24,24,908	Palani Andavar P	12	30	3,79,437	2,687	..	..	..	50	172	172	335
7,79,700	15,540	416	5,42,118	2,43,421	2,65,911	Sitaram Spg & Wvg	3	164	87,724	3,083	..	..	..	60	..	..	..
7,00,000	28,104	270	12,93,563	18,23,501	11,71,924	Vasanta P	12	47	16,37,459	..	..	..	..	100	340	340	245

TEA COMPANIES

O, Po and Dd indicate Ordinary Preferred Ordinary and Deferred Shares, respectively. P next to the name of the company indicates that the Company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Acreage under Tea	Output and Average Price per lb. realised for crop				Estimated 1956	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Dividends per cent			Paid-up Share	Latest Market Quotations as available until			
				1954	As P	1955	As P						1953	1954	1955		31-10-56	24-10-56	1 year ago	
Rs	Rs	Rs	Rs	Lbs		Lbs		Lbs				Rs				Rs	Rs	Rs	Rs	
CACHAR																				
3,00,000	1,40,887	1,75,000	862	2,89,046	39-11	..	..	..	Arcuttipore	12	38	1,72,377	Nil	Nil	..	10	12	12	12	
4,00,000	2,25,259	49,878	465	..	..	..	..	..	Baitakbar	12	35	43,907	..	..	..	10	101	101	111	
10,00,000	1,71,449	4,13,800	1,480	3,90,263	40-10	..	..	..	Central Cachar	12	128	5,98,304	Nil	71	..	100	73	73	136	
2,00,000	57,753	Nil	194	7,00,456	+2-2/5	..	..	..	Chandpore	12	128	56,346	Nil	Nil	..	100	89	89	123	
1,00,000	6,99,137	11,300	949	3,91,320	38-6	..	..	..	Eastern Cachar	12	202	2,48,284	Nil	Nil	..	10	101	101	101	
12,00,000	4,53,015	1,55,000	2,153	1,59,924	15-0	..	..	..	Hattikura	12	202	13,22,566	25	40	..	100	181	181	26	
4,50,000	2,97,000	1,65,222	586	..	..	..	..	..	Kallinagar Khoreal	12	313	31,071	Nil	15	..	100	102	102	130	
1,00,000	2,40,000	2,51,794	599	3,40,507	46-8	..	..	..	Kunchunpore	12	202	3,31,327	Nil	274	..	10	141	141	194	
1,00,000	1,25,000	2,50,000	1,350	7,33,267	17-6	..	..	..	North Western Cachar	12	202	2,21,073	Nil	20	..	100	264	264	264	
1,00,000	1,00,357	1,16,592	618	3,02,220	36-4/5	..	..	..	Pathanara P.	12	202	1,64,144	Nil	..	..	10	15	15	194	
1,00,000	1,00,357	1,16,592	618	3,02,220	36-4/5	..	..	..	Rangmattee	12	165	4,33,780	Nil	10	..	10	22	22	251	
1,00,000	1,00,357	1,16,592	618	3,02,220	36-4/5	..	..	..	Sonai River P.	12	165	5,75,715	20	35	..	50	104	104	141	
1,00,000	1,00,357	1,16,592	618	3,02,220	36-4/5	..	..	..	Tilak	12	165	3,22,677	Nil	123	..	10	191	191	241	
1,00,000	1,00,357	1,16,592	618	3,02,220	36-4/5	..	..	..	..	12	165	3,22,677	Nil	20	..	10	12	12	10	
DARJEELING																				
99,750	6,89,413	4,157	562	1,14,311	29-11	..	..	..	Bloomfield	12	101	73,268	Nil	Nil	..	10	31	31	44	
2,79,900	4,72,301	1,25,000	607	1,41,174	62-0	..	..	..	Champong	12	279	1,34,209	Nil	20	..	100	151	151	20	
5,79,900	3,75,900	3,11,929	991	..	..	..	..	..	Darj. Jai Chinchona	12	139	1,15,895	74	40	..	100	175	175	290	
2,00,000	1,74,363	1,62,639	488	1,35,780	32-5	..	..	..	Diharam	12	200	1,03,193	Nil	21	..	100	190	190	315	
2,00,000	2,13,500	5,53,885	500	2,54,204	49-11	..	..	..	Sielle P.	12	14	3,24,074	Nil	25	..	10	29	29	431	
1,00,000	6,25,000	3,10,770	1,049	6,53,740	38-3	..	..	..	Langs P.	12	279	8,25,171	20	30	..	10	304	304	311	
1,00,000	3,71,576	11,31	761	5,26,515	48-8	..	..	..	Longview	12	279	8,04,823	20	30	..	10	121	121	147	
1,00,000	6,87,134	3,00,000	816	..	..	..	..	..	Margaret's Hope	12	165	1,53,561	74	40	15	100	161	161	221	
1,00,000	2,06,770	3,00,000	463	1,82,080	32-4	1,05,440	50-6	1,84,000	Mim	12	165	65,269	10	40	15	100	296	296	377	
2,99,900	1,40,000	4,30,416	586	4,30,416	41	..	..	..	Nagri Farm	12	165	5,44,288	20	30	..	10	271	271	331	
1,00,000	2,23,710	97,647	505	1,81,153	55-3	1,68,126	38-4	1,80,000	Okayti F.	12	165	55,958	Nil	374	Nil	100	600	600	500	
1,00,000	1,02,668	2,61,118	776	..	..	..	..	..	Pashok	12	139	4,42,102	24	15	..	100	28	28	241	
1,00,000	3,83,067	4,09,567	500	1,68,69	50-8	1,64,824	37-11	1,76,000	Poobong	12	139	69,682	24	15	..	100	911	911	15	
2,05,000	4,30,000	2,07,813	370	1,58,144	58-8	1,27,341	35-11	1,60,000	Pusimong P.	12	139	19,953	Nil	10	..	100	10	10	15	
1,00,000	1,40,000	4,77,006	341	1,80,721	38-4	..	..	..	Rungtee Rungliot	12	139	2,83,196	174	50	..	100	408	408	450	
1,00,000	1,40,000	4,77,006	341	1,80,721	38-4	..	..	..	Seevok	12	139	1,99,821	24	15	..	100	151	151	20	
1,00,000	1,40,000	4,77,006	341	1,80,721	38-4	..	..	..	Singell	12	139	4,34,341	Nil	Nil	..	100	384	384	65	
1,00,000	1,40,000	4,77,006	341	1,80,721	38-4	..	..	..	Sintom P.	12	101	2,87,720	Nil	3	..	10	64	64	74	
1,00,000	1,40,000	4,77,006	341	1,80,721	38-4	..	..	..	Soom	12	279	4,33,350	30	50	..	10	30	30	304	
6,25,000	1,106,947	4,74,587	392	3,76,790	14-5	..	..	..	Sunama	12	165	3,50,250	Nil	74	..	10	111	111	111	
1,20,000	1,85,000	1,85,000	1,184	4,40,947	19-8	..	..	..	Teesta Valley	12	14	5,54,671	15	40	..	10	381	381	441	
9,01,250	10,96,000	2,90,000	1,666	7,11,947	50-5	..	..	..	Tukvar	12	279	3,99,993	Nil	10	..	10	141	141	181	
DUARS																				
27,00,000	19,11,197	24,25,000	2,540	30,81,680	31-2	30,69,36	31-9	33,20,000	Banarhat P.	12	2	11,23,382	45	120	25	100	330	336	359	
6,00,000	20,53,554	3,70,000	1,105	13,91,320	43-7	..	..	..	Baradighi	12	128	1,84,614	30	55	..	10	341	341	45	
9,00,000	6,05,310	1,13,042	1,112	11,96,886	52-6	..	..	..	Bhatkawa	12	165	4,45,451	30	..	..	100	146	146	201	
9,00,000	6,05,310	1,13,042	1,112	11,96,886	52-6	..	..	..	Birpara P.	12	165	12,37,481	Nil	20	..	100	201	201	255	
6,00,000	6,05,310	1,13,042	1,112	11,96,886	52-6	..	..	..	Caron	12	165	4,07,837	224	25	20	100	305	305	520	
6,00,000	6,05,310	1,13,042	1,112	11,96,886	52-6	..	..	..	Chonochutti P.	12	165	3,28,498	Nil	15	..	100	272	272	512	
1,20,000	1,95,171	4,64,000	265	2,24,400	19-1	2,12,720	26-9	2,40,000	Ellenbarrie	12	63	3,28,498	Nil	15	..	100	272	272	512	
6,50,000	3,11,776	5,00,000	447	4,73,941	39-9	..	..	..	Enao	12	165	4,45,451	Nil	110	Nil	100	151	151	341	
6,50,000	3,11,776	5,00,000	447	4,73,941	39-9	..	..	..	Ethebari	12	354	4,64,611	Nil	30	..	100	300	300	340	
6,50,000	3,11,776	5,00,000	447	4,73,941	39-9	..	..	..	Garkhata	12	48	10,31,911	Nil	20	..	100	231	231	338	
10,00,000	1,74,550	2,25,503	1,022	1,26,098	47-11	12,20,160	27-11	..	Gopur	12	49	1,93,197	16	24	..	100	203	203	338	
24,00,000	20,80,800	1,48,782	2,421	30,88,432	44-1	..	..	..	Hantapara P.	12	63	39,77,805	25	60	..	100	203	203	338	
92,00,000	52,36,929	60,63,343	42,367	93,71,277	11-11	..	..	..	Hasmara P.	12	14	4,97,692	25	60	124	10	231	231	338	
8,20,000	10,98,000	17,14,718	1,452	16,07,369	42-2	17,67,246	26-11	17,20,000	Hudibari	12	14	2,77,456	224	30	Nil	10	23	23	511	
7,00,000	15,80,800	5,15,000	607	4,86,404	34-3	4,62,400	28-7	5,60,000	Javirpara	12	35	2,13,207	25	60	..	100	231	231	511	
10,00,000	4,75,000	4,12,323	937	11,46,814	39-4	..	..	..	Kalicut	12	165	1,84,614	20	41	..	100	181	181	251	
24,00,000	4,12,000	5,00,000	620	4,73,833	15-7	..	..	..	Manabarrie	12	211	5,69,182	10	65	..	100	793	793	900	
9,00,000	15,71,067	18,15,032	1,125	1,69,538	44-3	9,78,988	28-1	10,00,000	Nazasurree	12	63	2,05,071	25	40	25	100	250	250	303	
14,00,000	8,81,963	18,45,000	1,163	15,52,401	49-3	16,35,520	31-2	16,00,000	New Dooras P.	12	63	6,83,263	45	100	..	100	511	511	98	
3,20,000	3,30,142	4,80,000	578	5,29,200	14-2	..	..	..	Oodlabari	12	102	1,19,256	20	75	..	100	245	245	245	
2,50,000	2,30,306	4,79,541	348	2,56,097	42-0	..	..	..	Phaskawa	12	165	2,61,201	15	30	..	100	211	211	38	
6,00,000	6,29,490	3,01,354	519	..	..	..	..	..	Ratibhat	12	165	4,69,560	10	30	..	100	211	211	38	
7,85,000	10,03,372	4,43,438	1,635	..	..	..	..	..	Ranicherra	12	165	4,17,707	Nil	30	..	100	211	211	38	
7,46,000	12,28,247																			

MISCELLANEOUS COMPANIES—Contd.

O, Po, C and Dd indicate Ordinary, Preferred Ordinary, Contributory and Deferred Shares respectively. P. next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation		Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
							Rs.	Rs.		1954	1955	1956		Rs.	Rs.	Rs.
SUGAR BREWERIES, ETC.																
11.00.000	6.45.722	3.75.000	10.90.564	New Savan Sugar and Gur	5	140	95.437	52.205	..	..	..	10	6 1/2	6 1/2	6 1/2	
9.00.000	7.28.559	17.64.369	58.734	Parabur Sugar P.	10	25	5.08.340	6.871	7 1/2	..	..	10	15 1/2	15 1/2	17 1/2	
16.59.820	26.52.127	35.00.000	4.84.350	Rannugger Cane & Sugar P.	8	1	18.11.504	20.350	15	20	..	10	24 1/2	20 1/2	26 1/2	
19.99.600	25.52.563	39.88.218	13.92.915	Raza Sugar	10	92	10.78.193	3.144	..	..	..	10	..	20 1/2	..	
8.00.000	4.52.169	1.85.116	1.43.798	Ryam Sugar P.	6	25	1.43.798	24.340	5	..	..	10	20 1/2	20 1/2	20 1/2	
11.99.000	15.94.631	18.37.529	98.312	Samastipur Central Sugar	6	25	—79.022	8.477	5	Nil	..	10	13 1/2	13 1/2	15 1/2	
20.00.000	72.62.286	36.66.708	1.63.444	Shree Krishna Gyanodaya Sugar P.	7	335	12.99.571	34.066	15	17 1/2	..	10	12	12 1/2	17 1/2	
7.94.500	15.54.656	11.65.175	1.16.389	Shree Sitalpur Sugar	6	140	1.90.957	7.991	..	..	..	10	15 1/2	15 1/2	14 1/2	
9.99.950	14.54.774	1.54.304	1.42.696	Sitalpore Sugar	6	94	—1.39.515	—1.39.515	Nil	Nil	..	10	4 1/2	4 1/2	6 1/2	
16.00.000	6.07.804	7.99.778	4.22.572	United Provinces	3	341	4.23.880	39.061	12 1/2	..	..	10	21 1/2	21 1/2	22 1/2	
8.00.000	38.92.308	21.57.555	3.60.236	Upper Ganges Sugar P.	6	227	10.24.525	82.931	25	25	..	10	94 1/2	94 1/2	70	
14.00.000A	14.24.740	23.74.426	10.72.924	Upper India Sugar	4	302	16.80.986	86.393	15	20	..	100AC 12 1/2 BC	28 1/2	28 1/2	15	
MISCELLANEOUS																
8.00.000	2.20.232	1.56.200	9.53.526 1/2	A Firpo (Restaurateurs)	10	85	84.518	4.475	..	..	..	10	4 1/2	4 1/2	7 1/2	
1.40.00.000	1.40.80.594	62.17.715	51.361	Air India Ltd	12	269	—6.02.785	—14.30.401	..	..	..	100	..	..	..	
2.30.30.000	2.58.39.656	68.01.534	50.022	Air India International Ltd.	12	322	—10.51.340	30.205	..	..	..	100	..	..	..	
47.50.3000	1.31.03.534	15.00.000	5.97.941	Aluminium Corp. P.	3	132	12.82.024	32.582	Nil	Nil	..	100	11 1/2	11 1/2	7 1/2	
2.50.000D	42.38.502	14.50.000	54.97.530	Anderson Wright, Ltd. P.	12	1	—89.042	18.284	7 1/2	Nil	..	10	11 1/2	11 1/2	11 1/2	
30.00.000	10.11.675	37.63.779	14.41.315	Angelo Bros.	4	268	11.84.131	3.43.961	12 1/2	20	..	10	24 1/2	24 1/2	23 1/2	
30.30.000	17.54.434	27.68.265	5.49.634	Assam Match	12	274	8.35.902	1.18.395	12 1/2	..	..	10	20 1/2	20 1/2	19 1/2	
13.39.998	21.25.615	28.30.285	64.182	Assam Saw Mills & Timber	3	21	—97.045	—514.537	Nil	Nil	..	3	4 1/2	4 1/2	5	
20.00.000	61.61.597	23.00.000	61.84.607	Associated Hotels of India P.	3	204	8.82.993	32.683	2	4	..	10	10 1/2	10 1/2	5	
80.01.400	33.50.000	1.09.53.000	1.12.08.422	Balmer Lawrie & Co.	12	304	32.12.152	5.03.129	13	12 1/2	..	100	16 1/2	16 1/2	20 1/2	
12.00.000	2.65.000	8.24.899	1.30.023	Bararee Coke	3-9	128	2.16.123	22.708	7 1/2	7 1/2	..	100	19 1/2	19 1/2	20 1/2	
6.00.000	76.414	Nil	30.72.417 1/2	Benzal Timber Trading P.	4	128	—6.43.164	—1.19.103	..	..	..	100	41	41	41	
50.00.000	19.53.822	Nil	19.59.559	Bharat Airways Ltd.	6	22	—3.19.589	—3.19.229	..	..	..	10	5 1/2	5 1/2	4 1/2	
20.00.000	7.95.434	62.81.006	62.81.006	Birds Investments P.	3	160	5.89.372	1.15.707	12 1/2	12 1/2	..	10	17 1/2	17 1/2	19 1/2	
45.97.020	76.85.085	31.11.814	2.09.476	Britannia Biscuit P.	3	50	8.14.261	1.79.277	10	10	10	10	15 1/2	15 1/2	15 1/2	
22.50.000	13.98.796	43.18.775	3.38.973	British Ceylon Corporation P.	12	6	27.75.295	1.85.955	..	..	..	7 1/2	10 1/2	10 1/2	11 1/2	
3.25.00.000	59.89.738	1.18.60.524	2.50.83.659	British India Corporation P.	12	33	—30.23.938	—27.36.584	11	Nil	..	5	11 1/2	11 1/2	11 1/2	
32.50.000A	2.10.569	5.83.876	1.16.62.849	Calcutta Gas Co (Propr.) Ltd. P.	9	235	6.87.704	22.189	5	6	..	10A	7 1/2	7 1/2	7 1/2	
32.50.000B	5.92.780	2.40.684	1.02.576	Calcutta Silk Manufacturing P.	3-9	213	45.711	22.586	..	..	..	10B	..	..	5	
90.00.000	17.68.710	67.71.168	2.49.58.018	Dhyan Brothers & Co Ltd.	12	169	48.24.539	4.28.066	12	..	..	100	121	121	143	
1.60.00.000	2.94.69.046	4.04.79.333	1.48.29.523	Dipylon Rubber Co (India) P.	12	96	96.72.154	11.71.685	15	15	..	10	29 1/2	29 1/2	36	
51.26.000	64.12.212	1.48.29.523	1.02.21.271 1/2	Eastern Investments Ltd. P.	12	21	12.83.240	3.06.138	9	9	..	100	146	147	172	
75.00.000	13.79.357	4.33.826	1.02.21.271 1/2	F & C Oser (India) Ltd. P.	3	84	—4.26.249	—5.26.954	..	..	..	10	11 1/2	11 1/2	16	
30.00.000	12.88.300	21.97.641	86.55.360 1/2	French Motor Car	3	51	8.97.594	1.26.757	12 1/2	12 1/2	..	20	21	21	20 1/2	
14.00.000	14.92.000	10.02.000	11.384	Ganges Rope	3-9	19	89.571	27.194	7 1/2	7 1/2	..	100	186	186	190 1/2	
2.25.000	4.20.000	1.09.15.328	1.09.15.328	General Investments Trust P.	2-8	21	26.644	8.637	21-24	21-31	3 1/2	..	75	43	43	
60.00.000	34.18.813	42.00.000	1.09.15.328	Gillanders Arbuthnot & Co Ltd P.	3	105	29.71.809	1.51.360	7 1/2	..	..	10	14 1/2	14 1/2	14 1/2	
20.00.000	27.68.049	5.00.324	12.84.357	Gladstone Lysal & Co Ltd P.	12	209	7.02.792	34.255	..	..	..	10	..	..	..	
40.00.000	31.71.333	7.81.000	98.394	Godfrey Phillips (India) Ltd. P.	12	310	19.01.201	11.96.811	10	20	..	10	25 1/2	25 1/2	20 1/2	
30.00.000	32.90.010	17.22.203	6.22.424	Great Eastern Hotel	3	225	5.30.579	16.373	..	..	..	250	250	250	229	
10.00.000	17.38.764	1.61.173	9.221	Hindusthan Ice & Cold Storage	9	..	43.377	24.274	..	..	..	5	11	11	1	
35.20.000	31.95.729	19.00.000	19.72.453	Hoare Miller & Co Ltd.	12	294	—91.339	67.868	Nil	..	..	10	6 1/2	6 1/2	7	
15.16.00.000	7.42.66.399	1.88.86.788	5.50.32.187	Imperial Tobacco	3	325	3.66.59.515	24.94.274	6	8	8	10	15 1/2	15 1/2	15	
1.60.00.000	2.41.97.583	53.33.999	10.13.114	Indian Aluminium Co. Ltd. P.	12	293	28.79.662	14.10.074	Nil	9	..	10	15 1/2	15 1/2	..	
1.52.89.220	98.54.740	1.62.50.000	3.90.322	Indian Cable P.	3	34	77.23.781	28.98.462	10	12 1/2	..	10	30 1/2	34 1/2	32 1/2	
5.00.00.000	22.07.260	2.21.286	11.69.467	Indian National Airways	12	93	36.302	—12.62.971	..	..	..	100	6 1/2	6 1/2	6 1/2	
83.15.0000	1.25.000D	..	..	..	..	..	..	..	..	..	..	100	81	81	51	
8.27.970	7.44.398	5.38.000	17.67.876 1/2	Indian Rubber Manufacturers P.	3	173	1.79.618	32.616	5	5	..	10	18	18	12 1/2	
20.00.000	4.64.735	18.15.487	10.03.705	Indian Wood Products	9	88	17.28.038	2.76.619	27 1/2	30	..	10	44 1/2	47 1/2	44	
5.00.000	2.16.228	12.78.049	Investments and Finance P.	2-8	21	57.450	9.746	21-21	21-31	3 1/2	..	100	65	65	65	
2.40.000	15.362	4.46.244	3.20.757	Ivan Jones Ltd.	9	194	1.39.321	36.496	..	..	..	2	5 1/2	5 1/2	9 1/2	
5.87.5000	2.23.827	2.97.161	6.66.685	James Wright P.	12	281	62.875	5.299	5	..	..	50	4 1/2	4 1/2	4 1/2	
1.17.50.000D	51.23.900	55.00.000	3.73.43.977	Jardine Henderson Ltd. P.	3	39	41.68.361	4.70.107	7 1/2	..	..	100	95	92	111	
6.34.00.000	3.17.363	6.02.958	3.21.617	Macfarlane & Co.	3	133	—14.078	—4.849	..	..	..	10	3	3	2 1/2	
66.30.000D	31.37.363	6.02.958	3.21.617	Macfarlane & Co.	3	133	—14.078	—4.849	..	..	..	10	3	3	2 1/2	
1.50.00.000	89.50.000	63.33.428	2.57.13.417	Macneill & Barry Ltd. P.	3	334	52.06.340	6.31.124	7 1/2	7 1/2	11	100	..	..	..	
1.37.53.000	36.41.510	64.56.063	1.85.74.341	Martin Burn Ltd. P.	9	309	71.18.708	2.03.456	12 1/2	18 1/2	..	10	24 1/2	24 1/2	26 1/2	
40.00.000	37.19.459	72.01.900	2.34.00.554	McLeod & Co. P.	12	282	25.04.502	1.87.834	13	..	..	1000	240	240	240	
5.00.00.000	1.10.37.201	69.74.249	7.33.589	Metal Box Co. of India Ltd. P.	3	167	62.82.608	16.24.249	10	12 1/2	16 1/2	10	28 1/2	28 1/2	23 1/2	
20.00.000	19.89.407	74.12.035	11.31.121	National Insulated Cable P.	3	1	30.26.600	2.22.282	10	..	..	10	25 1/2	15 1/5		

BOMBAY MISCELLANEOUS COMPANIES

O P o F D d G and R indicate Ordinary Preferred Ordinary Founders' Deferred Guarantee and Rebate Shares respectively P. next to the names of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Cash & Securities	NAMES	Accounts Closed	Managing Agent	Net Profit/Including Taxation	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	30-10-56	23-10-56	01-11-56
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954	1955	1956	Rs.	Rs.	Rs.
CEMENT														
12,67,59,333	16,16,27,689	5,15,51,096	3,90,26,918	Associated Cement	7	53	4,71,77,960	5,62,770	8 1/2	10	..	100	194	194
ELECTRIC LG POWER														
6,99,95,600	11,08,94,307	69,91,218	20,82,140	Ahmedabad Electricity	9	146	35,75,580	188	6 1/2	5	..	100	94 1/2	93 1/2
2,92,23,500	4,18,62,358	52,34,507	65,30,599	Andhra Valley Power Supply P	6	267	46,19,171	25,735	7 1/2	7 1/2	..	1,000	1,207 1/2	1,238 1/2
1,74,99,700	2,14,85,122	39,32,48	5,79,334	Bombay Suburban Elec Sup	3	146	19,21,739	45	7	7	..	100	110 1/2	110 1/2
38,08,200	17,49,053	4,75,323	14,97,597	Poona Electric Supply P	12	229	3,86,015	..	..	..	..	100	146	146
2,34,45,222	1,37,65,356	63,82,045	58,39,874	Tata Hydro Elec Power sup P	6	267	37,75,587	21,171	7 1/2	7 1/2	..	100	126 1/2	131
5,02,76,750	3,98,37,405	1,41,56,578	1,29,22,549	Tata Power P.	6	267	77,32,961	27,952	7 1/2	7 1/2	..	1,000	1,265	1,318 1/2
ENGINEERING & METAL														
33,42,200	17,06,292	44,16,374	1,54,08,311	Alcock Asdown	12	268	8,79,666	1,35,820	12 1/2	..	..	100	331 1/2	330
6,00,000	29,341	4,43,904	59,338	East Engineering	3	115	62,291	1,598	15	5	5	50	96	96
40,00,000	11,26,513	16,00,000	9,74,664	Larsen & Toubro P	3	351	14,60,736	28,740	10	10	10	100	19	19
40,95,100	81,25,753	2,02,500	49,335	Machinery Mfgs Corp Ltd P	3	330	2,02,006	64,576	..	..	..	100	96 1/2	96 1/2
1,10,00,000	15,00,977	16,66,194	7,06,290	McKenzie	7	283	1,49,085	64,958	..	..	..	300	207 1/2	205 1/2
2,50,000	5,834	1,00,53,052	1,79,52,047	Premier Construction P	12	284	3,35,178	59,102	25 5/6	28 1/3	..	31 1/2	169 1/2	168
1,31,250	4,80,59,980	26,78,952	44,49,499	Tata Locomotive & Eng P.	3	69	3,303	90,350	..	..	..	100	169 1/2	168
4,18,72,400	32,44,07,755	16,63,05,536	12,34,83,510	Tata Iron & Steel P.	3	269	9,26,44,872	4,04,945	14	14	14	750	192 1/2	191
INSURANCE COMPANIES														
20,00,000	..	23,84,912	95,96,333	British India General	12	297	4,24,629	1,18,506	..	..	..	10	131	131
8,15,000	..	11,04,84,687	4,95,48,481	Empire of India Life	12	253	..	..	..	..	..	100	675	675
8,46,122	..	36,33,999	16,38,002	Indian Mercantile	12	75	..	1,13,109	..	..	..	20	45 1/2	45 1/2
18,74,940	25,01,134	2,88,61,155	2,61,49,442	Jupiter General P.	12	35	38,351	4,65,316	..	..	..	15	91 1/2	91 1/2
1,06,81,596	..	1,68,51,793	27,25,18,402	New India	12	179	43,38,653	71,250	16 2/3	..	..	15	44 1/2	44 1/2
6,00,000	..	57,83,74,430	53,48,53,422	Oriental Life	12	298	..	..	..	..	..	3,650	3,650	3,650
15,99,270	..	29,41,865	59,86,789	Vulcan	12	255	6,05,803	2,81,242	10	..	..	10	15 1/2	15 1/2
MISCELLANEOUS														
90,79,065	31,95,468	3,97,409	12,61,996	Air Service of India	6	336	-15,61,405	-37,22,790	..	..	..	15	..	..
47,97,250	21,34,988	35,75,182	78,39,034	Belapur Sugar	9	42	33,89,000	61,389	..	..	..	50	252 1/2	250
50,00,000	2,20,64,302	4,12,86,132	2,67,27,639	Bombay Burmah Trading	5	285	47,93,172	61,990	16	21	..	125	727 1/2	731 1/2
42,00,000	..	..	..	Bombay Steam Navigation P	6	286	4,54,215	30,135	..	..	..	25	265	267 1/2
45,00,000	1,21,04,052	1,14,431	1,14,431	Industrial Investment Trust	12	239	5,81,909	2,33,136	4	4 1/2	..	100	72	72
99,99,250	3,088	19,47,384	1,28,00,992	Kemp (Chemists)	3	47	68,232	16,942	6	..	..	200	215	215
11,99,900	13,82,957	7,34,142	..	National Rayon Corp	12	352	63,19,604	3,72,076	10	..	..	100	215 1/2	213 1/2
1,57,71,400	3,74,36,175	1,91,13,447	1,10,16,357	Scindia Steam Navigation	12	198	32,72,555	22,72,555	2 1/2	2 1/2	..	20	19 1/2	19 1/2
9,39,98,069	18,36,63,412	12,46,61,677	11,27,080	Shivrajpur Synd (Manganese)	11	146	35,49,050	21,361	80	80	..	10	86	86
1,00,000	27,45,057	37,30,000	..	Tata Chemicals P.	3	269	13,55,026	57,597	..	..	..	10	201	201
1,39,95,990	1,95,71,944	13,51,214	22,83,813	Tata Oil P.	6	269	3,00,461	11,453	9	8	12	25	52 1/2	52 1/2
70,07,477	75,25,791	34,08,586	1,50,49,201	Western India Match	12	274	74,35,221	5,61,384	11	11	..	100	178 1/2	175

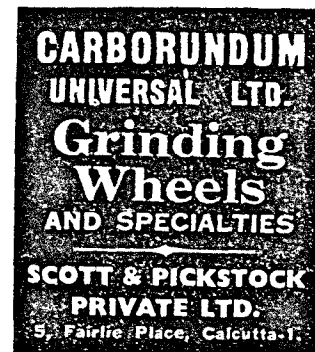
*1956 †Liquid Assets

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Block Account	Reserve & other Funds	NAMES	Accounts Closed	Managing Agent	Net Earnings	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	31-10-56	24-10-56	1-11-56
Rs.	Rs.	Rs.				Rs.	Rs.	1955	1954	1956	Rs.	Rs.	Rs.
CALCUTTA													
17,24,000	20,62,356	2,00,804	Ahmedpur Kutwa S.S.G.	3	165	-29,367	..	2 1/2	2 1/2	2 1/2	100	60	60
21,39,300	33,40,889	6,90,702	Arrah Sasaram D B G	3-9	32	2,57,676	33,735	3-3	3-3	3-3	100	71 1/2	71 1/2
34,00,000	41,30,202	5,11,549	Bankura Damodar River S.S.G.	3	165	46,607	..	2 1/2	2 1/2	2 1/2	100	59	59
19,00,000	29,09,643	4,91,171	Daraset Basirhat D.B.G.	3-9	331	18,844	1,18,863	..	..	..	100	10	10
17,80,000	21,78,786	2,20,877	Burdwan Cutwa S.S.G.	3	165	78,839	..	2 1/2	2 1/2	2 1/2	100	58 1/2	59
31,00,000	35,48,011	..	Chaparmukh Silghat S.S.G.	3-9	32	62,834	10,849	1-29	1-11	1-11	100	52 1/2	53 1/2
4,75,000	3,20,040	4,75,306	Cherra Chhatra Ropeway	3	30	7,071	9,917	12 1/2	12 1/2	12 1/2	100	7 1/2	7 1/2
2,47,650	2,75,015	65,326	Darjeeling Ropeway	3	101	18,097	4,549	11	2 1/2	2 1/2	100	7 1/2	7 1/2
22,50,000	62,20,813	13,32,500	Jehri-Rohtas	3	335	6,42,311	37,814	6 1/2	7 1/2	10-12 1/2	100	13 1/2	13 1/2
11,49,700	20,10,843	1,68,143	Putrabal Islampur S.S.G.	3-9	32	-33,015	5,917	98-98	99-1	1-1	100	63 1/2	64
16,00,000	50,82,188	17,87,954	Howrah Amta D.R.G. (P)	3-9	32	1,18,351	90,009	3-3	3-3	3-3	100	62 1/2	70
6,00,000	13,87,138	4,43,410	Howrah Sheekhah D.B.G.	3-9	32	28,627	20,122	3-3	3-3	3-3	100	65	65
19,50,000	27,95,689	2,47,135	Kalighat Falta S.S.G.	3	165	-1,99,472	..	2 1/2	2 1/2	2 1/2	100	60 1/2	59
6,91,100	15,16,175	10,551	Katakhal-Lala Bazar S.S.G.	3	165	31,257	..	4 1/2	5	..	100	75	75
15,00,000	62,56,929	28,77,041	Shandara Delhi Saharanpur	3-9	32	6,26,073	17,25,546	6-6	6-6	6-6	100	129 1/2	129 1/2
1,75,000	5,41,779	2,04,841	Tezpore Balipara Tramway P	3-9	165	-43,574	5,944	..	..	..	100	..	..

Managing Agents, Managing Directors and Secretaries with their Respective Address.—(Contd.)

320. F. W. J. Penn—United Breweries Ltd., Bangalore-1.	329. Sri G. D. Bhagat—15, Shib Thakur Lane, Calcutta.	339. M. G. Investment Corp., Ltd.—127, Mahatma Gandhi Road, Fort, Bombay.	348. Sahu Jain, Ltd.—11, Clive Row, Calcutta.
321. P. O. Williams—14, Old Court House St., Calcutta.	330. Mahindra & Mahindra, Ltd.—Gateway Building, Apollo Bunder, Bombay.	340. K. O. Cheryan—Travancore.	349. Chandmull Batia—7, Canning Street, Calcutta.
322. Messrs. Tata Sons Ltd.—New India Assurance Buildings, Mahatma Gandhi Rd., Fort, Bombay-1.	331. N. L. Roy & Sons—Canning St., Calcutta.	341. James Finlay & Co., Ltd.—2, Netaji Subhas Road, Calcutta.	350. K. E. Agarwal—Empire House, Hornby Road, Fort, Bombay.
323. Anderson Wright & Co.—7, Wellesley Place, Calcutta.	332. M. Pasupati—21, Ravelin Street, Fort, Bombay.	342. U. N. Chatterjee—2, Royal Exchange Place, Calcutta.	351. E. & P. (Management), Ltd.—J. K. Building, Douglal Road, Ballard Estate, Bombay.
324. Rathgale & Co.—17/19, Old Court House St., Calcutta.	333. Jalspuria Bros., Ltd.—33, Netaji Subhas Road, Calcutta.	343. Eastern Smelting & Refining Co., Ltd.—10, Clive Row, Calcutta.	352. C. G. Mahant—Ewart House, Bruce Street, Fort, Bombay.
325. John Rutherford Blake—Virginia House, 37, Chowringhee, Calcutta.	334. P. Latimer—2, Fairlie Place, Calcutta.	344. V. J. Pilani—Victoria Bunder, Colaba.	353. N. K. Bhargava—14, Netaji Subhas Road, Calcutta.
326. Berwala Bros.—53, Netaji Subhas Rd., Calcutta.	335. Sahu Jain Ltd.—Dalmianagar, Tulsidas Kilachand—Scindia House, Douglal Road, Bombay.	345. The National Tea Corporation—130, Cotton Street, Calcutta.	354. C. C. Kanol—P-8, Mission Row Extension, Calcutta.
327. Marwar Textiles (Agency), Ltd.—Waudby Road, Fort, Bombay-1.	336. Berwala & Co.—53, Netaji Subhas Road, Calcutta.	346. Seshasayee Brothers (Travancore), Ltd.—Elloor Factory, Alwaye.	355. G. G. Robertson—16, Strand Road, Calcutta.
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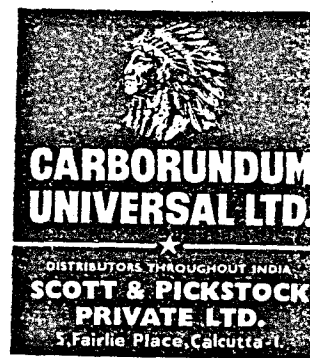
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THE THREAT TO WORLD PEACE

A NEW OPPORTUNITY FOR THE U.N.

THE world has felt the hot breath of war in the past ten days. It has not been a pleasant experience and that may account for the confused thinking which has been going on about events which require dispassionate analysis, and for the over-hasty conclusions which are being drawn from them. It certainly explains the unprecedented expression of popular emotion in almost every country of the world against those who have broken the peace. A small and independent Arab nation has been attacked by its even smaller neighbour on the plea of anticipating aggression and two great powers have intervened, ostensibly to separate the contestants and safeguard their own and the world's interests in an object of international importance—the Suez Canal. Before following popular opinion into the simple-minded trap of condemning aggressors the first to open fire, it will serve the interests of clear thinking, and therefore a sensible and lasting solution, if the background to the affair is examined and some idea is formulated of what the world really wants the outcome to be. It will not help towards world peace to howl for a return to the status quo any more than it will for the United Nations to exonerate themselves from the real blame for the whole thing.

The reasons for Israel's attack on Egypt are clear enough. A small and weak State, completely surrounded on its land frontiers by avowedly hostile neighbours, must either have powerful friends or international guarantees if it is to survive. Israel has no friends. The patron of its independence, the United States, has recently interpreted its duty to its protégé as the propitiation of the Arab States with arms shipments; support from this source has been limited to the financial, and on private account. Britain's traditional rôle as protector and arbiter to the Arab countries, together with her own vital interest in the Suez Canal, has led her to ignore Israel's legitimate claims and turn a blind eye to the innumerable pin-pricks which that State has had to endure. The supporter of Jewish nationalism when there was mischief to be made out of it, the Soviet Union, has lately turned to other and more fruitful opportunities for stirring up trouble. Most regrettable of all, the self-appointed champions of freedom and independence for small nations, the "neutralists", have preferred to let their hatred of colonialism stand in the way of their friendship and support for the one party which needs it most. It is not surprising therefore that the world's attitude towards Israel, as expressed through the United Nations, should be indecisive, selfish, cowardly and lazy. Apart from pious resolutions and the maintenance of an undermined truce commission on the disputed frontiers, the U.N. has done nothing to guarantee Israel against her justifiable fears of aggression from countries which are technically at war with her, which are still smarting from earlier military defeats and whose Governments are unashamed in their promises to wipe Israel off the map as soon as they can secure the arms and muster the unity to do so. Under such circumstances as these, and with the growing fear that the Suez Canal issue would be settled without reference to Israel's rightful claims for its free use and that the unity of command between Egypt, Jordan and Syria was at hand, it is scarcely surprising that Israel should decide to take the law into her own hands. The Jews' own record is not an unblemished one, and it can be claimed that there is no excuse for resort to force on any occasion, however desperate. But the fact remains that Israel has only done what she considers to be necessary for her continued existence as a nation; if she has had to disturb the peace in the process, it might correctly be said that the world has only itself to blame.

Among the many unfortunate results of Israel's action is that it has given the real fly in the Middle Eastern ointment, President Nasser, and his mischief-making patron, the Soviet Union, the opportunity to enlist the open support not only of the self-interested parties to the dispute, but of peace-

loving popular opinion throughout the world. The extent to which a military dictator who differs only in the amount of strength he is able to command from those two exponents of armed aggression and individual subjugation, Hitler and Mussolini, has been able to enlist world opinion to his side, can only be explained by an all-pervading desire for peace at any price. The fact that it was this same wish which provided the philosophical basis for the disastrous policy of appeasement, and therefore led directly to the second world war, appears to have been lost sight of completely. Even the British public, whose memory of the damage that was done through fear of taking action, indifference to the legitimate interests of weak States and the willingness to accept the word of dictators, should be more vivid than most, appears to have forgotten the true lessons of the 'thirties. These are, that a dictator once set on the road to national self-assertion cannot turn back without losing his power and that a small preventive action undertaken in time can save a large and catastrophic one later. If the intervention of Britain and France has been undertaken with these lessons in mind, then the world will eventually owe them its gratitude. The fact that it has shown no sign of doing that yet, need not discourage the two great powers, history will be their vindicator.

What are the true motives of Britain and France is not yet clear. The world has a right to its suspicions. The exasperation about the seizure of the Suez Canal was plain enough to see and so was the tendency early in the dispute to seek a conclusion by force. There is no denying that Israel's attack provided a heaven-sent opportunity for cutting free from the frustrations of a negotiated settlement and disposing of the Nasser menace into the bargain. It is even reasonable to suspect collusion. In the middle of the Twentieth Century, these constitute dishonourable motives, although the ends sought may benefit the world at large as much as they are calculated to benefit the interests of the powers concerned. Sir Anthony Eden has denied that the actions of Britain and France have been moved by any such feelings. He claims that the two have acted in a way similar to that chosen by the United States in going to the aid of South Korea, that their desire is merely to separate the contestants and guarantee the security of the Suez Canal.

policies of ambitious socialists in the opulent West. As Mr. Santhanam himself was obliged to admit, "in a poor country like India, the burden of taxation cannot be as heavy as in richer countries." That being so, there can hardly be much practical purpose in glancing enviously at foreign Governments which are in a position to soak up larger proportions of their people's incomes.

There are two salient points which need to be borne in mind in discussing India's taxation policies for the future. The first is the Government's apparent determination to raise the financial resources it considers necessary for implementing the second five year plan—a determination which may have been redirected towards increased taxation and borrowing as the serious inflationary dangers of deficit financing have become evident in recent months. The second is the clear need to avoid damaging the incentives to greater personal and collective effort on which the progress of a free society depends. At the Press conference, Mr. Santhanam seemed to be preoccupied almost exclusively with the first of these considerations. He ignored the second, and in doing so was perhaps merely following the fashion advocated by Dr. John Matthai, who stated some time ago that the effects of monetary rewards on individual effort were often greatly exaggerated. It would be unfortunate, however, if this fashion were to spread, for the two requirements are not wholly opposed. The form of taxation which at present most seriously undermines incentives is the direct one; there is still a considerable field open for indirect taxation, especially in the agricultural sector, which has not been properly exploited. If the country's first need is greater investment in economic expansion, it is important to bear in mind that such investment as there is comes mainly from that section of the people on whom direct taxation falls most heavily. As such, to a large extent it involves merely the transfer of resources from private to public investment. If new resources are to be found, the taxation net will need to be cast over a far wider section of the population. For cheapness, and administrative convenience, this can best be done by extending the range and increasing the impact of indirect taxation. In this way, it is possible to secure, for productive investment a large part of the resources which normally disappear into boards or which are devoted to wasteful expenditure.

Mr. Santhanam subscribed to a common fallacy when he asserted that "it is not possible to take steps to increase the national income without simultaneously raising the level of taxation." The fallacy is based on the erroneous assumption that unless the Government mulcts the people of their money by taxing them, and then invests the money itself, it will simply go to waste. The record of the private sector, not only in India but in a much more spectacular way in West Germany, disproves this assumption. It is true that money will not be invested if economic enterprise is straitjacketed by irrational government regulations, if returns are limited, and if risk-taking is regarded as morally deplorable. The encouragements and discouragements are part of the general social climate on which official policies have a strong influence; the Indian Government's have not been particularly helpful in recent years, but the domestic investor has shown no inclination yet to decline the challenge which may come his way in a freer and more fruitful economy.

EFFECTS OF FREER EUROPEAN TRADE ON U.K. ECONOMY ADJUSTMENTS WILL BE PAINFUL.

BRITISH ideas on the European common market are taking more formal shape, both in the Government and in such bodies as the Federation of British Industries. But the favourable response of what appears to be the majority opinion has aroused vigorous opposition among the minority, and it is clear that if the scheme, in some form, is eventually approved there will be numerous demands for special exemption from the lowering—and finally elimination—of intra-European tariffs. These demands will be based on a precedent, the exemption of agricultural and horticultural produce; for Britain, like many other countries, protects her own food-producers no matter what policy she follows for other trade, and Britain, particularly, needs scope to grant preferential treatment to other food-producers of the Commonwealth. The British Government, and the country's industrial and trading associations, must decide whether they favour the principle of free trade with Europe in manufactured goods, and, if so, whether they are willing to accept its practical implications. It is futile to accept the principle and then allow exceptions whenever an industry sees its interests threatened. The plan is not worth serious consideration unless it "threatens" some industries, for more foreign goods must enter each country if more domestic goods are to be exported from each.

There are various methods of estimating the likely effects of the scheme on British trade, but

none of them can be accurate in detail. Obviously, those industries which have been most successful in export trade in recent years, thereby proving that they can compete abroad, can expect further expansion if Europe's internal tariffs are removed, and those which have declined even while protected must expect to suffer more without protection. But experience in the present circumstances is only an approximate guide to experience in the new circumstances, for tariffs are not all level and the elimination of some will be more effective than the elimination of others. If we define the expanding export industries as those whose exports have increased more than the average and the contracting ones as those whose exports have increased less than the average we find that the engineering groups (machinery, electrical equipment, vehicles, ships, and aircraft) and the chemical industry have expanded notably, while the textile industries have contracted seriously, since the pre-war era. (However, by comparison with 1951 the vehicle group—in its broad sense—diminished last year, while in 1951, compared with 1938, the wool industry had expanded.) Some lighter products involving big and costly equipment, such as paper (but not synthetic fibres), have also made good progress in recent years, and numerous manufactures, such as toys and food products, have sold well abroad. But in the broad sense the heavier metal-based goods are evidently the most dynamic element in Britain's export trade, while lighter "soft" goods have declined to an inferior position.

This is not, however, necessarily the pattern of development that will result if Britain is associated with a free-trade Europe. Some British import duties are high—for instance, 33-1/3 percent on

Contents

Durgapur Steel Works Contract ..	623
Taxes to Come ..	609
Cashew Industry Disputes ..	630
Chinese Agricultural Delegation ..	625
U. K. Reaction to Middle East Crisis ..	624
U. K. Capital Growth ..	614
Labour-Management Co-operation ..	628
Aircraft of Tomorrow ..	629
Without Prejudice 612 Jute ..	627
Ditcher's Diary 613 Engineering ..	629
City Cable 616 Plantation Topics ..	630
Money 617 Commodity Markets ..	630
Stocks and Shares 619 Calcutta Markets ..	631

motor-cars, 50 percent on cameras; and purchase-tax applicable to many consumer-goods, irrespective of their origin, is charged as a percentage of total value, including import-duty. Thus, in the metal-based category, European cars would be much more favourably priced in the British market if the import-duty were removed. On the other hand, in the "soft" category, Britain's higher-quality textiles—especially wool fabrics—could probably expand their sales in Europe substantially if import duties were removed. As it is a principle of the plan that the more efficient producers shall expand their sales in the territory of the less efficient producers the weaker firms in Britain's weaker industries would necessarily (and the weaker ones in the stronger industries would probably) be absorbed or eliminated in due time. This is a natural process of adjustment, however painful to those concerned. A general inability to compete would be a very different matter. It would quickly result in a substantial surplus of imports over exports, and devaluation of the currency would logically follow, unless corrective action were taken promptly. It is suggested that France (certainly not one of the strongest advocates of the free-trade plan) faces such a dilemma; but not Britain. Britain has this year stabilised her share of world trade, which had been diminishing, and she might well increase her share of European trade if competition (which is essentially deflationary) compelled her manufacturers and traders to exert themselves a little more.

In finance, Britain would almost certainly gain from liberalisation of European trade—assuming that she were associated with the movement. London has, indeed, strong competitors in such financial centres as Amsterdam, but her bankers are confident that expansion of European trade would bring more financial business (including insurance) to London. This tendency would develop more strongly when the economies of production and marketing on a larger scale in Europe as a whole enabled the European countries—not only Britain—to accumulate more capital; for some of this capital would certainly be invested in the non-European sterling area, mainly, no doubt, through London. It is foolish to pretend that Britain's own relations with the other countries of the Commonwealth would be unaffected by such a momentous change in international trade. Britain

would be primarily an European country, only secondarily a Commonwealth country. The existing system of tariffs is, however, obsolete. Britain was predominantly a free-trade country until a protective policy was adopted in 1932. The Ottawa Agreements, complementary to and qualifying the Import Duties Act of that year, allowed Commonwealth products to enter the country without duty or at preferential rates. But the idea embodied in those agreements, that Britain was the manufacturer and the other countries were the primary-producers of the Commonwealth, is no longer tenable. Britain is jealously protecting her agriculture, and the other countries are proudly developing their industries. The Commonwealth itself is not a free-trade area.

CURRENT COIN

Dalmia Cement Rights Issue.—Dalmia Cement (Bharat) Ltd., proposes to make a rights issue of ordinary and preference shares in order to raise capital to expand further the Dalmiapuram cement works in Madras State. One part of the issue consists of 356,250 preference shares of Rs. 10 each, which will be offered at par to holders of preference shares of Rs. 40 each, in the ratio of six preference shares of Rs. 10 for each preference share of Rs. 40. The other part consists of 3,180,000 ordinary shares of Rs. 2-8 each, which will be offered at par to holders of ordinary shares of Rs. 2-8 each, in the ratio of three to one. The new shares will participate in dividends declared for the accounting year 1957. The preference shares will earn a cumulative tax-free dividend of 6 percent per annum. But if the ordinary dividend is above 10 percent, they will earn 7 percent. In the event of still higher ordinary dividends, the preference dividends can rise to a ceiling of 9 percent.

Bright Outlook for General Assurance.—Speaking from the chair at the 49th annual general meeting of the General Assurance Society (extracts from which are published elsewhere in this issue of Capital), Mr. B. L. Jalan reported that a dividend of 6 percent had been recommended. Although the Society lost its life insurance business last January, Mr. Jalan was able to report progress in the other branches of its activity and expressed his confidence in the overall prospects for the future. The profit for the year, which net figure now stands at Rs. 95,646, was depleted by Rs. 2,64,530 when the Pakistani rupee was devalued last year. Mr. Jalan referred to the deterioration in the international situation and the economic trials which India has to face in the first few months of the second five year plan. The tendency to seek relief from economic difficulties and rising prices in a reconstruction of the war-time control measures was deprecated by Mr. Jalan. Such controls, he pointed out, "not only do not check prices, but are notorious for creating artificial scarcities and other complications". The drift towards measures of this kind, he maintained, indicated the philosophy which guides the Government's economic policy and which has already led to the nationalisation of the Imperial Bank and life insurance companies, the reconstruction of the Company Law, and last April's Industrial Policy Resolution. Mr. Jalan mentioned the inadequacy of any excuse the Government might make for nationalisation based on alleged malpractices and misappropriation of funds. He pointed out that of the 165 insurers nationalised, subsequent investigation had revealed misappropriation of funds in the case of only three or four. There is reason, he added, "to believe that, except in one case, misappropriation may have been resorted to after the act of nationalisation". The only real source of malpractices in the industry, Mr. Jalan maintained, was the fierce internal competition. There have been attempts to check this evil by limits on commission, but this had given rise to rebating. Mr. Jalan maintained that the real motive behind the Government's nationalisation was an ideological one. In general insurance, the main problem, Mr. Jalan said, is that of inter-ine competition. Owing to tariff rates, he pointed out, it was possible to correct this in the fire and miscellaneous departments, but at present there appears to be no remedy against cut-throat competition and rate cutting in marine insurance. Mr. Jalan asked the Government, if it was contemplating any measure to curb the evils, to take the entire industry into its confidence and seek its advice.

Successes of Free Enterprise.—To the remark Mr. T. T. Krishnamachari, Union Minister for Finance, made in Madras a few days ago that private enterprise has "failed" him, Mr. A. D. Shroff, a leading Indian industrialist replied at length, while addressing last week the Commerce Graduates Association, Bombay. Mr. Shroff's was a very convincing reply, and he was on firm ground in maintaining that India owes its "eightth place in the industrial map of the world" entirely to the efforts of private enterprise. The statistics of its achievements which he provided are indeed impressive. It is a pity that the value of the rôle

that private enterprise can play in a developing economy is being so much under-rated in this country—a fact on which the President of the World Bank recently made some pertinent comments. Mr. Shroff did well to draw attention to the admission of the Government's own Planning Commission that while the public sector showed an investment of only Rs. 57 crores during the first plan, against the allotment of Rs. 90 crores, the private sector accomplished what had been planned for it by investing Rs. 233 crores. This alone, if nothing else, should have justified the assignment of a much bigger rôle to the private sector in the second plan. The Government has not only denied this sector its well-merited share in the planned economic growth, but it appears to have been doing everything possible to scare and squeeze it out of existence. The nationalisation of the airways, the Imperial Bank and life insurance are decisive straws in the wind; the new industrial policy has nothing in it to revive the private investor's confidence. Mr. Shroff dealt adequately with his critics, but he need not have passed such severe judgment on the economic policy under the British rule as he did by saying that it was "indifferent and apathetic and in some cases definitely antagonistic" to the cause of India's industrial progress. The history of India's industrial development also shows that two important factors enabled Indian enterprise to feel its way forward. First, the tariff wall against foreign goods, especially Japanese, which was built to protect nascent Indian industries and secondly, the construction of the vast railway system, developed entirely with British capital, which opened up the country's natural resources to the entrepreneurs of the day.

Aims of Economic Policy.—Mr. K. R. K. Menon, Chairman of the Industrial Finance Corporation, told the annual general meeting of the Indian Council of Economic Affairs in Calcutta last week that the aim of economic policy should be "the greatest good of the greatest number." As a plea, this is unexceptionable—so unexceptionable, perhaps, as to make its reiteration seem almost superfluous in an enlightened, democratic society. Where differences of opinion arise, they centre on the point whether a particular course of action does actually contribute to the fulfilment of the ideal. As Mr. Menon suggested, no hard-and-fast generalisations are permissible on such issues as whether nationalisation in itself is good or bad, or whether prohibition is justifiable. Each case has to be decided according to the conditions and circumstances which exist and which are likely to come into being. One suspects that, despite Mr. Menon's implied assumption to the contrary, this is normally done in intelligent discussion of any sort; when it is not done, the discussion of course ceases to be intelligent, as some party journals have often recently demonstrated in their ideological outpourings. Mr. Menon himself offers signs of a slightly similar tendency when he says that "given a guarantee of just and fair compensation, the nationalisation of certain industrial and commercial undertakings can hardly be called expropriatory or as offending any moral law or juristic concept or economic tenet." He may be right if he argues the virtues of nationalisation on the basis of convenient hypothetical examples backed by convenient theoretical assumptions. But in the light of actual Indian experience, which Mr. Menon presumably has in mind, it would not be easy to assert that nationalisation measures had not offended morality, equity or economic sense. Morally, for instance, it is open to doubt whether the Government has been right in nationalising all life insurance companies simply because it proved incompetent in curing the irregularities of a few; operated in reverse, the process could almost have involved the denationalisation or disbandment of the import control machinery whenever a few of its officers were shown guilty of having taken bribes. The External Affairs Ministry, on similar reasoning, might have been expected to surrender its responsibilities to some *lok sevak sangh* of proven patriotism if its underlings were found selling secrets to foreign embassies. As for the equity of nationalisation measures, evidence of the Government's troubled conscience might perhaps be found in the way it has made compensation non-justifiable by amending the Constitution; those who are sure of their own fairness cannot have reason to fear a judicial verdict. The economic basis for nationalisation varies from industry to industry; in the case of the posts and telegraphs, it may be substantial, but the airlines have yet to show what good their State ownership has done anyway.

Protection in Perspective.—The speech of Mr. K. R. Damle, Chairman of the Indian Tariff Commission, at the recent quarterly general meeting of the Association of Indian Industries, Bombay, provided a statistical perspective on the current importance of the protected industries to the Indian economy. According to the figures given by Mr. Damle, the total investment in these industries may not exceed Rs. 50 crores, and it is unlikely to be much higher. The volume of employment afforded by them is only about 2 percent, at

47,000 workers, of the total factory-employed labour force of 2,600,000. The yield from protective duties was Rs. 11 crores, or only 7 percent of the total import duty revenue of Rs. 141 crores in 1951-52; in 1955-56, the proportion increased to about 8 percent, at Rs. 10 crores, of the total income from this source of Rs. 127 crores. In the years to come, and especially during the second plan, some of the protected industries, such as aluminium, bicycles and electric motors, (these achieved spectacular results during the first plan) will play an increasingly important rôle in the national economy. Mr. Damle mentioned that during the period 1951-56, most of these industries showed a relative price stability. In a number of them however, substantial idle capacities existed, in some cases due to circumstances beyond the control of the industries concerned. The high cost of production in some was often due to such causes as their dependence on imports of certain components and a lack of co-ordination between the producers of components and finished goods. The cycle industry is a case in point and its high cost of production is due precisely to these reasons. The plastics industry is still depending on the import of moulds at high prices, which means that the "infant is yet to grow into an adult." Mr. Damle's advice to the industrialists enjoying advantages of protection was that they should do their best to reduce their cost of production and improve quality, which alone could induce the Indian consumer to patronise Swadeshi products.

"CAPITAL" CHRISTMAS TOY FUND CORRECTION

We regret there was an error in the account of the 1955 collection published last week. The balance of Rs. 1,199-7-3, as shown, should be reduced by the following sums, which were donated later than usual and were thus lost sight of in presenting the account.

Dr Graham's Homes, Kalimpong	Rs. 100
Calcutta Blind School	Rs. 100
St. John's Church	Rs. 25
Supdt., P. G. Blind School	Rs. 15
Salvation Army	Rs. 75
	Rs. 315

The correct balance in 1955 brought forward is thus Rs. 884-7-3.

We acknowledge with thanks the receipt of the following donations to the 1956 fund.

Rs. 100 each	"Anonymous", Blacker & Co. Private Ltd.
Rs. 50 each	J.H.M., Indian Copper Corporation Ltd.
Rs. 20 each	H.C.J., A.W.
Rs. 15	Calcutta Jute Agency Private Ltd.
Rs. 5	H.R.T.

The fund now totals Rs. 1,244-7-3, including a carry-forward of Rs. 884-7-3.

ROAD TO NATURAL RESOURCES

WE gather from the very excellent and readable report of Mr. Grimley on the Chota Nagpore Division that his administration for the last seven years has not been altogether a monotonous one. The construction of the Bengal Nagpore Railway brought the mineral wealth of the country into prominent notice, and caused a rush of applications for prospecting and mining concessions chiefly in respect of gold, copper and iron. This, as Mr. Grimley naively observes, introduced him to an entirely novel sphere of work and enlarged his vocabulary by sundry geological terms and expressions, which he fears were not always understood by those so-called experts from whose tongue they fell so glibly. "To ring out the false, ring in the true," to distinguish between honest prospectors and the plausible land grabber, was a task of considerable delicacy. Another result of the railway was to render accessible large tracts of forests of timber to contractors whose sole object was to clear away all saleable trees regardless of future needs. We are glad to see that this reckless denudation is no longer permitted and that rules for protecting forests have been passed. Mr. Grimley, so far back as 1890, made an enquiry into the system of cool recruitment for labour in tea gardens and submitted proposals to remedy the prevailing abuses, and consequent upon the works of the Labour Enquiry Commission he now hopes to see his proposals brought into operation.

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MEANING OF SOLE ARBITRATION

CLAUSE INVALID AS BEING
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(FROM OUR LEGAL CORRESPONDENT)

HERE is another exercise in English phraseology. It involves the interpretation—indeed any correct interpretation is possible—of a short English sentence. This is it. "All disputes between the parties shall be referred to the sole arbitration of Richard Roe/Thomas Doe." The writer's first impression of the sentence, which may coincide with the reader's, was that it is meaningless gibberish, incapable of being construed in any practical sense with certainty. But bearing in mind that the solution was considered by two courts in India recently, and that the policy of the law is to endeavour to attach a reasonable meaning to a written expression in a legal document by an attempt to gather from the wording the actual intention of the parties as to the meaning of the expression, and that the law is not bound by strict grammar or by rules of correct English construction in trying to attach a reasonable practical meaning to words, sentences and phrases, the writer made another effort and came to tentative conclusions. The first was that the dash, "—", must come out as being senseless and having no meaning. You won't find "—" in any dictionary of abbreviations nor in any book on commercial English. Thus the words will read ".....sole arbi-

tration of Richard Roe Thomas Doe." If there were a third arbitrator, there would now be no difficulty. The names would run "Richard Roe Thomas Doe and John Lee" and the arbitration would be by the three gentlemen sitting together. Unfortunately there are only two names with no conjunction between them. Still Richard Roe Thomas Doe constitute a plural, and, if forced to give a solution to what is almost meaningless, the writer would have said that the word "and" should be implied, and that Messrs. Roe and Doe are joint arbitrators. But the reader had better try his own hand at the answer, for the writer's view (which he nevertheless modestly sticks to) is wrong, so wrong indeed that neither the lower court nor the High Court on appeal even considered it.

The case was an appeal by a company, the Delhi and Finance Housing and Construction Ltd., against an order of the lower court dismissing the company's application under Section 34, Arbitration Act, and refusing to stay proceedings in a suit instituted by Mr. Brij Mohan Shah, respondent. The case of the latter gentleman, who was the plaintiff respondent, was that he and Nand Kishore, respondent 2, entered into a contract with the appellant company for carrying out the electrification scheme in the company's colony known as Rajauri Gardens on the Najafgar Road, Delhi, and deposited Rs. 12,000 with the company as security. The contract, it was said, was terminated by the company in November 1952, and the plaintiff filed a suit for the recovery of Rs. 21,000 on account of the return of his security deposit and also the price of goods supplied and work done. The company applied under Section 34.

Arbitration Act, for stay of the court proceedings, on the ground that the contract between the parties contained a clause for reference of any dispute to arbitration. The application was opposed on several grounds by the plaintiff, all of which were decided in favour of the defendant company, except one, namely, that the arbitration clause in the contract was invalid as being vague and uncertain.

This was the arbitration clause in the contract: "All disputes between the parties to the contract, arising out of or relating to the contract shall, after written notice by either party to the contract to the other of them, be referred to the sole arbitration of the Managing Agents/Technical Director, D. L. F. Housing and Constructions Ltd., New Delhi." The trial court held that this arbitration clause was invalid and unenforceable as being vague and uncertain. The company thereupon appealed to the Punjab High Court in Delhi, where Falslaw J. considered the clause and its meaning in a judgment of considerable interest and importance concerning the law bearing on arbitration, and this is the stage at which the reader, using his commonsense and his knowledge of the English language, its construction and interpretation, is invited to give his opinion as to the meaning of the clause. If, indeed, it has in his opinion any meaning at all.

The tentative view of the writer is completely bowled out by the very first sentence of Falslaw J.'s interpretation. "Since the words 'sole arbitration' are used, it must be assumed that the 'I' which occurs between the names of the two arbitrators means 'or' and that one or the other of them was to be appointed as arbitrator, and the question which arises is whether in the absence of any provisions as to how the choice was to be made between the two arbitrators, the clause is invalid as being vague and uncertain."

While loyally accepting the judicial correctness of this interpretation, one respectfully suggests that it would be violently repudiated by Dr. Johnson, Macaulay, A. P. Herbert or any of the recognised stylists and sticklers for verbal accuracy. It is submitted that what is simply a straight line "I" inserted in an English sentence has no grammatical meaning at all, and to say that it means a word, and a specific word at that, is to assume a great deal. And if we are obliged to assume the insertion of a word at all which in fact is not there, why "or"? Why not "and" or "with"? His lordship relied on the word "sole" in "sole arbitration" as implying one or the other of the two. But surely the word "sole" may connote the plural as well. It means "exclusive", "unaccompanied", and we quite properly talk of A and B as the "sole survivors" of a shipwreck or colliery disaster. In the same way, we may refer to X and Y as "sole arbitrators", meaning that the two of them are to act jointly, unaccompanied by anyone else. And that becomes, it is submitted, the meaning of the clause, if we strike out the "I" as without any significance at all, as we should do.

But this view is incorrect and one abandons it, albeit with considerable reluctance. So back we come to the word "or". On behalf of the company, it was argued that the clause meant either that the Managing Agents should be appointed as arbitrators, or failing them, the Technical Director, or else, that it meant that either of the two arbitrators named was to be selected by agreement between the parties, and that in either event the clause was good. "It seems to me, however," said his lordship, "that the very fact that even the learned counsel for the company could find at least two alternative meanings which could naturally be ascribed to the word clearly shows that some vagueness exists. Indeed, he more or less chose to concentrate on the second of his suggested interpretations, namely, that one or either of the arbitrators named was to be chosen by agreement between the parties and he contended that some such words were implied in the clause. In this connection he relied on the decision in *Indian Hosiery Works v. Bharat Woollen Mills Ltd.* 1953, Cal. 488. There the relevant words of the clause were 'shall be referred to arbitration at Calcutta'; and it was held by Chakravarti, C. J. and Sarkar J. that an arbitration agreement neither specifying the number of arbitrators nor specifying the mode of appointment is perfectly effective and valid, and the incidents of such an agreement are that it is to take effect as an agreement for reference to a sole arbitrator to be appointed by consent of the parties, or where the parties do not concur in making an appointment, to be appointed by the court. It will, however, be seen that that case was totally different and the meaning ascribed to the words in the clause by the learned judges is the perfectly natural meaning, but the case is different where, as in the present case, two arbitrators are named, with an indication that one of them is to be selected, but without any provision as to how the selection is to be made, and I do not find it possible to imply the words in such a clause, that one or either was to be selected by agreement between the parties..... An agreement to refer either to X or to Y is not an agreement (to refer to) a named arbitrator, because it is not certain who the arbitrator is. X does not become the appointed arbitrator because one of the parties makes the reference to him first. The agreement does not authorise one of the parties to appoint either X or Y as arbitrator by making a reference to him."

Agreeing with the finding of the lower court, the High Court held that the arbitration clause was bad as being vague and uncertain.

Delhi and F.H. Construction v. Brij Mohan, 1956, A.I.R. (October), Punjab, 205.

A DITCHER'S DIARY

burst against Britain especially is that opinion in India had long since done her the honour of believing her above such things. But the world can be forgiven for not appreciating these subtle points, and the confusion is reaching the stage where fair-minded opinion is beginning to ask where India stands. It will not only be Mr. Nehru's critics in the British Conservative Party who will benefit if this one-sidedness continues, it will be the forces of confusion, subjugation and aggression the world over.

It will be quite unlike the All India Congress Committee, which meets tomorrow in Calcutta, to concentrate only on the coming general elections, although the thoughts of it must be uppermost in the minds of the managers of the party. Foreign affairs have always received from this body an amount of attention considered excessive by some Congressmen themselves, and on this occasion there are many more subjects to pronounce upon—Israel, Egypt, Britain, France, the United States, and, one hopes, also the Soviet Union and a country called Hungary. It does not follow, however, that firm judgments will be easy to pass; indeed, they are likely to be more difficult than they have been hitherto. The second plan, I find, is on the agenda. I hope it will not be considered in isolation from the subjects relating to foreign affairs, with which the fate of the plan is in fact closely connected. Not the least hopeful development in this country's thinking on international questions in recent months has been the fact that considerations of India's own interests are receiving increasing recognition. Going by speculation in the daily Press, I think it a safe prophecy that the election manifesto now being drafted by a special committee will be a very comprehensive one. It is good to know that it may also be "specific" on certain points, for, although the party's previous manifestos have never lacked in comprehensiveness, there have been, on occasion, complaints on the score of clarity. The rôle of the private sector, I gather, will be defined with greater precision; it could certainly do with a little of that.

Oil being very much in the news, there is a certain topicality in the brochure called *The Oilfields of Britain*, recently issued by the British Petroleum Company Ltd. (late Anglo-Iranian Oil). It is an account of the search for indigenous petroleum in the United Kingdom. Until the 1914-18 war, not much was done by way of exploration, though it had been known from 1850 that there was a possibility of oilfields occurring in certain parts of England and Scotland. During the first world war a serious search was made, but the results were not very encouraging, either geologically or financially. Between the wars interest ebbed and flowed, even if the oil did not. Some shale oil has, of course, for long been worked in the Lothians by Scottish Oils Ltd., a subsidiary of British Petroleum and, in addition to B.P., Imperial Chemicals and Fisons have, for their own purposes, done a certain amount of experimental drilling over various parts of the country in the last twenty years. Indeed, their tests have ranged optimistically from Lancashire to the Isle of Wight, but so far with no great success except, of course, that these prospecting areas have served as very good training grounds for technical personnel who will eventually operate overseas. The conclusion of the B.P. booklet is that "while it looks unlikely that Britain will ever be a major oil-producing country,

there is a real possibility of further development in British petroleum production on a limited scale." Though indigenous production cannot be more than a drop in the bucket of the millions of pounds which Britain spends annually on imported crude, I searched in vain for any cash valuation of local output. All I could glean on this point related to the years of the second world war, of which it says: "The delivery of some 300,000 tons of native oil has been a notable contribution to the war effort, but the by-product of knowledge gained of carboniferous rocks under and about the edges of the coalfields was not less vital to the nation".

I referred last week to *The Manchester Guardian* as the "world's most honoured newspaper". If that is true—and I consider it no exaggeration—then the man who has been responsible, more than any other, for its transformation to that exalted position is surely entitled to be proclaimed the world's most honoured journalist. Alfred Powell Wadsworth had a solid foundation on which to work; the *Guardian* of C. P. Scott was no mere provincial rag. It has always been a solid newspaper with the seed of an international philosophy of liberal rationalism between its pages. But the world-wide reputation it has acquired in the last few years has been the outstanding achievement of a quiet man who, to my memory, once refused to address a students' society because, as he put it, "I am really no good at expressing myself in public". Wadsworth was expressing himself before a public spread throughout five continents—possibly six—when ill health forced him to resign the active editorship of the *Guardian* eight days ago. Five days after that he was dead; a swift end to a brilliant personality whose beneficial influence might have guided his newspaper for many years to come. Wadsworth was a Lancashire man and inherited the liberal outlook traditional of his country. He lived to see that liberalism, as expressed through the leading articles of the *Guardian*, become a power in the world. His successor is a Scot, a Mr. Alastair Hetherington, whose youth is matched only by the impressive weight of his new responsibilities. One can only wish him well in a most exacting task. At no time more than the present is the *Guardian* in the public eye with its uncompromising opposition to the Franco-British action in Egypt. Such a stand, against what it honestly considers to be an example of spiteful aggression, is in the finest traditions of British journalism and its leading articles on the subject are a vindication of the Anglo-Saxon tradition of free discussion. If they have sometimes been mistaken abroad as evidence that enlightened opinion in Britain can no longer be counted on to remain loyal to the country's elected Government in times of national crisis, then that is no doubt a price worth paying for the benefits of an unfettered Press. Perhaps the *Guardian's* stand would not have been so misleading had it refrained from issuing through its leader columns an implicit invitation to the British forces to mutiny and from seeking to increase the confusion in the public mind both in Britain and abroad by calling for a referendum to unseat the Government at the height of the crisis. Such misunderstandings about the true purpose of a newspaper are blemishes on the *Guardian's* record of responsible as well as courageous comment which will no doubt be erased as soon as Mr. Hetherington settles into his new chair and comes to realise the authority and influence which the *Guardian's* words have in the great world outside Cross Street.

THE DITCHER.

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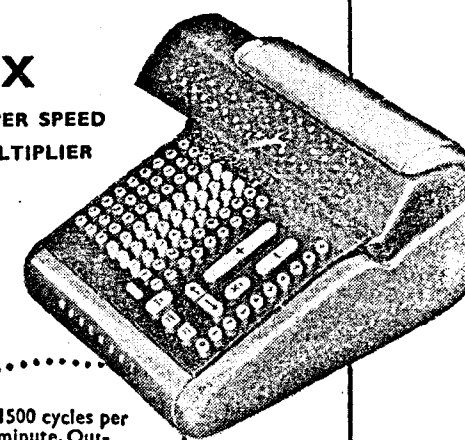
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CAPITAL GROWTH IN U.K. AND W. GERMANY

PROBLEM OF AVOIDING INFLATION

IT was by a fortunate coincidence that the Bank Deutscher Lander published estimates of capital investment in Western Germany at the same time as the British Government published approximately comparable estimates in its analysis of the nation's income and expenditure. We can see both similarities and disparities between these two international trading nations. The fact that emerges most clearly from the comparison is that both nations have been "investing in the future" on a large scale. But investment presupposes saving, and in this respect there are important differences. Partly for this reason, no doubt, Western Germany's investment was relatively greater last year than Britain's; but the difference was mostly in construction of dwellings, which is not—or not directly—productive.

Western Germany's net investment in equipment and building increased last year, compared with 1954, from Dm.19.5 billion to Dm.25.1 billion—about 28 per cent. Britain's net investment in equipment and building increased (in terms of value at 1948 prices) from £227 million to £212 million—little more than 10 per cent. The figures are not, of course, precisely comparable, but they show an undeniable disparity. But in Britain's case there was a marked increase in investment in

plant and machinery (from £278 million to £338 million) and in new building other than housing (from £222 million to £283 million) and an appreciable decrease in the value of dwellings constructed (from £327 million to £291 million). Excluding dwellings (and also vehicles, ships, and aircraft), Britain's net fixed investment increased about 24 per cent last year. This increase in fixed investment has been a potent cause of inflation in both countries. In Britain, moreover, though not in Western Germany, there was substantial additional investment in stocks of goods and work in progress, but the essential factor in both countries was the increase in fixed assets.

The savings made available to finance this expansion varied remarkably between the two countries. In Western Germany, according to the Bank Deutscher Lander, the retained profits of companies increased nearly one-third to some Dm.12 billion and covered about 40 per cent of net investment in fixed and monetary assets, the balance being provided by issuing securities or by borrowing. In Britain, on the other hand, the "net balance" of companies diminished from approximately £490 million to approximately £130 million. Yet it was still—admittedly, with the aid of insurance, banking and other financial institutions—a credit balance. In other words, British industry was no longer a larger lender to other sectors of the economy, but it was still able, on balance, to pay for its own capital investment. Estimates of personal saving in either country are somewhat vague, but it appears from the latest assessments—and the revelation may surprise some observers—that the increase in incomes, common to both coun-

tries, is being spent much less freely in Britain than in Western Germany. In Western Germany, according to the German Bank, the expansion of incomes last year did not produce an increase in "voluntary" personal saving. In Britain, on the other hand, a larger expansion of incomes has not been reflected in any comparable increase in consumption; the official statisticians have estimated that last year, compared with 1954, personal incomes (before tax) increased 8 per cent, consumers' expenditure (in real terms) 3 per cent. In both countries, it appears, public authorities increased their net savings available for investment; but in Britain, the public corporations absorbed more savings even than previously.

These various comparisons show the British economy in a more favourable light than many of its critics would expect. Its recent development has been, indeed, quite impressive by comparison with prewar. After allowance for depreciation, net fixed investment was 6 per cent of the national income in 1938, about 6½ per cent from 1949 to 1952, and increased thereafter to 8½ per cent in 1955; and the total, with investment in stocks and net investment abroad added to net fixed investment, increased from 5 per cent of the national income in 1938 to 10 per cent in 1955. It is possible that, if the inflationary effects of military expenditure can be restrained, and if consumers can be persuaded that prices are being stabilised, so that increases in income are not immediately necessary and money can be saved without serious risk of depreciation, the increase in capital investment will significantly change Britain's trading position within the next year or two.

THE GENERAL ASSURANCE SOCIETY LIMITED

CHAIRMAN MR. B. L. JALAN'S REVIEW

Extracts from the Chairman's Address of Mr. B. L. Jalan delivered at the 49th Annual General Meeting of the General Assurance Society, Ltd., on the 7th November, 1956 at Ajmer.

When we met here about a year back on the same occasion we had noted with gratification the happy signs of reassuring developments on the international horizon. The Suez Canal dispute has assumed proportions of a world wide conflagration. Even our insurance industry could not escape these diplomatic overtures as we recall that the London Underwriters raised the war rates on both cargo and hull, negotiating through the Suez Canal. Before that, the frantic efforts, led amongst others by our own Prime Minister, could materialise the whole situation has worsened by invasion of the Egyptian territory by Israel and military intervention of England and France. The world opinion, including the public opinion in Britain, has expressed itself in unequivocal terms. It is hoped that peace forces will ultimately prevail and wrong perpetrated will be retraced.

On the other hand, we will recall that early in the year the Russian leaders themselves finally exploded the myth of a happy Soviet society by denouncing the communist regime of about 30 years since the dawn of the Stalin era. We have not forgotten the outbursts of discontent in East Germany. Recent popular developments in Poland and Hungary have further exposed the role of the Soviet activities in the so-called people's democracies of the Eastern Europe.

Nearer at home we have witnessed during the last few months a few unhappy events arising out of the State Reorganisation programme. Such untoward occurrences do not augur well for the unity of the country and smack of fissiparous and parochial tendencies.

With the even faster means of transport and communications and increasing rate of intercourse between peoples, the world is becoming smaller and a more compact unit. Historically, therefore, redistribution of areas, intranational or international seem to be a bit anachronistic. One wonders if the country should not have been divided on the more convenient geographical and administrative regional bases, facilitating balanced economic growth. Indeed, ever since the formation of Andhra, I have been suggesting the redistribution of the country on the basis of geographical regions. The Government has not only have fascinated our Prime Minister also and the Government have taken some steps in this direction.

While we met here last year, an unprecedented round of floods had overtaken the country including the Punjab and Delhi. It is unfortunate that they have appeared this season again with more severity.

Economic Situation

These floods have a even larger bearing on the general economic situation in the country and generally on the fulfilment of our plans and programmes. The commodity prices have shown an upward tendency during recent months. This tendency has been more spectacular in respect of food grains and other agricultural crops. Between May, 1955 and September, 1955 the General Index of wholesale prices (with the year ended August, 1954 as the base) showed an increase of 78 points or 23 per cent. But the index in respect of food articles has advanced by 117 points or 43 per cent. As against these the rise in prices in respect of manufactured articles has been much less marked; the index advanced only 4 per cent.

On the one hand, these variations in prices have to be set against the decline in prices a year before, and on the other, against the several measures of controls invoked or proposed by the Government. The changes in the price structure have to be studied further in the light of the food policy followed and the monetary expansion suggested by the Government. Actuated by the crop of 1954-55, almost all reserves of food grains had been liquidated. Furthermore, there has been an expansion of money supply during 1955-56 to the tune of Rs. 264 crores against and in addition to an expansion of Rs. 127 crores in the year earlier. Three fourths of the expansion was accounted for by the increase in currency alone. Disregarding these basic circumstances of the situation, we seem to seek the remedy in increased tempo of taxation and rigid controls. The Government do feel that the features of the situation are only temporary and more of a correctional nature. If so, taxation cannot and will not cut any ice. Moreover, so long as the tempo of government spending continues in the search of "green fields and pastures new" of public sector, taxation, particularly direct, will only defeat its own purpose. If currency inflation is the established feature, it is immaterial whether the purchasing power is brought to the market by this or that sector.

Public memory is proverbially short but I am sure we have not forgotten the difficulties involved in rigid commodity controls on production, distribution and prices prevalent during the War and immediate post-war periods. Such controls not only do not check prices, but are notorious for creating artificial scarcities and other complications. These measures only indicate the philosophy guiding the economic policy of the Government. Thus the nationalisation of the Imperial Bank and Life Insurance in the country and promulgation of the Companies Act were followed in quick succession by the Industrial Policy resolution of the Government of India dated the 30th April, 1956.

Nationalisation Policies

I recall that the Prime Minister had, in the larger interest of the country, given an assurance that it was not the intention of the Government to nationalise existing industries because that does not create fresh capital and income in the country. The resources of the State could be better utilised in sponsoring new and neglected lines of economic activity. Hardly had the echoes of the Prime Minister's assurance died out, that the Imperial Bank and Life Insurance were being proposed to be nationalised. I am not sure that we are not quite following this confusion. I will strongly urge the Government that the Prime Minister's assurance should be carried out both in letter and spirit.

I agree that we have been presented with a fait accompli and it is no use crying over the split milk. But as the question of nationalisation of life insurance touches the frontiers of our fundamental economic philosophy I will like to examine these arguments.

The Government appears to have given the assurance that they will continue to make available to the private sector of industry the same proportion of funds as heretofore. If that be so, it is not understood how does the Government intend to employ this industry as a source of funds for the implementation of the Second or for that matter, Third Five Year Plan. If, however, this was the intention; there was an easier recourse available to the Government, namely, increasing the limit of investment in Government and allied Securities from 50 per cent to 60 per cent or even 70 per cent. It may be interesting to note here that the total investment of life insurance companies in the United States in Government securities including those of the Federal, State, Local and Foreign Governments total about Rs. 5,760 crores out of total assets of about Rs. 40,230 crores in 1954. This share constituted less than 15 per cent of the total assets. In the same year such securities constituted a share of 54.9 per cent in India. As against this the share of business securities represented 45 per cent in the United States and of America and only less than 15 per cent in India.

Among the two arguments of malpractices and misappropriation of funds, I will take the latter first. The business of about 165 insurers was nationalised. A searching investigation was conducted by the Government of the affairs of all companies, by specially appointed investigators and custodians. Misappropriation of funds was detected in three or four cases. There is reason to believe that except in one case, misappropriation may have been resorted to after the act of nationalisation. Misappropriation of funds in one or even three or four cases cannot, by any sane judgment be a sole reason for nationalisation of any industry which was conducted by more than 165 companies and which is older than half a century. There are always certain rotting apples in every basket. No body argues, however, that because there have been stray instances of the so-called 'scandals' in government enterprises, the government have no right to start these or other industries. Moreover, there cannot be any doubt that such cases were only stray instances and certainly not the general rule.

There has been, similarly, a vague talk about other malpractices was the fierce internal competition. This was sought to be checked by limits on commission, which gave rise to the evil of rebating. Now certain type of competition reflected in one form or another will be present in every industry in the free sector as a result of market mechanism. If this mechanism was allowed to have its play, uneconomic units would have faced the wall and industry would have returned to normal functioning. If it was desired not to allow any company to collapse it was the responsibility of the controlling authority to institute and implement suitable means to curb the tendencies. The Government took the initiative and shouldered this responsibility. But the Government control not only failed to curtail the fierce competition and rebating, but problems. Further, the Government also failed to devise suitable ways and means to improve the situation. This failure of the Government and the worse problems as a consequence thereof, have become the crime of the industry and strangely enough the Government have taken recourse to it as argument for nationalisation.

Ideology and Prejudice

In view of what I have said so far we can get only one conclusion that it was ideological predilection which actuated the fateful step. However, we have, on the contrary, repeated assurances of our Prime Minister that the policy of India will not be governed by ideological fanaticism and prejudices in the internal and economic no less than international affairs. We hope that this cleavage will draw closer and closer and it will be possible to reconcile government measures with the avowed objects enunciated by our Prime Minister.

The Government proposed in the first instance to allow insurance companies to operate life insurance business abroad. A conference was also called to devise a formula as to what companies should be allowed to do so. We also offered our services for the same. All of a sudden however, it was announced, without taking us in confidence, that the Government had already decided that the Life Insurance Corporation itself will transact this business.

Although the problems of general insurance are no less embarrassing, they are akin to those in the sister industry. The main problem is the internee competition. Owing to tariff rates there is perhaps some way out in fire and miscellaneous departments, but there appears to be no remedy against the cut-throat competition and rate-cutting in marine insurance. It appears that this section has become a definite drain to the industry. Whereas other measures will no doubt be necessary, one wonders if the restrictions on commission rates may not be abolished. If it were done, perhaps, the only problem left to be tackled will be of cut-throat competition. I should, however, make it clear that I do not suggest that the over-all limit on expenses should also be removed.

We are told that the Government were contemplating some measures to curb the evils. Let me should repeat the mistake I would wish that the Government take the entire industry in confidence and seek their advice on the problems confronting them.

Among the new measures, perhaps some kind of test for the business-worthiness of the companies was being proposed. If this is an effective measure it will no doubt be very useful. But this is only the negative aspect. I believe we should explore possibilities of ways and means to deal with 'uneconomic units', if

some voluntary efforts can be initiated as for example amalgamation of smaller uneconomic units with larger units, the industry will benefit immensely.

It is also understood that there may be stricter inspection of companies. It may achieve some results but what will actually help the industry is a constructive approach. We should devise a programme first to put the industry on sounder footing and provide conditions for its smooth functioning. The type of inspection envisaged will play then a very important role in combing out any discrepancies which may be left over.

Reinsurance Corporation

We have taken a very salutary and welcome step in establishing a Reinsurance Corporation of India I recall with great pleasure that I had submitted a Scheme to the Government about three years back for establishing such a Corporation. We are glad that this Corporation will be collectively owned and operated by the companies themselves.

Now coming to the results of the working of the Society, as you must have noticed from the Accounts, the same have been divided and we have presented to you the results of the operations of the General Department.

The Profit and Loss Account has shown a net profit of Rs. 95,646 which is transferred to the Appropriation Account. This includes a sum of Rs. 1,34,125 transferred from Shareholders Life Profit Account representing the surplus allocated to Shareholders out of the actuarial valuation conducted for the period ending 31st December, 1954. On the contrary our profit was depleted by the loss on exchange on account of the devaluation of the Pakistani rupee to the tune of Rs. 2,64,530.

It would not be out of place if I mentioned here that in the interest of achieving the better underwriting results we did not hesitate to sizably curtail the production in Accident Department in the midst of overall expanding business. Thus, whereas our Fire and Marine premium income showed increases the premium income in the Accident and Miscellaneous Department was curtailed by more than 50 per cent.

We had a carry forward from the last year of Rs. 1,07,856. After providing for the dividend declared for that year there was a net surplus of Rs. 47,856 brought forward to the Appropriation Account. Added to this the net profit for the year and tax adjustment with Life Department, we had a balance of Rs. 1,71,667 for appropriation. As you are now aware, I am glad to say that your Directors have recommended a payment of a Dividend at the rate of 6 per cent on the Paid-up Capital of the Society.

I am confident, you will agree with me that the overall atmosphere is cheerful and optimistic and there is every reason to believe that we will make further strides of progress. In the midst of expanding economy and accelerated pace of industrialisation, the Society will not only have its own share of promise and success, but it will, in its own humble way contribute to the rebuilding of the nation as one of the sinews of modern progress. Whereas Life Insurance was an integral part of the Society's business and strength, I can assure you that, in its own sphere, the position of our existing business will be jeopardised on no account. Indeed, this will only prompt us to further consolidate our position and serve the industry with renewed vigour.

THE BANK OF BARODA LTD.

ESTABLISHED IN 1908.

Capital Authorised Rs. 2,40,00,000
Capital issued & Subscribed Rs. 2,00,00,000
Capital Called up and Paid up Rs. 1,00,00,000
Reserve Funds Rs. 1,28,00,000

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N. M. CHOKSHI, General Manager.

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INCORPORATED IN ENGLAND.
(Liability of Shareholders is Limited.)

HEAD OFFICE:

2 & 3, Crosby Square, London E.C.3.

SUBSCRIBED CAPITAL " " £2,000,000
PAID-UP CAPITAL " " £1,000,000
RESERVE FUND " " £1,500,000
RESERVE LIABILITY OF SHAREHOLDERS " " £1,000,000

BRANCHES: Calcutta, Bombay, Madras, Cochin, Karachi, Colombo, Bagdad, Beirut, Mosul, Kirkuk, Amara, Bahrain, Doha, Aden (Crater), Aden (Steamer Point), Mukalla, (Hadhramaut), Beirut (Lebanon), Singapore, Penang, Kuala Lumpur, Butterworth.

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The Bank undertakes Trustee and Executorship business through its affiliated Company, Eastern Bank Trustee and Executor Co. (India) Private Ltd.

CALCUTTA BRANCH:
14, Netaji Subhas Road.
Phone: 22-5571/2

B. BARKER, Manager.

DALMIA CEMENT (BHARAT) LIMITED

REGISTERED OFFICE & HEAD OFFICE:

P.O. DALMIAPURAM, DIST. TIRUCHIRAPALLI, MADRAS STATE

(This is an announcement to the members and not a prospectus and neither an invitation to the public or any section of the public for subscription of shares)

Authorised Capital Rs. 5,00,00,000/- divided as follows (as reconstituted on 1st October, 1956):			
1,00,000 preference shares of Rs. 100 each	...	...	Rs. 1,00,00,000
1,00,000 preference shares of Rs. 40 each	...	...	Rs. 40,00,000
10,00,000 ordinary shares of Rs. 10 each	...	...	Rs. 1,00,00,000
10,00,000 ordinary shares of Rs. 2-8 each	...	...	Rs. 1,00,00,000
60,00,000 ordinary shares of Rs. 2-8 each	...	...	Rs. 1,50,00,000
10,00,000 deferred shares of Rs. 1 each	...	...	Rs. 10,00,000
Total			Rs. 5,00,00,000

Issued, subscribed, called and paid up capital: Rs. 1,50,25,000 divided as follows:			
35,000 preference shares of Rs. 100 each	...	...	Rs. 35,00,000
59,375 preference shares of Rs. 40 each	...	...	Rs. 23,75,000
6,00,000 ordinary shares of Rs. 10 each	...	...	Rs. 60,00,000
10,60,000 ordinary shares of Rs. 2-8 each	...	...	Rs. 26,50,000
5,00,000 deferred shares of Rs. 1 each	...	...	Rs. 5,00,000
Total			Rs. 1,50,25,000

PRESENT ISSUE:

- 3,56,250 preference shares of Rs. 10 each at par offered in the first instance to the holders of preference shares of Rs. 40 each, in the ratio of 6 preference shares of 10 each for each preference share of Rs. 40 held.
- 31,50,000 ordinary shares of Rs. 2-8 each at par offered in the first instance to the holders of ordinary shares of Rs. 2-8 each, in the ratio of 3 ordinary shares of Rs. 2-8 each for each ordinary share of Rs. 2-8 each held.

CONSENT OF THE CENTRAL GOVERNMENT HAS BEEN OBTAINED TO THIS ISSUE BY AN ORDER OF WHICH A COMPLETE COPY IS OPEN TO PUBLIC INSPECTION AT THE HEAD OFFICE OF THE COMPANY. IT MUST BE DISTINCTLY UNDERSTOOD THAT IN GIVING THIS CONSENT THE CENTRAL GOVERNMENT DO NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS MADE OR OPINIONS EXPRESSED WITH REGARD TO THEM.

DIRECTORS:

- Shri Jaidayal Dalmia, New Delhi, (Chairman).
- Shri Kamalnayan Bajaj, Bombay.
- Shri Bhagwan Das Goenka, Madras.
- Shri M. Satyanarayana, Madras.

MANAGING AGENTS:

Messrs. HARI BHROTHERS PRIVATE LTD.

AUDITORS:

Messrs. V. SANKAR AIYAR & CO.,
Chartered Accountants.

BANKERS:

Messrs. NATIONAL BANK OF INDIA LTD.

As the Government of India has sanctioned expansion of Dalmiapuram Cement Works in Madras State from the present capacity of 750 tons of cement daily to about 1,250 tons per day, further capital is being issued for which sanction of the Controller of Capital Issues has been obtained vide letter No. R-332-CCI/56, dated 3rd October, 1956, as amended vide letter, dated 1st November, 1956.

The newly issued shares shall participate in dividend declared for the accounting year 1957 and any subsequent financial period. The newly issued ordinary shares of Rs. 2/8 each shall rank pari passu in all respects with the existing ordinary shares of Rs. 2/8 each. The newly issued preference shares of Rs. 10/- each shall rank pari passu with the existing preference shares of Rs. 100/- and Rs. 40/- each in proportion to the Capital paid up and shall carry the right to a preferential cumulative tax free dividend of 6% per annum, but will participate in dividend at 7% in the event of a dividend above 10% being declared on Ordinary Shares and will be entitled to 7½% in case of dividend at 20% and above being paid on ordinary shares and also an additional ¼% rising upto 9% along with 10% further rise in the dividend on ordinary shares but will have no further rights to participate in the profits or assets.

The voting rights attaching to the newly issued preference shares of Rs. 10/- each shall be in accordance with the provisions of Section 87 (2) of the Companies Act, 1956, while the voting rights attached to the existing preference shares of Rs. 100/- and Rs. 40/- each are wider.

The Renounceable Letters of Right will be issued to persons who are registered as on 30th November, 1956, as the holders of the shares carrying the

Right, and for this purpose, the share transfer register shall remain closed from 19th November, 1956 to 30th November, 1956, both days inclusive. The Letters of Right are expected to be posted by 10th December, 1956. Those who do not receive their Letters of Right to which they may be entitled by 15th December, 1956, should write to the Company.

Normally one Letter of Right for each class of shares, that is preference and ordinary shall be issued to the shareholders for full number of shares of each class respectively to which they may respectively be entitled. But if any shareholder desires to renounce the whole or any part of his Right in favour of one or more persons for one or both class of shares, he may intimate in advance

of the Company at Dalmiapuram, so as to reach there not later than 31-1-1957.

OR

(ii) By handing over the form and the amount of full value to the Bankers of the Company, M/s. National Bank of India Ltd. in any of its branches in India on or before 31-1-1957.

Allotment letters will be issued as early as possible after completion of Allotment but no receipt or acknowledgment of Acceptance Forms will be sent. Share certificates will be issued within 9 months of allotment.

The working results of the Company for the past few years are as follows:—

Year.	Production of Cement in tons.	Gross profits earned before providing for depreciation and Managing Agents' Commission.	Dividend on		
			Depreciation provided.	Ord. shares.	Deferred shares.
1952	2,28,950	40,01,482	11,31,311	6%	Nil
1953	2,20,256	40,75,904	12,48,101	6%	10%
1954	2,70,000	64,90,088	10,60,722	6%	10%
1955	2,66,285	68,23,654	5,37,945	7%	12½%

to the Registered Office of the Company the denomination in which he would like to get the Letters of Right to avoid wastage of time over getting split letters later on. This, however, does not prevent Right holders from applying for splitting of Letters of Right after issue but within the time allowed for the purpose. The last date for receiving requests for splitting Right Letters would be 31st December, 1956.

On and after 31st January, 1957, preference shares of Rs. 40/- each and ordinary shares of Rs. 2/8/- each shall cease to have any preferential right of subscribing towards fresh issues of capital.

The last date for receiving Acceptance forms duly completed in all respects will be 31st January, 1957. The shareholders will have to pay full value of the shares accepted along with the Acceptance form. The form can be sent and the total amount paid in one of the following two ways:—

- By sending the form together with remittance for full value to the Registered Office

The total original value of the gross block at the end of 1955 has been Rs. 1,86,81,654. Total depreciation including initial depreciation provided till end of 1955 has been Rs. 1,29,96,995. The 250 tons plant was installed before war some time in 1939 and the 500-ton plant was installed after war in 1949 bringing the daily production of the works to the present level of 750 tons per day.

All correspondence regarding the new issue should be addressed to the Registered Office of the Company. Shareholders are requested to make it a point to quote always their register of members folio number. The reference will avoid all possibilities of mistake and ensure prompt attention. It is presumed all shareholders have already taken note of their number. Those who have not, are requested to do it now. They will find it at the left side over their name appearing on the envelope in which the circular regarding the new issue has been sent to them or on the Letter of Right that will be sent.

Our City Cable

DOWNWARD TREND IN STOCK PRICES

MARKETS DOMINATED BY MIDDLE EAST AND HUNGARY NEWS

London, 7th November.

THE events in the Middle East and Hungary completely dominated the stock markets last week. They moved erratically, and at the end of the week, a downward movement prevailed with operators becoming extremely cautious. Movements in oils were very erratic, but many of the leaders finished lower on balance. British Petroleum generally led the movements either way. Activity in gilt-edged securities was generally at a very low level, but at the end of the week, prices developed a downward trend. In the foreign bonds section, the feature was the rise and the subsequent sharp fall in Hungarian bonds following the news from that country. German bonds lost ground. Dollar stocks were firmer on balance. Industrials moved erratically and here, too, the movement was towards lower levels at the end of the week. After fluctuating with the rest of the markets, Kaffirs fell sharply, following the announcement by Zandapan that certain recent borehole results now appeared unreliable and should be disregarded. Base metals generally lost ground. Teas and rubbers were generally idle and dull.

The Money Market

The slight softening of the credit squeeze, which has been noticed in the money market in recent weeks, was again in evidence in the past week. There was, however, no marked change in the supply of credit to the market, and there were one or two days when difficult conditions were created by the discount houses taking up large quantities of Treasury bills in view of their special maturity dates. However, the overall conditions were reasonably comfortable, although rather tighter conditions were felt towards the week-end.

Stock Market Prospects

The Investor's Chronicle market newsletter writes: "The outlook for all markets is obscure until the political picture clears. The news from Eastern Europe is the most encouraging since the war. Investors should not throw away good shares. Wall Street appeared set for a pre-election rally, but the immediate outlook is obscured by political events at home and abroad."

U.S. Federal Reserve Return

The U.S. Federal Reserve return for the week ended 31st October shows that gold stock was unchanged at \$21,909 million. Foreign deposits fell by \$2 million to \$25 million, while foreign investments rose by \$21 million to \$3,782 million. The Federal Reserve bought \$5 million worth of bills and a further \$79 million worth under repurchase agreements, and sold \$1 million worth of certificates.

GOVERNMENT OF INDIA

Ministry of Railways

(Railway Board)

TENDER NOTICE.

1. Tenders are invited from established foundries in India only for the supply of Forty Thousand Tons of Cast Iron C.S.T. 9 Sleeper Plates, Broad and Metre Gauge, to be supplied by 30th June, 1957.
2. No raw material will be arranged by the Railways.
3. Applications for copies of tender documents should be made to the Deputy Director, Works, Railway Board, New Delhi. Tender documents embodying conditions of supply and contract and relevant drawings will be supplied at Rs. 10/- per set and will be available for sale from 10th November, 1956 onwards on any working day during office hours.
4. Tenders will be received up to 13.00 hours on 1st December, 1956 and opened in the office of the Railway Board, New Delhi, at 15.00 hours on the same day.

New Delhi, 16. P. R. Chopra,
Deputy Director, Works,
Railway Board.

ANALYTICAL

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Oils, Fertilizers, Salts, Foods and Drugs—Gold
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16, Old Court House Street,
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Total discounts and advances fell by \$300 million to \$538 million, while the aggregate of excess reserves of member banks fell by \$231 million to \$234 million. The daily average excess reserves of member banks fell by \$181 million to \$383 million, while their daily average borrowings rose by \$78 million to \$674 million. Business loans of the New York city banks rose by \$164 million to \$10,949 million, compared with the rise of \$101 million to \$8,766 million in the corresponding period a year ago.

Canada Restricts Copper Exports

Canada is clamping down on the export of copper and other strategic materials because of the Middle East crisis. The Government fears that there will be heavy demand for metals from abroad and this will send prices sharply up. To prevent this, the Government has ordered a tightening of export permits. These are required before the strategic metals can be shipped out of the country, and are issued by the Department of Trade and Commerce.

Higher Price for Indian Manganese Ore

Indian 46 to 48 percent manganese ore is now nominally indicated at 110d to 125d a long ton, c.i.f. Continent, against 105d to 115d recently. Apart from any effect which the earlier centralisation of the Indian manganese ore trade and the higher export duties may have had on prices, some quarters feel that the Middle East developments also probably played their part in determining the current levels.

Vegetable Oils Firm

Firm and cautious conditions prevailed with selling reserve heightened by the new 15 percent freight surcharge on shipments from India-Pakistan. Groundnut oil was sparingly offered and substantially dearer with Nigerian bulk oil sold to the north Continent and Genoa at £130 c.i.f. November to January and South African for January-February at £131 to £132 c.i.f. Groundnuts also were very firm with the Nigerian Board holding for £79 c.i.f. January-March, after business at £78½ with the north Continent. France was a keen buyer of November shipments, but there were no offers in early positions. It is claimed £82 was refused for December-January Rhodesian groundnuts, and sellers were asking £85. Linseed oil was largely nominal, but activity was lacking, with British Standard grade mostly unchanged. Coconut oil was easier, but sellers were reserved with limited quantities of Straits sold to continental consumers at £92 c.i.f., net term. Copra was generally a quiet item with buyers reluctant to follow the moderate advance. Activity in castor oil was generally stalemated by the freight surcharge news and the market was unsettled. However, castorseed was firmer with November-January shipments of British East African sold, basis ports, at £72½ c.i.f. Both sesamum and sunflower seed sharply advanced with firm offers scarce. Soyabeans were dearer and linseed was marked higher, but European buyers were reluctant to follow.

Speculative Rise in Rubber

At the beginning of the week to 1st November, the rubber market became firm on higher prices ruling in Singapore, attributed to the disturbance there, coupled with the Middle East and European political crises. An advancing tendency was supported by some Continental demand for shipment parcels, as well as for settlement house contracts. As the Middle East tension developed, speculative interest took a dominant place and prices went to the highest since early last August, with 3½d a lb. paid for No. 1 R.S.S. on spot and for delivery up to March, 1957. Professional operators were unwilling to deal extensively in the unsettled state of the market. Towards the close, traders reported only small interest in rubber for shipment but some U. K. demand for near deliveries kept these positions at a premium over forward. The quotations finally were about 3d a lb. higher on the period. The sole crepe market was not much affected by the Suez position. Offers remained scarce and sellers reported that 45d was paid for 1½ inch smooth No. 1 on the spot.

Firm Conditions in Freight Markets

Firm conditions continued in the north American trades. In the Far Eastern section, good demand was noted for tonnage for miscellaneous cargoes. These included any size vessels for coal from Calcutta to Colombo in December and 7,000 tons of cement from Karachi to Bahrain, November-December, all being open for offers on f.i.o. terms. Extremely firm conditions ruled with a higher rate paid for coal from North America on European account. Elsewhere, however, both owners and charterers were apparently content to await further Middle East developments.

F.B.I. on European Free Trade Area

The reaction of the British industry to the proposed limited free trade area in Europe has been conveyed to the President, Board of Trade. The President of British Industries Federation in a letter to the Board of Trade President, says that many of the 287 trade associations in the Federation's membership have not felt it appropriate to express their views on the subject. The entry to limited free trade area over a period of 12 to 15 years will be supported or even be welcomed by many branches of industry if they are satisfied that safeguards can be negotiated, while it will be strongly opposed if they are not satisfied, the letter says. Many industries would welcome competition on equal terms, but fear that such terms will not be realised. The letter is in reply to an invitation from the Board of Trade asking the Federation to express its opinion on the question of the proposed free trade area.

LONDON INSURANCE LETTER

HUGE SUMS TO INVEST

By Air Mail.

WHEN danger broke loose again in the Middle East it knocked huge sums off the value of the insurance companies' investments, especially those in gilt-edged form. The often-deferred recovery of Government stocks was deferred again, and even this market's friends began to lose faith in it. The life offices' problem of disposing of the funds entrusted to them becomes more serious as the funds themselves continue to increase and conditions for investing them become more difficult. We have now the complete figures of the Life Offices' Association and the Associated Scottish Life Offices for 1955. They show that, compared with 1954, the total new sum assured rose 15 percent to £1,108 million and that the total of sums assured reached £7,192 million. A breakdown of the figures shows that some two-thirds of all new business related to individual life policies, but that the rate of increase in group and scheme business was considerably more rapid. Total business is now increasing with a new impetus from the Government's tax-concessions on pension annuities for self-employed persons.

It can now be calculated that saving through life-assurance accounts for approximately one-third of all the nation's net personal saving, and—in spite of the blandishments of high interest rates or possible lottery gains in the National Savings media—this proportion is tending to increase. Such expansion in other countries—in India, for instance, and more recently Ceylon—attracts the Governments' attention to the possibilities of integrating insurance more closely with national policies, and it may be that the British Labour Party's interest in nationalising the institutions will be revived before the next general election. At present, however, the companies are concerned less with this latent threat to their funds than with the problem of allocating these funds among the various categories of investment. Their interest in mortgages has aroused some criticism, for borrowers have often been provided with resources by these means after the banks have dutifully refused to extend advances to them, in accordance with the authorities' directive. There are remarkable divergences of policy within the movement itself. Some managements are still opposed to the whole idea of investment in ordinary shares; others keep almost one-third of their funds in that form. The broad tendency is certainly in favour of ordinary shares, as confidence in fixed-income stocks has been severely, and probably irreparably, damaged by inflation. But until the new relapse of the gilt-edged market at the end of October—reflecting a feeling that the Government's whole financial plan might fall out of shape—there were signs of a temporary preference for this market on the part of institutional investors.

Rising Costs and Claims

Other branches of insurance have quite different problems. They, too, are expanding their business, but premium incomes are not always increasing with claims. In accident and marine insurance this problem is acute. The British Insurance Association has published relevant figures for 1955. The outstanding increase in premium income was in accident business, by nearly 10 percent to £338 million. But an analysis of results covering the greater part of the members' accident business shows an increase in the claim ratio from 55.3 percent to 57.2 percent, and a decrease in the profit ratio from 5.2 percent to 2.9 percent, last year, compared with 1954. By contrast, fire insurance, on a much smaller increase in premium income, shows a slight increase in profit ratio from 5.6 percent to 5.8 percent. The main element in the increase in accident claims is the rising cost of repairing motor cars. Not only in congested Britain, but also in countries which look more spacious on the map, the increase in the number of vehicles causes more accidents; and the cost of repairing a modern car is relatively high. The increase in shipping fleets does not so automatically cause more accidents to ships, but the rise in costs is equally relentless.

Some 20 countries and 560 companies were represented at the conference of the International Union of Aviation Insurance in Torquay in October. The conference met at a time of momentous developments in aviation and, therefore, in aviation insurance. The world's long-distance airlines have shown a marked preference for the huge jet-propelled airliners that will come into service about two years hence, and providing adequate cover for these craft, and their passengers, at reasonable rates will not be a simple matter of routine. The hazard concentrated in one of these new craft will be far greater than any that the market has had to cover so far. The value of the hulls themselves will be two or three times that of big airliners now in service, and they will have capacity for many more passengers. At present, the Warsaw Convention limits the liability of passengers to £3,000, but it is expected that the limit will be raised to £6,000 before the new craft are in use. Understandably, the conference showed some anxiety over competition in these circumstances. Like the marine market, the aviation market has been subject to some rate-cutting in recent years, and it is felt that this practice, if continued, would make it difficult to provide satisfactory cover for the big airliners. In any case, the prospective state of the market does not seem to justify severe competition, for some airlines that have covered their own insurance in the past are finding the burden too heavy and are coming to the market.

Finance in India and Abroad

THE CALCUTTA MONEY MARKET

MORE BILLS PASSING

Wednesday, 7th November.

THERE has been little change in the money market during the past week. The sources which usually begin to absorb funds at this time of year have not yet made their appearance in the market, although there has been some increase in demand against the harvesting of the cotton crop. Sugar-crushing has begun, but accommodation has not yet been called for. Demand from the jute industry is steady. Even at the present low level of seasonal demand, monetary conditions are fairly tight, and anxiety is being felt in banking circles about the ability of banks to meet the seasonal increase in demand for funds when it comes. The ratio of scheduled banks' advances to deposits is still in the region of 75 percent. Last week's stringency has continued in the interbank market, and between 3½ and 4 percent is still being paid for call loans.

More bills have come to hand this week. Most of them have been on account of gunny shipments. Remittance has been steady. A large bear position appears to be building up against sterling on news of the present serious state of international affairs. Continental operators especially have been selling heavily, and the currency has been brought down almost to the point at which the authorities step in.

Silver was strong on fresh troubles in the Middle East and the price increased from the previous week's level of Rs. 170-15 to Rs. 172-12, quoted today. The rate for ready metal quoted is Rs. 173-2.

In sympathy with silver, gold was steady and the price advanced from Rs. 104-4 to Rs. 105-8. The sovereign at Rs. 69-15 showed a gain of Rs. 1-11.

During the week ended 2nd November, 1956 Government of India Treasury Bills for Rs. 62,71,75,000 were sold in favour of the Reserve Bank.

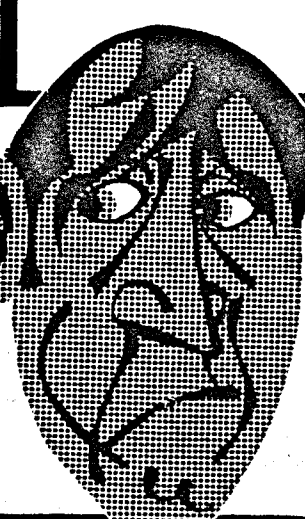
An increase of Rs. 24.70 crores to Rs. 1,443.59 crores in active notes was the notable feature of the return of the Reserve Bank of India for the week ended 2nd November, 1956. The total note issue was Rs. 74 lakhs lower at Rs. 1,451.21 crores. The currency contraction was adjusted by reducing foreign securities by Rs. 29.81 crores to Rs. 462.21 crores and increasing rupee securities by an equivalent amount to Rs. 750.50 crores. This has probably been made by a transfer to the banking department in which balances held abroad increased by Rs. 16.49 crores to Rs. 106.72 crores. Deposits of the Government of India declined by Rs. 3 crores to Rs. 52.15 crores, but other Government accounts were Rs. 19.37 crores higher at Rs. 47.18 crores. Balances of commercial banks improved by Rs. 3.48 crores to Rs. 54.87 crores. Investments at Rs. 83.39 crores showed a gain of Rs. 28.25 crores. Other loans and advances increased from Rs. 83.35 crores to Rs. 94.73 crores, of which advances to scheduled banks against usance bills totalled Rs. 43.43 crores (Rs. 40.29 crores). These advances amounted to Rs. 330.19 crores since 1st January, 1956. Ways and means advances stood at Rs. 6.35 crores against Rs. 3.88 crores.

The return of the State Bank of India for the week ended 26th October, 1956, shows a drop of Rs. 2.34 crores in total deposits to Rs. 229.60 crores. Investments in Government securities are down by Rs. 20 lakhs to Rs. 96.15 crores, while other authorised investments remain unchanged at Rs. 11.29 crores. Advances, including loans, cash credits and overdrafts, and bills discounted and purchased, have increased by Rs. 1.06 crores to Rs. 129.76 crores. Cash and balances are, in consequence, shown at Rs. 16.46 crores or Rs. 65 lakhs higher.

DECIMAL COINAGE SYSTEM FROM NEXT APRIL.

"A reform in the coinage system is a most vital reform as it touches the life and habits of every single individual", says Mr. A. C. Guha, Minister for Revenue and Defence Expenditure, in his foreword to a brochure entitled *India's New Coinage Scheme*. The scheme comes into force from 1st April, 1957. "For the success of such a reform, therefore, full appreciation of the problem and the purpose is essential," he adds. "The new coins will be put in the market (on 1st April, 1957) and the existing coins also will be current for about three or four years. The rupee will remain unchanged, as also the half and the quarter rupee coins. The rupee will be divided into 100 paise, instead of the present 64 pice or paise. There will be coins for the multiples of paise, as 2, 5, 10, 50 paise. For the transitional period, when both the old and the new coins will be current, to avoid confusion, the new paise will be called *Naya Paise*. After the transition period when the old coins will be gradually withdrawn, the lowest coin will no longer be called *Naya Paise*, but simply paise. The decimal system of coinage has been adopted by many countries in the world. Except India and Pakistan, practically all the important countries of Asia also have adopted the decimal system", Mr. Guha adds.

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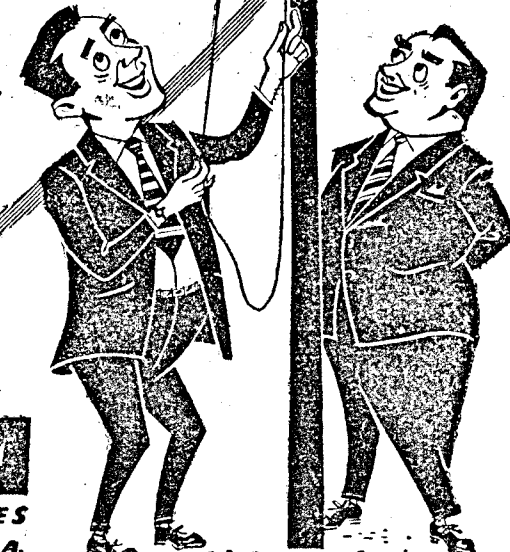
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CAPITAL
AUTHORISED ... Rs. 1,00,00,000
SUBSCRIBED ... Rs. 72,00,000
PAID-UP ... Rs. 62,02,615
RESERVE & OTHER FUNDS ... Rs. 79,75,000
DEPOSITS (30-6-56) ... Rs. 32.08 Crores

ALL TYPES OF BANKING BUSINESS INCLUDING FOREIGN EXCHANGE TRANSACTIONS
D. P. PARTHASARATHY, A.A. (Hons.), B.L.
Ag. Secretary.

RESERVE BANK			
ISSUE DEPARTMENT			
(In 000's of Rupees)			
	Week Ended	2-11-56	26-10-56
Liabilities—			
Notes in Banking Dept.	7,62.10	33,07.39	12,97.83
Notes in Circulation	14,43,58.52	14,18,88.66	13,17,54.07
Total Notes issued	14,51,20.62	14,51,96.05	13,30,51.90
Assets—			
A Gold Coin and Bullion	1,17,76.03	1,17,76.03	40,01.71
Foreign Securities	4,62,20.66	4,92,01.91	6,27,09.72
Total, of A	5,79,96.69	6,09,77.94	6,67,11.43
B Rupee Coin	1,20,73.62	1,21,49.05	1,09,86.15
Rupee Securities	7,50,50.31	7,20,69.06	5,53,54.32
Total	14,51,20.62	14,51,96.05	13,30,51.90
BANKING DEPARTMENT			
Liabilities—			
Capital Paid-up	5,00.00	5,00.00	5,00.00
Reserve Fund	5,00.00	5,00.00	5,00.00
National Agricultural Credit (Long-term) Fund	15,00.00	15,00.00	—
National Agricultural Credit (Stabilisation) Fund	1,00.00	1,00.00	—
Deposits—			
(a) Central Govt.	52,14.52	54,15.40	54,60.18
(b) Other Govts.	47,17.96	27,80.78	18,83.66
(c) Banks	54,86.73	51,38.63	59,05.07
(d) Others	13,60.75	12,76.06	15,46.46
Bills Payable	15,69.74	12,51.64	5,71.05
Other Liabilities	1,00,13.54	97,95.52	21,84.23
Total	3,09,03.24	2,82,58.03	1,85,59.64
Assets—			
Notes	7,62.10	33,07.39	12,97.83
Rupee Coin	9.64	9.91	3.97
Subsidiary Coin	—	—	5.39
Bills Discounted Int.	—	—	58.30
Govt. of India Treasury Bills	4,33.21	4,77.01	5,18.62
Balances held abroad	1,06,72.18	90,22.65	81,59.40
Loans to Govt.	6.35	3,88.35	1,04.00
Other Loans etc.	94,73.38	83,35.10	21,11.58
Investments	83,39.23	55,14.45	50,26.20
Other Assets	11,99.57	11,97.06	12,40.73
Total	3,09,03.24	2,82,58.03	1,85,59.64

SCHEDULED BANKS			
(In 000's of Rupees)			
	26-10-56	19-10-56	28-10-56
Demand Liabilities—			
(a) Borrowings from Banks	12,96.70	10,85.79	14,37.26
(b) Others	6,33,40.37	6,32,55.49	6,01,80.66
Time Liabilities—			
(a) Borrowings from Banks	3,86.00	1,89.00	5,07.00
(b) Others	4,53,74.74	4,52,27.64	4,19,30.66
Borrowings from State Bank Demand Liabilities	12,20.68	11,88.19	5,32.14
Time Liabilities	38,31.69	39,46.43	36,96.85
Balances with the Reserve Banks	49,01.80	49,91.88	55,96.45
Balances with other banks in current account	9,88.22	10,29.49	10,93.36
Money at calls and short notice	17,59.62	13,33.91	24,05.37
Investments in Central and State Govt. Securities	3,71,53.12	3,72,74.17	3,92,34.16
Advances	6,12,04.06	6,11,11.61	4,86,36.62
Interest bills purchased and discounted	96,67.51	97,28.64	60,72.89
Foreign bills purchased and discounted	51,62.64	49,69.39	45,31.38

CLEARING HOUSE RETURNS			
Rs. (thousands)			
Week ended	Calcutta	Bombay	
2-11-56	62,25.36	59,03.37	
26-10-56	62,48.59	62,03.46	
19-10-56	44,41.88	57,28.64	
10-10-56	52,77.33	59,03.37	

STATE BANK OF PAKISTAN			
ISSUE DEPARTMENT			
(In 000's of Rupees)			
	Week ended	2-11-56	26-10-56
Liabilities—			
Notes in Banking Department	9,96.70	7,19.67	—
Notes in Circulation	2,90,28.53	2,90,03.06	—
Total Notes issued	3,00,25.23	2,97,22.75	—
Assets—			
A Gold Coin and Bullion	11,33.41	11,33.41	—
Sterling Securities	87,70.69	87,70.69	—
Government of India Securities	16,68.25	16,68.25	—
India Notes representing assets receivable from the Reserve Bank of India	43,02.38	43,02.38	—
B Rupee Coin	1,29,58.27	1,26,58.27	—
Govt. of Pakistan Securities	19.02	19.02	—
Held with Reserve Bank of India pending transfer to Pakistan	4,40.63	4,40.63	—
Gold Coin and Bullion	1,00.99	1,00.99	—
Sterling Securities	29.51	29.51	—
Govt. of India Securities	—	—	—
Rupee Coin	—	—	—
Total	3,00,25.23	2,97,22.75	—
BANKING DEPARTMENT			
Liabilities—			
Capital Paid-up	3,00.00	3,00.00	—
Reserve Fund	3,00.00	3,00.00	—
Deposits—			
(a) Central Government	36,30.82	37,25.92	—
(b) Provincial Government	8,63.42	9,20.63	—
(c) Banks	16,17.87	16,19.54	—
(d) Others	3,70.74	3,75.73	—
(e) Bills Payable	14.31	13.45	—
Other Liabilities	10,08.91	8,11.94	—
Total	81,06.17	80,67.21	—
Assets—			
Notes	9,96.70	7,19.67	—
Rupee Coin	—	—	—
(a) Pakistan	11	11	—
Subsidiary Coin	—	—	—
(a) Pakistan	12	12	—
(b) India	—	—	—
Bills Purchased and Discounted—			
(a) Internal	—	—	—
(b) Govt. Treasury Bills	2,10.23	2,10.26	—
Loans and Advances to Govt.	—	—	—
Provincial Govt. Debtor Balances	—	—	—
Other Loans and Advances	4,58.15	4,48.45	—
Investments	54,58.03	57,72.20	—
Other Assets	9,81.93	9,16.40	—
Total	81,06.17	80,67.21	—

Stocks and Shares

MOST COUNTERS MARKED DOWN ON MIDDLE EAST CEASE-FIRE ANNOUNCEMENT

GUEST, KEEN, WILLIAMS ISSUE HEAVILY OVER-SUBSCRIBED

Wednesday Evening.

THE market has passed its dullest session for many months. The international situation, and the general shortage of funds, have both helped to depress prices among a range of investment shares which is usually comparatively unresponsive to the short-term fluctuations of the market. Speculative moves have moved according to the developments in the political situation. The impression that war is imminent has usually resulted in a strengthening of prices, while an improvement in the outlook has brought the opposite movement. The present position is one of extreme gloom following this morning's news of a cease-fire in Egypt, and it has not yet been relieved by the later reports that conditions had been laid down by Egypt which will almost inevitably bring a renewal of the fighting. Indian Irons, after being quoted at Rs. 34-14, have fallen to Rs. 33-1 ex-dividend. Disappointment over the terms of the rights issue has also helped to drive the price down.

One of the reasons for the fall in some of the market's best counters has been the general demand for money to take up today's issue of Guest, Keen, Williams ordinary shares. The issue opened at 10.30 a.m. and closed at 3 p.m. It has been reported as being heavily over-subscribed, a fact which is surprising considering the moribund state of the rest of the market. If this is any indication of the share's future, it appears likely that it will prove one of the market most favoured counters.

Details of the week's trading follow.

	Opening	Closing
	2nd Nov. 1956	7th Nov. 1956
3% Loan 1957	99 12	99 12
3% Loan 1958	99 10	99 9
3% Loan 1970-75	88 13	88 12
3% Loan 1974	98 8	98 7

In the preference share section very little business was reported and while it was difficult to obtain first class issues sellers of jute and managing agency shares predominated. In jute, Hastings were crossed at Rs. 91 and Chitavalah were offered at Rs. 108. Among miscellaneous issues, Associated Hotels were done at Rs. 72, Bengal Chemical Second at Rs. 83 and Calcutta Electric changed hands at Rs. 10-14. A small lot of Chrestian Mica Industries was crossed at Rs. 59 and Dunlop Rubber First were marked at Rs. 124. Indian Iron & Steel shares were depressed at Rs. 104 while India Rubber Manufacturers changed hands at the lower price of Rs. 88. A small lot of Indian Standard Wagon was marked at Rs. 127 ex-dividend. National Tobacco First came to hand at Rs. 75 and the Second at Rs. 67-4. New Victoria were done at Rs. 5-10.

In the banking section, Central Bank "A" were reported at Rs. 54-4 and United Commercial at Rs. 55-6.

Very little business was reported in cotton textile shares. Bengal Nagpur were crossed at Rs. 9-8 and later were sold at Rs. 9-8. Elgin Mills were shaded at Rs. 29-4 as were Kesoram Cotton at Rs. 16-8. New Victoria were placed at the previous rate of Rs. 2-10.

Coal shares were devoid of interest and the number of transactions recorded was the lowest for many months. Only four shares were dealt in during the short trading week under review, viz., a small lot of Bharat Collieries at Rs. 6-12, Burra-kur at around Rs. 16-4, Central India at Rs. 7-1 ex-dividend and Western Bengal at Rs. 6-5.

In jute too, a handful of transactions was reported. The only steady feature was Bally which, on confirmation that the managing agency had been taken over by Birla Brothers, improved from Rs. 184 to Rs. 190. Howrah were dealt in at Rs. 22 as were National at Rs. 24. India were reported at Rs. 140-8 and Kelvin at Rs. 206. Kankannarah were offered at Rs. 95 and New Central were lower at Rs. 15-4. Waverley came to hand at the lower rate of Rs. 4-4 against the opening quotation of Rs. 4-12.

A solitary transaction was reported in Calcutta Electric at Rs. 13-4.

Only two shares in the sugar section were mentioned, namely Durbhanga at Rs. 22-10 and Shree Krishna Gyanoday at Rs. 12.

In paper, Orient were marked down sharply from Rs. 37-14 to Rs. 35-10 and Shree Gopal were shaded at Rs. 17-4. Star Paper were quoted at Rs. 10-4 ex-dividend.

In the engineering section, Indian Iron & Steel shares fluctuated between Rs. 34-2 and Rs. 33-5 to close at Rs. 33-7. Little attention was paid by operators to the decision by the Board of Directors

to issue rights shares and the trend was influenced mainly by developments in the Middle East. Whenever there were rumours of war the price improved and when there were signs of a cease-fire the price moved downwards; the first reaction to the early confirmation of the cease-fire was a marking down in price from Rs. 34 to Rs. 33-9. Britannia Engineering were crossed at Rs. 16-2 and Jessop were lower at Rs. 36-4. Richardson & Cruddas were marked back from Rs. 27-15 to Rs. 27-2 and National Iron & Steel were subbed at Rs. 8-2. Textile Machinery fluctuated between Rs. 23 and Rs. 22-2 to close at Rs. 22. A few transactions were reported in Kumardhubi Engineering at around Rs. 9-8.

In cement, a small lot of Ashoka changed hands at Rs. 12-4 and Dalmia Cement were quoted at Rs. 15-10. Orissa Cement came to hand at Rs. 13-1 while Sone Valley were dull at Rs. 9-4.

In insurance, only one transaction was reported, viz., in Ruby General at Rs. 5-14.

In shipping, India General Navigation were dull at Rs. 91 x.d. and India Steamship, despite the announcement of a satisfactory final dividend of 8 annas per share, making Rs. 1 for the year, were neglected at Rs. 9-14.

In the miscellaneous section, Aluminium Corporation were done at Rs. 11-12 while Alkali & Chemical were lower at Rs. 22-8. Angelo Brothers were easier at Rs. 23-12 and Bengal Flour were marked at Rs. 35-2 ex-dividend. Balmer Lawrie were done at Rs. 167 and British Burmah Petroleum were unchanged at Rs. 3-11. British India Corporation reacted from Rs. 11-2 to Rs. 10-15 as did Dunlop Rubber from Rs. 29 to Rs. 28-12 and Eastern Investments from Rs. 146 to Rs. 143. Indian Aluminium were slightly better at Rs. 15-14 while Imperial Tobacco were easier at Rs. 14-12. Indo-Burma Petroleum were unchanged at Rs. 41-4 but there were strong buyers in an otherwise dull section of National Insulated Cables at Rs. 26-5.

1956 PLYMOUTH

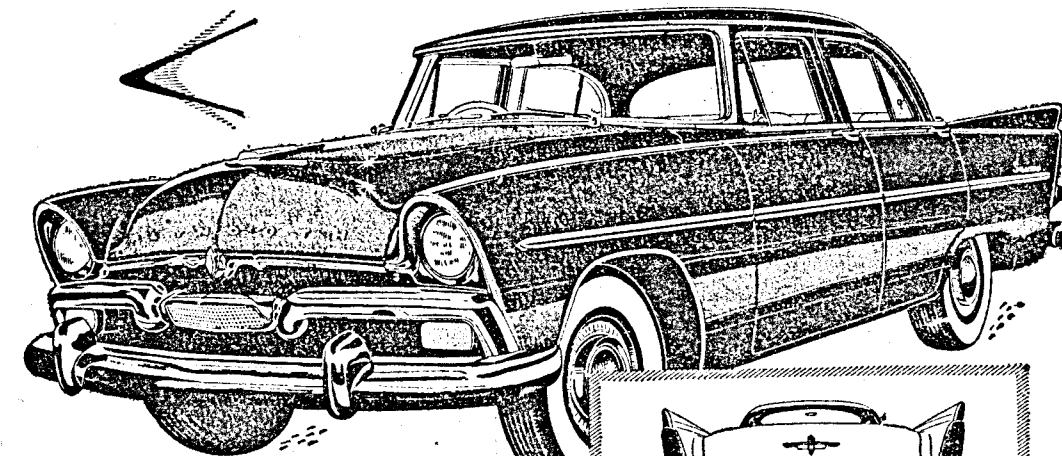
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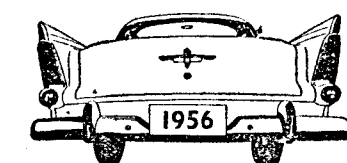
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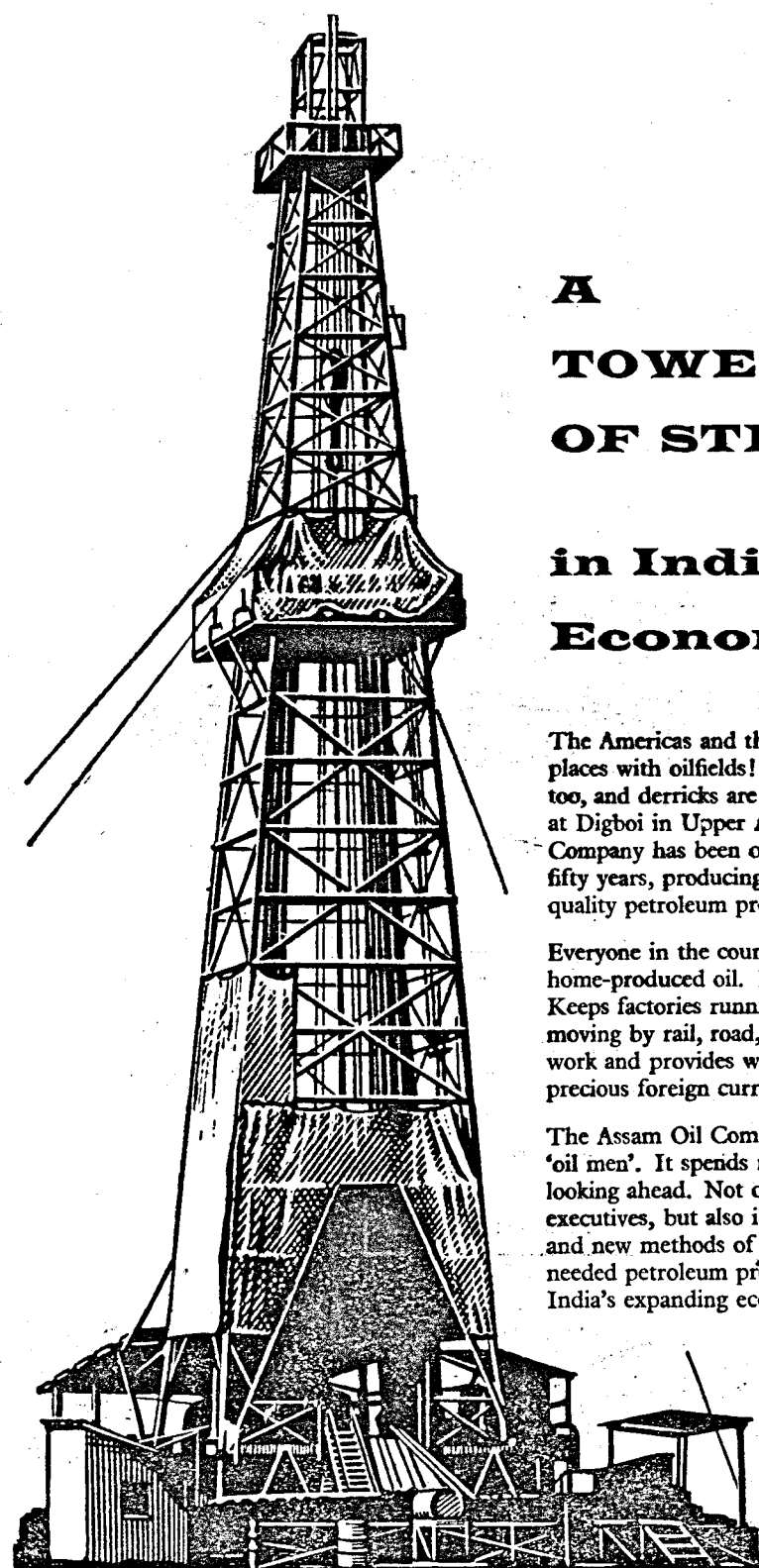


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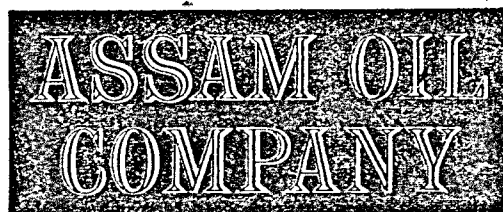
A TOWER OF STRENGTH in India's Economy

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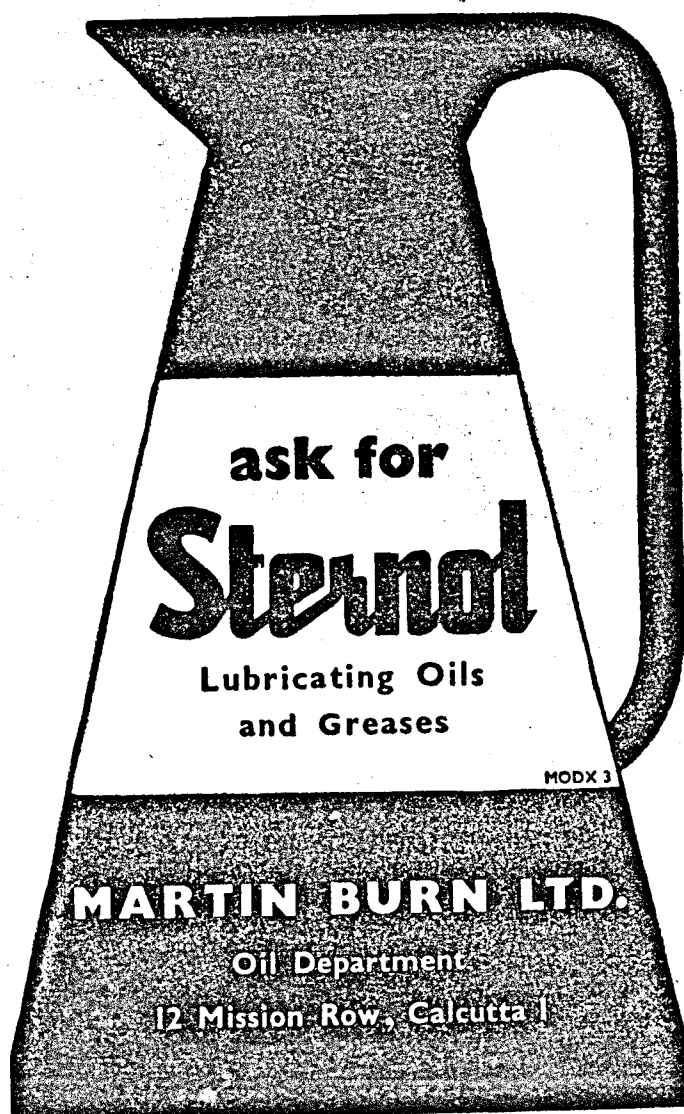
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National Carbon were offered freely at the lower rate of Rs. 27 with few declared buyers. Metal Box dropped 8 annas to Rs. 28 while Rallis were comparatively steady at Rs. 46. Indian Wood Products were reported at Rs. 44-8 and Midnapore Zemindari at Rs. 30-8. Martin Burn changed hands at the previous rate of Rs. 24-10 as did Clive Row at Rs. 11. Rohas Industries softened to Rs. 21-6. National Tobacco were steady today at Rs. 13-8.

In the mining section good business was reported in Indian Copper up to Rs. 4-8 but towards the close, in sympathy with the general trend, the shares reacted to Rs. 4-6. Burma Mines were easier at Rs. 2-14 as was Western Stockholders Investment at 14 annas.

Turnover in tea shares was extremely restricted and there was a general marking down of prices. Brahmaputra were done at Rs. 8-14 and Dejo Valley and Moheema changed hands at Rs. 49-10 and Rs. 24-10. Tezpur were marked back to Rs. 23-2 as were Hatikhira to Rs. 17. Patrakola came to business at Rs. 22-8 while Gungaram improved to Rs. 191-8. Carron were marked at Rs. 175 and Gaikhatta, Hantapara, Hasimara and Jaybirpara were transacted at Rs. 285, Rs. 197, Rs. 31-8 and Rs. 23-1 respectively.

The profit of the DIBRUGARH COMPANY has fallen from Rs. 9.55 lakhs to Rs. 4.25 lakhs for the year ended last December. The dividend has been cut from 40 percent to 20 percent. Buildings and machinery reserve is allocated Rs. 50,000 (same), leaving a carry-forward of Rs. 53,921. The crop increased from 7,222 maunds to 7,245 maunds, but the average sale price declined from 52.09 annas to 37.88 annas a lb. Estimates for 1956 have been made for a crop of 7,250 maunds at a cost of Rs. 9.35 lakhs.

The CENTRAL INDIA COALFIELDS have made a profit of Rs. 2.46 lakhs for the year ended last March, against Rs. 2.64 lakhs, after increasing depreciation by Rs. 1.25 lakhs to Rs. 3.97 lakhs. The dividend has been increased from 4 annas to 8 annas a share, leaving a carry-forward of Rs. 9,927, against Rs. 14,019 brought in.

The trading profit of the MEGNA MILLS COMPANY increased by Rs. 689 lakhs to Rs. 7.94 lakhs for the half-year ended last March. Providing Rs. 2.75 lakhs (Rs. 2.85 lakhs) for depreciation, bringing in Rs. 10,614 and making other adjustments, there is Rs. 4,71,137. The ordinary dividend has been raised from 1½ percent to 3½ percent, leaving a carry-forward of Rs. 1,64,942.

The INDIA JUTE COMPANY has increased its trading profit by Rs. 4.44 lakhs to Rs. 5.81 lakhs during the half-year ended last March. Bringing in Rs. 7,731, allowing Rs. 1.85 lakhs (Rs. 2.85 lakhs) for depreciation and making other adjustments, there remains a balance of Rs. 5,84,437. The ordinary dividend is increased from 1½ percent to 3½ percent, leaving Rs. 2,57,287 to be carried forward. The directors of both companies say that Messrs. Mackinnon Mackenzie and Co., Ltd. resigned from the office of the managing agents, and the companies have become director-controlled from 1st April, 1956.

WAR NEWS DOMINATES MARKET SENTIMENT

INTEREST SHOWN IN OUTCOME OF A.I.C.C. MEETING

Wednesday Evening.

QUIET conditions prevailed on the Bombay stock market last week. The price trend was generally downward, though occasional bouts of short-covering tended to improve values. Erratic fluctuations were mainly caused by the turn of events in the Middle East. Operators failed to take a view and were willing to restrict their commitments. The forthcoming A.I.C.C. meeting to be held in Calcutta this week, is likely to be watched with keen interest as the Congress will formulate its economic policy at the meeting. Towards the close, however, an improved sentiment has been evident following short-covering on the hope that the Suez Canal route might soon be freed from disturbances. Firm advances from commodity markets were regarded as an encouraging factor, though tightness of money, it is feared, will harden further in coming weeks as a number of new industrial issues are expected.

Tata Steels were maintained at Rs. 193, while Indian Irons dipped to Rs. 34 on selling pressure from Calcutta interests following disappointment over the proposed rights issue by the company. Premier Automobiles attracted attention at Rs. 116-8 on the publication of an ordinary dividend of 6 percent. Alcock Ashdown were lowered to Rs. 332-8, as were Tata Locomotives to Rs. 168-8. Hindustan Motors lacked interest around Rs. 9-7.

Among mill shares, Bombay Dyeings, Svadeshi and Century were in request at lower levels, their respective prices being Rs. 627-8, Rs. 253-8 and Rs. 550-8. Simplex came to hand at Rs. 139 and India Ordinary were done at Rs. 12-3. Except for sugar shares, interest in the miscellaneous group was at a low ebb. Belapur Sugar were steady at Rs. 250-8 and Walchandnagar Industries were taken at Rs. 285. Associated Cement declined to Rs. 194-8, as did Digvijay Cement to Rs. 193-8. In spite of dividend rumours, Scindia Steam lost at Rs. 18-14-6, while India Steamship rallied to Rs. 10-1 on short-covering. Great Eastern Shipping were steady at Rs. 22-9. In the mining group, Indian Copper have been maintained at Rs. 4-5-6 on firm metal prices on the London Metal Exchange. B. B. Petrol were steady at Rs. 3-10-6 on the publication of the company's development plans. Bombay-Burmah improved to Rs. 727-8 on rumours of a better distribution. Tata Chemicals were steady at Rs. 20-2, while National Rayon were easier at Rs. 261.

Routine business was transacted in banking shares, with Bank of India making Rs. 142. Central Bank were dealt in around Rs. 53-8. Sellers predominated in insurance shares, and New India were freely available at Rs. 46-4.

Scattered interest was shown in electricity supply undertakings, and Ahmedabad were transacted at Rs. 93-7. Tata Hydro came to hand at Rs. 126-8.

THE WEEK'S TRANSACTIONS

(In the following list of stocks and shares in which transactions have taken place during the past week the figures indicate. Opening Quotations. Highest for the week. Lowest for the week. Closing Quotations—Quotation for the Corresponding Closing Date a Year Ago, the last named being shown in parenthesis and will not be given where such a quotation is not available).

GOVERNMENT SECURITIES	
£1½ Loan (1962)—Rs.	93-15—93-15—93-15—93-15.
3 % " (1966)—Rs.	74-5—74-6—73-12—74-6.
3 % " (1963-65)—Rs.	94-5—94-6—94-5—94-5-6.
3 % " (1970-75)—Rs.	88-4—88-13—88-4—88-8.
3 % " (1964)—Rs.	94-7—94-7—94-7—94-7.
3 % " (1958)—Rs.	99-8-6—99-8-6—99-8-6—99-8-6.
3 % " (1963-68)—Rs.	92-6-9—92-6-9—92-6-9—92-6-9.
3½ % " (1964)—Rs.	98-8-6—98-8-6—98-8-6—98-8.
3½ % " (1974)—Rs.	98-9—98-9—98-9—98-9.
3½ % " (1965)—Rs.	98-8-6—98-8-6—98-5—98-5.
3½ % " (1961)—Rs.	99-4—99-4—99-4—99-4.
4 % " Orissa—Rs.	96-8—98-10—98-10—98-10.

BANKS

Central ("A" Share)—Rs.	54-4—54-4—54-4—54-4—(55-12).
United Bank of India ("D") Share—Rs.	4-8—4-9—4-8—4-8—(4-13).
United Commercial—Rs.	56—56-4—55-6—55-6—(51-6).

TEXTILES

Bengal Nagpur—Rs.	9-8—9-8—9-6—9-6—(9-8).
Elgin Mills—Rs.	29-6—29-8—29-5—29-8—(21-13).
Jayshree—Rs.	6-12—6-12—6-12—6-12—(6-12).
Kesoram—Rs.	16-10—16-13—16-10—16-13—(16-4).
New Victoria—Rs.	2-10—2-10—2-9—2-9—(1-15).
Do. (Pref.)—Rs.	5-10—5-10—5-10—5-10—(3-8).

COALS

Burrakur—Rs.	16-8—16-10—16-2—16-8—(14-13).
Do. (2nd Pref.)—Rs.	9—9—8-10—8-10—(8-2).
Bharat—Rs.	7-6—7-7—7-3—7-3—(8-2).
Bhulanbarree—Rs.	12-12—12-12—12-12—12-12—(14-1).
Central India—Rs.	7-1—7-2—7-1—7-2—(7-9).
South Karanpura—Rs.	8-12—8-12—8-7—8-7—(12-9).
Western Bengal—Rs.	6-5—6-7—6-6—6-5—(7-2).

JUTES

Auckland (2nd Pref.)—Rs.	64—64-8—64—64-8—(76).
Agarpara—Rs.	11-1—11-3—11-1—11-3—(12-6).
Birla—Rs.	17-12—17-12—17-12—17-12—(19-5).
Bally—Rs.	200—200—200—200—(185).
Belvedere—Rs.	433—433—433—433—(197).
Chitavalisah—Rs.	13-4—13-4—13-4—13-4—(14-14).
Do. (Pref.)—Rs.	108—108—108—108—(116).

Howrah—Rs. 22-2—22-4—22-2—22-4—(29-9).
Hastings (Pref.)—Rs. 91—91—91—91—(107-8).
India—Rs. 140-8—140-8—140-8—140-8—(152).
Khardah—Rs. 129—129—129—129—(203).
Kelvin—Rs. 206—206—206—206—(303).
National—Rs. 24-8—24-8—23-12—23-12—(33-9).
New Central—Rs. 15-9—15-9—15-6—15-6.
Nuddea—Rs. 35—35-8—32-8—33—(47-12).
Waverley—Rs. 4-7—4-7—4-4—(8).

MININGS

Associated Mining (Defd.)—Rs. 5-12—5-12—5-12—5-12.
Burma Mines—Rs. 2-15—2-15—2-13—2-13—(2-2).
Indian Copper—Rs. 4-8—4-9—4-5—4-6—(7-9).
Metal Corporation—Rs. 10-8—10-8—10-7—10-7—(8-13).

CEMENTS

Ashoka—Rs. 13—13-2—12-9—12-8.
Assam Bengal (Defd.)—Rs. 1-6—1-6—1-6—1-6—(1-13).
Bengal Potteries—Rs. 3-8—3-8—3-8—3-8—(3-14).
Orissa—Rs. 13-4—13-4—13-13.
Sone Valley—Rs. 9-11—10-9—9-2—9-3—(8-9).

ELECTRICS

Calcutta—Rs. 13-5—13-5—13-3—13-3—(15-4).
Do. (Pref.)—Rs. 11-1—11-1—10-14—11—(12-12).

CHEMICALS

Alkali (Pref.)—Rs. 101—101—101—101—(109-8).
Bengal—Rs. 105—105—105—105—(110-8).
Do. (2nd Pref.)—Rs. 83—85—83—85—(80).
Smith Stanistreet—Rs. 11—11—11—11—(16-4).

ENGINEERING

Braithwaite & Co.—Rs. 29—29—29—29—(28-14).
Britannia Engineering—Rs. 16-12—16-12—16-12—16-12—(22).
Burn & Co.—Rs. 372-8—372-8—372-8—372-8—(327).
Indian Iron—Rs. 34-6—34-6—33-4—33-7—(41-4).
Do. (Pref.)—Rs. 104—104—104—104—(110).
Indian Standard Wagon (Pref.)—Rs. 127—127—127—127—(133-8).
Indian Malleable Casting (Defd.)—Rs. 4—4-1—4—4-1—(3-3).

Jessop & Co.—Rs. 37-1—37-4—36-4—36-8—(60-12).
Kumardhubi—Rs. 9-8—9-9—9-7—9-7—(12-8).
National Iron & Steel—Rs. 8-1—8-6—8-1—8-5—(8-2).
Richardson & Cruddas—Rs. 27-15—27-15—27-7—27-7.
Textile Machinery—Rs. 23—23-2—21-15—22—(18-3).

PAPER MILLS

India Paper Pulp—Rs. 23-8—23-8—23-8—23-8.
Orient—Rs. 37-12—37-12—35-10—35-10—(32-11).
Shree Gopal—Rs. 17-8—17-8—17-4—17-4—(17-4).
Star—Rs. 11-4 s.t.—11-4—10-5—10-5—(14-4).
Titagarh—Rs. 40-7—40-8—40-7—40-8—(48-4).
Do. (Pref.)—Rs. 142—142—142—142.

REAL PROPERTY

Midnapore Zemindari—Rs. 30-4—30-12—30-4—30-12—(41-9).

FLOUR MILL

Bengal—Rs. 35-2—35-6 x.d.—35-2—35-6 x.d.—(35-14).

INSURANCE

Ruby General—Rs. 5-14—5-15—5-14—5-15—(7-11).

SHIPPING

India Steamship—Rs. 10—10-2—9-12—9-15.

SUGAR MILLS

Cawnpore—Rs. 19-12—19-12—19-12—19-12—(23-6).
Darbhanga—Rs. 22-10—22-12—22-10—22-12—(24-8).
Shree Krishna Gyanodaya—Rs. 12—12—12—12—(16-14).

TEA SHARES

Brooke Bond—Rs. 21-8—21-9—21-8—21-9—(24-10).
Brahmaputra—Rs. 8-6—8-6—8-6—8-6—(8-8).
Bishnauth—Rs. 24-14—24-14—24-10—24-10.
Carron—Rs. 175—175—175—175—(305).
Dejo Valley—Rs. 49-8—50—49-8—50—(51).
Dessai & Parbutia—Rs. 409—411—409—411.
Grob ('A')—Rs. 34-6—34-6—34-6—34-6.
Gaikhatta—Rs. 285—286—283—283—(340).
Gangaram—Rs. 191—192—191—192—(362).
Hantapara—Rs. 196—196—196—196—(352).
Hasimara—Rs. 31-12—31-14—31—31—(42-3).
Hatikhira—Rs. 17-2—17-4—17—17-4—(26).

MISCELLANEOUS

Aluminium Corp.—Rs. 11-13—11-14—11-11—11-11—(8-4).
Anglo Brothers—Rs. 24-8—24-8—23-12—23-14—(22-7).
Airways India—Rs. 5-2—5-3—5-2—5-3.
Associated Hotels (Pref.)—Rs. 72—72—72—72.
British India Corp.—Rs. 11-2—11-2—10-11—10-15—(13-2).
Balmor Lawrie—Rs. 168-8—168-8—168-8—168-8—(184).
Birds Investment—Rs. 17-14—17-14—17-14—17-14—(19-4).
Do. (Pref.)—Rs. 76-8—76-8—76-8—76-8.
Clive Row Investment—Rs. 11-2—11-5—11-11—11-2.
Cambay Investment—Rs. 81—82—81—82.
Dunlop Rubber—Rs. 29—29—28-14—28-15—(35-8).
Do. (Pref.)—Rs. 124—124—124—124—(126).
Hoare Miller—Rs. 6-3—6-3—6-3—6-3—(7).
Do. (Pref.)—Rs. 123-12—123-12—123-12—123-12.
Indian Rubber Mfg. (Pref.)—Rs. 89—89—88—89.
Indian Aluminium—Rs. 15-14—15-15—15-12—15-12.
Indian Cable—Rs. 33-4—33-4—32-15—33-2—(32-6).
Indian Wood Products—Rs. 44-12—44-14—44-10—44-14—(43-8).
Imperial Tobacco—Rs. 14-12—14-14—14-11—14-11.
Jardine Henderson—Rs. 93—93—93—93.
Macfarlane & Co. (Defd.)—Rs. 10—11—10—11—(10).
Metal Box—Rs. 28-1—28-8—28-8—28-8—(25-14).
Martin Burn—Rs. 24-10—24-11—24-10—24-11—(26-12).
National Carbon—Rs. 28-10—28-10—27-3—27-3.
National Tobacco—Rs. 13-1—13-9—13—13-8—(11-2).
Do. (Pref.)—Rs. 75—75—75—75—(80).
Do. (2nd Pref.)—Rs. 66-12—67-4—66-12—67-4—(71).
National Insulated Cable—Rs. 26—26-5—25-14—26-3—(21-1).
Osler Electric Lamp—Rs. 4-5—4-6—4-4—4-4-6.
Rohas Industries—Rs. 22-2—22-4—21-6—21-10—(23-14).
Do. ('B' Pref.)—Rs. 65—65-4—65—65-4—(68-4).
Shaw Wallace—Rs. 13-2—13-2—13-2—13-2—(15-10).
Sodepur Glass Works—Rs. 2-7—2-7—2-7—2-7.
Walford Transport—Rs. 2-2—2-4—2-2—2-4—(1-9).
Western Stockholders Investment—Rs. 1—1—1—1—15.

OIL SHARES

British Burma Petrol—Rs. 3-12—3-12—3-10—3-11—(4-9).
Indo-Burma Petrol—Rs. 41-6—41-8—40-14—41-6.



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THE NEW TEST FOR STERLING

ECONOMIC CONSEQUENCES OF MILITARY PREPARATIONS

THE value of sterling was marked down against nearly all free currencies when the British Government made known its intention to invade Egypt. The reaction was not, however, as severe as might have been expected, and the authorities seemed to have little difficulty in supporting the currency within the limits of its official parties and of maintaining the unofficial relation between "official" and "transferable" sterling. Some observers have deduced from this behaviour that the pound is now, fundamentally, a firm currency. It is well to recognise, however, that the weakness has not been concentrated at a particular point of time, but has been spread over the months since the "Suez crisis" arose. The stability of the currency before the military action reflected a belief in some quarters that the crisis had permanently subsided, but it reflected also the completion in other quarters of arrangements that would be necessary if the crisis developed further. Some operators kept their holdings of sterling to the minimum consistent with their needs and did not,

therefore, appear subsequently in the market as sellers. Some holders of sterling who feared that they, like Egypt, might be prevented from using their money exchanged it into other currencies—a movement which is not repeatable.

Sterling survived that difficult earlier period in reasonably good shape, because, by ordinary economic tests, its condition was much sounder than it had been a few months previously. It survived the first impact of the military action without much further weakening, because some of the selling that such action would normally cause had already been completed. But it would be unwise to assume that Britain could undertake a prolonged military operation without seriously affecting the currency. Obviously, only the weaker holdings of sterling have been liquidated; there are still large amounts that could come on offer if their holders lost confidence. While the balance of payments is healthy—as it has been, on the whole, this year—confidence can be sustained by moderate official sales of gold and dollars, but if the ordinary trading account deteriorated such support would be ineffective. It is not difficult, in an emergency, to control import trade; it is on the export side of the overseas account that military operations are most damaging. One of the Government's first acts is requisitioning of ships; and Britain's export trade has suffered from lack of cargo-space ever since the dispute over the Suez Canal arose. This difficulty could continue a long time; or more foreign ships could be employed, at considerable extra cost in the invisible-payments account. But before long, Britain's need of commercial shipping might diminish: she might find that the world was no longer a willing buyer of her exports.

Danger to Export Trade

The main danger to export trade—and it is not absent from import trade either—is that, irrespective of the local war with Egypt, the British authorities will lose their grip on inflation. Laboriously, and not without opposition, the Chancellor of the Exchequer has almost achieved his intention to reduce by £100 million the estimates of expenditure embodied in his Budget last April. But this achievement is already academic; already so much additional expenditure has been incurred that the struggle against inflation has been weakened. A major reassessment of military needs—quite apart from current military action—would require a drastic revision of the financial programme. But even if new taxation and restraints were adequate to counter-balance the effects of increasing expenditure it might still be impossible to maintain the volume of exports, for the Government would

necessarily make extra demands on productive capacity (as on shipping and other services) that should be employed on export work. Modern Britain is beset by such problems whenever she is engaged in a war. In the past, however, she has been able to rely on the moral sympathy and on the practical assistance of the United States. The hostility of the United States on the occasion of the action against Egypt introduced a new unfavourable element into the economic situation. Most obviously, the willingness of the U.S. Administration to lend dollars for imports of oil from the western hemisphere could no longer be assumed. More generally, it had to be doubted whether the Administration would provide any kind of support to Britain's balance of payments, or even accept the new difficulties as a valid excuse for deferring the service of the postwar dollar loans.

Stability of Free Rate

If these unfavourable influences combined to weaken sterling, the British authorities would have to choose among various courses of action. They could not disregard the obvious fact that confidence must be based on the economic situation as a whole and cannot be secured by manipulation of the foreign exchange market. Exchange rates can be held firm by selling gold or dollars, but a decline in the reserve weakens confidence. It may, therefore, be necessary to confine the support to the official market, where the authorities are committed to specified rates, and to allow the unofficial rates for "transferable" sterling to fall back. The rates for "free" sterling have been held for many months very near the official rate, not because there is any commitment to support them, but because the authorities have been aiming towards a single rate for the currency and have wished to prevent the "shunting" of commodities from the sterling area to the dollar area through "third countries". However, commitment or no, a relapse of the "free" rates would damage the prestige of the pound. It is futile to close one's eyes to the fact that prolonged hostilities, or preparations for hostilities, could make devaluation of the pound unavoidable. It may be that this possibility is appreciated better in Britain than in other countries. Usually when doubt about the basic value of the currency is raised abroad there is no echo of it in Britain. But early in November, when external pressure on sterling was not severe, some big British financial institutions were investing substantially in U.S. Treasury bills, and the dollar premium which measures the difference between London and New York prices of North American securities reached the highest rate in years.

Books and Publications

BOOKS RECEIVED

Agricultural Marketing in India, Vol. I. By K. R. Kulkarni. (Published by the Co-operators' Book Depot, 9, Bakehouse Lane, Fort, Bombay. Price Rs. 20; pages 501.)

Co-operative Banking in India. By G. M. Laud. (Published by the Co-operators' Book Depot, 9, Bakehouse Lane, Fort, Bombay. Price Rs. 27-8; pages 718.)

Problems in Indian Economics. By P. C. Jain. (Published by Chaitanya Publishing House, 10-B, Beli Road, Allahabad.)

Precedents from Decisions of the Labour Appellate Tribunal of India. (Published by the Secretary, Indian Chamber of Commerce, "India Exchange", India Exchange Place, Calcutta. Price Rs. 4-8; pages 161.)

Czechoslovak Motor Review, Vol. 2, No. 7. (Published by the Czechoslovak Chamber of Commerce, Praha 1, ulice 28, rijn 13, Czechoslovakia.)

Czechoslovak Economic Bulletin. (Published monthly by the Press Department of the Chamber of Commerce of Czechoslovakia, Prague 1, UL. 28, rijn 13, Czechoslovakia. Pages 31.)

Czechoslovak Motor Review, Vol. 2, No. 6. (Published by the Czechoslovak Chamber of Commerce, Praha 1, ulice 28, rijn 13, Czechoslovakia.)

Czechoslovak Glass Review. (Published monthly by the Chamber of Commerce of Czechoslovakia, Ulice 28, rijn 13, Praha 1, Czechoslovakia.)

Czechoslovak Heavy Industry, No. 7. (Published monthly by the Chamber of Commerce of Czechoslovakia, Ulice 28, rijn 13, Praha 1, Czechoslovakia. Pages 45.)

Research and Progress in Western Germany, No. 2, 1956. (Published by Uebersee-Verlag, GmbH, 28, Neue Rabenstraße, Hamburg. Pages 88.)

Czechoslovak Foreign Trade, No. 3, 1956. (Published by the Chamber of Commerce of Czechoslovakia, Ulice 28, rijn 13, Praha 1, Czechoslovakia. Price \$0.50.)

Kovexport, No. 7, 1956. (Czechoslovak Export Magazine). (Published by the Chamber of Commerce of Czechoslovakia, Ulice 28, rijn 13, Praha 1, Czechoslovakia. Annual subscription \$4, single issue \$0.34; pages 35.)

New Delhi

FINAL CONTRACT FOR DURGAPUR STEEL PLANT SIGNED

PROGRAMMES OF CONSTRUCTION

(FROM OUR NEW DELHI CORRESPONDENT)

THE final contract was signed last week between the Government of India and the Indian Steelworks Construction Company, London, (I.S.C.O.N.), a consortium of 13 leading British firms, to build an integrated iron and steel plant in Durgapur. Mr. R. J. Barritt signed on behalf of I.S.C.O.N. and Mr. S. Bhoothalingam on behalf of the Government of India. This contract was made in pursuance of the heads of agreement signed in March, 1956. The final specifications and tenders were submitted in June. Several changes were made after discussions with the Consulting Engineers to the Indian Government. These were designed to ensure the smooth and efficient operation of different sections of the plant, and to facilitate speedy expansion.

The construction programme provides for the completion of the entire works by 31st July, 1961. The first and second blast furnaces, with adequate coke-making capacity and ancillary services, will be in operation by 31st October, 1959, and 30th April, 1960, respectively. Also to be installed by 30th April, 1960, are part of the steel-making plant, the soaking pits, the 42-inch blooming mill, the intermediate mill and the continuous billet mill. Thereafter the steel-making shop and the rolling mill plant will be completed. The installation of the wheel, tyre and axle plant, along with related steel-making and casting shop facilities, will mark the final stages of the construction programme. The iron and steel producing sections of the Durgapur works are designed to produce 1,250,000 tons of ingots a year and 360,000 tons of pig iron. The provisional output programme for the rolling mill and wheel, tyre and axle plant is 790,000 tons, based on an ingot production of 1,000,000 tons a year. It will be made up of forging blooms and billets (100,000 tons), billets for re-rolling (150,000 tons), merchant bars and sections (440,000 tons), sleepers (60,000 tons), and wheels, tyres and axles (40,000 tons).

Site Preparation

The decision to build the Durgapur steel works is based on the recommendations of the Colombo Plan mission which was proposed by the British Government and which, under the leadership of Sir Eric Coates, visited India in April 1955 to advise the Indian Government on the development of the iron and steel industry. The works will cover an area of about seven square miles. Site preparation has already commenced. The companies of the consortium are:

1. Davy and United Engineering Co. Ltd.
2. Head, Wrightson and Co. Ltd.
3. Simon-Carves Ltd.
4. The Wellman Smith Owen Engineering Corp. Ltd.

For the engineering and supply of mechanical plant and equipment for the principal sections.

1. British Thomson-Houston Co. Ltd.
2. The English Electric Co. Ltd.
3. General Electric Co. Ltd.
4. Metropolitan - Vickers Electrical Export Co. Ltd.

For all electrical machines, plant and equipment.

1. Joseph Parks and Son Ltd.
2. Sir William Arrol and Co. Ltd.
3. Dorman Long (Bridge and Engineering) Co. Ltd.
4. Cleveland Bridge and Engineering Co. Ltd.

For the fabrication of structural steel for buildings, etcetera.

1. The Cementation Co. Ltd.

For all civil engineering work at site.

The technical co-ordination of the principal sections and ancillary departments, the engineering of the services for gas, water, steam, fuel and air, and of the road and rail services, is to be carried out by the Metallurgical Equipment Export Co. Ltd. (M.E.E.CO.), the British company which discussed with the Indian Government in 1955 the construction of the works by a British consortium and laid the foundations of I.S.C.O.N. Both M.E.E.CO. and I.S.C.O.N. have as consultants for all electrical engineering matters Messrs. McLellan and Partners. Consultants for the Durgapur and other steel projects of the Government of India are the International Construction Co. Ltd. of London.

Division of Work

While for the most part the plant and building materials for the Durgapur works will be manufactured in the U.K., about 33,000 tons of steel will be fabricated in India by sub-contractors to the British companies. In addition, certain refractories and construction materials will be obtained from Indian sources. The individual contribution of the British companies of the consortium will be

as follows: Simon-Carves Ltd. will build the three batteries of coke ovens to carbonise 5,200 tons of dry coal a day, and will be responsible for the design and construction of the coal washery, coal handling and blending plants, and the by-products plant. The latter will cater for the recovery of crude tar, benzol and sulphate of ammonia. A contact sulphuric acid plant is included. Head, Wrightson and Co. Ltd. will construct the three 27 feet hearth diameter blast furnaces, each with a rated capacity of about 1,250 tons a day of iron, and also the ancillary plant and ore handling, stocking and bedding plant and two double-strand pig casting machines. The ore unloading, handling and bedding plant will deal with about 45,000 tons of ore a week. The Wellman Smith Owen Engineering Corporation Ltd. will be responsible for the entire steelmaking plant and ancillary equipment. Included in this section are two 800-ton inactive mixers, eight fixed 200-ton and one fixed 80-ton basic open-hearth furnaces. The hot metal will be desludged, using oxygen from two 50-ton-a-day units. Davy and United Engineering Co. Ltd. will build the entire rolling mill and wheel, tyre and axle plant. The primary mill plant will include a 42-inch blooming mill and a 32-inch intermediate mill. The finishing mills are a 24-inch medium section mill, a Morgan continuous billet and sleeper bar mill, and a Morgan merchant mill.

Power House

The main power house will be the responsibility of Simon-Carves Ltd. and one of the four electrical companies of the consortium. There will be installed four gas-fired boilers, each rated at 150,000 lbs. an hour, of which two are equipped for alternative solid fuel firing, three 500 kW turbo-alternators, and four large turbo-blowers. Simon-Carves Ltd. will also be responsible for the distribution systems for coke oven and blast furnace gas, steam and tar. The engineering workshops will provide for all normal maintenance of plant and works rolling stock. A foundry for ingot moulds and a general foundry for ferrous and non-ferrous metals will be near the maintenance shops. Responsibility for the engineering of these departments has been undertaken by Davy and United Engineering Co. Ltd., which has as consultants for the foundry Campbell Gifford and Morton, and for the engineering shop machine tools William Asquith and Co. Ltd. The electric furnaces for the foundry will be supplied by the Electric Furnace Co. Ltd. The four electrical companies will be supplying a wide variety of plant, including power-station equipment, some 2,500 motors ranging in size from 1 h.p. to 7,000 h.p. (the latter being for the main drives for the rolling mills), and the complete distribution system for the steel works, including nearly 100 transformers, rectifiers, a considerable quantity of switch-gear and fuse-gear of various types for voltages up to 30 kV lighting, telecommunications cables and ancillary equipment.

The equipment to be built by the British Thomson-Houston Co. Ltd. will comprise the main drive for the 42-inch blooming mill, turbo-exhausters for the coke oven plant, diesel electric locomotives, a section of the electrical motors for auxiliary drives, switchgear and control gear, approximately half the lighting installation and telecommunications equipment for the complete works. The English Electric Co. Ltd. will supply the main mill drives for the 32-inch intermediate mill and the continuous billet mill, switch-gear, transformers and rectifiers, industrial and mill type motors, control gear and auxiliary motor generating sets as well as mechanical parts for the diesel-electric locomotives. The General Electric Co. Ltd. will supply the main mill drives for the Morgan continuous merchant mill, four turbo-blowers for the turbine plant, industrial and mill type motors, control gear and approximately half the lighting and tele-communications equipment for the complete works. Metropolitan-Vickers Electrical Export Co. Ltd. will supply the main and auxiliary electrical equipment for the 24-inch medium structural mill and wheel and tyre mill, three turbine generator sets, condensers for the turbo-blowers, together with a large number of the auxiliary motors, 3.3 kV distribution switch-gear, and transformers for supplies below 11 kV. The supply and installation of all cables and ancillary equipment, including steelwork, cleats, racks, cable trays and cable jointing throughout the steel works, will be undertaken by a cable group formed by Edison Swan Electric Co. Ltd., Pirelli-General Cable Works Ltd. and Siemens Brothers and Co. Ltd.

Steel Buildings

Responsibility for the design and construction of the steel buildings for the works has been undertaken by the four structural engineering companies of the consortium: Joseph Parks and Son Ltd., Sir William Arrol and Co. Ltd., Cleveland Bridge and Engineering Co. Ltd., and Dorman Long (Bridge and Engineering) Ltd. Some 65,000 tons of steel buildings will be fabricated in the U.K. The

Cementation Co. Ltd. will undertake in India all the civil engineering work, which will include all concrete work, laying of railway tracks and roads, water service mains, drainage systems and the buildings for offices, laboratories, canteens and other amenities.

Negotiations for concluding the contract were conducted in London by a Government steel delegation led by Mr. S. Bhoothalingam, Secretary, Ministry of Iron and Steel, and the contract documents were finalised in Delhi. The value of the f.o.b. supplies of plant, equipment and materials will be about Rs. 83 crores. The entire civil engineering work will be undertaken by I.S.C.O.N. and paid for according to an agreed schedule of rates. The structure of the arrangements for executing work in India is somewhat different from what was originally contemplated. I.S.C.O.N. will continue to have complete responsibility for the entire project as originally intended under the package deal arrangement. But a target of expenditure has been agreed upon for plant, equipment and materials manufactured or procured in India, labour and erection. This amounts to Rs. 20.83 crores. If actual expenditure is below the target, the first saving of Rs. 50 lakhs will accrue solely to the Government. If the target is exceeded, the first Rs. 50 lakhs of the excess will be borne solely by I.S.C.O.N. Only savings and excesses beyond these limits will be shared equally by I.S.C.O.N. and the Government. This arrangement will give I.S.C.O.N. a strong incentive to keep down costs.

Since the signing of the heads of agreement in March, I.S.C.O.N. has made considerable progress in preliminary preparatory work. It is expected that bulldozers will move into Durgapur within the next ten days and the preparation of the plant site will start immediately thereafter. The British Government has agreed to train under the Colombo Plan all the technicians required for the Durgapur steel plant. Three hundred trainees are proposed. As for the financing of the plant, the British Government, it will be recalled, has agreed to advance a loan of £15 million to India, and a consortium of British banks a further sum of £11.5 million.

Contract for Rourkela Plant

Negotiations are also reaching a final stage for signing a similar contract with the German consortium headed by Krupp-Demag for the steel works in Rourkela. According to present estimates, the f.o.b. cost of this plant will be about Rs. 96 crores. The costs of both the Rourkela and the Durgapur plants have thus increased since the original estimates. Being a Government-to-Government deal, the f.o.b. cost of the Bhilai steel plant, to be supplied by Russia, has not increased. But the other incidentals of the works, have risen. The cost of each township is placed at Rs. 12 crores.

The Government's policy for the export of iron ore and manganese ore was announced on 1st September. Under it, the quotas which had been granted were doubled and the period of their validity was extended to 30th June, 1957. The Government is already considering whether this policy calls for modification in the light of the experience so far gained. Transport was the main difficulty which was initially responsible for the new policy. The price factor is another consideration. The export trade in the two commodities is likely to rise if the foreign importer is assured of supplies and the prices. A timely announcement of the Government's policy is expected.

Dunlops and Levers

Indianisation of the capital structure of two British companies is being considered here. They are Dunlop Rubber and Lever Brothers. Permission has been accorded to Dunlops to issue preference shares of Rs. 1 crore at 4 percent premium, and ordinary shares of Rs. 1 crore at 100 percent premium. Levers are amalgamating their four Indian subsidiaries into one company with a total capital of Rs. 5.57 crores divided into shares of Rs. 10 each. They will shortly float on the Indian market 557,000 shares of Rs. 10 face value at Rs. 16-8, or at a premium of Rs. 6-8 each. The new company, Hindustan Lever Ltd., will be a public limited liability company.

Reports on Automobiles and Coffee

The Tariff Commission's report on the automobile industry has been received by the Government and is being examined. The second part of the Plantation Enquiry Commission's report on coffee has also been submitted to the Government.

Machine Tool Mission

A machine tool mission will shortly leave for the United States. It will also visit some European centres of production, and will be largely non-official in composition. The Government recently set up a machine tool committee, whose members were mostly drawn from the private sector. Its main function was to appraise requirements, assess existing and potential production, and suggest ways and means of meeting the deficiency in order to make India self-sufficient in machine tools. This committee has made a comprehensive and useful report, indicating the lines along which the public and private sectors might collaborate. It is on the basis of its recommendations that a mission is now being sent to important machine tool manufacturing countries. The services of the machine tool expert, Mr. Elliot, are being retained.

More Cement Factories Licensed

To help fulfil the revised 1961 target of 16 million tons for cement, three more cement factories

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were licensed last week, raising the installed capacity by 670,000 tons, it is learned.

Expanding Mysore Steel Works

It has been decided to expand the Bhadravati steel works in Mysore State. Tenders have been invited for one more melting furnace and rolling mill. Capacity for the manufacture of ferro-alloys is also being expanded.

Co-operatives in Communist Countries

Two missions have recently returned here—one from China and the other from Soviet Russia. Both have been studying the co-operative movement in these countries. Although their reports are still being drafted, extensive publicity has been given to their views in the Indian Press. According to these reports, the S. K. Patil mission to China was impressed by "the tremendous progress of agriculture". This, it thought, was largely due to "guaranteed prices, assured markets, the incentive to use green manures and night soil as fertilisers, elimination of pests, such as stray cattle, monkeys and sparrows, the organisation of co-operative institutions, cheap and plentiful credit, a well organised extension movement, the breakdown of production targets into provincial, district and village units, and the avoidance of improvident and unnecessary expenditure."

According to Dr. Punjabrao Deshmukh, who led the second mission, "consumers' co-operatives have taken a firm foothold in Russia. They cater for a variety of consumer services, such as the supply of bread, vegetables, fruits, etcetera. They also run restaurants, bakeries and shops for the sale of consumer goods, especially in the rural areas, where there are no Government shops. In fact, this is a sector in which co-operatives enjoy a monopoly."

It may be news that the Indian Ministry of Agriculture deputed Mr. M. R. Bhide to study the co-operative movement two years ago. His report, in two volumes, now remains the subject merely of occasional notes. As for using green manures and night soil as fertilisers, a study of Mahatma Gandhi's articles in *Harijan* may be of some advantage. He had never been to China and his recommendations were based on his study of purely Indian conditions. The main issue, however, concerns methods. Some members of the mission to China have indicated that the Chinese are a highly disciplined race. Others have talked of "the whip" the Communists have for idlers and for those who shirk work.

Transport Shortage

The Indian railways might be able to cover the "yawning gap" in goods transport capacity during the second plan period if another Rs. 150 crores are placed at their disposal, according to Mr. K. B. Mathur, Member for Transportation in the Railway Board. This provision would not cover the cost of any of the new lines which have had to be excluded from the railway plan because of a cut in its allocation. It would, however, include some major development of line capacity on trunk routes, which would be useful even during the third plan period.

According to Mr. Mathur, the "uncovered gap" in goods transport capacity is of the order of 30 million tons. He observes: "We cannot obviously leave this matter to chance. Since the main impact of additional traffic will come when the new steel works go into full production, there is yet time to plan." In a series of constructive suggestions, Mr. Mathur indicates the directions in which road services can supplement the effort of the railways. It goes without saying, he remarks, that the development of means of transport other than the railways must be proceeded with. The road services, he says, should be developed as ancillary to the railways and should work in co-ordination with them. Mr. Mathur points out that the increase of "general goods" traffic by rail by 30 to 35 million tons during the end of the second plan would mean that road hauliers would have to provide correspondingly increased terminal services. With the new emphasis on agriculture, more and more bullocks will be withdrawn from the roads to the fields, leaving it to the road services to fill the gap. Then, with the vast construction activity going on in the country, large quantities of goods will have to be carried by road. The volume of traffic will thus steadily grow. There are several areas which are not touched by rail or where rail transport has been deficient. "There is, in these directions, rich scope for the development of road transport, as a service supplementing the effort of the railways", Mr. Mathur says.

Pointing out that in the larger interests of the country road development must be well regulated, he advocates "strong machinery" to ensure that the road services are pressed into service only where they are really needed. Referring to passenger transportation, he says that the provision made in the railway plan for this purpose "hardly touches the fringe of the problem." Passenger transportation, therefore, "is a field in which road services can play a more important rôle than they are doing at present." In conclusion, he sounds a note of caution against allowing road transport to cater only to the higher-rated "cream" of traffic. This would inevitably result in the railway freight for industrial raw products being enhanced substantially. "If, like the railways in areas where the railways are under-developed, the road services were to carry low-rated traffic with high-rated traffic, mixing the lucrative with the less lucrative, they can certainly serve an important national purpose."

London

CITY REACTION TO MIDDLE EAST DEVELOPMENTS

STEEP RISE IN INSURANCE AND FREIGHT RATES

(FROM OUR LONDON CORRESPONDENT)

THE Middle East dominates not only the headlines but most of the pages of our daily newspapers, so it is hardly surprising that for the moment economic factors are not receiving much attention. The City's reaction to developments is difficult to understand. There has certainly been no panic. Apart from such inevitable consequences as a steep rise in insurance and freight rates, sharp rises and falls of prices in the stock and commodity markets, and a general cautiousness in financial business, the attitude was almost one of cheerfulness that the policy of drift of the last few months had given way to some sort of action. The first hint of the cost of the Suez action was provided by the gold and dollar balances at end-October, which showed a drop of £30 million for the month. The economic consequences of the Government's action in the Middle East will depend on the extent to which, and the period for which we are involved and the Suez Canal is closed to traffic. If these are limited, the outlook is not too bad. If a lengthy military campaign is involved, the outlook would be very serious indeed.

War risk insurance rates on cargoes passing through the Suez Canal have been increased by 10s a £100 to 10s 9d, for Egypt to 12s, and for Israel, Syria, the Lebanon and Jordan to 11s 6d. The Baltic Exchange has been disturbed by a rumour that the Government of India might boycott British-flag ships as a reprisal for British military action in Egypt, as has been done by dockers in the case of ships that have been in Marmagao. No confirmation was available from India House of the boycott being extended to British ships. The effect on the Baltic, however, according to *The Manchester Guardian*, was to lead owners of foreign tonnage to strengthen their claims for freights to Indian ports.

Industrial Production Index

The index of industrial production for September is provisionally estimated at 139 to 140, compared with 140 for September, 1955. In the first nine months of 1956, the index has averaged 135, compared with 134 in the corresponding period of 1955. But it was rising until the middle of last year; since then it has remained almost static, with small fluctuations from month to month. This is brought out particularly by the figures after adjustment for seasonal factors. The index figure for August is now estimated at 115, compared with 118 for August, 1955. This year August was more affected by holidays than last year. The July figure has been revised upwards from 126 to 128, and it compares with 112 for July, 1955. For manufacturing industry alone the July output was slightly higher than the total index at 131, but in August it fell back again to 115. Percentage changes in industries in September this year, compared with September last year, included: up—sulphuric acid 4, steel 5, and electricity generation 11; down—mined coal 2, bricks 5, cotton spinning 5, motor lorries 24, and cars (mainly small) 23.

Banks Buy Gilt-edged

The combined return of the clearing banks for 17th October shows that investment in Government securities increased by just over £20 million during the month. This was largely due to the purchase of about £20 million worth by the Midland and £5 million worth by Barclays, but is important nevertheless as marking the return of the banks to the gilt-edged market after a long absence. The statement marks a turning point for another reason as well. Deposits rose during the month by no less than £106 million, and for the first time since May, 1955, they were higher than at the corresponding date a year earlier. Allowing for cheques in collection, the net increase in deposits is still £73 million. The equivalent of this sum has been used partly for the purchase of gilt-edged securities and partly for an increase of £54 million in Treasury bills. Treasury bill financing has been increasing rapidly in recent months and the total bank holding of Treasury bills is now £233 million above that of a year ago. So long as this inflationary form of Government financing continues we can get little satisfaction from the fact that bank advances are being kept down.

The Treasury announces that the total bank overdrafts of certain nationalised industries on 17th October were £90,400,000, compared with £90,300,000 on 19th September and £123,400,000 on 15th August. The October figure is after taking into account Exchequer advances of £18,200,000, against £27,200,000 in August and £35,500,000 in September.

Triangular Deal with Pakistan

The need for exporters to adhere strictly to the instructions laid down for fulfilling agreement under the triangular deals whereby Lancashire exports cotton textiles to Asian countries and receives payment in the form of U.S. raw cotton by the Board of Trade has been emphasised by that Department. The Board has recently stated that imports of raw cotton already arranged under the latest agreement, exceeded in value the sales of textiles so far made, largely because of the previous limitation on the delivery period. Because of this situation, exporters could accept further orders for textiles without incurring any responsibility for the import of raw cotton to balance those orders. It was pointed out, however, that exporters accepting such orders should notify the Chartered Bank of India, Australia and China of their rupee value in order that a register could be kept of the extent to which contracts for textiles were placed against the total value of raw cotton purchases in hand. This warning takes on added importance as it is reported that another of these deals, with Pakistan as the third party, will be announced shortly. A new agreement with Pakistan would mean that a further quantity of cotton would have to be bought and the registration of orders with the bank would thus assume greater importance. An exporter who failed to register his orders would run the risk of being obliged eventually to undertake responsibility for arranging an additional import of cotton to balance any unregistered contract.

Tea Company Developments

Following the sharp setback of the previous year, Brooke Bond and Co. now announces excellent results for the year ended 30th June. Group profits after all charges rose from £467,862 to £2,722,376 and the dividend on the "A" and "B" Ordinary is being raised from 12s to 17s 3d. Due principally to the loss of over £1,200,000 by the parent company in maintaining steady tea prices in this country while auction prices were fluctuating violently, the 1955 profits were abnormally low. The latest figures, on the other hand, were inflated by £538,722, because of the low tax charge resulting mainly from the offsetting of the previous year's loss. The directors say that a better picture can be obtained by averaging the net results of the last two years and thinking in terms of a profit for each of these two years of about £14 million. With the preliminary results, the Brooke Bond directors also give news of fresh financing plans. They are to make a "rights" issue of three million "B" 5s. Ordinaries to "A" and "B" holders on a one-for-four basis. It is also proposed to capitalise £34 million of reserves and issue, in fully-paid form, 600,000 new "A" Ordinaries and 14,400,000 new "B" shares. These will be issued to "A" and "B" holders on a one-for-one basis.

Acting for clients in Ceylon, Seton Trust is offering £700,000 in cash for the ordinary shares of three tea companies with estates on the island. The bids comprise 37s a £1 share for Alliance Tea, 45s a £1 share for Imperial Ceylon and 10s a 5s share for Carolina. The offers are subject to Exchange Control consent and will be conditional on a 51 percent acceptance in each case. It is expected that the exchange approval will be obtained in time to enable formal offers to go out not later than 23rd November. Recently Nuwara Eliya Tea Estates made share exchange offers to the same three companies, but on much less favourable terms. All three companies are in the Thomson, Alston group and have similar boards of directors. In each case, the last balance-sheet showed proportionately large holdings of cash and investments.

Contribution to Colombo Plan

In the first six years the technical co-operation scheme of the Colombo Plan has arranged training facilities for 4,277 students from south and south east Asia and has provided the services of 572 experts. This is disclosed in the report of the Council for Technical Co-operation in south and south-east Asia for the year 1955-56, published last week. The report states that the U.K. has provided the largest number of experts—more than one-third—and ranks second to Australia in the number of trainees for whom facilities have been made available—1,274 against Australia's 1,610. Training has been provided in many subjects, among them engineering (which heads the list), food, agriculture and forestry, administration, education, medicine and health, industry and trade, transport and communications, and power and fuel.

Brevities

Lazard Brothers and Company has arranged a new revolving credit of £7,500,000 for the purpose of financing French purchases of wool in the British Empire during the 1956-57 season. As before, repayment of the credit is linked with the export of French woollen goods.

A scheme submitted by the British Burmah Petroleum Co. provides for sale of the South African subsidiary over a period while continuing to participate in its profits, and transfer of the company's domicile to India. If the scheme is approved there is to be a capital return of 1s on each 4s share, reducing the issued capital to £565,500.

Britain and India have decided that no grounds exist which make it desirable to replace the current financial agreement between the two countries, which expires on 30th June, 1957. The end of the agreement will not affect India's right to draw on her sterling balances, nor will it affect the treatment of remittances of savings and the voluntary repatriation of investments by British citizens.

Tourist allowances for the next 12 months will remain unchanged at £100 for an adult and £70 for a child under 12, but the amount in foreign currency notes that may be taken out of Britain will be increased from £25 to £100. The amount allowed out of the country in sterling remains at £10.

The basic price at which the Ministry of Agriculture, Fisheries and Food sells raw sugar has been increased from 42s 10d to 46s 10d a hundredweight to enable the Ministry to cover the cost of sugar supplies during the current financial year. The Ministry will continue to be responsible for the supply of sugar for the home trade until 1st January, the day on which the Sugar Board will fulfil its main functions under the Sugar Act, 1956.

Madras

CHINESE FARMING EXPERTS TOUR SOUTH

IMPLICATIONS OF NEW WAGE AWARD ON PLANTATIONS

(FROM OUR MADRAS CORRESPONDENT)

THE Chinese agricultural delegation which is now visiting this part of the country declared in Coimbatore that since 1950, agricultural output had risen absolutely and relatively in China which even sold 1,700,000 tons of grain in 1955. The delegation claimed that China is self-sufficient in cotton, the annual output being placed at 1,500,000 tons of ginned cotton, which means that she is ahead of India. The increase in output has been attributed by the Vice-Minister, Mr. Chiang Chi Hsien, to agrarian reforms as well as to science. China is credited with 12 agricultural institutes, 153 agricultural research stations and 159 tractor centres. The Chinese experts who are studying India's achievements in the field since her independence said nothing about the sugar or tea industry in their country. China's present output of oilseeds can only be guessed but it looks as if she would not buy Indian cotton or textiles any longer. With the progressive abolition of landlordism, the formation of collectives now holds the centre of discussion. Assurances given by Madras Ministers at Tiruchi were that those who own only 10 acres need have no fear on account of the land reforms. This may be taken to mean that ceilings for land are contemplated. The example of U.P. and Bihar is ignored, and the Ministers feel that the break-up of large holdings for redistribution is necessary to raise food production. The landlords who doubt the correctness of the idea also reject the idea of compulsory co-operation, as adopted in China, since they consider it the thin end of the totalitarian wedge. Since the President assented to the new tenancy laws, the landlords have lost hope, and in places, are thinking of setting up candidates to oppose the Congress party in the elections. It is quite likely that landlords as a class may prefer a rightist group, although the Congress can play both a conservative as well as a socialist role, according to its convenience. It is professedly anti-communal, but one communal body may support Mr. Kamraj Nadar.

Plantation Shares Slump

The Tribunal's Award fixing wages for all classes of plantation workers may affect the Government's yield from agricultural income tax, which is a growing source of State revenue. It is felt that workers in Mysore or Kerala also are likely to demand the new wage scales to be applied in Madras. But the industry is likely to go on appeal. A slump in tea rubber shares followed at once but the Stock Exchange put in new rules on Monday of last week. All transactions have to be concluded by the delivery of scrip within seven days, and the Stock Exchange Committee notified the brokers that in case the delivery did not follow automatically, no appeals were needed and buying in could be resorted to. This had a salutary effect at once, and on Wednesday, a brisk revival followed. There were few sellers and buyers started to rush in, as the war news transformed the mood of the Bombay market. But on second thoughts on Friday evening, it was realised that the Suez Canal was already blocked and the Indian tea exports might suffer, even if the export duty remained unchanged.

The flurry of covering against earlier sales is now almost over, and the usual caution has superseded. In the case of textile shares also the last week's recovery was due to technical factors and the change in the market sentiment in Bombay. The industry's prospects outside Andhra are not rated bright, for the burden of wages and bonus will be heavy and most of the mills will have to buy equipment for expansion. Fears of tighter money scare away investors hoping for a rise, and the post-holiday feeling is far from comfortable among brokers as well as clients who think that the cutting of the Commonwealth connection will detrimentally affect India's economic interests. The hints about higher taxation have gone home, and some Congress leaders' appeal to recast its foreign policy and turn to Soviet Russia for inspiration is regarded as distinctly ominous.

Revival in Hides and Skins

The hides and skins trade got a stimulus last week, as export demand increased for all weights and grades. The U.K. started to enquire for early shipments of kips and prices stiffened a little as a longer voyage implies a drain on U.K. stocks of tanned hides and skins. Little importance is attached to the growing use of rubber for shoe-making in the U.K. It is taken for granted that Indian hides and skins must have a big market, if Western Europe becomes a single economic unit. The proposed State-wide ban on cow slaughter may not hit the tanners much, but the trade view is that the ban is superfluous and will only raise the cost of raw material for an industry that helps the Harijans to secure employment.

Vegetable Oil Prices Rise

The new Suez Canal crisis helped push up the prices of vegetable oils last week, the demand from Calcutta interests being the chief factor. Forward rates are still well below the rate of Rs. 325 a candy for ready groundnut oil. The vanaspati industry is the chief consumer, but the prospect of a larger crop this year has served to keep down the market price of kernels. As exports are un-

likely the crushers have been compelled to ask for tax relief and a rigorous collection of the new excise duty so that expellers are not discriminated against. It is noteworthy that a Congress M.P. endorsed the view that the cottage industry should not escape the excise duty levied this year, and oil millers should not be placed at a disadvantage. From the Government's angle, exports on private account are unnecessary as the new excise duty takes the place of the old export duty and State trading will secure profits. The oil and oilseeds trade here is getting reconciled to the sharing of foreign markets with the new Government trading body, and to the loss of European markets to west African suppliers of groundnuts. But for Madras, the disturbing thing is that the vanaspati industry here is still in a poor way. While that in Bombay is prosperous and even the new units in Bengal are well off, the industry in Madras has not prospered. Some factories are shut and one is due for auction next month. Part of the difficulty may be due to the fact that consumers here prefer liquid oil to hard fat as well as the fact that many classes get their fat in the form of fish included in the diet. Adulteration is less rampant and more ghee is available. Oilcake is a stand-by for the mills in the south, and the demand is still rising as agriculturists feel that oilcake is safer than chemical manures for the soil, long cultivated intensively.

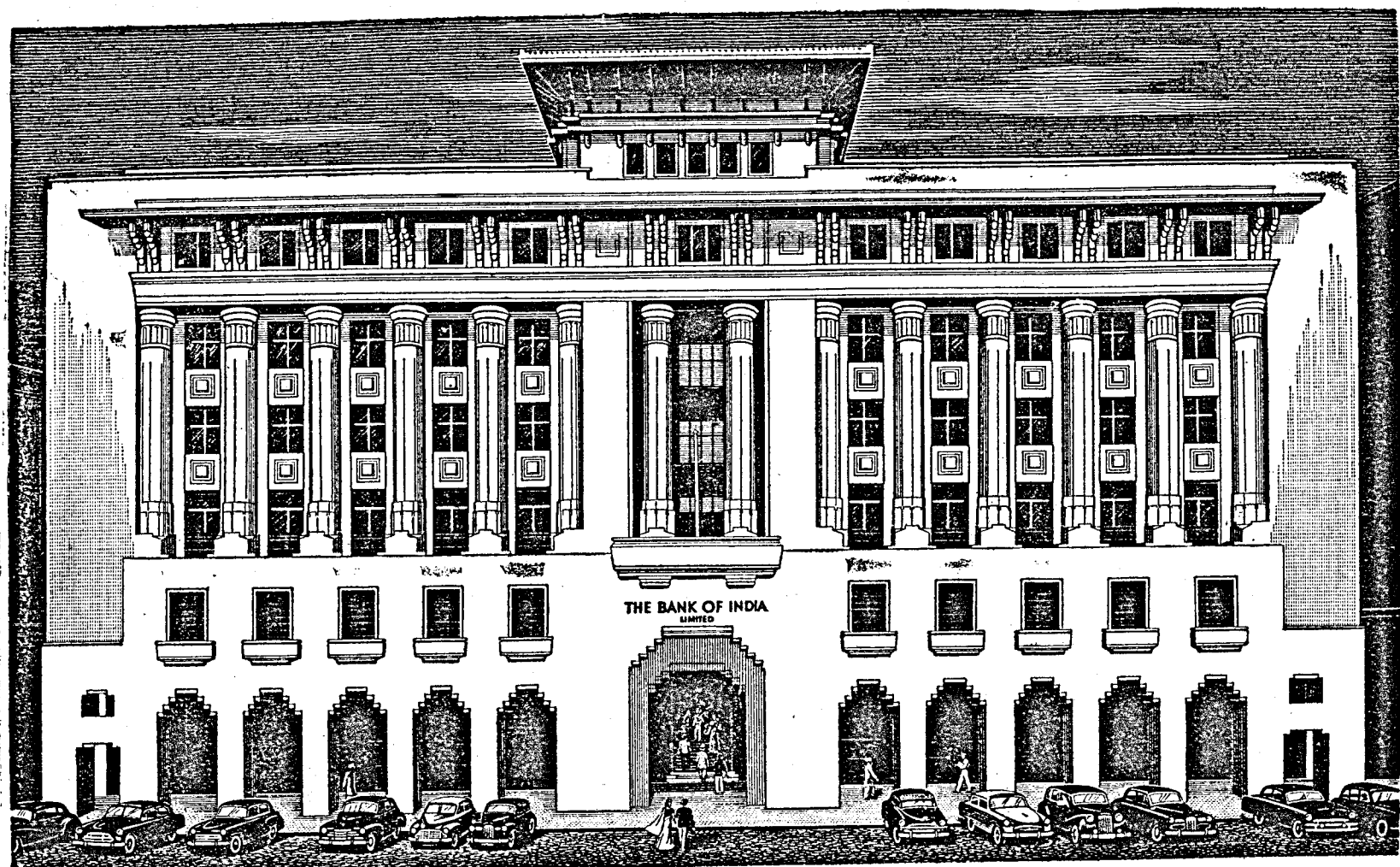
Grievances of Government Employees

While the addition of Rs. 5 to the dearness

allowance drawn by Madras Government employees has met with the approval of N.G.O.s in Andhra, the Government servants in the city feel that the concession is not enough. The demand made was for D.A. on the Central scale and the grant of Rs. 5 is considered a poor substitute. The addition to the Government's expenditure will be substantial; about Rs. 1.8 crores will be needed to meet the expenditure for the new increase of Rs. 5, but the disparity in pay as between the Centre and States (Bombay excepted) is the grievance of the N.G.O.s, who point out that the medical or educational concessions granted do not nullify the rise in the cost of living. A meeting of N.G.O.s held last week here recorded its view that the old demand stands.

Too Many Holidays

The complaints that India has too many holidays are heard here. One hopes that calendar reform will bring in its wake a reduction in the number of Government holidays, given without regard to the good of the State. The courts have suffered, and both lawyers and litigants have been put to hardship by unexpected holidays last month. The two holidays given last week in certain districts caused angry comment about the wisdom of stopping work in Government offices, while a good point was made about the celebration of birthdays of prophets in a private fashion without loss to the Exchequer through the closure of offices.



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"It is believed, not only that there is ample scope for a Bank of this kind but that there is a very pressing need in the trading community for a larger measure of the financial facilities which such a Bank would afford, and that there is every prospect that, if worked on sound principles and under prudent and careful management, such a Bank, while supplying a need to and conferring a boon on the people of India, would, at the same time, itself become a prosperous and lucrative concern."

These words are from the first prospectus of the Bank of India Ltd., which started on 7th September 1906 with an issue

of Rs 50,00,000. Small beginnings indeed, but even then its founders predicted a great future.

Today, with 36 Offices throughout India, the Bank has amply proved itself. It is represented overseas by 11 Branches, it has 92 Foreign Correspondent Banks abroad and Agents in most foreign centres. Its staff, in India alone, totals over 2,000. The Bank has a Paid-up Capital of Rs 2,50,00,000, a Reserve Fund of Rs 3,52,00,000 and a Working Capital of nearly Rs 100 crores.

Not chance, but prudence, caution and wise stewardship have been the cornerstones of the Bank's success. Thus, for the past 50 years it has withstood the trials of two world wars, banking crises, market fluctuations and political changes; and continues to play a vital, ever-increasing role in Indian commerce and industry.

All types of Banking business transacted:

Current Accounts—Savings Bank Accounts—Fixed Deposits—Loans and Overdrafts—Cash Credit Accounts—Discount of Bills and Hundis—Safe Custody—Foreign Exchange and Letters of Credit—Demand Drafts & Telegraphic Transfers—Executor and Trustee-ship—Safe Deposit Vaults—Guarantees etc.

Figures on 30-6-1956

Capital Authorised	.. ..	Rs 5,00,00,000
Capital Subscribed	.. ..	Rs 5,00,00,000
Capital Paid-up	.. ..	Rs 2,50,00,000
Reserve Fund	.. ..	Rs 3,52,00,000
Deposits	.. ..	Rs 75,58,47,500
Working Funds	.. ..	Rs 97,35,67,500

THE BANK OF INDIA LIMITED

Golden Jubilee

1906—1956

Head Office: Bombay

THE BOARD OF DIRECTORS

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IN INDIA: Bombay (6 branches), Ahmedabad (5 branches), Amritsar, Bangalore, Bhub (Kutch), Calcutta (3 branches), Coimbatore, Delhi, New Delhi, Gandhidham (Kutch), Hyderabad (Deccan), Jamshedpur, Junagadh, Kozhikode, Madras, Nagpur (2 branches), Palanpur, Poona (2 branches), Rajkot, Sholapur, Surat, Veraval.

ABROAD: London, Aden, Karachi (Pakistan), Singapore. 5 Branches in East Africa at Nairobi, Mombasa, Kampala, Jinja and Dar-es-Salaam; 2 Branches in Japan at Tokyo & Osaka.

AGENTS: In all the principal countries of the world.

Jute

MIDDLE EAST HOSTILITIES KEEP UP GUNNY AND FIBRE PRICES

COMPLAINTS ABOUT WAGON ALLOCATIONS FOR JUTE

THE Calcutta jute and jute goods markets reacted strongly to the outbreak of hostilities in the Middle East, and in a very short time prices soared to new high levels. Speculative activity predominated in the early stages as operators indulged in heavy bear-covering in anticipation of good business. Conflicting reports on the international situation caused wide fluctuations; rumours were confirmed and denied, but within a very short time prices were higher than they had ever been this year. Many overseas consumers asked their Calcutta representatives not to ship any goods meantime until the position was clarified. This brought a certain amount of relief to operators who had blank sales on their books, and towards the end of the period the rush to cover these sales for steamers loading in port eased. Mills began to take an interest in the market as prices rose, and eventually became keen sellers for all constructions right through to the middle of next year. Overseas consumers took little interest at the higher rates and most of the business was absorbed in the bazaar by local bull operators. Towards the end of the week, continuous selling pressure by mills had an adverse effect. After the week-end, sacking prices were down to below last week's closing levels, having dropped about Rs. 2-8 from the top. Hessian remained fairly steady and at the close was still about Re. 1 better than a week ago. The difference between near and forward shipment underwent a big change during the week. The premium enjoyed by forward sacking was eventually reduced to a discount, and similarly in hessian January-March deliveries fell to 8 annas below the ready price, after ruling at par for some time. This appeared to be a reversal of last week's sentiment, but in fact it did not mean a weakening of the forward section. Rather it was due to the fact that speculative activity was confined to the near positions with a consequent jump in these prices which gave them a temporary advantage over other deliveries. Towards the close, there was a revival in all sections of the market on rumours of Russian intervention in the Middle East crisis, but when these were proved unfounded, prices again fell back.

Fibre closely followed the fortunes of the goods market, and although there was not any panic buying on last week's scale, steady but small purchases every day indicated the mills' general attitude. After the Kali Puja holiday, Indian mills made some "lucky day" purchases, which individually were of no great consequence, but collectively were enough to create a steadier feeling. The initial firmness was not maintained, and in spite of the business conducted, prices fell back in sympathy with the gunny market. Upcountry agencies were steady, following good covering business. As imports were well up to average, most sellers were keen to continue their activities. With the reduction in Calcutta prices, however, operators paused and agency rates were again higher than local prices. The allotment of wagons is causing much discontent at the railheads. It appears that there are plenty of them, judging by the large numbers lying idle in the marshalling yards, but allocations are slow and most applications have been drastically reduced. One of the strange things about the whole situation is that allocations for shipment to Cossipore are fairly easy to get, but restrictions have been placed on allotments to mills. This has encouraged sellers to consign large quantities intended for mills to Cossipore, in the hope that buyers will accept local delivery. But many of the latter have had unfortunate experiences with such local options in previous years. Sellers thus find themselves in the unenviable position of being in danger of having contracts cancelled through non-delivery from agencies due to non-allocation of wagons, while having ample stocks to cover these sales either in local godowns or in transit.

THE JUTE MARKETS

Manufactured Goods: As last Thursday was a holiday for Kali Puja, all markets were officially closed, but speculative activity continued because of the international situation. By the time regular trading opened on Friday, prices showed drastic changes. All rates were nominal, but were subject to sharp fluctuations. Ready B Twills jumped by Rs. 2-12 to open at Rs. 119-14 and November shipment was even higher at Rs. 120-4 a 100 bags. But activity in the forward section was restricted and January-March shipment only improved by Rs. 1-12 to Rs. 119-12, the premium previously enjoyed by forward shipment being thus nullified overnight. Hessian also reacted to the situation, and 40in. 100z. improved by Rs. 1-15 in the ready position to Rs. 44-11 a 100 yards, and Re. 1-8 for forward shipment to Rs. 44-6. Here also the slight advantage enjoyed by forward shipment was lost. These prices were the highest reached this year, but did not remain at those levels for long because of heavy selling pressure from mills. On Saturday morning, heavy goods and hessian both lost half of the previous day's gains. Mills continued to take an interest and business was again transacted at lower rates. The decline continued over

the week-end, and for the next few days prices fell by about 8 annas a day. By Tuesday morning, opening quotations in sacking were lower than last week's closing rates. This was mainly due to heavy bull liquidation following the initial buying space and over the week sacking rates dropped by Rs. 2-8 from the opening. At this stage, ready B Twills stood at Rs. 117-5, with forward shipment back to a premium of 4 annas. The reduction in hessian was not so drastic and 40in. 100z. was quoted on Tuesday morning at Rs. 43-14 for ready delivery and Rs. 43-5 for January-March shipment. This was 12 annas lower than at the beginning of the week, but still over Re. 1 higher than last week's closing quotations. At the close, prices were nominal in the absence of business, and opening quotations on Wednesday morning were as follows:

	Ready	Nov.	Dec.	Jan.-Mar.
40in. 80z.	35-12	35-10	35-6	35
40in. 100z.	44-4	44-5	44-4	43-10
B Twills	118-4	118-10	118-8	118-4
Heavy Ceers				
(Plain)	118-4	119	119	118-4
A Twills	139-8	140	140-8	141
Liverpools	130-8	131	131-8	132
Cornsacks	118-8	119-4	119	119

Raw Jute: Fibre prices were very firm at the opening last Thursday in sympathy with the goods market. Opening quotations for Dhurbi-Northern jute were based on Rs. 31-8 a maund basis Bottoms for November-December shipment. Good business was done during the day at full market rates in the form of "lucky day" purchases, but towards the evening values eased as gunny prices fell, and Saturday's opening was 8 annas down. Mills continued to take an interest, although on a much smaller scale than last week, but sellers were reserved and were not in the market after last week's large sales. Conditions eased further during the week-end, but sellers were reluctant to quote less in spite of Monday's opening rates falling to Rs. 30-8 a maund. Only small business was reported at this level, and in spite of the reduced prices, the undertone of the market was steady. Towards the close, the market improved on reports of Russian intervention in the Middle East, but no further business was reported.

During the week, mills' purchases were on a reduced scale. Assam and Northern jute was purchased at prices ranging between Rs. 30-8 and Rs. 31-8 a maund basis Bottoms for November-December shipment. Tossa from the same agencies was done up to Rs. 31 a maund, and Murshidabad District Tossa passed at Rs. 30 to Rs. 31. Good business was done in first-class Tossa from the Daissee districts, as also in Daissee, at Rs. 30-8 to Rs. 32-8 a maund basis Bottoms and Rs. 33 to Rs. 35 a maund for Middle only. Special Middle free from samla for Middle only. Daissee Mesta free from samla for Middle only. Local Northern was done at Rs. 37 to Rs. 38 a maund. In the lower grades of fibre, only small business was reported and Local Northern was done at Rs. 30 to Rs. 30-8 while Daissee Mesta passed at Rs. 28 to Rs. 29-8 a maund. Small lots of Bimli were done at Rs. 28 to Rs. 28-8 for F.A.Q. Good business was done in Pakistan Cuttings, both for ready bills of lading and for shipment, at Rs. 127 to Rs. 130 a bale.

At the close, the market was unchanged and opening quotations on Wednesday morning were as follows:

Indian Jute:	Landed at Mills Rs. a md. basis Bottoms.	Shipment. Nov.-Dec.
Lower Assam	30-8	"
Northern	30-8	"
Murshidabad White	29-8	"
Daissee	31-8	"
Daissee Mesta	29	"
Local Northern	30	"
Bimli	29 for F.A.Q.	"
Tossa is quoted at 8 annas to Re. 1 a maund above the price of white jute.		
Pakistan Jute:	Rs. a md.	Shipment. Nov.-Dec.
Jat	33	"
District	32-8	"
Northern	32	"
Pucca:	Rs. a bale.	Shipment. Nov.-Dec.
Mill Firsts 2/3	230	"
Export Firsts 2/3	210	"
Export Lightnings 2/3	195	"
Jat Cuttings	130	"

PROTECTION URGED FOR SWEDISH JUTE INDUSTRY

Protection for home-produced jute goods has been urged by the Swedish Textile Workers Union in view of the home industry's inability to compete with imported Indian goods, reports the *Jute Bulletin* of the Indian Central Jute Committee. The Union argues that higher customs barriers have been put up by other countries to protect their jute industry and that jute manufacturers in Sweden should not receive less protection than their counterparts in the linen, cotton and wool trades. The case for protection of the Swedish jute industry in the home market has been strengthened by its recent loss of business to India. A big agricultural organisation has

placed an order for 100,000 jute bags in India at a price considerably lower than the one quoted in the Swedish offer. Sweden's largest jute mill states that its ability to compete with foreign producers has been considerably weakened. In August 1955, Pakistan devalued its currency by 30 percent, but simultaneously fixed the raw jute prices at the previous pound sterling level and further introduced a higher export duty on it in order to protect her growing jute industry. India immediately counteracted by abolishing the export duty on jute products. The result, in spite of the increased customs protection for textiles introduced in Sweden in July 1955, has been a further widening of the difference between Indian and Swedish sales prices. The Indian manufacturers, the mill claims, pay £20 less a ton than European jute mills for raw jute.

THE FOREIGN JUTE MARKETS

RAPID RISE IN FIBRE PRICES

(FROM OUR DUNDEE CORRESPONDENT)

MOST jute traders are inclined to await further developments now. The advance in raw jute prices has been rapid, and spinners cannot afford to pay the rates quoted, although there has been an authorised rise in values of jute yarns of about £5 a ton. All prices for raw jute are well above the minima, for both white and dark material. The latter have taken some time to come up, but no doubt, the international situation has influenced the markets very greatly. Prices for all commodities have risen, especially metals, because the war in the Middle East might develop into something much greater than it is at the moment. The jute industry can make use of the Cape route to the U.K. and the Continent, if the Suez Canal is closed against ships carrying gunnies or raw jute, with a delay of only about 10 days, it is claimed. Offers of raw jute have been much fewer than usual, some of the biggest shippers refusing to quote. One or two are naming £120 for Mill Firsts now and £100 is the cheapest now for Mill Lightnings, with Mill Hearts at £95 and Grade Hearts at £90, November-December, c.i.f., U.K. The fixed minimum prices for these grades are £91, £81, £71 and £61, while Grade Tossa-2/3 is now £109 (minimum £100) and fours have been sold at £98 and £99 (£90), and good Daissee-2/3 quoted at £99 (£90) and Grade at £92 (£81), c.i.f., U.K.

In the Calcutta goods market, prices are nominal. The latest f.o.b. quotations are 18s for B Twills, 67s 9d for 40in. 100z. hessians and 51s 6d for 70z., November. Spinners sold a considerable quantity of jute yarns last week before the prices were raised by £5 a ton for the common varieties, "JCH". The value of common 8 lbs. cops is now 15.35d a lb., and that of medium 8 lbs. spools is 15.92d, with 3 ply 8 lbs twist at 17.61d and carpet 14 lbs. hard twist at 15.20d a lb. The finer yarns were put up in the previous week by a like amount and these remain unchanged, as also do sacking yarns at 12.35d a lb. for 24 lbs., weft and all the commoner grades of rove. The cloth prices are now 13.17d a yard for 40in. 100z. and 10.80d for 80z., with 8 por. 27in. 16oz. twilled sacking at 19.94d a yard and 14 por. 36in. 18oz. tarpaulin at 25.49d a yard.

GUNNY SHIPMENT STATISTICS

The following figures include coastal shipment relating to manufactured jute goods for shipment from the port of Calcutta. These are gross figures based on shipping bills presented:

	Hessian Bags (Tons)	Cloth (Tons)	Total (Tons)
1st to 31st October, 1956	4,782.7	31,516.7	36,299.4
1st to 30th September, 1956	2,265.0	30,257.5	32,522.5
1st to 31st August, 1956	3,711.0	38,809.8	42,520.8
	Sacking		
1st to 31st October, 1956	41,911.2	1,265.5	43,176.7
1st to 30th September, 1956	26,755.3	1,500.4	28,255.7
1st to 31st August, 1956	43,642.7	2,747.0	46,389.7

GUNNY SHIPMENTS DURING SEPTEMBER

The following are the total net figures of manufactured jute goods shipped from Calcutta during the month of September, 1956 after providing for short shipments. These figures include shipments to coastal ports.

	Hessian Bags (Tons)	Cloth (Tons)	Total (Tons)
Gross	2,265.2	30,258.0	32,523.2
Short shipped	46.0	1,148.7	1,194.7
September 1956 (Net)	2,219.2	29,109.3	31,328.5
August 1956 (Net)	3,330.9	37,120.5	40,451.4
July 1956 (Net)	2,803.0	30,699.6	33,502.6
	Sacking		
Gross	26,755.4	1,500.6	28,256.0
Short shipped	366.6	Nil	366.6
September 1956 (Net)	26,388.8	1,500.6	27,889.4
August 1956 (Net)	42,945.2	2,709.6	45,654.8
July 1956 (Net)	30,254.6	1,693.7	31,948.3

LABOUR-MANAGEMENT CO-OPERATION

LEGAL RIGHTS OF WORKERS IN WESTERN EUROPE

(FROM OUR NEW DELHI CORRESPONDENT)

WORKERS' participation in management has been considered by the International Labour Office primarily as consultation and co-operation between the employers and workers of an undertaking at the unit level. The most common method of workers' participation in management, viewed as a system of labour-management consultation and co-operation, is through special bodies variously denominated as joint production committees, works committees, works councils, management councils, and so on. Another method is through workers' representation on the directorate or the board of management of the enterprise. In Yugoslavia, the system of auto-management by the workers is practised.

Austrian and French laws confer on the works committees of limited companies the right to delegate two of their members to the boards of directors. In France, these delegates attend only in an advisory capacity; in Austria, they have the same rights and obligations as other members of the board. In western Germany, the Employees' Representation Act provides that in all share companies, except those of the mining and iron and steel industries and some small units with not more than 500 employees, one-third of the members of supervisory boards must be elected by the employees of the undertaking qualified to vote. A number, not exceeding two, of the employees' representatives must themselves be employed in the undertaking; the remainder need not be employees. The employees' representatives have exactly the same rights as those of the shareholders.

On the other hand, the Co-Management Act, which applies to share companies of the mining, iron and steel industries, provides for the equal representation of employees and shareholders on supervisory boards. The nomination of all the employees' representatives must be preceded by consultation with the trade unions concerned and with their federations. Two of these representatives, who must be employees of the undertaking, are nominated by the works council, and the remainder by the trade unions. In neither case, can the nomination be challenged. It is further provided that the board of management of each company must include a labour manager with the same rights as have the other members of the board; he is not considered duly elected unless a majority of the employees' representatives on the supervisory board vote for him.

Publicly Operated Services

In a number of countries the workers, through their representatives, participate in, or are associated with, the management of certain publicly-operated services—in particular, the railways. To mention a few examples only, one or more representatives of the staff are appointed to the boards of management of the State railways in several countries, such as Belgium, Canada, France, Italy, Norway and Switzerland. Three of the 21 members of the board of management of the Belgian State railways represent the railwaymen, and two of the eight members of the Norwegian board are similarly nominated. In Switzerland, the general secretary of the union concerned represents the staff on the board of management of the Federal railways and, in the case of some of the small private railways, a member of the staff sits on the board of management, as a member designated by the canton Government. In France, since 1933, five representatives of the railway unions, of which four are nominated by the National Federation of Railway-workers and one by the Federation of Christian Trade Unions, have sat on the board of management of the national railway company. In Canada, the unions have one representative on the board of directors of the Canadian National Railways.

While nationalisation in western Europe has been limited to a few of the most important industries in France and the United Kingdom and the electricity industry in Austria, in eastern Europe by far the greater portion of industry has been nationalised. The problems of co-operation, and especially the manner in which it is obtained, have been very different in the two cases. Only the position in western European countries will be considered here.

French Nationalised Industries

In France, after the war, the main organisation of the workers demanded the participation of their representatives in the actual administration of nationalised industries. They argued that the interests of capitalists should be eliminated, that bureaucratic control should be avoided and that the nationalised companies should be administered by boards of directors representing all classes of workers, the interests of consumers and the interests of the State. The legislature has, generally speaking, now made the administration of the nationalised undertakings a matter of genuine co-operation by giving them the status of public nationalised institutions of an industrial or commercial character, endowed with legal personality and financial autonomy, and administered in the interests of the community by all the parties concerned—the public authorities, consumers, workers and producers.

The important and the most regularly observed of the general principles in this connection is that which brings together on boards of directors representatives of the State, of the staff (appointed by the most representative of the trade unions), and those of general interests, chosen in most cases by trade union federations, large-scale family associations or various groups of consumers and users.

The management of the nationalised fuel mines throughout France is entrusted to a national coal board, the Charbonnages de France. This board has been given the functions of directing, supervising and co-ordinating the operations of the various coalfields, submitting for the Government's approval a plan for coal production and re-equipment, advising on import and export schemes and fuel prices, promoting research and training workers. Each coalfield has been placed under a regional board established as a public corporation responsible for production, operation and marketing. Six members of the National Coal Board represent the State and are appointed by the Ministers concerned, six represent consumers (three for industrial consumers and three for domestic consumers, one of the latter being appointed by family associations and two by trade unions) and six represent the different grades of staff (manual workers, salaried employees, supervisory staff, engineers and higher grades), being appointed on the recommendation of the most representative trade unions. Through this two-sided method of representation, therefore, the trade unions provide eight of the 18 persons entrusted with the overall management of this important industry. Of the 18 members of each regional board, seven representing the various grades of staff are appointed by the most representative trade unions in the coalfield. The director-general of each regional board is appointed by the competent Minister on the recommendation of the board itself.

Gas and Electricity

The nationalised electricity and gas undertakings are administered respectively by the electricity board, Electricité de France, and the gas board, Gas de France. Each is placed under a council of 18 members—six representatives of the workers (three for administrative and technical grades, one for salaried employees and two for manual workers) appointed on the recommendation of the most representative trade unions. In each region, there are electricity distribution departments and gas production and distribution departments, administered by boards appointed by the national services. Of the 18 members of each

administrative regional board, four represent the national board, eight represent the consumers and six represent the various grades of workers and employees.

There are no overall administrative boards for banking and insurance at the national level, each of the nationalised undertakings having its own separate board. Here again, however, the direct participation of all interests concerned is equally marked. The staff are represented on the General Council of the Bank of France. Each of the four main nationalised deposit banks is managed by a board of 12 members—four chosen by the Government from among persons engaged in industry, commerce or agriculture, and four appointed on the recommendations of the most representative trade unions concerned (two chosen from the higher grades and two from the subordinate grades of the staff of the bank) and four other members appointed by the Minister of Finance (two representing public credit institutions and two being persons with a wide experience of banking). The president of each bank is elected by the board, subject to approval by the Minister of Finance.

The nationalised insurance undertakings are also managed by boards, each composed of a chairman, appointed by the Minister of Finance after consultation with the board, three members appointed by the National Insurance Council for reasons of technical ability, three members representing the State, three members representing insured persons and three members appointed by the most representative trade unions (one representing employees, one representing senior staff and inspectors and the third representing agents).

Banking and Insurance

Although there are no general boards of management for banking and insurance at the industrial level, there are advisory agencies at that level in which trade union representatives also participate. The French Act of 2nd December, 1945, concerning the organisation of credit, set up a National Credit Council as the central agency of the new financial system. Of its 38 members, seven are nominated by the most representative trade unions—three represent general interests, appointed by the Minister of National Economy, and four represent the various grades of bank staff appointed by the Minister of Labour. The National Insurance Council is the central agency which advises the Minister of Finance on all measures concerning the general activities of nationalised and non-nationalised insurance undertakings.

Presided over by the Minister of Finance, the Council is composed of 21 members—seven representing the State, appointed by the Ministers concerned, seven representing insured persons, appointed respectively by the trade unions, the chambers of commerce, the trade chambers, the French Chamber of Foreign Trade and the family associations, and seven representing persons employed in insurance, appointed by the federations, trade unions or other national associations concerned (one for managers, one for the higher grades and inspectors, two for clerks, two for agents, and one for the staffs of agricultural mutual insurance funds).

The Austrian Government also has introduced the principle of direct co-operation by the representatives of occupational organisations in the management of the nationalised electricity services. The co-ordination of the regional and special electricity services is entrusted to a central company established on a commercial basis. One-third of its board of directors are appointed by the Central Government, one-third by the various regions, while one-third must consist of at least one representative each of the Chamber of Labour, the chambers of agriculture and of salaried employees and workers in the nationalised undertakings. In 1951, a joint Advisory Council was set up for nationalised industries, composed of four representatives each of the nationalised industries and workers, with the function of examining any social questions concerning the workers in these industries.

Engineering and Transport

THE SHAPE OF AIRCRAFT TO COME

NEW LANDING AND TAKE-OFF PROBLEMS

WHAT will the next generation of airliners look like? Ten years ago, the medium-sized, gas-turbine-powered Comet and Viscount were on the stocks, pioneers of the postwar era of air transport. The larger Britannia followed while the Vanguard is nearing completion now. In the early 1950s, the Americans and the British designed and started the construction of large trans-ocean pure jet airliners. As is well known, the British V-1000 was abandoned. These aircraft will be seen on the world's air routes for the next 10 to 15 years, perhaps longer. What will follow?

The vast increase in international air traffic forecast on all routes, short, medium and long, in the next 10 years presupposes more or larger aircraft. Yet mounting air traffic control problems point urgently to the need for restricting the number of airliners on all routes. Therefore, larger aeroplanes seem to be the answer, examples of which are already in being. A prewar 70-seater was considered very large; today, its equivalent holds 130 or more passengers. But if the present trend is followed, landing and take-off speeds and, consequently, runway lengths will go on increasing while safety factors decrease accordingly. Turbo-prop advocates that a relatively high cruising speed can be obtained without an excessive landing run, but the advocates of high sub-sonic and super-sonic cruising speeds are turning their attention more and more to high-lift devices which will, it is hoped, enable very fast aircraft to operate from runways of a reasonable length—say 2,000 yards. The problem has received much attention in the U.K. Handley Page are well known for their work on laminar-flow and boundary-layer control, and several other manufacturers are contributing in this field.

Jet-Flap Principle

Last year, the National Gas-Turbine Establishment announced the jet-flap principle. The jet-efflux from an aircraft's engines is discharged horizontally from the trailing edge of the wing in a long span-wise sheet, instead of from circular orifices directly behind the engines. On take-off and landing, this flat jet-sheet is directed downwards at an angle, thus forming, in effect, an aerodynamic flap of a size which would be impossible with a "solid", or mechanical, flap. The effective area is, in fact, similar to that of the wing itself. In addition, a certain amount of direct lift is obtained on the "jet deflection" principle. The National Advisory Committee for Aeronautics is reported to be "looking into the possibilities" of the British device. The Committee estimates that the jet-flap could cut take-off distance from 8,500 feet to 4,500 feet, landing run from 7,000 feet to 3,700 feet, take-off speed from 150 m.p.h. to 115 m.p.h. and landing speed from 115 m.p.h. to 80 m.p.h.

A small N.G.T.E. research team consisting of Messrs. I. M. Davidson, N. A. Dimmock and B. S. Stratford has been working on this device, and several points have emerged. The theory of the principle is being developed and wind-tunnel tests of models have done much to confirm its aerodynamic practicability. But quite apart from the principle involved, there are many purely structural problems to be solved. For example, it seems likely that a jet-flap airliner may have to have as many as six engines, three each side of the fuselage, to ensure stability in the event of engine failure. Obviously, a twin-engine aircraft would quickly be in trouble if one engine failed, because thrust extends almost to the wingtip and the remaining engine would veer the aircraft round and render it uncontrollable in seconds. Again, an aeroplane with a low aspect ratio wing—that is, short and fat—would be best suited for jet-flap installation. But this increases "induced" drag and lowers the efficiency of the wing at high speeds.

Risk of Fire

Wing fuel storage becomes a major problem, too. The "hot area" of the wing would be far greater than in a conventional turbojet aeroplane, thus increasing the risk of fire. A major aerodynamic problem is concerned with stability. Control difficulties assume large proportions when the wing area of an aircraft is, in effect, suddenly doubled. To make the aircraft manageable at low speeds may demand, for example, a tailplane of very different size and shape from that required for super-sonic flying. This and many other problems indicate that a quick application of an entirely new principle involving both structure and aerodynamic is not possible. Obviously, aircraft will have to be "built round" the jet-flap; modifying existing aeroplanes is not practical. The conventional airliner takes seven to eight years from design inception to airline service, so this time, preceded by the jet-flap development period, perhaps four years must be reckoned on before the first jet-flap aircraft is in service. Meanwhile, development work continues with the British aircraft industry taking an active interest.

RECORD PRODUCTION AND EXPORT OF U.K. DIESEL LOCOMOTIVES

The production and export of diesel locomotives built in the U.K. have broken all records this year.

In the first half, the combined output of British firms making diesel and diesel-electric locomotives was 501. This is a rise of 50 percent, compared with the same period in 1955. The English Electric Co. recently completed the delivery of 23 2,000-h.p. diesel locomotives for the Rhodesian railways and 42 mixed-traffic units for New Zealand. These orders are in addition to those for the Netherlands railways, the British railways, and others. Diesel locomotives built by English Electric are also operating in the Calcutta area. At present, British builders of diesel locomotives are executing orders from the Malayan railways, the East African railways, the Netherlands railways, and Irish State Transport, as well as from the British Transport Commission.

SHIPBUILDING INDUSTRY IN U.K.

COMPETITION FROM JAPAN

BRITAIN is traditionally the biggest shipbuilder and the biggest shipowner in the world, but the latest figures of construction shown in Lloyd's Register of Shipping have disturbed the complacency of those who assumed that this situation would last indefinitely. The stark fact is that in the third quarter of 1956 more ships were started, more were completed, more were launched, in Japan than in the United Kingdom; and the West German yards, though behind the Japanese, were ahead of the British. Only in tonnage under construction were the British yards ahead of their rivals. The comparison between Britain and Japan shows a remarkable difference between the two countries' achievements in the quarter-year. The tonnage of ships launched (which will soon become ships completed) amounted to 284,000 in the U.K. (including Northern Ireland), and 498,000 in Japan. The tonnage completed amounted to 245,000 in the U.K. and 417,000 in Japan. Yet tonnage under construction at the end of the quarter was 2,078,000 in the U.K. and 1,193,000 in Japan. This large volume of work in progress, plus an aggregate of orders that seems to ensure full employment for the next five years, may lull the anxieties of the British industry, but anyone outside can see that what matters is not how many ships are being built but how quickly they are being built. Both the large tonnage under construction and the large tonnage on which work has not yet begun reflect the slow rate of building as well as the big demand for ships. And shipowners who cannot expect delivery from Britain within a reasonable time are turning their attention to more active shipbuilding countries, even cancelling orders already placed.

Earlier this century it seemed impossible that the British cotton industry could be seriously challenged; now it must reorganise itself merely to survive. Only a few years ago the British shipyards' position seemed impregnable. In 1947, more than half of the world's tonnage of new ships was launched from British yards; but in the current year the proportion is less than one-fifth. A great British industry seems to be in decline. However, the cotton industry and shipbuilding are similar in only that respect, that they have failed to maintain their relative positions in an expanding world. The cotton industry has declined from its former size as well as from its former eminence, but the output of the shipyards is advancing, though too slowly—to higher and higher levels. The cotton industry has declined because there is not enough demand for its goods, but the shipbuilders' problem is to produce enough to satisfy their customers. Their launchings were rarely more than 1 million tons (in some years much less) in any year in the decade before the war; now the annual rate is about 1½ million tons. But the yards have been modernised and are using new methods (such as welding in place of riveting), and they could and should be producing more.

Antiquated Tradition

One obstruction is an antiquated tradition in the shipbuilding workers' unions. Under the impact of competition their restrictions will doubtless be modified. But the industry cannot in any case increase its output to the limit of its present capacity—probably 1½ million tons a year with the present labour force—unless it can get as much as it needs of its basic material, steel. Few British industries are any longer complaining of a steel shortage, but the shipbuilding industry is one whose needs are still unsatisfied. Others—the oil and the nuclear power industries among them—compete for the types of steel that the shipyards require, but much of their steel is in a more processed form and is, therefore, of more interest to the steel industry.

Whatever the explanations and excuses, the fact remains that in January-September, 1956, Japanese shipyards launched one-third more tonnage and began work on one-half more tonnage than British shipyards; and it must also be recognised that the rate of completions has risen rapidly in Japan while in Britain it is rather less than it was two years ago. For the British yards this is a record of relative stagnation; and it must be assumed that the relative decline will continue unless the British yards can improve their rate of output. Shipbuilding is still one of Britain's major export industries. Approximately one-third of its tonnage launched since the end of the war has been for registration in countries abroad; net earnings from sales of new and old ships (after deducting the cost of old ships, mostly for breaking-up) have averaged about £40 million a year in the period. Even so, shipbuilding earns

considerably less, in terms of overseas currency, than shipping services which have contributed, on an average, more than £100 million a year to the credit side of the balance of payments.

Handicaps of Industry

Shipowners, as well as shipbuilders, are, however, at a disadvantage in Britain. The British mercantile marine's aggregate of registered tonnage, now about 20 million, is nearly as large as it has ever been (it was a little more in 1930), but it has not grown in proportion with the world's shipping, which, above 100 million tons, is considerably larger than ever before. British owners are restricted by high taxation, while obscure maritime nations such as Panama and Liberia offer tempting facilities for registration under "flags of convenience". Even British shipowners have shown interest recently in the tax-advantages afforded by registration abroad, particularly in Bermuda. It is by shipping that Britain has gained her position as an international trader, and it is difficult to believe that she can maintain that position if her shipping is in decline. Already some British shipping companies' orders for new ships have been placed abroad, and while still pre-eminent in regular liner services, Britain uses more space in foreign tramp-ships than she provides to foreign charterers. But the market is expanding with the expansion of foreign trade; aircraft have the advantage for mails and for valuable freights (even some machinery), but they are not competitors with ships for carrying such commodities as oil. New methods of propulsion are improving shipping services, and Britain's engineering should enable her to keep well abreast of these new methods. British shipbuilders and British shipowners are now well aware that they must exert themselves.

EQUIPMENT FOR DOMESTIC WATER FILTRATION

It is often forgotten that pure water is not a natural product, but needs to be treated by filtration. Many serious epidemics such as typhoid, cholera and dysentery are usually caused by drinking water containing their germs. The World Health Organisation last year took for its theme "Clean water means better health", which has a particular significance in the south-east Asian countries where there is only too often no adequate supply of pure drinking water. Prominent in the field of water filtration and treatment are British Berkefeld Filters Ltd., (Sardinia House, Kingsway, London, England) who manufacture a wide range of both domestic and industrial filters made of stoneware, enamelled iron, aluminium, steel and other materials. The filtering medium of the "Berkefeld" filters is in the form of hollow candles of various sizes made of Kieselguhr, an infusorial or silicious earth, which on account of its enormous porosity, is an ideal filtering medium. These filtering candles are completely closed at one end, and the other end is fitted into a metal or porcelain mount. The water passes through the walls from outside to the inside leaving all impurities on the external surface, and then out through the small aperture of the mount.

Self-Sterilising Candle

As the standard candles required boiling at frequent intervals in order to restore their sterilising ability, the manufacturers have carried out intensive research and experimental work with the object of eliminating this process. As a result, they have recently introduced an entirely new design of self-sterilising candle, the "Sterasy" candle. This is a great advance on former types of Kieselguhr candle, not only acting as an efficient filter but sterilising as it filters, thus providing a complete safeguard against waterborne contamination. Germs are both trapped and destroyed on the exterior surface of the candle and filtered water can, therefore, be stored and will remain pure for lengthy periods. The candles, too, will last for a long time without renewal, and for cleaning purposes all that is necessary is to wash them occasionally with a soft brush in clean water to remove superficial dirt. No soap or detergent should be used. For domestic use where there is adequate pressure, the "Pattern H" filter is particularly suitable being available with right hand or left hand inlet, and in several styles of finish. The yield an hour at a pressure of 35-40 lbs. a square inch is 25 gallons of clear pure water, the height of the equipment in each case being 16 inches and the diameter 6 inches while the weight varies from 5½ to 9½ lbs., depending on the material or construction. Interesting also are the "Pattern I" stoneware filters with yields of three, six and nine gallons per 24 hours, which include a chamber for ice entirely separate from the filtered water compartment. In this way the filtered water is kept very cool, a great asset during warm spells of weather and in hot climates.

INDIAN FIRM REPEATS ORDER FOR U.K. DIESEL ENGINES

Automobile Products of India Ltd., Bombay, announces that it has placed a repeat order to the value of £1 million for 330 diesel engines and gear boxes with Henry Meadows Limited, of Wolverhampton, England. This order follows a previous £1 million order placed earlier this year. Mr. P. Matthen, director and general manager of the Indian firm, who returned early this month from Europe, stated in Bombay that his company was also making arrangements progressively to manufacture Meadows diesel engines.

Steel Structures
Mechanical Plant

Ropeways & Cableways
Steel and Manganese Steel
castings upto 4 tons weight

Accurate milling
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Light, medium and
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Managing Agents:
BIRD & CO., (PRIVATE) LTD.
Chartered Bank Buildings, Calcutta-1

8 136

The Central Bank of India, Ltd.

(Incorporated in India. Liability of Members is Limited).

Established September, 1911.

Head Office—MAHATMA GANDHI ROAD, FORT, BOMBAY-1.

Authorised Capital	Rs. 6,30,00,000
Issued Capital	Rs. 5,77,50,000
Subscribed Capital	Rs. 5,76,66,125
Paid-up Capital	Rs. 3,14,54,250
Reserve Fund and other Reserves	Rs. 4,01,81,217
Deposits as at 31-12-55	Rs. 1,28,96,40,393

DIRECTORS:
Sir Homi Mody, K.B.E. (Chairman), Governor, Bombay.
Ghahla, Esqr. (Vice-Chairman), Dinsdag, D. Rumer, Esqr., Dharamsey Mulraj Khatau, Esqr., Manmohanadas Vaidya, Esqr., C. V. Radia, Esqr., Chittambar Lal B. Parikh, Esqr., Framroz, J. Gardar, Esqr., Mr. N. K. Karandla, General Manager.

Branches and pay Offices throughout India, Pakistan, Burma and London.

London Branch—159, Fenchurch Street, London, E.C.3.

New York Agents—The Guaranty Trust Co. of New York.

The Chase Manhattan Bank.

Banking Business of every description transacted on terms which may be ascertained on application.

LOCAL BRANCHES:

Calcutta—33, Netaji Subhas Road, Ballygunj—200/2C.

Rash Behari Avenue, Barabazar—71, Cross Street.

Bombay—2A, Rustomjee Road, Khatkhoda—100, Soya Bazar Street, New Market—10, Lindsay Street.

Shamshabad—133, Cornwallis Street, Howrah—Metro-politan Building, Grand Trunk Road.

Branches in West Bengal—Asansol, Bankura, Burdwan, Jalpaiguri, Kalimpong, Raiganj and Siliguri.

Branches in East Pakistan—Chittagong, Dacca, Dinajpur, Khatusang, Mirakidim, Mymensingh, Narayanganj, Rangpur.

Branches in Orissa—Sambalpur.

Plantation Topics

CASHEW FACTORIES REMAIN CLOSED

SUBSTANTIAL RISE EXPECTED IN COFFEE OUTPUT

(FROM A SOUTH INDIAN CORRESPONDENT)

WITH the cashew industry dispute in Quilon still remaining unsettled, there appears to be little enthusiasm among the processors to make arrangements for the import of African raw nuts. According to information available now in the market, the African crop for the new season is likely to be about 80,000 tons, which will be a new record. Raw nuts from Africa reach India usually from December onwards. The harvest of the indigenous crop begins in April, and as such, it is too early to forecast its size. The normal supply of 60,000 tons, given favourable climatic conditions, can however be expected, and market circles expect an above the average supply in 1957. This may be one of the reasons for U.S. buyers' reluctance to offer more than 40 cents a lb. for forward contract against the current price of over 52 cents a lb. Another adverse factor is the threatened change in the management of the processing establishments: in a Press note issued on 14th October, the Travancore-Cochin Government has warned the processors that the factories would be taken over by the Government and handed over to workers' co-operatives, should the processors fail to reopen the factories immediately. Foreign buyers see in this move the possibility of production being maintained irrespective of the price obtained for the cashew kernel. Meanwhile, the Travancore-Cochin (new Kerala) Government has constituted a Cashew Board on which, strangely enough, neither the processors nor the workers are represented. It consists only of certain senior officers of the Government.

Suggestions for Solution

The South Indian Cashew Manufacturers' Association, which represents the processors in Quilon, in a memorandum submitted to the State Government has made the following suggestions to resolve the present crisis: the registration of all employed workers and no further recruitment, rationed distribution of raw nuts to the existing factories in proportion to the number of workers employed and the fixing of the export quota at the export point for each factory, on the basis of its labour force and a proportionate distribution at the purchase point. In the Association's opinion, the only way to do the maximum justice to the industry and labour is to give every worker now on the rolls his due share of the total work available. If the suggestions of the Quilon Association are accepted, the Government may have to drop its contention that the industry is non-seasonal because the quantum of work depends on the availability of raw nuts which varies mostly according to changes in climatic conditions. Processors in the north, who have formed another association last year, protesting against the Quilon manufacturers' efforts to perpetuate their monopoly, are not likely to agree on some of the proposals of the South India Cashew Manufacturers' Association, especially on export quota. The Government has referred the cashew dispute to the Industrial Tribunal in Trivandrum.

Coffee Crop Estimates

The preliminary estimate of the Coffee Board places the South Indian coffee crop for the 1956-57 season at 34,000 tons against the previous season's 33,775 tons. In the planters' opinion, this estimate is on the conservative side. They expect 3,000 to 4,000 tons more than the above estimate, which will make the total of 37,000 to 38,000 tons. The Board will probably revise its estimate when it meets some time this month, in the light of the crop reports it has been receiving. In view of the excellent crop prospects, a larger export next year is likely. The total allowed for export from the 1955-56 season's crop was 8,100 tons.

Wage Increase Award

The Madras Plantation Special Tribunal has awarded increase of wages for estate labour and allowance for the staff with retrospective effect from March, 1952. Planting shares fell substantially in the Madras share market when it came to know of the terms of the award. Increased selling pressure led to the withdrawal of the buyers, and the outlook seems gloomy for the holders of plantation scrip. Market circles fear that no bonus issue will ever materialise in view of the possible depletion of the reserves.

Rubber Output Rises

Although it was slightly less than the previous corresponding month's output, South Indian production of raw rubber in September at 2,293 tons was the highest so far this year. Production for the first nine months totalled 15,404 tons, compared with 14,565 tons in the same period of 1955. A corresponding increase in consumption also was noted; during the first nine months of the year, the manufacturers absorbed 21,699 tons, including imported rubber, against 20,771 tons in the corresponding period of last year. Stock figures reveal a build-up of rubber stocks with growers and dealers, while those with manufacturers show a decline.

Indian rubber output in September was 2,239 tons, according to the Rubber Board of India. Exports during the month were nil, and imports totalled 1,750 tons. Consumption by manufacturers

was 2,545 tons. Stocks with estates and dealers on the last day of the month was 3,816 tons, including 615 tons in transit. Stocks with manufacturers on the same date amounted to 3,157 tons of which 1,579 tons were imported. Manufacturers also consumed 303 tons of reclaimed rubber, their month-end stock being 449 tons and used 229 tons of synthetic rubber, of which they held a total stock of 781 tons.

LONDON TEA SALES

AT last week's London tea sales, the 53,163 packages on offer realised an average price of 6s 2.09d a lb. against 5s 10.45d at the previous sale and 4s 11.32d a year ago. Plain broken pekoe was quoted at 8s 9½d a lb. against 3s 5d at the previous sale. Prices obtained by some of the companies are given below:

	No. of packages	Average a lb.
Amalgamated	852	5/2½
Anglo-American	749	5/6½
Assam Co.	2,030	6/7½
Assam Cons.	540	5/4½
Assam Doars	855	5/7½
Assam Frontier	318	5/
Borelli	617	6/1
Buxa Doars	612	5/10
Central Province	330	5/9½
Chubwa	594	7/7½
Chulsa	1,179	5/6½
Cons. Tea and Lands	3,096	5/2½
Dekhari	516	8/0½
Doom Dooma	509	8/1½
East India	276	5/1½
Eastern Assam	648	7/10½
Eastern Produce	774	6/7½
Empire of India	1,226	5/3
Jetinga Valley	150	3/11½
Jhanzie	720	6/8
Jokai	2,230	6/9½
Jorehaut	664	8/7½
Kanan Devan	1,608	5/
Lanka Plants	282	6/6½
Lunava	936	6/7½
Nedem	429	4/11
Northern Doars	558	4/9½
Pabbojan	312	8/7
Rajawella	456	6/10½
Scot. Tea and Lands	1,112	7/0½
United Planters	486	6/8½
Upper Assam	282	7/10

U.K. Tea Stocks

U. K. stocks of tea on 26th October, amounted to 109.6 million lbs. against 110.6 million lbs. a year ago (converted at 110 lbs. a package).

COCHIN TEA SALES

At Dust Sale V, 600,000 lbs of tea were on offer. There was a good general demand. Prices were very strong and dearer at the bottom, but good liquoring Mediums and best liquorings were irregularly 2 annas easier. Medium sorts of good appearance were fully firm to 1 anna dearer.

NO CHANGE IN TEA EXPORT DUTY

The Government of India has decided that the export duty on tea during the month of November, 1956 should remain at the same level as in October, 1956, viz., 6 annas a lb.

COLOMBO RUBBER PRICES

The following prices have been issued by the Rubber Board of India from the weekly market report published by the Colombo Brokers Association:

	Closing prices on 26-10-56 (Rupees a lb.)	Average for the period (Rupees a lb.)
Sheet:		
No. 1	1.41	1.41
No. 2	1.38	1.38
No. 3	1.35	1.35
No. 4	1.11	1.11
No. 5	1.06	1.06
Sheet Cuttings 1	.98	.98
Sheet Cuttings 2	.93	.93
Crepe:		
Water White	—	—
R.M.A. No. 1X	1.35	1.34
R.M.A. No. 1	1.33/34	1.32½
Crepe No. 2	1.29½	1.29½
Crepe No. 3	1.21	1.21
Scrap Crepes:		
Sc. Crepe No. 1	90 Nom	90
Sc. Crepe No. 2	84/88	85½
Sc. Crepe No. 3	75/83	78
Flat Bark	70/73	70½
	Sc. Crepe 3X	82

To arrive at f.o.b. Colombo prices, add 53.45 cents a lb. for crepe other than Scrap Crepe and 31.45 cents for Scrap Crepe to the above market prices.

Commodity Markets

WHOLESALE PRICE INDEX ALMOST UNCHANGED

THE official wholesale price index (base: year ended August, 1939=100) remained almost stationary at 418.9 during the week ended 20th October, 1956, compared with 418.8 (revised) for the previous week. The index was lower by 0.2 percent when compared with the corresponding week of last month, but was higher by 16.3 percent than that of a year ago. The index for Food Articles advanced further by 0.5 percent to 395.6, compared with 393.7 (revised) for the previous week, as a result of an increase in the prices of rice in Vijayawada and bajra (+5% each), gram and dal arhar (+1% each) and rice in Calcutta (+1%) in spite of a decline in the prices of rice in Patna (-6%), sugar (-2%) and wheat (1-1%). Higher prices of raw jute (+2%) and groundnuts in Cuddalore and rapeseed in Calcutta (+1% each) raised the index for Industrial Raw Materials by 0.5 percent to 505.6, although the prices of gsumduts in Bombay (-6%), and raw silk and linseed (-1% each) were marked down. The index for Semi-Manufactures declined by 0.5 percent to 402.1 as compared with 404.2 (revised) for the previous week. Items which exhibited significant variations were: gingelly cake (-5%), copper in Bombay (-4%), groundnut cake (-3%), coir yarn-Anjengo superior (-2%), copra cake (+6%), groundnut oil (+4%), and mustard oil in Kanpur (+3%). Lower prices of rayon and silk manufactures (-4%) brought down the index for Manufactures by 0.3 percent to 389.0, compared with 390.0 for the previous week. A fall of 0.6 percent to 581.9 in the index for the miscellaneous group was caused by a decline in the price of black pepper (-7%); the price of chillies in Patna (+2%), however, witnessed a rise.

INDEX NUMBERS BY GROUPS AND SUB-GROUPS (Base: Year ended August, 1939=100).

Groups and Sub-Groups	20-10-56	12-10-56	22-9-56	22-10-55
I Food Articles:	395.6	393.7(R)	392.7	322.1
Cereals	516	511*(R)	508	391
Pulses	396	381	397	308
Others	246	249*	248	230
II Industrial Raw Materials:	505.6	503.2	505.1	407.9
Fibres	482	478	479	415*
Oilseeds	558	554	571	386
Minerals	551*	535*	523	431
Others	422*	422*	423*	423
III Semi-Manufactures:	402.1	404.2(R)	401.7(R)	332.2
Leather	393	393(R)	373(R)	338
Mineral oils	210	210	207(R)	202
Vegetable oils	579	572	583(R)	379
Cotton yarn	489*	491*	505	409
Metals	326*	327*	329	276
Oilcakes	458	468	484	357
Others	362	363	361	330
IV Manufactures:	389.0	390.0	392.1	370.9
Textiles	422*	424*	428	401
Jute	—	—	435	397
Cotton	426*	426*	430*	399*
Rayon and silk	432*	470*	470*	479*
Woolen	266	266	266	278
Metal Products	388	388	388	371
Others	295*	295*	295	285
V Miscellaneous:	581.9	585.5	577.2	559.4
All Commodities	418.9	418.8(R)	419.8(R)	360.3

R=Revised

*=Estimated

MAGNESIUM OXYCHLORIDE FLOORING COMPOSITIONS

The Indian Standards Institution has issued an Indian standard specification (IS: 657-1956) for materials for use in the manufacture of magnesium oxychloride flooring compositions (tentative). The specification forms a supplement to the code of practice for magnesium oxychloride flooring compositions (IS: 658-1956) issued by the I.S.I. some time ago. It lays down the requirements for materials which are to be used in the preparation and laying of magnesium oxychloride flooring compositions, such as calcined magnesite, fillers and aggregates, pigments and magnesium chloride, also known as gauging solution. The practice over the laying of magnesium oxychloride composition floors varies from purchaser to purchaser. While on a small scale the manufacturers of magnesium oxychloride flooring compositions undertake laying of the floors, large users such as the railways purchase the dry mix and the gauging solutions separately and use them when required according to the recommendations of the manufacturers. In the latter case, it is important that the dry mix and the gauging solutions should conform to certain essential requirements of quality as well as storage. This specification helps in testing the dry mix and the gauging solution to check whether they conform to the requirements. Copies of the specification can be had from the Indian Standards Institution, 19 University Road, Delhi-8, and also from its branch offices in Bombay and Calcutta.

Calcutta Markets

STRONG GENERAL DEMAND AT TEA EXPORT SALE

FALLING TREND IN DUSTS

AT Sale No. 20, held on 5th and 6th November, offerings at the Export auction consisted of 56,272 packages. There was a strong general demand with clean Common and Low Medium teas being the strongest features of the Sale. B.O.P.'s and Black Fannings were often 2 to 3 annas dearer. Medium teas of orthodox manufacture were well supported, the B.P.'s being 1 anna dearer. Some of the best B.O.P.'s however, often sold about 2 annas below last rates. Non-wither Doars were another strong feature and were up to 2 annas dearer, and there was more buying for C.T.C. teas, which sold well except for the very best. Well-made Whole Leaf grades and stylish B.P.'s were 2 annas dearer, and Darjeelings also shared in the general advance.

Quotations	1956 Rs.	1955 Rs.
Clean Black Pekoe	2 2 0 to 2 3 0	2 8 0
Plain B.P.	1 4 0 to 1 15 0	1 15 0
Medium Assam B.P.	2 3 0	2 0 0 to 2 1 0
East C.T.C. Assam B.P.	3 0 0	3 3 0 to 3 4 0

Dust offerings at the Internal Sale consisted of 19,589 packages. At the start of the Sale, there was a fair general demand, but at easier rates. Commons and Mediums were about 4 annas easier, although the powdery types were stronger than the grainy sorts. Medium and poor C.T.C. types were 2 to 3 annas easier while the better sorts were 3 to 4 annas below last rates. Middle East types were generally neglected and many were withdrawn, while the few Darjeelings and the poorer fibrous types received good support and were dearer to buy. Towards the close of the Sale, only a very few lots could be sold and withdrawals were very heavy. This week's quotations, therefore, should be considered to some extent, nominal.

Quotations	1956 Rs.	1955 Rs.
Medium Doars Dust	1 15 0	1 12 0 to 1 12 6
Medium Assam Grainy Dust	1 15 0 to 2 0 0	1 15 0
Medium Assam C.T.C. Dust	2 6 0 to 2 7 0	
Best Assam C.T.C. Dust 2 11 0		2 13 0 to 2 15 0

Leaf offerings consisted of 1,138 packages for which there was a fair demand at irregular rates.

COAL RATES RISE IN FREIGHT MARKETS

THE reaction of the markets to the Suez Canal situation has not yet become clear in the absence of chartering activity which has been at a minimum since the beginning of the month. What may happen is that spot vessels in the different trading areas may be forced to accept lower rates for "fill in" voyages pending clarification of the world situation. This trend, however, can only be temporary as rates before the crisis were on the rise and the diversion round the Cape will call for more tonnage. Transatlantic coal rates moved up to 80s, an increase of 4s a ton. Calcutta-Port Sudan was done at 115s for a December loader, while the high rate of 61s 3d was paid for a 14 knots, 9,730 d.w. motorship, delivery Australia re-delivery U.K.-Continent. Other time charter fixtures included a 7,850 d.w. motorship at 56s 6d, delivery Damman, re-delivery Japan via Mormunago, and an Indian round voyage for a 9,460 d.w. motorship 91 knots on 18 tons at £663 a day. Sale and purchase markets were featured by the disposal of the Bristol City, a 10,000 ton "Empire" type built in 1943 at the very high figure of £545,000. It is believed she was purchased by Pakistani interests, but there is no confirmation of this.

SUGAR PRICES UNCHANGED

During the week ended 7th November, sales in the Calcutta market averaged 5,000 bags daily. Arrivals a day were 6,000 bags and stocks totalled 130,000 bags. Stocks for ready sugar ex-Kantapur delivery were Rs. 31-2 for ordinary grain and Rs. 32-12 for big grain. The market was steady.

LINSEED BETTER

Better conditions prevailed during the past week, and some small transactions were recorded daily, chiefly for the ready and near positions. Arrivals were very scarce and sellers were reserved but crushers displayed a keen interest because of the better enquiries for linseed oil. Overseas business was at a standstill, but local enquiries were fairly good, and activity, although small, was better than in recent weeks. Latest quotations were based on ready November at Rs. 24-2 a maund.

HIDES AND SKINS STEADY

The market ruled steady. Stocks were less than in the previous week.

Bazaar Sales

(Between 31st October and 5th November, 1956.) Cowhides: Wet salted 22,000 pcs. on the basis of Annas 9; Wet Salted (Ord.) 20,000 pcs. on the

COMPANY AND PUBLIC NOTICES

THE TEEN ALI TEA CO. LTD.

THE Annual Ordinary General Meeting of the Shareholders will be held at the Registered Office of the Company, No. 14, Old Court House Street, Calcutta, on Friday, the 23rd day of November, 1956, at 3-15 p.m. for the following purposes:—

- (1) To receive and adopt the Directors' Report and the audited Accounts for the year ended 31st December, 1955.
- (2) To declare a dividend.
- (3) To elect a Director in place of the retiring Director.
- (4) To elect Auditors for the ensuing year, and to fix their remuneration.

And as special business:—

- (5) To consider and if thought fit to pass the following resolution, namely:—

"That the Books, Registers and other documents required to be kept by the Company and referred to in Sections 49, 144, 163, 196, 301, 304, 307 and 372 of the Companies Act, 1956, shall be available for inspection at the Registered Office of the Company, by the persons respectively referred to in those Sections as being entitled to inspection, between the hours of 10 a.m. and 12 noon on each business day, upon twenty-four hours' written notice of intention to inspect, such notice indicating what books, documents and registers are intended to be inspected".

The Share Transfer Book of the Company will be closed from 17th November, 1956 to 23rd November, 1956, both days inclusive.

OCTAVIUS STEEL & CO. LTD.

A. H. GALLOWAY,
Managing Director,
Managing Agents.

Calcutta, 31st October, 1956.

NOTE:—

A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and, on a poll to vote instead of himself and the proxy need not be a member.

EXPLANATORY STATEMENT

With reference to the resolution relating to inspection of Books, Registers and other documents, referred to in the accompanying notice, the Companies Act, 1956, provides that the Company may impose reasonable restrictions on such inspection but so that not less than two hours in each day are allowed for inspection, and the resolution is being moved in order to comply accordingly with the Act.

basis of Rs. 8-6; Wet salted (Slaughtered) 18,500 pcs. on the basis of Rs. 13 to Rs. 20.

Goatskins: Wet salted (Daissee, Killed) 74,200 pcs. on the basis of Rs. 265 to Rs. 310 and Rs. 340 to Rs. 350, Patna-Pakur 5,500 pcs. on the basis of Rs. 245 to Rs. 255; Muzafferpore 18,000 pcs. on the basis of Rs. 285 to Rs. 310.

Bazaar Stocks

(5th November, 1956)

Cowhides: Wet salted 160,500 pcs.
Goatskins: Wet salted (Daissee, Killed) 29,000 pcs.; Assam-Dinajpur-Jalpaiguri 39,000 pcs.; Muzafferpore - Patna - Pakur - Purneah - Kishanganj 1,42,000 pcs.

SHELLAC MARKET STEADY

During the week ended 6th November, the market was steady. The range of quotations was as follows:

Pure Buttonlac	Rs. 124, 127-8, 124 to 125 buyers.
Lemon No. 1 Shellac	Rs. 126-8, 131-8, 129, 131-8 buyers.
Lemon No. 2 Shellac	Rs. 122, 126-8, 124-8, 126-8 buyers.
F. O. Std. 1 Shellac	Rs. 119-8 buyers, 123-8, 122-8 done and buyers, 123-8 buyers.
Pure TN Shellac	Rs. 116, 120, 118, 120 basis done and buyers.
4% I.T.N. Shellac	Rs. 105-8, 110, 108, 110 buyers.
No. 1 Kusmi Seedlac	Rs. 117 value, 122 buyers, 118-8, 121-8 value.
No. 2 Kusmi Seedlac	Rs. 114, 118, 116 buyers, 116-8 value.
Fine Bysaky Seedlac (Manbhum)	Rs. 107, 110-8, 108-8, 109-8 buyers.
Fine Bysaky Seedlac (C.P.)	Rs. 103-8, 106-8, 105-8, 106-8 buyers.
Ordinary Bysaky Seedlac (C.P.) Under 5%	Rs. 96 buyers, 100 done and buyers, 99 to 100 buyers.
Ordinary Bysaky Seedlac (C.P.)	Rs. 90, 94-8, 92, 93-8 buyers.
Kireelac	Rs. 36 buyers, 39 done, 37-8 buyers.

Shipments during October until the 31st were 32,714 packages comprising shellac 22,049 packages, seedlac 6,358 packages, buttonlac 1,186 packages and others 3,121 packages.

JARDINE HENDERSON, LIMITED.

NOTICE is hereby given that the Tenth Annual General Meeting of the Members will be held at the Registered Office of the Company, No. 4, Clive Row, Calcutta 1, on Thursday, the 29th November, 1956, at 11 a.m. for the following purposes:—

- (1) To receive and consider the Audited Accounts for the year ended 31st March, 1956, the Balance Sheet as at that date and the Reports of the Board of Directors and the Auditors thereon.
- (2) To confirm the Dividends already paid on the Preference Shares and to declare a Dividend on the Ordinary Shares of the Company.
- (3) To appoint Directors in place of those retiring.
- (4) To appoint Auditors and to fix their remuneration.

AS SPECIAL BUSINESS.

- (5) To fix the remuneration of four Directors who are not Managing Directors.
- (6) To consider and if thought fit, to pass the following resolution which will be proposed as an Ordinary Resolution in compliance with the provisions of Section 228 of the Companies Act, 1956:—

"That subject to the rights and powers of the Company's Auditors to visit all or any of the Company's Branch Offices and to have access at all times to the books and accounts and vouchers of the Company maintained at such Branch Offices, the Accounts of the Branch Offices of the Company need not be audited by a person qualified for appointment as auditor of the Company pursuant to Section 226 of the Companies Act, 1956."

- (7) To consider and if thought fit, to pass the following resolution which will be proposed as a Special Resolution:—

"That with effect from the commencement of the Companies Act, 1956, and in compliance with the provisions of Section 314 thereof, consent be and the same is hereby accorded to Mr. Sree Lal Mehta, a relative of Mr. Girdharilal Mehta, a Managing Director of the Company, holding and continuing to hold an office or place of profit as an Assistant to the Company on such terms as to remuneration or otherwise as have been or may be agreed from time to time between such Assistant and the Company."

The Transfer Books of the Ordinary Shares of the Company will be closed from the 14th November to the 29th November, 1956, both days inclusive.

By Order of the Board,

D. FORDWOOD,

Secretary.

4, Clive Row,

INDIA STEAMSHIP CO. LTD. Ordinary General Meeting.

NOTICE is hereby given that the Ordinary General Meeting of the members of the above-named Company will be held at the Registered Office of the Company, "India Steamship House", 21, Old Court House Street, Calcutta on Wednesday, the 12th December, 1956, at 10-30 a.m., in order to transact the following business:—

1. To receive the Directors' Report and audited Balance Sheet and Profit and Loss Account for the year ended 31st March, 1956.
2. To sanction payment of dividend on Preference Shares as recommended by the Directors for the year ended 31st March, 1956.
3. To confirm the payment of Interim Dividend and to declare a final Dividend on Ordinary Shares as recommended by the Directors for the year ended 31st March, 1956.
4. To approve the continuance of Directorship of Sir A. Ramaswami Mudaliar, K.C.S.I., D.C.L. (Oxon), and if thought fit, to pass the following resolution of which a special notice as required under Section 281 of the Companies' Act, 1956 has been received by the Company and the relative Explanatory Statement concerning which is annexed hereto as required by Section 173 of the said Act.

"Resolved that pursuant to the provisions of Section 281 of the Companies' Act, 1956, Sir A. Ramaswami Mudaliar, K.C.S.I., D.C.L. (Oxon), who has attained the age of 69 years do continue to act as a Director of the Company and it is hereby specifically declared that the age limit for the Directors prescribed under Section 280 of the said Act shall not apply to him."

5. To approve pursuant to Section 281 of the Companies' Act, 1956, the continuance as a Director of Sir A. Ramaswami Mudaliar, K.C.S.I., D.C.L. (Oxon), who was re-appointed a Director at the Ordinary General Meeting held on 20th December, 1955, and if thought fit, to pass the following resolution as a Special Resolution in respect of which a special notice as required by Section 261 of the said Act has been received by the Company and the relative Explanatory Statement concerning which is annexed hereto by Section 173 of the said Act is annexed hereto.

"Resolved that pursuant to the provisions of Section 261 of the Companies' Act, 1956, Sir A. Ramaswami Mudaliar, K.C.S.I., D.C.L. (Oxon), a Director of the Company who is also a Director and Member of Messrs. Lionel Edwards, Ltd., the Managing Agents of the Company and thereby an associate of the Managing Agents, do continue his appointment as a Director."

6. To appoint a Director in place of Sir B. P. Singh Roy, K.C.I.E., who retires by rotation and is eligible for re-election and to consider, and if thought fit, to pass the following resolution as Special Resolution of which a special notice as required under Section 261 of the Companies' Act has been received by the Company and the relative Explanatory Statement concerning which is annexed hereto as required by Section 173 of the said Act.

"Resolved that pursuant to the provisions of Section 261 of the Companies' Act, 1956, Sir B. P. Singh Roy, K.C.I.E., a Director of the Company who is also a Director and Member of Messrs. Lionel Edwards, Ltd., the Managing Agents of the Company and thereby an associate of the Managing Agents and who retires by rotation be and is hereby re-elected a Director of the Company."

7. To appoint a Director in place of Maharaja-dhiraja Sir Udaychand Mahatab Bahadur of Burdwan, K.C.I.E., who retires by rotation and is eligible for re-election.
8. To appoint a Director in place of Mr. S. C. Roy who retires by rotation and is eligible for re-election.
9. To elect Mr. R. K. Mitra, a Director of the Company who retires by rotation and is eligible for re-election.
10. To appoint Auditors and fix their remuneration.

The Share Transfer Register of the Company will be closed from 26th November, 1956 to 12th December, 1956 both days inclusive.

By Order of the Board,
A. MUKERJI,
Assistant Secretary,
India Steamship Co., Ltd.

Calcutta, the 31st October, 1956.

The dividend, if sanctioned, will be made payable to those Shareholders whose names stand on the Register of the Company on the 26th November, 1956 and the Dividend Warrant will be posted from 8th January, 1957 onwards.

N.B.—Member entitled to attend and vote is entitled to appoint a proxy and the proxy so appointed need not be a member of the Company.

Explanatory Statement as required by Section 173 of the Companies' Act, 1956.

1. In respect of Item No. 4 of the Notice of the Annual General Meeting, Sir A. Ramaswami Mudaliar, K.C.S.I., D.C.L. (Oxon), has attained the age of 69 years and hence his continuance as a Director needs your approval by a resolution in respect of which a Special Notice has been received from a Shareholder in accordance with the requirements of Sections 190 and 281 of the Companies' Act, 1956. Sir A. Ramaswami Mudaliar, joined the Board of Directors of the Company in 1947. During the long period of his association with the Company he has rendered very valuable service to the Company and it is in the interest of the Company that the Board should avail of his valuable advice which is of great asset to the Company, by retaining him as a Director of the Company.

2. In respect of Item No. 5 of the Notice of the Annual General Meeting, a Special Notice has been received from a Shareholder of the Company as required by Section 261, proposing that the appointment of Sir A. Ramaswami Mudaliar, K.C.S.I., D.C.L. (Oxon), as a Director, be approved in accordance with the provisions of the said Act. The Managing Agents of the Company, Messrs. Lionel Edwards, Ltd., have the right to appoint two Directors as ex-officio Directors of the Company. Mr. G. K. Khemka and Mr. K. M. Naik are the two ex-officio Directors of the Company. Sir A. Ramaswami Mudaliar, K.C.S.I., D.C.L. (Oxon) became a Director of the Company in the year 1947 and has for the last several years been associated as one of the Directors of the Managing Agents, who are entrusted with the management of the affairs of the Company and of which he has been the Chairman since the date of his appointment. As it is in the interest of the Company that it should continue to receive the benefit of his valuable advice and guidance, it is desirable that his continuance as a Director be approved by a Special Resolution in accordance with the provisions of Section 261 of the Act.

3. In respect of Item No. 6 of the Notice of the Annual General Meeting, a Special Notice has been received from a Shareholder of the Company as required by Section 261, proposing that the appointment of Sir B. P. Singh Roy, K.C.I.E., as a Director, be made and/or be approved in accordance with the provisions of the said Act. The Managing Agents of the Company, Messrs. Lionel Edwards, Ltd., have the right to appoint two Directors as ex-officio Directors of the Company. Mr. G. K. Khemka and Mr. K. M. Naik are the two ex-officio Directors of the Company. Sir B. P. Singh Roy, K.C.I.E., became a Director of the Company in the year 1945, and has for the last several years been associated as one of the Directors of the Managing Agents who are entrusted with the management of the affairs of the Company. As it is in the interest of the Company that it should continue to receive the benefit of his valuable advice and guidance as a Member of the Board, it is desirable that his appointment as a Director be made or approved by a Special Resolution in accordance with the provisions of Section 261 of the Act.

THE INDIAN IRON AND STEEL COMPANY LIMITED. NOTICE

NOTICE is hereby given that the Annual General Meeting (being the Thirty-ninth Ordinary General Meeting) of the Company will be held at the Registered Office, 12, Mission Row, Calcutta at 11 a.m. on Friday the 30th November, 1956 for the following purposes:

1. To receive and adopt the Audited Accounts for the year ended 31st March, 1956, and the Directors' and Auditors' Reports thereon.
2. To declare a dividend on the Ordinary share capital. The dividend, if declared, will be paid on or after the 17th December, 1956 to those Shareholders whose names appear in the Company's Register on the 30th November, 1956 or to their mandatees.
3. To appoint Directors in place of those retiring.
4. To appoint Auditors and fix their remuneration.
5. As special business to consider and if thought fit to pass with or without modification the following resolutions which will be proposed as special resolutions.

(1) That sub-clause 3 (16) of the Memorandum of Association of the Company be deleted and substituted by the following two sub-clauses:—

"16(a) To subscribe contribute or guarantee money for any national, charitable, benevolent, political, public, general or useful object or fund or for any exhibition."

"16(b) To establish and support, or aid in the establishment and support of associations, institutions, funds, trusts and conveniences calculated to benefit persons who are or have been employed by or who are serving or have served the Company or its predecessors in business or the dependents or connections of such persons and to grant pensions and allowances and to make payments towards insurance."

(2) That Article 150(18) of the Company's Articles of Association be

deleted and substituted by the two following sub-clauses:—

"(18a) Subject to the provisions of Section 293 (1) (e) of the Companies Act 1956 to establish maintain support and contribute or subscribe to any national, charitable, benevolent, political, public, general or useful object or fund and any institutions, society or club, which may be for the benefit of the Company or may be connected with any town or place where the Company carries on business."

"(18b) To give pensions, gratuities, allowances, bonuses, profit sharing bonuses or benefits or other charitable aids payments or monies to or for the benefit of persons who are or have been employed by or who are serving or have served the Company or its predecessors in business or the wives, children, dependents or connections of such person or persons as may appear to the Directors just and proper whether any such person his widow children or dependents or connections have or have not a legal claim upon the Company."

6. As special business to consider and if thought fit to pass the following resolution, namely:

"That the Books, Registers and other documents required to be maintained by the Company and kept open for inspection under the provisions of the Companies Act, 1956, and particularly under Sections 49, 118, 144, 163, 301, 302, 304, 307, 362 and 372 of the said Act, shall be available for inspection at the Registered Office of the Company by the persons entitled thereto to the extent and in the manner and on payment of the requisite fees, if any, specified in the aforesaid provisions, between the hours of 10 a.m. and 12 noon on each business day."

Provided, however, that the register required to be maintained under Section 307 of the Act shall be open for inspection of the members or holders of debentures of the Company between the times above mentioned only during the period prescribed by sub-section 5(a) of Section 307."

The Share Registers and the Transfer Books of the Company will be closed from the 20th November, 1956 to the 30th November, 1956 both days inclusive.

A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and a proxy need not be a member.

By Order of the Board,
MARTIN BURN LIMITED,
F. G. LIVERSEDEGE,
Managing Director,
Managing Agents.

Calcutta,
5th November, 1956.

HOARE, MILLER & COMPANY, LIMITED.

NOTICE is hereby given that the 36th Annual General Meeting of shareholders will be held at the Registered Office of the Company, No. 5, Fairlie Place, Calcutta, on Wednesday 5th December, 1956 at 11 A.M. for the following purposes:—

1. To consider and adopt the Profit & Loss Account for the year ended 31st December, 1955 together with the Balance Sheet as at that date and the Reports of the Board of Directors and Auditors.
2. To appoint a Director.
3. To appoint Auditors and to fix their remuneration.
4. Special Business.

To consider and if thought fit, to pass, with or without amendment the following Resolution which will be proposed as an Ordinary Resolution:

"Resolved that the accounts of the branch offices of the Company at Bombay and Madras be not audited as provided under sub-section (1) of Section 228 of the Companies Act, 1956."

The Share transfer books of the Company will be closed from 23rd November to 5th December, 1956, both days inclusive.

By Order of the Board,
For HOARE, MILLER & CO., LTD.,
C. C. PYNE,
Vice Chairman.

5, Fairlie Place,
Calcutta.
Dated, 31st October, 1956.

NOTE: A member entitled to attend and vote at this Meeting is entitled to appoint a Proxy to attend and vote in his stead. A Proxy need not be a member of the Company.

THE INVESTMENT & FINANCE CO. LTD.

NOTICE is hereby given that a General Meeting of THE INVESTMENT & FINANCE COMPANY, LIMITED, will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta, at 11-00 A.M. on Tuesday, the 14th day of December, 1956, for the following purposes.

As special business.

1. To consider and approve the Audited Accounts of the Company for the period from 1st March, 1956 to 31st August, 1956, together with a statement of the affairs of the Company as at that date drawn up in accordance with the provisions of Section 342 of the Companies Act, 1956, and to receive the Directors' Report thereon.
2. To consider and if thought fit, to pass with or without modification, the following resolution.

"Resolved that the resignation as at the 31st August, 1956, of Bird & Co. (Private) Ltd. as Secretaries to the Company be and is hereby accepted and that this acceptance be effective for all purposes including the Companies Act, 1956."

The Share Transfer Registers of the Company will be closed from 21st November, 1956 to 4th December, 1956, both days inclusive.

By Order of the Board,
D. P. DUNDERDALE,
Chairman.

Chartered Bank Buildings,
Calcutta, 25th October, 1956.

NOTE: A member entitled to attend and vote at this meeting may appoint a proxy to attend and vote instead of himself. A proxy need not be a member of the Company."

THE GENERAL INVESTMENT & TRUST CO. LTD.

NOTICE is hereby given that a General Meeting of THE GENERAL INVESTMENT & TRUST COMPANY, LIMITED, will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta, at 11-05 A.M. on Tuesday, the 4th day of December, 1956, for the following purposes.

As special business.

1. To consider and approve the Audited Accounts of the Company for the period from 1st March, 1956 to 31st August, 1956, together with a statement of the affairs of the Company as at that date drawn up in accordance with the provisions of Section 342 of the Companies Act, 1956, and to receive the Directors' Report thereon.
2. To consider and if thought fit, to pass with or without modification, the following resolution.

"Resolved that the resignation as at the 31st August, 1956, of Bird & Co. (Private) Ltd. as Secretaries to the Company be and is hereby accepted and that this acceptance be effective for all purposes including the Companies Act, 1956."

The Share Transfer Registers of the Company will be closed from 21st November, 1956 to 4th December, 1956, both days inclusive.

By Order of the Board,
D. P. DUNDERDALE,
Chairman.

Chartered Bank Buildings,
Calcutta, 25th October, 1956.

NOTE: A member entitled to attend and vote at this meeting may appoint a proxy to attend and vote instead of himself. A proxy need not be a member of the Company."

DALMIA CEMENT (BHARAT) LIMITED Registered Office: DALMIAPURAM, Madras State.

NOTICE

IS hereby given that the register of members and the share transfer books of the Company shall remain closed from 19th November, 1956 to 30th November, 1956, both days inclusive for the purpose of the issue of new capital to the holders of Preference shares of Rs. 40/- each and Ordinary shares of Rs. 2/8/- each in accordance with the Resolution of the Company in General Meeting dated 1st October, 1956.

By Order of the Board of Directors,
For DALMIA CEMENT (BHARAT) LIMITED,
FOR HARI BROTHERS PRIVATE LIMITED,
J. DALMIA,
Director,
Managing Agents.
Dated: 22nd October, 1956.

THE METHONI TEA CO. LTD.

A Dividend of 1½% for Season 1955 without any deduction for Income Tax paid by the Company has been declared payable to the shareholders.

OCTAVIUS STEEL & CO. LTD.,
Managing Agents.

Calcutta, 31st October, 1956.

MUTTRA ELECTRIC SUPPLY COMPANY, LIMITED.

NOTICE is hereby given that the Ordinary General Meeting (not being an Annual General Meeting) of the above-named Company will be held at the Registered Office, No. 15, Shib Thakur Lane, Calcutta-7, on the 30th November, 1956, at 4-30 p.m. for the following purposes:—

1. To receive and consider the Audited Accounts for the half-year ended 30th September, 1955, the Balance Sheet as at that date and the Reports of the Board of Directors and the Auditors thereon.
2. To declare a dividend on the Ordinary Shares.

The Register of Ordinary Shareholders of the Company and the Transfer Books will be closed from 24th November to 30th November, 1956, both days inclusive.

A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself, and a proxy need not be a member.

By Order of the Board,
Sd/- G. D. BHAGAT,
Chairman.

Calcutta, the 5th November, 1956

NOTE—The dividend, if declared, will be paid on or after 30th November, 1956 to those persons who are registered as holders of Ordinary Shares as at that date, or to their mandatees.

Transfer to qualify for the dividend must be LODGED at the Registered Office of the Company by 4 p.m. on the 23rd November, 1956.

EXPLANATORY STATEMENT.

This meeting is being convened to consider the Accounts for the half-year ended 30th September, 1955, in accordance with the provisions of the Company's Articles of Association. Consolidated Accounts for the year (including this half-year) ended 31st March, 1956 will be submitted at the Annual General Meeting in due course.

BHARAT COLLIERIES LTD.

THE 12th Annual General Meeting of the Shareholders of the Company will be held at the Registered Office of the Company at Dalmianagar, on Saturday the 8th December, 1956 at 12 Noon, to receive and adopt Directors' Report and audited Accounts for the year ended 30th June, 1956, to declare dividends at 5½% on preference and 6½% on ordinary shares, to elect Directors, and to appoint Auditors.

Share Transfer Books of the Company will remain closed from 27th November, 1956 to 8th December, 1956, both days inclusive.

By Order of the Board of Directors,
SAHU JAIN LIMITED,
Managing Agents.

Dalmianagar,
29th October, 1956.

N.B. A member entitled to attend and vote, is entitled to appoint a proxy to attend and vote instead of himself, and a proxy need not be a member.

THE TEEN ALI TEA CO. LTD.

THE Directors have decided to recommend to the forthcoming Annual General Meeting of the Shareholders a dividend of 20% in respect of the Season 1955, payable without deduction for Income Tax paid by the Company.

OCTAVIUS STEEL & CO. LTD.,
Managing Agents.

Calcutta, 31st October, 1956.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	Hour I.S.T.
Ranicherra Tea Co., Ltd.	8-11-56	4 p.m.
Margaret's Hope Tea Co., Ltd.	8-11-56	4-10 p.m.
Bhatkawa Tea Co., Ltd.	8-11-56	4-20 p.m.
Huldibari Tea Association, Ltd.	8-11-56	12-15 p.m.
Hukumchand Jute Mills, Ltd.	9-11-56	4-30 p.m.
Bombay Butmah Trading Corporation, Ltd. (E).	12-11-56	11-30 a.m.
Cuttack Electric Supply Co., Ltd.	19-11-56	12-15 p.m.
Orient Paper Mills, Ltd.	20-11-56	3 p.m.
Tirunannam Co., Ltd. (Tea).	21-11-56	2-30 p.m.
Dibrugarh Co., Ltd. (Tea)	22-11-56	4 p.m.
Pahargomia Tea Assocn. Ltd.	23-11-56	11 a.m.
Darjeeling Tea & Chin. Assocn. Ltd.	23-11-56	11-10 a.m.
Pashok Tea Co., Ltd.	23-11-56	11-20 a.m.
Teen Ali Tea Co., Ltd.	23-11-56	3-15 p.m.
Oodabari Co., Ltd.	28-11-56	3 p.m.
Jardine Henderson, Ltd.	29-11-56	11 a.m.
Megna Mills Co., Ltd. (Jute)	30-11-56	11 a.m.
Indian Iron & Steel Co., Ltd.	30-11-56	11 a.m.
India Jute Co. Ltd.	30-11-56	11-15 a.m.
Muttra Electric Supply Co., Ltd.	30-11-56	4-30 p.m.
Investment & Finance Co., Ltd.	4-12-56	11 a.m.
General Investment & Trust Co., Ltd.	4-12-56	11-5 a.m.
Hoare, Miller & Co., Ltd.	5-12-56	11 a.m.
Tea Planters Benevolent Institution	7-12-56	11 a.m.
Bharat Collieries Ltd.	8-12-56	noon.
India Steamship Co., Ltd.	12-12-56	10-30 a.m.

(E) Extraordinary General Meeting.

DIVIDENDS DECLARED OR PROPOSED.—India

Jute Co. Ltd.—3½ p.c. (o) and 3 p.c. (D); Megna Mills Co. Ltd.—3½ p.c. (o); Central India Coalfields Ltd.—5 p.c.; Hinger-Rampur Coal Co. Ltd.—Rs. 2-4 per share (o); Talayar Tea Co. Ltd.—6½ p.c. (o); Gingia Tea Co. Ltd.—10 p.c.; Titaghar Paper Mills Co. Ltd.—Rs. 1-2 per share including a bonus of Annas 4 per share (o) and 5 p.c. (P.O.); Methoni Tea Co. Ltd.—17½ p.c.; Teen Ali Tea Co. Ltd.—20 p.c.; Bharat Collieries Ltd.—6½ p.c. (o); Premier Automobiles Ltd.—6 p.c. "A" (o).

O.—Ordinary Dividend. In.—Interim Dividend.
P.—Preference Dividend. F.—Less Income Tax.
P.O.—Preferred Ordinary Dividend. F.—Final Dividend.
D.—Deferred Dividend. Cm.—Cumulative.
† Less Tax at 5s 6d in the £

Rocking Bombs

DOUBLE OAK TANNED

FOR THE JUTE & COTTON INDUSTRY

Manufactured by TULLIS, WOODROFFE & CO. (PRIVATE) LTD. MADRAS 1.

Selling Agents for West Bengal, Assam, Bihar and Orissa.

JARDINE HENDERSON, LTD.

4, CLIVE ROW, CALCUTTA

J.H. 11-2-56.

"CAPITAL" STOCK AND SHARE LIST

THE INVESTORS' GUIDE AND SHAREHOLDERS' GAZETTE

Official quotations of the Calcutta, Bombay, Madras, London Stock

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Wednesday 7th November, 1956.

GOVERNMENT LOANS					PORT TRUST LOANS										IMPROVEMENT TRUST LOANS				
Amount Outstanding Ra	Interest per cent	Year of issue	Repayable	Market quotations Ra	Amount Ra	Interest per cent	Year of issue	Repay- able	Market quotations Ra	Amount Ra	Interest per cent	Year of issue	Repay- able	Market quotations Ra	Amount Ra	Interest per cent	Year of issue	Repay- able	Market quotations Ra
GOVERNMENT OF INDIA																			
2,48,91,47,000	3	1946	1986 or later	74 1/2	90,24,300	4	1914	1974	99	36,50,000	4	1904	1964	99 1/2	25,00,000	5 1/2	1929	1959	107
			At the option of the Government of India after 3 months' notice.		76,90,100	4	1915	1975	99						50,00,000	4	1934	1964	99 1/2
8,93,35,000	3	1896-97		74 1/2	68,02,300	3	1921 1st	1981	82	15,00,000	4	1906	1967	99 1/2	35,00,000	3 1/2	1935	1965	94
					1,50,00,000	5 1/2	1921 2nd	1981	144 1/2	44,00,000	4	1907	1968	99 1/2	30,00,000	3	1936	1966	90
57,00,69,000	2 1/2	1946	1961	93 1/2											50,00,000	3	1937	1967	91
45,63,07,000	2 1/2	1946	1960	96 1/2											20,00,000	3	1938	1963-68	90
50,35,63,000	3	1951	1958	99 1/2	£892,600	5	1923	1953-83	£291	75,00,000	4	1908	1969	99 1/2	30,00,000	4	1952	1962	99 1/2
					£901,000	5	1924	1954-84	£291						1,02,00,000	4	1956	1968	99 1/2
1,16,17,46,000	3	1938	1963-65	94 1/2						40,00,000	4	1909	1970	100	BOMBAY				
1,10,11,78,000	3	1943	1966-68	92 27/64						56,00,000	4	1910	1971	100					
75,86,72,000	2 1/2	1947	1962	93 1/2	99,84,500	5	1926 2nd	1956-86	100 1/2	75,00,000	4	1911	1972	100	50,00,000	4	1899	1959	99 1/2
		2nd issue			1,49,49,500	5	1927	1957-87	102						30,00,000	4	1901	1961	99 1/2
					1,49,30,000	5	1928	1958-88	103						30,00,000	4	1902	1962	99 1/2
30,33,10,000	3	1950	1964	94 1/2	80,00,000	4	1931	1991	95	STERLING LOANS									
14,77,48,000	2 1/2	1946	1976	83 1/2	2,35,100	3 1/2	1932	1962	£91 1/2						20,00,000	4	1906	1966	99 1/2
63,30,26,000	4	1926	1960-70	100 1/2	80,00,000	4	1931	1991	95	£892,600	5	1923	1953-83	£291	15,30,000	4	1907	1967	99 1/2
1,15,05,83,000	3	1945	1970-75	88 1/2	50,00,000	3 1/2	1935	1965	97 1/2	£901,000	5	1924	1954-84	£291	30,00,000	4	1908	1968	£95 1/2
1,14,06,89,000	3	1944	1957	99 1/2	50,00,000	3	1946	1976	84 1/2	£835,100	5 1/2	1932	1962	£96	18,30,000	4	1909	1969	95 1/2
5,85,73,000	4 1/2	1928	1958-68	102 1/2	50,00,000	3	1946	1976	84 1/2						£565,600	4	1909	1969	95 1/2
75,29,00,000	3 1/2	1953	1961	99 1/2	50,00,000	3	1945	1-2-2005	74						£333,000	4	1910	1970	100
1,13,65,64,000	3 1/2	1945	1959-61	97 1/2	50,00,000	3	1945	1-2-1975	85	£835,100	5 1/2	1932	1962	£96	25,00,000	4	1912	1972	99 1/2
1,58,17,07,000	3 1/2	1954	1964	98 1/2	2,31,07,100	3 1/2	1956-57	1956-66	95 1/2						£333,000	4	1910	1970	100
1,03,67,92,000	3 1/2	1955	1965	98 1/2	25,00,000	3	1938	1963-68	90						25,00,000	4	1912	1972	99 1/2
33,82,00,000	3 1/2	1956	1967	99 1/2	50,00,000	3	1946	2006	90						18,30,000	4	1913	1973	99 1/2
66,64,00,000	3 1/2	1956	1974	99 1/2	50,00,000	2 1/2	1947	1977	79 1/2						60,00,000	4	1914	1974	99 1/2
BOMBAY																			
3,44,00,000	3	1944	1958	98 1/2	50,00,000	2	1948	1978	83 1/2	MADRAS									
6,00,00,000	3	1949	1962	94 1/2	1,00,00,000	2	1949	1979	97 1/2						40,00,000	3	1919	1957-79	102 1/2
3,00,00,000	3	1950	1960	96	50,00,000	2	1949	1959	97						66,00,000	5	1920	1955-80	118 1/2
3,00,00,000	3	1951	1962	98 1/2	50,00,000	3	1950	1960	82						25,00,000	4	1927	1961-80	99 1/2
3,50,00,000	4	1952	1964	101	1,00,00,000	3	1950	1960	95 1/2						60,00,000	4	1916	1976	99 1/2
5,00,00,000	4	1953	1963	101 1/2	50,00,000	3 1/2	1951	1961	98 1/2	31,47,169	3 1/2	1947	1977	A	66,00,000	5	1920	1955-80	118 1/2
					1,50,00,000	3 1/2	1951	1961	98 1/2						25,00,000	4	1927	1961-80	99 1/2
					50,00,000	4	1953	1963	100	9,88,000	3	1947	1977	A	25,00,000	4	1927	1961-80	99 1/2
					50,00,000	4	1953	1963	98 1/2						10,00,000	3 1/2	1936	1956	94
					90,00,000	4	1955	1985	98										
					77,00,000	4	1956	1986	97 1/2	3,00,000	3	1949	1979	A	10,00,000	3 1/2	1936	1956	94
MADHYA PRADESH																			
52,69,800	3	1946	1958	98 1/2															
2,03,00,000	3	1948	1964	93															
1,00,00,000	3 1/2	1951	1962	98 1/2															
MADRAS																			
1,29,76,600	3	1939	1959	95 1/2															
1,38,00,000	3	1944	1958	98 1/2															
2,82,19,000	3	1945	1960	96															
3,90,93,200	2 1/2	1946	1961	93 1/2															
4,47,00,000	3	1950	1960	96															
5,00,00,000	4	1952	1964	99 1/2															
5,00,00,000	4	1953	1963	99 1/2															
UTTAR PRADESH																			
1,69,39,800	3	1936	1961-66	90 1/2															
3,23,96,800	3	1944	1958	98 1/2															
2,36,31,900	3	1945	1960	95 1/2															
2,41,19,800	2 1/2	1946	1961	93 1/2															
2,00,00,000	3	1951	1962	98															
2,00,00,000	4	1952	1964	99 1/2															
5,00,00,000	4	1953	1963	99 1/2															
WEST PUNJAL																			
1,75,00,000	3 1/2	1951	1962	98 1/2	16,33,000	3 1/2	1951	1961	97 1/2										
2,90,00,000	4	1952	1964	100 1/2	66,88,000	3 1/2	1951	1966	97 1/2										
3,00,00,000	4	1953	1963	100 1/2	10,00,000	5 1/2	1932	1962	108	10,00,000	5	1920	1980	110					
5,00,00,000	4	1955	1967	101 1/2	33,91,000	3 1/2	1935	1965	94	25,00,000	5	1928	1958	103 1/2					
2,95,85,200	5	1933	1953-63	101 1/2	72,50,000	4 1/2	1934	1979	100	26,21,500	5	1929	1959	104					
5,99,72,900	4	1936	1956-61	99 1/2															
5,08,35,700	3	1946	25-1-1958	99 1/2															
3,00,00,000	3	1953	15-7-1963	100															
COCHIN																			
30,00,000	3 1/2	1936	1956-61	99 1/2	47,60,000	3	1936	1956	90	2,00,00,000	3 1/2	1951	1966	94					
1,00,00,000	3 1/2	1945	1955-58	98 1/2	17,64,400	3 1/2	1938	1968	90	6,25,00,000	3 1/2	1947	1977	86 1/2					
					31,13,600	4	1939	1956	99 1/2	2,50,00,000	3 1/2	1949	1979	86 1/2					
					21,10,000	3 1/2	1942	1972	92										
					15,56,800	4	1940	1957	99 1/2	4,00,00,000	3 1/2	1950	1965	92 1/2					
3,34,70,000	4	1953	1963	99 1/2															
2,12,21,800	4	1955	1967	99 1/2															
HYDERABAD																			

JOINT STOCK COMPANIES PREFERENCE SHARES

Dividends are cumulative and shares carry a preferential claim on the property for the payment of capital and on the profits for dividend except in case of companies marked otherwise. Months against names of companies indicate approximately times of payment of dividends.

Year of Issue	NAMES	Amount Issued in 000's	Rate per cent	Paid-up per Share	Market Quotations		Year of Issue	NAMES	Amount Issued in 000's	Rate per cent	Paid-up per Share	Market Quotations	
					7-11-56	A year ago						7-11-56	A year ago
		Rs.		Rs.	Rs.	Rs.			Rs.		Rs.	Rs.	Rs.
BANK.													
1901	Allahabad Bank (May Nov.)	15.00	6	100	114	135	1920	Birds' Investments (Dec.)	24.00	5 1/2	100	76 1/2	80
COAL.													
1905	Bengal Nagpur (Feb. Aug.)	11.25	7	100	105	118	1918	Bombay Steam Navigation (July)	15.00	6 1/2	250	153 1/2	15
1896-97	Borra (June Dec.)	4.00	6 1/2	100	103	119	1920	Britannia Biscuit (Feb. Aug.)	8	15	10	153 1/2	15
1901-29	Burrakur (June Dec.)	22.90	7	100	109	126	1935-99	British Ceylon Corporation (14) (Apr. Mar.)	7.50	6	5	92	11 1/2
1946	Burrakur (June Dec.)	4.50	6 1/2	100	103	126	1908-11	British India Corporation (Feb.)	81.00	8	100	124	135
1895	Equitable (May Nov.)	4.00	6 1/2	100	104	117	1903-20	Burn Eng (1st & 2nd) (Feb. Aug.)	13.00	7	100	137	142
1931	Khas Kajora (Mar. Sept.)	1.93	5	10	5	2	1908-11	Burn Engineering (Feb. Aug.)	15.00	6	100	116	123
1920	New Beerhoom (Jan. July)	2.00	7	10	12	134	1905	Calcutta Electric Supply (Mar. Sept.)	21.900	5	21	111	124
1898-99	Ondal (June Dec.)	2.00	6 1/2	100	110	115	1906	Calcutta Silk Manufacturing (July Jan.)	2.00	6	100	55	60
COTTON MILLS.													
1906	Ahmedabad Advance (Apr. Oct.)	10.00	5	100	110	110	1938	Calcutta Tramways (Jan. July)	2.250	5 1/2	100	91	93
1884	Bangalore (Jan. July)	6.00	6	100	125	128 1/2	1945	Carew & Co (January)	8.00	6 1/2	100	101	105
1938	Basanti (Oct.)	5.00	6 1/2	10	8	8	1906	Cawnpore Sugar Works (Feb. Aug.)	10.00	8	100	127	143
1896	Bengal-Nagpur (Apr. Oct.)	3.00	7	100	99	116	1940	Chrestien Mica Industries Ltd.	30.00	5 1/2	100	58	63
1900	Bowreah "A" (Apr. Oct.)	6.00	8	100	126	135	1937	Dacca Electric Supply (July)	6.00	6	10	100	100
1919	Bowreah "B" (6) (1) (Apr. Oct.)	6.00	7	100	126	135	1940	Dalmia Cement (Bharat)	3.500	6	100	102	102
1913	Bradbury "B" (Jan. Dec.)	14.75	7	250	324 1/2	324 1/2	1945	Dalmia Cement (Bharat)	2.375	6	100	100	100
1919	Buckingham & Carnatic (Jan. July)	21.30	7 1/2	100	144	134	1937	Dalmia Flour Mills (Oct.)	9.00	7 1/2	100	133	137
1928	Cambodia (July)	1.00	7	100	122 1/2	122 1/2	1946	Deshgarh Power Supply "A" (Jan.)	16.00	5	100	102	107
1912	Central India (Apr. Oct.)	50.00	5	500	531 1/2	531 1/2	1946	Deshgarh Power Supply "B" (Jan.)	12.00	4 1/2	100	93	91 1/2
	Delhi Cloth & General (Oct.)	20.00	4 1/2	25	20	20	1948	Duncan Brothers & Co. Ltd.	45.00	4	100	62	72
1912	Elgin (May Nov.)	11.00	8	100	135 1/2	143 1/2	1926	Dunlop Rubber "First" (Jan. July)	30.00	6	100	124	126
1943	Elgin "B"	4.20	5	10	91	91	1926	Dunlop Rubber "Second" (Apr.)	40.00	6 1/2	100	93 1/2	101 1/2
1919	Elphinstone (May Nov.)	25.00	7 1/2	100	87 1/2	87 1/2	1928-29	East India Distilleries (Jan. July)	2.200	7	21	17 1/2	17 1/2
1919	Kesoram (June Dec.)	20.00	7	100	130	133	1897	Eastern Investments Ltd (Apr.)	2.500	5 1/2	100	..	..
1925	Khatav Mankani (Nov.)	10.00	6	100	88	88	1928	General Investment & Trust (Feb. Aug.)	1.00	5	100	75	77 1/2
1937	Kothari (Nov.)	12.00	6	100	109	109	1947	General Investment & Trust (Feb. Aug.)	1.00	6 1/2	100	65	70
1909	Muir (Feb. Aug.)	30.00	6	100	81 1/2	81 1/2	1946	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	68	75
1913	New Great Eastern (Mar.)	3.00	5 1/2	200	185	185	1946	Gladstone Lyall & Co. Ltd.	15.00	6 1/2	100	66	66
1920	New Victoria (Apr. Oct.)	26.05	6	5	58	58 1/2	1948	Godfrey Phillips India Ltd.	30.00	5 1/2	100	68 1/2	73 1/2
1933	Palani Andavar (Mar.)	2.00	7	50	58 1/2	58 1/2	1946	Gwalior Sugar (Redeemable) (Dec.)	6.75	7	100	68	68
1935	Swadeshi (Bombay) (May)	15.00	6	100	115	115	1890	Gwalior Sugar (Dec.)	5.00	7	100	68	68 1/2
1927	Swadeshi (Cawnpore) (Mar.)	35.00	6	100	90 1/2	90	1940	Humayan Properties Ltd. (Nov.)	12.00	6	10	9 1/2	10 1/2
1931	Vasanti (Apr. Oct.)	3.00	6 1/2	100	113	120	1946	Indo Aluminium (Mar. Sept.)	40.00	5 1/2	100	83 1/2	75 1/2
1908	Vishnu (Apr.)	16.00	7	500	550	550	1945	Indo Burma Petroleum (Jan. July)	50.00	7 1/2	100	105	105
JUTE MILLS.													
1927	Agarpara (Jan. July)	10.00	7	100	104	116	1936	Indian General Navy & Railways	2.244	6	210	85	82
1905	Alexandra (Feb. Aug.)	9.00	7	100	97 1/2	106	1946	Indian Cable Co. (Nov.)	12.88	6	100	33 1/2	33 1/2
1896	Alliance (Mar. Sept.)	15.00	6	100	97 1/2	102	1929	Indian Standard Wagon (Aug. or Sept.)	1.966	7	100	127	138 1/2
1917	Anglo-India (May Nov.)	40.00	7	100	107 1/2	119	1936	Indian Iron & Steel	2.69 5/8	5	100	104	110
1908	Auckland (July Jan.)	10.00	5 1/2	100	80	96	1946	Investment and Finance (Feb. Aug.)	2.00	5	100	75	77 1/2
1918	Auckland (July Jan.)	15.00	4 1/2	100	64 1/2	76	1935	Investment and Finance (Feb. Aug.)	2.00	6 1/2	100	65	70
1918	Bally (Jan. July)	20.00	7	100	105	115	1945	James Wright (Jan. July)	1.30	6	50	41	40
1896	Barnagore (Oct. Dec.)	2.00	5 1/2	100	41	46	1936	Jardine Henderson Ltd.	50.00	5 1/2	100	65	78 1/2
1906	Belvedere (Jan. July)	7.00	7	100	111	125	1945	Jessop & Co.	10.00	5	100	101	105 1/2
1940	Bengal (June Dec.)	10.00	5 1/2	100	85	97	1945	Jupiter General Insurance (Sept.)	4.99	6 1/2	10	..	..
1919	Birla (June Dec.)	23.64	7 1/2	100	102 1/2	102 1/2	1916	Kumardhubi Engineering (June)	12.00	5	100	98	107
1896	Budge Budge (May Nov.)	9.00	7	100	78	78	1915	Do. Fireclay & Silica (June)	2.00	7	100	105	116
1934	Calcutta (Jan. July)	6.00	6 1/2	100	109	118	1915	Martin Burn Ltd.	30.00	5	100	105	105 1/2
1919	Caledonian (June Dec.)	10.00	7	100	111	119	1945	McLeod & Co.	10.00	5 1/2	100	69	83
1919	Cheviot (June Dec.)	10.00	7	100	109	118	1930	McLeod & Co.	40.00	5	100	75	83
1928	Chitavalah (Mar. Dec.)	5.00	7	100	108	116	1936	Mettur Chemical & Industrial (Sept.)	20.00	6	100	99	88 1/2
1900	Clive (First) (May Dec.)	8.00	6	100	86 1/2	92	1936	Mettur Box Co. of India Ltd.	30.00	6 1/2	100	96	97
1905	Clive "A" (Second) (May Dec.)	8.00	7	100	98	105	1938	Midnapore Zemindary (Feb.)	8.75	5	100	92	92
1903-12	Dalhousie (July Jan.)	15.00	7	100	102	115 1/2	1942	Mysore Chemical Mfg (Sept.)	2.00	5	10	9 1/2	8 1/2
1897	Delta (June Dec.)	5.00	5	100	105	94	1946	National Insulated Cable	10.00	5 1/2	100	75	80
1912	Empire (Jan. July)	10.00	7	100	108	120 1/2	1936	National Tobacco (June Dec.)	25.00	5	100	70	70
1890-98	Fort Gloster (Jan. July)	14.00	7	100	108	88	1944-46	National Tobacco (Jan. Dec.)	20.00	4 1/2	100	67 1/2	71
1948	Fort Gloster (2nd)	7.00	5	100	115	128 1/2	1936	Northern India Oil (Jan. July)	2.00	6	100	48	56
1911	Fort William (May Nov.)	10.00	5	100	115	128 1/2	1936	Poona Electric Supply Co. Ltd. (June Dec.)	4.00	7	100	103 1/2	103 1/2
1916	Ganges (June Dec.)	6.00	8	100	101	134	1935	Premier Construction "First" (Apr.)	10.00	6 1/2	100	104	104
1895-04	Gouropore (June Dec.)	26.50	6	100	91	101	1936	Premier Construction "Second" (Apr.)	15.00	6 1/2	100	99 1/2	104 1/2
1935	Hastings (Aug. Feb.)	25.00	6	100	91	107 1/2	1936	Purbapore (Sugar) (Oct.)	6.00	10	100	16 1/2	16 1/2
1913	Hoochly (July)	11.00	10	100	138 1/2	148	1936	Ramnagar Cane & Sugar (Aug.)	4.00	6	100	100 1/2	105 1/2
1919	Howrah (Jan. July)	8.75	7	100	107	123	1933-36	Rohas Industries (April)	20.00	7	100	127	134
1903-06	Howrah "A" (Jan. July)	17.50	7	100	102 1/2	117	1936	Rohas Industries "B" (Apr.)	86.00	4 1/2	100	65 1/2	65 1/2
1919	Hukumchand (June Dec.)	40.00	7	100	108 1/2	113 1/2	1944-46	Shaw Wallace & Co. Ltd.	75.00	6 1/2	100	78 1/2	88 1/2
1898-04	Kamarhaty (Apr. Oct.)	16.00	6	100	91	105	1936	Shree Gopal Paper	7.50	6	100	119 1/2	126 1/2
1900	Kankarnath (Apr. Oct.)	10.00	6	100	95	105	1936-38	Shree Krishna Gyanodaya Sugar "A" (Oct.)	6.00	6	100	100	101
1935	Kankarnath (Apr. Oct.)	2.00	7	100	95	105	1945	Shree Krishna Gyanodaya Sugar "B"	12.00	5	100	75	80
1907	Kedarnath (Jan. July)	10.00	7	100	98	120	1936	Smith Stanistreet (Chemists) (Nov.)	5.00	10	50	70	68 1/2
1895-09	Khardah (May Nov.)	9.00	6	100	91 1/2	95	1936	South Behar Sugar (Oct.)	5.00	7	100	161 1/2	161 1/2
1900-13	Kinnison (July Jan.)	15.00	7	100	99	118	1936	Spencer & Co. "A" (Provisions) (Jan. July)	23.20	6 1/2	100	91	91
1910	Landsdowne (July Jan.)	15.00	7	100	101	116	1936	Spencer & Co. "B" (Provisions) (Jan. July)	38.80	8 1/2	100	101	101
1912	Lawrence "A" (July Jan.)	5.00	7	100	103	115	1937	Star Paper (Apr. Oct.)	10.00	5	100	82	82
1906-07	Lawrence "B" (July Jan.)	10.00	5 1/2	100	103	115	1937	Star Paper (Apr. Oct.)	10.00	5 1/2	100	131	131
1945	Naihati (July Jan.)	10.00	7	100	112	124	1934	Surat Electricity (Apr.)	5.00	6 1/2	100	131	131
1917	Naihati (July Jan.)	5.00	4 1/2	100	72	79 1/2	1925	Tata Chemicals (Nov.)	60.00	5	100	117 1/2	117 1/2
1939	National (May Nov.)	5.00	7	100	97 1/2	104	1939	Tata Hydro Electric Power (Sept. Mar.)	93.28	7	100	121 1/2	121 1/2
1939	Nellimarla (Apr. Oct.)	5.00	6	100	105 1/2	114	1910	Tata Iron & Steel (First) (Nov.)	75.00	6 1/2	150	160	168 1/2

COAL COMPANIES

O. P. F. and Dd. indicate Ordinary Preferred Ordinary Founders' and Deferred shares respectively. P. next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until
Ra.	Ra.	Ra.	Ra.				Ra.	Ra.	1954 1955 1956	Ra.	7-11-56 31-10-56 A year
25,50,000	26,43,478	24,50,000	6,60,570	Amalgamated	3-9	236	6,83,393	26,953	32-5 61-71	10	22 1/2 22 1/2
1,00,00,000	1,96,15,288	1,40,49,723	18,85,659	Bengal P	4-10	2	26,18,986	7,31,563	71-71 81-81	200	503 503 510
4,49,350	4,08,193	4,20,000	2,24,303	Bengal Bhatdee	6-12	2	15,149	4,951	11-11	10	61 61 61
2,25,000	2,48,198	5,30,654	3,64,478	Bengal Nagpur P	6-12	2	50,568	1,07,984	Nil-Nil Nil-Nil	10	16 16 16
15,97,000	14,16,665	5,91,475	13,32,076	Bhaikorah	9	152	8,13,899	39,978	...	10	61 61 61
40,00,000	68,01,474	20,23,235	32,65,326	Bharat Collieries P	6	335	2,52,221	27,437	...	10	7 1/2 7 1/2
7,15,000	15,63,291	14,29,045	68,704	Bhulanbarree	6-12	106	20,810	1,87,446	Nil-Nil Nil-Nil	10	12 1/2 12 1/2
16,00,000	38,87,275	16,18,636	7,185	Bokaro & Ramgur	9-12	315	1,21,426	79,196	...	10	13 13 13
7,50,000	18,56,889	24,29,062	11,60,066	Borera P	6-12	106	2,14,632	84,207	10-10 10-10	10	24 1/2 24 1/2
90,92,480	2,38,29,968	1,75,17,502	25,32,131	Burrakur P	6-12	21	11,90,330	1,15,376	21-31 31-31	10	10 1/2 10 1/2
49,97,000	34,53,430	750	3,65,960	Central India	3	166	2,45,758	9,927	21 21	5	10 7 1/2 7 1/2
8,00,000	16,67,573	13,30,519	15,752	Central Kurkend P	6-12	323	34,743	82,768	...	10	12 1/2 12 1/2
6,00,000	1,43,576	7,32,536	7,32,536	Churulia	6-12	106	5,374	2,129	11-11	4	21 21 21
16,00,000	24,00,428	Nil	50,309	Dharm Main	6-12	19	60,039	1,83,318	Nil-Nil Nil-Nil	10	8 8 8
2,40,000	Nil	2,80,653	2,37,456	East Indian	4	128	2,137,641	2,59,767	181 224	21	33 1/2 33 1/2
29,67,760	1,15,25,721	83,55,049	24,17,690	Equitable P	6-12	19	8,87,453	82,769	71-71 71-71	30	30 30 30
10,00,000	6,74,708	2,07,486	3,32,978	Ghusick & Musila	3	307	12,979	24,944	...	10	15 15 15
6,50,000	5,08,856	5,08,856	4,95,444	Guzdar Kajora	6-12	20	24,150	2,401	...	10	21 21 21
8,00,000	3,17,780	7,25,000	7,92,425	Hurildadi	6-12	19	2,70,524	45,995	71-10 121-121	23 1/2	23 1/2 23 1/2
3,50,000	6,31,200	5,66,816	1,407	Kalapahar	2-8	2	1,38,130	2,21,237	Nil-Nil Nil-Nil	10	20 20 20
15,00,000	31,71,936	24,32,396	25,61,314	Karanpura Development	6-12	21	49,116	17,839	Nil-Nil Nil-10	100	19 19 17 1/2
20,00,000	24,60,896	1,77,175	26,967	Karanpura Collieries P	2	21	2,26,982	6,965	Nil 21	5	10 119 119
5,00,000	10,29,548	16,60,000	11,25,332	Katras Jheria	1-7	2	5,92,347	1,33,475	28-28 25-30	35	62 62 55 1/2
1,38,400	6,75,000	95,000	11,80,294	Khas Kajora P	6-12	326	49,776	1,918	...	10	91 91 91
5,65,750	10,84,977	85,000	9,590	Mundulap	6-12	326	79,868	79,868	Nil-...	10	21 21 21
7,48,240	2,62,442	1,50,000	5,04,429	Nazira	6-12	347	25,590	6,071	...	10	7 1/2 7 1/2
5,13,418	2,66,617	2,66,617	61,941	New Bandedpur	3	8	9,011	6,071	31-71 71-...	10	10 10 10
17,76,230	31,15,787	20,01,763	3,78,538	New Beerboom P	4-10	7	2,64,716	94,383	31-31 31-31	10	19 1/2 19 1/2
10,00,000	11,71,307	75,000	40,447	New Manbhoom	3-9	202	25,330	2,233	Nil-Nil Nil-Nil	10	11 1/2 11 1/2
2,50,000	7,69,623	1,75,500	10,12,916	North Damuda	1-7	306	7,954	32,184	...	21	21 21 21
1,15,000	4,42,488	2,85,193	1,53,246	North West	3-9	2	51,420	15,950	Nil-Nil 61	7 1/2	10 17 1/2 17 1/2
7,50,000	1,20,000	12,19,987	23,26,757	Ondal P	6-12	106	22,197	56,646	5-5 5-5	10	15 1/2 15 1/2
8,34,000	9,21,342	10,862	4,30,015	Parasa P	6-12	207	1,08,075	8,318	31-31	10	14 1/2 14 1/2
15,15,000	12,40,000	16,00,000	12,54,554	Panch Valley	3-9	236	4,18,450	33,343	81-71 71-71	10	20 1/2 20 1/2
2,50,000	2,82,405	7,500	13,530	Pure Sitalpur	6-12	8	2,008	18,581	...	10	6 6 6
23,99,500	37,59,038	19,17,105	39,198	Raneegunge	3-9	79	1,83,814	16,846	21-21 21-31	10	13 1/2 13 1/2
13,50,000	7,98,001	9,28,385	14,29,643	Rewa	6-12	236	4,96,775	26,029	71-61 81-121	10	23 1/2 23 1/2
20,00,000	23,74,261	7,52,027	1,01,427	Samia	12	48	1,80,660	31,543	71	10	14 1/2 14 1/2
2,50,000	3,55,194	1,34,374	11,356	Searole	1	333	88,009	11,078	25 30	15	21 21 21
2,80,000	10,92,193	8,35,938	7,87,726	Seebore P	6-12	2	2,42,112	49,399	142-142 17-17	7	7 20 20
8,00,000	3,62,424	5,28,306	6,32,757	Sendra	6-12	106	4,098	7,303	Nil-11 11-11	10	11 1/2 11 1/2
17,50,000	22,81,985	10,75,016	63,654	South Karanpura	2-8	21	59,079	51,533	Nil-11 11-11	10	8 1/2 8 1/2
8,00,000	1,43,000	13,69,395	21,89,890	Standard	6-12	106	47,444	17,347	71-71 5-5	10	23 1/2 23 1/2
10,00,000	15,58,085	15,075	3,910	Falcher	9	277	22,689	3,85,056	5-21 21-...	21	21 14 1/2 14 1/2
4,50,000	4,86,000	5,53,000	8,176	Union	6-12	276	4,033	4,167	5-21 21-...	10	14 1/2 14 1/2
49,38,000	33,66,550	50,000	2,17,164	Western Bengal	3	166	4,09,463	7,262	...	5	6 1/2 6 1/2
7,00,000	32,65,173	21,569	61,480	West Jamuria	6-12	19	2,72,772	1,46,650	Nil-Nil Nil-Nil	10	11 11 11

N = Nominal

COTTON MILLS

Paid-up Capital Ordinary	Number of		Net Block Account	Reserve & other Funds, Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	Spindles	Looms									Rs.	Rs.	Rs.		1953	1954	1955
Rs.			Rs.	Rs.	Rs.				Rs.	Rs.				Rs.	Rs.	Rs.	
15,00,000	14,108	356	14,62,919	1,73,478	11,90,008	Basanti P	12	49	1,97,268	41,227	21	10	61	61	5 1/2		
32,72,340	22,197	505	27,69,076	25,18,909	24,531	Benares P	3-9	120	1,27,187	4,79,347	..	..	..	10	11 1/2	11 1/2	
7,11,280	36,000	932	17,17,120	2,29,368	30,847	Bengal Luxmi	3	27	3,65,176	47,818	..	..	..	40	40	36	
27,00,000	31,476	624	23,53,000	15,50,000	3,84,224	Bengal Nagpur P	6-12	236	5,23,389	18,199	21-Nil	Nil	..	10	9 1/2	9 1/2	
15,00,000	38,764	992	31,35,500	1,09,84,251	21,32,642	Birla Cotton	3	22	5,28,332	4,25,221	30	30	30	10	30 1/2	30 1/2	
6,00,000	42,872	641	37,54,142	22,72,528	1,44,948	Bowren P	6-12	138	84,028	23,47,373	Nil-Nil	Nil-Nil	Nil-Nil	100	150	150	
30,00,000	22,000	510	8,43,453	29,51,420	1,00,393	Cawnpore Textiles	3	25	6,73,253	36,767	11 1/2	10	Nil-5	5	9	9 1/2	
3,27,02,900	1,01,808	2,762	9,94,63,168	2,74,48,393	2,94,83,803	Delhi Cloth & Genl. P.	6	238	1,81,42,278	82,759	0	0	9	25	40 1/2	38 1/2	
1,00,000	42,944	518	34,12,181	25,71,925	1,53,884	Dunbar	6-12	138	9,92,376	1,37,951	Nil-Nil	Nil-Nil	Nil-21	100	274	274	
63,00,000	54,000	1,290	22,44,751	68,33,360	43,06,583	Elgin P	9	25	32,80,464	93,386	15	10	10	10	29 1/2	29 1/2	
1,20,00,000	59,250	1,872	23,99,575	1,60,53,952	47,29,268	Kesoram P	3	22	37,41,719	2,45,435	11 1/2	8 1/2	8 1/2	20	16 1/2	17 1/2	
6,00,000	35,864	864	17,48,143	9,75,679	74,08,658	Mohini P	12	45	9,53,316	5,158	..	..	..	25	..	..	
33,96,288	39,000	1,825	47,44,546	52,19,601	92,65,051	Muir P	12	208	18,77,941	7,77,290	..	..	..	100	85	85	
22,89,824	78,848	1,367	43,25,577	26,00,968	1,45,701	New Victoria P	12	237	18,83,371	13,76,473	Nil	..	..	210	2 1/2	11 1/2	
8,07,095	23,196	795	22,57,946	18,38,739	2,02,179	Rampooria Cotton	6	4	6,16,936	1,094	..	6 1/2	10	10	15 1/2	15 1/2	
19,47,750	1,14,836	2,077	2,83,77,888	2,65,04,931	32,30,412	Swadeshi (Cawnpore) P	12	333	43,71,838	7,09,029	5	7 1/2	7 1/2	100	12 1/2	12 1/2	
5,00,000	1,57,50,000	Po									5	11 1/2	11 1/2	100	12 1/2	11 1/2	
40,50,000	48,754	1,310	91,31,708	1,89,73,217	43,89,979	Bangalore W C Silk P	12	26	56,34,938	2,38,649	25	30	30	100	565	563 1/2	
1,78,47,800	1,20,012	2,770	3,20,71,600	1,87,39,278	23,80,514	Bukingham Carnatic P	12	26	1,01,66,075	2,38,445	10	10	10	100	195	194	
20,00,000	28,000	..	18,03,003	20,32,074	11,26,239	Cambodia P	12	210	1,96,274	27,593	71	Nil	5	10	14 1/2	14 1/2	
12,00,000	23,864	..	6,41,058	9,00,000	38,53,502	Coimbatore Cotton	12	188	6,53,750	61,404	..	..	..	100	392	392	
20,76,900	72,832	407	47,91,212	7,98,681	22,227	Coimbatore Spg & Wvg	6	46	7,52,342	10,23,340	Nil	..	..	100	93	93	
6,50,000	50,640	295	12,25,505	16,25,000	58,77,434	Kaleswarar	12	139	2,05,780	7,677	..	..	..	100	335	335	
24,00,000	30,512	200	52,38,868	17,90,000	7,43,757	Kothari Textile P	6	141	3,23,924	29,382	5	5	10	10	17 1/2	17 1/2	
23,64,000	48,756	..	15,01,051	21,70,200	78,350	Lakshmi	12	186	31,41,248	2,209	..	..	..	50	258	258	
1,75,02,480	4,65,324	..	2,15,02,107	4,13,81,878	31,94,681	Madura	12	108	77,86,809	18,86,813	20	20	20	15	48 1/2	48 1/2	
12,00,000	21,856	..	8,42,189	5,85,363	10,32,893	Malabar Spg & Wvg	12	240	89,193	24,039	22	20	..	200	113	112	
60,00,000	24,252	603	20,49,893	69,00,000	1,19,91,755	Mettur Industries	3	29	4,48,863	45,835	..	..	42 1/2	100	44 1/2	41 1/2	
13,61,780	6,000	..	14,15,992	9,90,279	1,24,663	Mysore Spun Silk	3	142	1,753	3,986	Nil	Nil	..	10	6 1/2	6 1/2	
20,137	Nil	..	8,36,608	8,00,000	24,24,908	Palani Andavar P	12	30	7,39,397	2,687	..	..	..	50	172	172	
7,79,700	15,540	416	5,42,118	2,43,421	2,65,911	Sitaram Spg & Wvg	3	164	87,724	3,083	..	..	..	60	..	..	
7,00,000	28,104	270	12,98,563	18,23,501	1,17,1,224	Vasanta P	12	47	6,37,459	..	..	..	..	100	340	340	

TEA COMPANIES

O. Po and Dd indicate Ordinary Preferred Ordinary and Deferred Shares, respectively. P next to the name of the company indicates that the Company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Rs.	Net Block Account Rs.	Reserve & other Funds Rs.	Accrue under Tea Rs.	Output and Average Price per lb. realised for crop		Estimate 1956 Lbs.	NAMES	Accounts closed Lbs.	Net Profit including taxation Rs.	Dividends per cent			Paid-up Share Rs.	Latest Market Quotations as available until				
				1954 Lbs.	As P.					1955 Lbs.	As P.	1953		1954	1955	7-11-56 Rs.	31-10-56 Rs.	1-1-57 Rs.
OACHAR																		
3,00,000	3,40,887	1,75,000	862	2,89,040	39-11	..	Arctupore	12	98	1,72,877	Nil	Nil	10	12	12	12		
4,00,000	4,28,269	49,878	465	..	..	..	Baitanai	12	35	45,307	..	..	10	103	101	114		
10,00,000	17,71,849	8,13,800	1,480	8,90,263	40-10	..	Central Cachar	12	128	5,98,004	Nil	Nil	100	731	731	136		
2,50,000	2,75,753	Nil	794	1,00,450	4-2-2/5	..	Chandypore	12	128	66,346	Nil	Nil	100	89	89	123		
7,00,000	6,99,137	11,000	949	3,91,320	38-6	..	Eastern Cachar	12	202	2,48,284	Nil	Nil	10	971	971	9		
12,90,000	17,92,467	1,50,000	2,153	17,59,926	35-8	16,36,400	24-1	16,00,000	12	202	2,46,355	25	40	171	181	26		
2,50,000	2,50,000	1,05,222	506	1,75,926	..	..	Katunagar Khoreal	12	313	21,071	Nil	15	..	100	102	130		
3,00,000	2,40,000	251,794	599	4,40,507	..	..	Kunchupore	12	63	2,21,227	Nil	20	..	100	143	181		
7,00,000	7,25,000	1,50,000	1,350	7,33,287	47-6	..	North Western Cachar	12	63	2,21,273	Nil	20	..	100	264	264		
1,80,000	1,80,329	Nil	486	1,80,329	..	..	Pathemara, P.	12	202	1,64,444	Nil	..	10	15	15	19 1/2		
2,50,000	3,00,357	1,16,592	618	3,04,720	36-6-4/5	..	Reopacherra	12	165	4,33,780	Nil	10	..	10	22	25 1/2		
5,25,000	8,87,291	10,42,955	688	6,76,800	11-11	7,25,980	29-3	6,00,000	12	63	2,98,325	20	35	20	104	104	144	
4,00,000	4,38,316	4,52,313	652	4,49,336	36-7-1/5	..	Soni River, P.	12	14	3,73,677	Nil	12 1/2	..	10	104	144		
3,75,000	5,02,307	4,31,250	1,050	4,63,320	..	..	Tiluk	12	95	5,22,670	Nil	20	..	10	12	12	19	
DARJEELING																		
3,90,750	6,89,413	4,157	562	1,14,311	29-11	..	Bloomfield	12	101	73,268	Nil	Nil	10	31	31	4 1/2		
2,79,900	4,72,961	1,25,000	407	1,41,174	62-0	..	Chamong	12	279	1,34,400	Nil	20	..	10	151	151	20	
3,75,000	3,75,000	3,11,928	991	1,41,174	..	..	Darj. Tea Chinchona	12	139	1,15,695	74	40	..	100	175	175	290	
2,00,000	1,74,363	1,62,639	488	1,35,760	52-5	..	Dilaram	12	200	1,03,183	Nil	21	..	100	190	190	315	
2,00,000	3,13,500	3,53,585	500	2,84,204	19-11	..	Ghelle P.	12	74	3,24,074	Nil	25	..	10	29	29	43 1/2	
7,00,000	6,25,300	1,10,770	1,049	5,53,740	38-3	..	Lingia P.	12	279	8,25,171	20	50	..	10	303	303	311	
10,32,000	3,57,576	1,11,111	761	5,26,515	48-8	..	Lontoria	12	101	6,04,852	10	20	..	10	121	121	15	
4,00,000	5,67,134	3,00,000	616	1,82,000	62-4	1,65,440	50-6	1,84,000	12	165	1,53,561	74	..	10	161	161	22 1/2	
1,59,000	2,06,770	3,50,239	463	1,82,000	62-4	1,65,440	50-6	1,84,000	12	4	65,265	10	40	15	100	296	377	
2,99,000	3,40,000	3,00,000	605	4,50,016	33-4	..	Nagri Farm	12	279	4,44,268	20	50	..	10	271	271	33 1/2	
3,00,000	2,23,710	97,647	589	1,81,152	55-3	1,68,126	38-4	1,80,000	12	63	55,958	Nil	37 1/2	Nil	100	600	600	560
3,30,000	4,92,688	2,61,116	774	1,81,152	..	..	Pashok	12	139	69,682	24	15	Nil	10	28	28	24 1/2	
3,00,000	3,83,067	4,09,567	500	1,88,691	58-8	1,64,824	37-11	1,76,300	12	74	15,953	Nil	10	Nil	10	9 1/2	16	
2,05,000	4,30,000	2,07,813	570	1,58,740	58-8	1,27,541	35-11	1,60,000	12	74	15,953	Nil	10	Nil	10	11 1/2	16	
1,40,000	1,69,062	4,65,653	341	1,80,726	39-0	1,67,840	41-4	1,76,000	12	63	33,455	174	50	20	100	408	408	450
3,00,000	4,94,000	11,402	389	1,77,704	33-3	..	Seeyok	12	63	1,99,621	21	15	..	10	151	151	20	
6,25,000	3,98,413	1,45,9	741	2,03,035	67-0	..	Singell	12	113	45,841	Nil	Nil	..	100	381	381	49	
9,00,000	2,72,823	1,46,857	683	2,64,306	67-0	..	Singtom, P.	12	279	2,87,270	6	30	..	10	6 1/2	6 1/2	7 1/2	
3,00,000	2,89,000	3,90,406	554	2,89,738	60-3	..	Soom	12	279	4,43,350	30	50	..	10	36	36	4 1/2	
6,25,000	11,06,947	5,74,585	382	3,76,300	54-5	..	Sungma	12	165	3,50,250	Nil	74	..	10	111	111	30 1/2	
3,20,000	4,86,000	9,62,401	718A	4,40,947	48-3	..	Teesta Valley	12	74	5,54,651	15	68	..	10	181	181	11 1/2	
9,01,250	10,96,000	2,90,000	1,666	7,11,948	50-5	..	Tukvar	12	279	3,99,993	Nil	10	..	10	141	141	18 1/2	
DUARS																		
27,00,000	19,11,197	24,25,000	2,540	30,81,680	51-2	30,69,386	31-9	33,20,000	12	2	11,23,882	45	120	25	100	330	330	370
9,00,000	20,53,253	18,70,000	1,105	13,91,320	43-7	..	Baradighi	12	128	12,84,614	30	65	..	10	341	341	42	
9,00,000	9,00,000	6,50,000	1,343	11,94,886	..	..	Bhatkawa	12	165	9,45,451	30	..	10	146	146	207	207	
9,00,000	6,00,000	5,33,092	902	6,04,104	45-10	..	Bhatkawa	12	63	12,07,487	22	25	20	100	175	201	305	
6,00,000	6,91,678	10,50,000	902	10,58,480	49-4	10,82,880	31-11	11,60,000	12	63	3,98,498	25	90	..	100	305	305	505
3,00,000	2,16,475	2,50,000	500	4,01,294	43-8	..	Ellenbarrie	12	63	3,28,025	Nil	15	..	100	577	577	512 1/2	
1,20,000	1,95,171	4,64,006	265	2,24,800	49-1	2,12,720	26-9	2,40,000	12	4	48,282	110	Nil	100	15 1/2	15 1/2	34	
3,50,000	3,11,706	3,15,000	447	4,75,840	47-2	..	Ethelbari	12	354	4,64,619	Nil	50	..	10	283	300	340	
5,00,000	3,88,424	6,50,000	1,233	6,62,126	47-2	..	Gairhat	12	101	10,21,402	20	12	..	10	24	234	234	
10,50,000	17,49,550	22,55,503	1,022	12,28,090	47-11	12,20,160	27-11	12,20,160	12	99	1,32,197	16	24	..	10	277	277	577
24,00,000	20,00,000	14,45,782	4,427	30,88,842	44-1	..	Hantapara, P.	12	63	39,77,805	25	60	..	100	190	190	352	
9,00,000	32,36,929	60,63,333	4,236	63,71,277	41-11	..	Hasimara, P.	12	74	49,76,927	25	60	12 1/2	10	281	281	422	
5,25,000	10,98,000	17,14,718	1,432	16,07,368	42-3	17,67,246	26-11	17,20,000	12	74	2,77,456	22	30	Nil	23 1/2	23 1/2	51 1/2	
9,00,000	5,13,809	6,15,000	902	5,13,809	61-0	5,60,000	28-7	5,60,000	12	53	2,13,207	20	41 1/2	..	10	18	18	25 1/2
2,00,000	4,12,000	3,50,000	620	1,73,830	45-7	..	Manabarrie	12	217	10,39,757	10	65	..	100	7934	7934	800	
9,60,000	15,71,067	18,15,032	1,125	1,69,538	44-5	9,78,088	28-1	10,00,000	12	63	2,05,071	25	40	25	100	319	319	298
14,00,000	8,81,963	18,45,000	1,183	15,52,400	49-3	16,35,320	31-2	16,00,000	12	63	6,83,263	45	100	..	100	314	314	337
5,25,000	3,98,142	4,50,000	578	6,29,200	44-2	..	Oodlabari	12	202	8,19,256	20	75	..	100	745	745	245	
2,50,000	4,30,200	2,79,541	348	2,56,097	42-0	..	Phaskowa	12	63	4,69,550	15	30	..	10	211	211	38	
6,00,000	8,29,490	8,01,034	764	1,73,830	45-7	..	Raisabhat	12	165	2,61,201	15	30	..	10	211	211	38	
7,85,000	10,03,372	4,43,438	1,635	1,69,538	44-5	..	Ranicherra	12	165	4,17,707	Nil	30	..	10	211	211	24	
7,46,400	22,28,247	29,20,000	1,766	15,52,400	49-3	..	Rudak	12	128	26,16,913	50	100	..	10	401	401	932	
3,46,400	5,45,381	6,97,500	663	6,01,920	48-4	..	Sayagaon	12	2	10,50,327	12 1/2	10	..	10	401	401	401	
TERAI																		
4,50,000	10,63,145	1,64,527	907	3,99,840	44-7	..	Atal	12	101	5,20,393	Nil	15	..	10	81	81	111	
2,50,000	1,59,000	10,44,545	450	3,23,610	29-8	4,17,643	25-3	4,00,000	12	345	3,65,487	30	40	100	10	59	59	401
8,40,000	4,00,000	17,07,195	1,509	13,20,702	46-1	..	Gungarag	12	63	18,94,362	30	60	..	100	241			

MISCELLANEOUS COMPANIES-Cont'd.

O Po. and Dd. indicate Ordinary Preferred Ordinary Contributory and Deferred Share respectively. P. next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares If any	Cash & Securities	NAMES	Accounts closed	Ministerial Agents	Net Profit including taxation	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
									1954	1955	1956		7-11-56	31-10-56	4 year ago
Rs.	Rs.	Rs.	Rs.				Rs.	Net				Rs.	Rs.	Rs.	Rs.
PAPER MILLS															
45,00,000	54,01,812	35,81,841	4,21,350	Bengal P.	6-12	24	12,54,725	2,01,825	61-61	33-10	25	110	110	110	110
63,00,000	36,44,006	66,05,611	5,48,394	India Paper Pulp	3-4	2	6,56,442	14,397	7-6	7-7	7-...	10	23 1/2	23 1/2	25 1/2
25,00,000	15,55,877	10,22,640	1,27,314	Mysore Paper P.	0	226	1,13,542	4,553			10	18	18	18 1/2	18 1/2
1,48,82,500	3,50,88,096	2,16,71,732	1,83,95,855	Jrrient Paper P	3-6	22	55,14,535	2,12,433	11-2	3-61	61-...	10	35 1/2	37 1/2	32 1/2
1,25,33,760	59,47,589	60,82,393	1,07,79,721	Shree Gopal Paper P.	6-12	140	20,89,821	1,61,203	71-71	61-61	10	17 1/2	17 1/2	17 1/2	17 1/2
20,00,000	33,02,717	6,50,000	60,68,288	Star Paper P.	3-5	36	3,58,614	13,795	21-5	5-71	10	10 1/2	11	14 1/2	14 1/2
10,00,000	4,37,500PO								3-6	3-6	2 1/2 Po	44	44	44	44
56,00,000AO	2,74,87,803	3,22,75,945	69,17,536	Nitaghur P.	3-6	106	15,03,616	95,682	71-71	10-10	10Ac	40 1/2	40 1/2	48 1/2	48 1/2
56,04,800BO									71-71	10-10	10Bc	40 1/2	40 1/2	48 1/2	48 1/2
PRESSING COMPANIES															
8,00,000	4,64,596	5,26,886	9,04,599	Calcutta Hydraulic	6	2	-1,35,881	-85,479	8	ND	100	81	81	81	81
4,30,000	2,07,346	1,00,495	3,57,613	Imperdown	6	311	26,906	2,301	8	2	100	123	121	121	121
5,00,000	1,61,434	1,95,200	3,90,372	Central Hydraulic	6	2	80,996	13,957	8	6	100	135	135	88	88
REAL PROPERTY STORAGE															
10,00,000A												A500	875	875	890
1,25,00,000B												B521	107	107	111
2,00,00,000C	13,50,000	12,42,798	6,94,591	Bengal Bonded Warehouse	4-10	73	84,007	3,172	5-5	3-5	100	174 1/2	174 1/2	174 1/2	174 1/2
25,00,000D												D121	22 1/2	22 1/2	22 1/2
7,42,150	11,68,346	4,23,135	33,823	Calcutta Safe Deposit	8	3	81,259	3,142	5	1	100	12	12	13 1/2	13 1/2
10,00,780O	22,96,665	6,43,170	7,48,384	Humayan Properties P.	3-5	1	1,43,649	64,068	5	1	100	14 1/2	14 1/2	14 1/2	14 1/2
2,30,000Dd												10C	30 1/2	30 1/2	41 1/2
94,00,000	33,89,847	35,71,674	62,34,136	Widnapore Zemindary P.	8	2	5,95,498	68,064	8	8	100				
TRAMWAYS & STEAMER															
20,00,000	1,08,44,146	1,00,69,622	30,95,902	Bengal Assam Steamship P.	10	2	10,81,427	55,826	71	71	100	145 1/2	145 1/2	157	157
6,25,000	8,17,572	1,75,000	2,01,118	Calcutta Landing & Shipping	4-10	88	25,522	4,261	21-21	31-...	10	15 1/2	15 1/2	18 1/2	18 1/2
12,60,000	23,52,622	9,03,181	1,986	Calcutta Steam Navigation	5-12	113	90,794	76,939	5-5	...	100	122	122	111	111
2,700,000	22,863,932	21,542,638	2,525,585	Calcutta Tramways P.	12	98	2,189,638	222,556	...	...	100	173 1/2	173 1/2	183	183
3,78,050	1,52,816	1,13,728	5,83,494	Fraser	13	138	5,82,620	12,457	...	...	10	17 1/2	17 1/2	15 1/2	15 1/2
2,655,550	22,273,124	2,909,876	2,135,381	India General Nav Railway P	12	135	2,70,382	221,366	...	...	100	95	95	137	137
2,25,30,000	6,11,69,772	81,57,151	39,26,394	India Steamship P.	5	291	1,30,126	1,28,061	ND	ND	100	10 1/2	10 1/2	8 1/2	8 1/2
14,08,220	35,14,969	24,75,000	5,94,450	Port Shipping	6-12	2	1,54,518	43,305	5-6	71-71	10	16 1/2	16 1/2	16 1/2	16 1/2

SOUTH INDIAN MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary	Net Block Account	Reserve & Other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Account Number	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent	Paid-up per Share	Market Quotations as available until	A year ago			
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1952	1954	1955	Rs.	6-11-56	30-10-56	Rs.
CEMENT															
51,04,620	39,78,019	5,87,097	14,29,997	Andhra Cement P.	12	16	10,73,622	4,636	10	-	-	10	15½	15½	-
ENGINEERING															
7,50,000	7,12,101	52,967	15,912	Brunton & Co. P.	12	270	84,162	1,80,754	-	-	-	10	6½	6½	7½
13,78,666	11,77,029	14,945	18,437	Indian Steel Rolling Mills P.	12	230	1,38,570	Nil	-	-	-	10	14½	14½	15½
SUGARS															
19,92,000	57,01,920	25,64,000	3,49,248	Deccan Sugar & Akbari P.	5	118	12,39,032	1,12,386	-	-	10	5	11½	11½	10
280,000A	2749,840	2896,278	233,344	East India Distilleries Sugar P.	9	119	2,217,186	2,57,299	10	10	-	16th A 21B	29½	29½	26½
23,00,000B	3,45,826	19,36,515	23,78,860	India Sugar and Refineries P.	9	-	18,02,080	4,30,238	25	17½	-	10	16½	16½	23½
29,00,000	23,64,171	62,95,164	26,13,235	Mysore Sugar	6	264	5,83,036	85,706	-	-	-	10	46	46	58
21,78,280	-	9,00,000	17,01,004	United Breweries	5	120	2,55,158	3,951	-	-	-	75	217	217	177½
MISCELLANEOUS															
2,00,000	1,84,643	4,01,950	2,69,126	A. V. Thomas & Co Ltd.	12	270	67,424	82,011	-	-	-	10	15	15	17
43,33,400	51,24,761	91,12,163	23,33,662	Champion Reet Gold Mine	12	128	30,17,946	5,548	-	-	-	10	8	7½	3½
3,45,96,740	3,07,66,646	3,24,061	14,65,823	Fertilisers & Chemical	12	346	13,90,272	73,018	-	-	-	10	-	-	-
40,00,000	23,16,662	30,20,000	12,20,149	Parr & Co Ltd P.	12	119	19,29,282	1,90,750	15	15	-	2	-	-	-
40,50,000	51,89,127	13,11,514	12,90,355	Mettur Chemical Industrial Corps	3	263	9,64,549	8,153	Nil	3½	6½-6½	10	23½	23½	22½
3,00,000	2,74,279	4,00,000	3,56,330	Mysore Chemical Mfrs P.	6	151	24,604	236	-	-	-	10	88	88	10½
24,81,220	9,25,232	6,66,778	78,136	Mysore Chemical & Fertilisers	6	233	1,32,627	6,672	-	-	-	10	2½	2½	-
81,33,400	99,94,107	67,63,169	15,68,879	Mysore Gold Mining	12	328	74,55,864	-	-	-	-	10	-	-	-
5,00,000	1,67,861	-	79,750	Mysore Match	9	124	12,839	862	-	-	-	10	-	-	-
10,00,000	10,94,415	-	5,079	Mysore Tobacco	3	201	10,039	45,631	-	-	-	10	13½	13½	10½
37,73,400	48,27,424	51,84,276	3,54,689	Nundvdroos Mines	12	328	20,43,696	-	-	-	-	10	11½	11½	5½
32,10,360	49,89,033	22,24,495	1,75,753	Ooregaum Gold Mining P.	12	328	1,45,422	-	-	-	-	10	-	-	-
40,00,000	46,37,599	93,16,946	80,57,471	Spencer (Provisions) P.	6	221	18,71,470	5,47,067	15	-	-	10	16½	16½	19

RUBBER COMPANIES

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Cash & Securities	Acreage under cultivation	Output Rubber	Estimated Rubber	NAMES	Accounts closed	Manufacture Agents	Net Profit including taxes	Dividends			per Share	Paid-up Net Share	Latest Market Quotations available until		
											1954	1955	1956			6-11-56	30-10-56	4 year avg. Rs.
17,32,000	9,36,219	2,06,283	1,44,630	2,052	1,45,403	..	Be Be Rubber	3	276	..	..	..	..	3	5 1/2	5 1/2	5 1/2	
17,94,186	29,66,801	18,13,093	1,65,683	2,270	15,10,886	16,68,000	Cochin Malabar P.	2	210	7,67,900	20	25	25-15 1/2	3	10	9 1/2	9 1/2	
4,00,000	3,25,576	27,750	62,784	423	1,77,648	..	Cottanap Plantations P.	3	12	99,430	..	..	..	10	27 1/2	22 1/2	17 1/2	
4,00,000	10,03,233	6,84,409	1,37,660	2,535	2,25,786	..	Kalpette	3	12	1,13,150	..	..	..	10	31 1/2	29 1/2	27 1/2	
7,00,000	64,93,184	13,10,432	11,94,449	4,323	7,35,461	..	Midland Rub & Prod. P.	2	270	1,89,174	..	..	..	10	192	193	211 1/2	
6,00,000	6,84,232	2,13,800	1,96,495	1,273	1,83,230	..	Peninsular Plantations	4	259	2,12,012	10	15	20-15 1/2	10	33	33	16 1/2	
13,50,000	36,52,282	2,21,378	1,73,719	2,456	1,64,246	..	Rajagir Rub & Prod.	6	270	1,33,502	..	..	..	10	24 1/2	25 1/2	21 1/2	
10,00,000	21,09,379	25,000	1,69,125	1,872	5,25,438	..	Teekoy Rubber	3	172	1,92,914	..	..	..	10	12	11 1/2	11 1/2	
41,00,000	67,21,749	19,13,944	13,12,632	6,939.5	10,03,214	10,15,000	Travancore Rubber & Tea	12	9	14,96,765	10	15	10	11 1/2	11 1/2	13 1/2		
40,00,000	11,55,155	1,65,000	3,74,540	1,150	3,68,304	..	Tropical Plantations	3	271	2,04,029	..	..	..	25	34 1/2	34	25 1/2	
26,28,580	6,72,252	2,11,412	2,49,541	738	3,74,873	..	Vaikundam	12	114	80,799	..	..	..	10	34 1/2	34	25 1/2	

BOMBAY MISCELLANEOUS COMPANIES

O Po F Dd G and R indicate Ordinary Preferred Ordinary Founders' Deferred Guarantee and Rebate Shares respectively P next to the names of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	1954	1955	1956	1957
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
CEMENT															
12,87,59,333	16,16,27,689	6,15,51,096	3,90,26,918	Associated Cement	7	53	4,71,77,960	5,62,770	8 1/2	10	100	194	194	214 1/2	
ELECTRIC LTG POWER															
6,99,95,600	11,08,94,307	69,91,218	20,82,140	Ahmedabad Electricity	9	146	35,75,580	188	6 1/2	5	100	92 1/2	94 1/2	114 1/2	
2,92,83,500	4,16,62,358	52,34,507	65,30,599	Andhra Valley Power Supply F	6	267	46,19,171	25,735	7 1/2	7 1/2	1,000	1210	1,207 1/2	1,470	
1,74,99,700	2,14,85,12	39,32,48	5,79,834	Bombay Suburban Elec. Sup.	3	146	19,21,739	45	7	7	100	110 1/2	110 1/2	128 1/2	
38,08,200	17,49,052	4,75,322	14,87,557	Poona Electric Supply P	12	229	3,86,015		100		100	146	146	148	
2,34,45,225	3,37,65,356	63,82,045	58,39,875	Tata Hydro Elec. Power sup P	6	267	37,75,507	25,171	7 1/2	7 1/2	1,000	126 1/2	126 1/2	153 1/2	
6,02,78,750	8,98,37,405	1,41,56,578	1,29,22,549	Tata Power P.	6	267	77,32,961	27,952	7 1/2	7 1/2	1,000	127 1/2	1,265	1,520	
ENGINEERING & METAL															
33,42,200	17,06,292	44,16,374	1,54,08,311	Alcock Asdown	12	268	8,79,666	1,35,820	12 1/2		100	332 1/2	331 1/2	341 1/2	
6,00,000	29,341	4,43,904	59,338	Joint Engineering	3	115	62,291	1,598	15	5	50	96	96	96	
40,00,000	11,26,513	10,00,000	9,74,664	Larsen & Toubro P	3	351	14,60,735	28,740	10	10	10	19	19	14 1/2	
40,95,100	49,33,755	2,02,506	49,33,755	Machinery Mfgs. Corp. Ltd. P	3	330	2,02,006	64,576	NIL	NIL	100A				
1,10,00,000	15,00,977	16,66,194	7,06,269	McKenzie's	7	283	1,49,085	64,938			100	96 1/2	96 1/2	96 1/2	
2,50,000	4,834	1,00,53,052	1,79,52,042	Premier Construction P	12	294	3,35,178	59,102	25 1/2	28 1/2	31 1/2	202 1/2	202 1/2	187 1/2	
1,31,250	4,80,59,980	26,78,952	44,49,499	Tata Locomotive & Eng. P.	3	69	3,303	50,350	NIL	NIL	100	169 1/2	169 1/2	152	
4,18,72,400	4,80,59,980	26,78,952	44,49,499	Tata Locomotive & Eng. P.	3	69	3,303	50,350	NIL	NIL	100	169 1/2	169 1/2	152	
9,63,75,000	32,44,07,755	16,63,05,536	12,34,83,510	Tata Iron & Steel P.	3	69	9,26,44,872	4,04,945	14	14	750	194 1/2	192 1/2	207 1/2	
INSURANCE COMPANIES															
20,00,000		23,84,912	95,96,033	British India General	12	297	4,24,629	1,18,806			10	131	131	131	
5,15,000		11,04,84,087	8,95,48,481	Empire of India Life	12	253					100	67 1/2	67 1/2	67 1/2	
8,46,120		16,32,999	16,36,803	Indian Mercantile	12	75		1,13,109			20	45 1/2	45 1/2	45 1/2	
18,74,940	25,01,134	2,88,81,155	2,61,49,442	Jupiter General P.	12	95	38,351	4,55,316	NIL		15	41 1/2	41 1/2	41 1/2	
1,06,81,590		8,81,793	47,25,18,852	Ven India	12	179	43,58,653	71,250	16 2/3		200	3,650	3,650	6,810	
6,00,000		57,83,743	63,48,58,42	Oriental Life	12	298					10	15 1/2	15 1/2	15 1/2	
15,99,270		29,41,866	59,86,789	Vulcan	12	255	6,05,803	2,81,242	10		10				
MISCELLANEOUS															
90,79,065	31,95,468	3,97,409	12,61,996	Air Service of India	6	336	-15,61,405	-37,22,790			15				
47,97,256	21,34,988	35,75,182	78,89,034	Belapur Sugar	9	42	53,89,000	61,389			50	251 1/2	252 1/2	370	
50,00,000	2,20,64,392	4,12,86,155	2,67,27,639	Bombay Burmah Trading	5	285	47,93,172	61,994	16	21	125	728 1/2	727 1/2	690	
42,00,000	1,21,04,055	31,74,431	31,14,306	Bombay Steam Navigation P.	6	256	4,54,215	30,135			25	263 1/2	265	248 1/2	
43,00,000	3,088	19,47,388	1,28,40,992	Industrial Investment Trust	12	299	5,81,909	2,83,136	4 1/2	4 1/2	100	72	72	72	
99,99,250	13,82,957	7,34,142	14,35,223	Kemur (Chemists)	3	67	68,232	16,942	6		200	215	215	215	
11,99,900	3,74,50,77	1,61,13,442	1,94,42	National Rayon Corp.	12	352	63,19,604	3,72,076	10		100	213 1/2	213 1/2	213 1/2	
1,57,71,406	18,36,63,412	1,10,18,857	1,10,18,857	Orissa Steam Navigation	6	189	32,72,556	22,72,556	24	24	20	19 1/2	19 1/2	18 1/2	
9,39,98,069	1,95,71,944	13,51,214	4,14,339	Shivrajpur Synd. (Manganese)	11	146	35,49,059	21,561	80	80	10	87 1/2	86	113	
1,39,95,990	75,25,791	34,08,586	22,83,813	Tata Chemicals P.	6	269	13,55,026	57,597	NIL	NIL	10	20 1/2	20 1/2	18 1/2	
70,07,475	1,46,44,903	2,43,20,936	1,50,49,201	Tata Oil P.	3	269	3,90,461	11,453	9	12	25	53	52 1/2	46 1/2	
2,75,00,000				Western India Match	12	274	74,35,281	5,61,984	11	11	100	177 1/2	178 1/2	190	

*1956 †Liquid Assets

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Block Account	Reserve & other Funds	NAMES	Accounts closed	Managing Agents	Net Earning	Carry forward	Dividends per cent			Paid-up per Shares	Latest Market Quotations as available until		
Rs.	Rs.	Rs.				Rs.	Rs.	1953	1954	1955	Rs.	7-11-56	31-10-56	A year ago Rs.
CALCUTTA														
17,24,000	20,62,356	2,00,804	Ahmedpur Kutwa S.S.G.	3	165	—29,367	..	2½	2½	2½	100	60	60	50½
21,69,300	33,40,889	6,90,702	Arrah Sasaram D B G	3-9	32	2,57,676	33,735	3-3	3-3	3-3	100	71½	71½	75
34,00,000	41,30,202	3,11,049	Bankura Damodar River S.S.G	3	165	46,607	..	2½	2½	2½	100	59	59	59½
19,00,000	29,09,443	4,91,171	Baraset Basirhat D.B.G.	3-9	331	18,844	1,18,863	..	..	..	100	10	10	19
17,80,000	21,78,786	2,20,877	Burdwan Cutwa S.S.G.	3	165	78,839	..	4	2½	2½	100	58½	58½	60½
31,00,00	35,46,011		Chaparmukh Silghat S.S.G	3-9	32	62,834	10,849	1.29—1.29	1½—1½	1½—1	100	52½	52½	45
4,75,000	3,20,040	4,75,006	Cherra Chhatrakopeway	3	88	7,071	9,317	12½	5—	Nil	6	7½	7½	6½
2,47,650	2,75,015	65,226	Darjeeling Ropeway	3	101	18,097	4,549	1½	2½—	2½	10	7½	7½	6½
22,50,000	62,20,813	13,32,800	Dehri Rohtas	3	335	6,42,311	37,814	6½	9½	10—12½	10	13½	13½	13½
11,49,700	20,10,843	1,63,143	Putwab Islampur S.S.G	3-9	32	—33,016	5,917	98—98	1—1	1—1	100	63½	63½	55
16,00,000	50,82,188	17,87,954	Howrah Amta D.R.G (P)	3-9	32	1,18,351	90,009	3—3	3—3	3—3	100	62½	62½	70½
6,00,000	13,87,138	4,43,410	Jowrah Sheekhala D.B.G	3-9	32	28,627	20,122	3—3	3—3	3—3	100	65	65	54½
19,50,000	27,95,689	2,47,135	Kalighat Falta S.S.G.	3	165	—1,99,473	..	2½	2½	2½	100	60½	60½	61½
8,91,100	15,16,175	10,551	Katakhal-Lala Bazar S.S.G	3	165	31,257	..	4½	5	..	100	75	75	74½
15,00,000	62,56,929	28,77,041	Shardara Delhi Saharanpur	3-9	32	6,26,073	17,25,546	6—6	6—6	6—6	100	129½	129½	152½
1,75,000	5,41,779	2,04,341	Pexpore Balipara Tramway P	3-9	165	—43,574	5,944	..	..	..	100	..	..	..

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69th YEAR OF ISSUE

CALCUTTA, NOVEMBER 15, 1956.

Vol. CXXXVII No. 3434

INDIA'S BEST

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A CONGRESS GUIDE TO SOCIALISM
LESS IDEOLOGY AND MORE CO-OPERATION

IT is neither complacency nor clairvoyance which prompts the prediction that the next Government of India will be a Congress one; it is a justifiable deduction from incontrovertible fact. That is why the resolution on economic policy presented to the Belaghata session of the A.I.C.C. last week-end calls for careful study. It gives some idea of the kind of thinking which will govern the economic decisions made in the next few years, and which will therefore be vital to the country's future. This resolution is by no means a lucid document, and it is so full of contradictions that the intelligent reader is tempted to reject it as meaningless. But it does possess a thread of consistency which is not too difficult to distinguish, and which it would be foolish to ignore simply because the rest of the resolution is such a jumble. There is a guide to the future here and it deserves consideration.

To begin with, the resolution is remarkably free from the usual tiresome ideological declarations. The "socialistic pattern" is reaffirmed. But it is a socialism tempered by expediency and chiefly expressed through a high level of welfare spending for which, in any case, there are certain political justifications. Promises of indiscriminate nationalisation have been avoided. The industrial pattern which emerges is a mixed one, not fundamentally different from that already established in Britain. How this moderation will survive the extremist pressures of the future, to say nothing of ministerial ambitions, is another matter. But at least it suggests that the development of the economy is being accepted as the major priority and that ideology may soon be relegated to second place. This may be because the second plan is already running into difficulties and it is ideology which must shoulder a good deal of the blame. The resolution affirms the importance of increasing the production of food and consumer goods. In an economy threatened with inflation, such an emphasis is simple logic. But it is one which, until comparatively recently, has been neglected in favour of grandiose schemes for heavy industry in the private sector. These have, of course, not been abandoned. The resolution specifies that priority is to be given to producer-good output as a basis for industrial expansion. But the impression is given that the dangers are now more clearly understood and the necessary sacrifices are being faced up to. This is a step forward. In fact, in some ways, the resolution is more realistic than the plan itself. It will require a good deal of hard thinking and adaptability to steer the country through the gathering clouds of inflation and, perhaps most important of all, the growing shortage of foreign exchange. To say that these virtues are visible in this document is not to deny that it could be better. But as a combined economic and political manifesto, given the prevailing feeling of the ordinary voter about such matters, it is difficult to see how.

If the emphasis on producer goods is not to lead to the kind of dangers experienced in early Stalinist Russia, more attention will have to be paid to agriculture than was originally intended in the second plan. This the resolution acknowledges, but still appears reluctant to draw the obvious conclusions. There is no doubt that the sentimental ideas which have governed land reform up to now are the best recipe for chronic starvation which it is possible to devise. If India is to feed her growing numbers with the quantity and variety of food they will require, without having to rely permanently on imports, more efficient farming will have to be introduced. Mention is made in the resolution of increasing agricultural credit and extending the scope of the Community Projects and National Extension Schemes. The question of co-operatives has also been touched on, but there remains an obvious reluctance to embark on a firm policy of increasing the size of the average farming unit by this method. That is not easy to understand. India has long since made the choice between compulsory collectivisation and voluntary co-operation. The latter has not proved; they will first have to pay an initial security.

popular yet. But there has been no widespread opposition to it and its importance would suggest that greater efforts might

with four delivery periods a year, business can be done simultaneously in the two periods immediately succeeding. The management of the futures market will have in reserve large powers presumably for use in special circumstances, for instance, to stop business, fix floor and ceiling prices, call margins and nominate due dates of settlement. The representation on the East India Jute and Hessian Exchange is being broadened considerably to bring a larger variety of jute and jute goods interests into closer association with the running of the futures market. The board of directors which will take charge after the first board resigns at the end of six months will consist of four persons nominated by the Government; four elected by the panel of manufacturers; four elected by the panel of raw jute dealers; and two each by the panels of jute goods shippers, jute goods dealers and brokers.

The basic dilemma which has been faced in the running of futures markets is an old one. It springs from the attempt to reconcile two apparently contradictory aims. One is to leave the futures markets free enough to reflect genuinely the prevailing ideas about commodity or general economic trends; and to ensure that business in them is neither so expensive nor so cumbersome as to discourage operators into alternative forms of trading. The other is to ensure that strict checks are kept on over-trading of the sort that has often brought such markets to grief and done lasting damage to confidence. India's regular stock markets have not yet been successful in completely superseding their irregular counterparts on the kurb; in some centres, the former still contemplate with envy the volume of business done by the latter. The new jute and jute goods futures market might conceivably be faced with a similar problem for some time. But its establishment is nevertheless to be welcomed; and its success might well depend as much on the discipline of its membership as on the co-operation it receives from a Government which may need to take strong police action against *fatka* and *katni* trading.

CREDIT PROBLEMS OF SMALL ASIAN FARMERS

DESPITE many efforts, few Asian countries have so far succeeded in lightening the weight of debts that burden the small farmer. Co-operatives are still weak as a rule, and credits from banks or other institutional sources are usually beyond reach. Heavy pressure of population on the available land and low productivity expose the small farmsteads inordinately to the hazards of nature and malpractices of moneylenders. Tragedy follows when short-term loans are turned by high rates of interest into perpetual debts. Present conditions affecting the economy of small farm holdings in Asia and especially their credit problems are described in a study* prepared by the joint agriculture division of the U.N. Economic Commission for Asia and the Far East and the Food and Agriculture Organisation. This report also contains proposals for a "new approach" to ease the credit situation of the small farmer. The prevailing high, and often exceedingly high, rates of interest, are a reflection of the weak position of the small farmer, whose productivity is undermined by the splitting up of land, and of the lack of banking institutions and co-operatives in rural areas. To some extent, the problem is aggravated by tenancy conditions and the tie-up between credit and marketing arrangements. In these circumstances, the small cultivator who needs credit either for farming purposes or for his domestic needs, has no option but to turn to village moneylenders who are naturally aware of this situation, and also of the possible risks they have to accept. However, as the report points out, there can be hardly any justification on economic grounds for the highest rates of interest charged to the small farmer. The report gives some illustrations of interest rates customary in rural areas in various Asian countries. In India, interest rates of 25 percent or more, and as high as 70 percent, are charged by private agencies; in certain areas, rates exceeding 50 percent per annum are not uncommon.

A common malpractice is the tie-up between loans and sales of produce. In certain parts of India, as also in some other countries, the bulk of the loan business of moneylenders consists in advancing money free of interest on condition that the farmer sells his produce to the lender. This tie between credit and marketing, which is common in most countries of the region, has a number of disadvantages, the study observes. The cultivator frequently receives less than the market price and he is often also hit by underweight, illegal deductions and other malpractices. Moreover, the moneylender does not generally pay a higher price for produce of better quality. Even worse is the

habit of the moneylender extending loans to the small farmer in the form of seeds, for this practice stands in the way of crop planning and improvement. Of the countries of the E.C.A.F.E. region, only Japan has a well developed co-operative credit system and interest rates have been brought down to between 5 percent and 10 percent. Moreover, a large proportion of loans from relatives in Japan are believed to be free of interest. Japan is the only country in the region where the middleman does not play any important rôle in the marketing of agricultural produce. Co-operatives handle 74 percent to 92 percent of the quantities of foodgrains (rice, wheat, barley, etcetera) sold by the producers, and in a number of other commodities co-operatives handle about 50 percent. In most other Asian countries the co-operative movement has failed to make any significant impact on the agricultural credit situation, the study remarks. Co-operatives cover only a fraction of the rural population and they account for only a small proportion of the credit needs of cultivators.

In addition to other economic and technical factors, the population pressure on available land and certain agrarian structures in Asian countries have greatly contributed to undermining the productivity of the small cultivator. The report points out that in most Asian countries pressure of population is not only high but continually increasing. Hence, the net area sown a head of the population has decreased in various countries. In India, it has shrunk by 24 percent in 20 years, and in the Philippines, by 32 percent in 30 years. In 13 selected countries of the Far East, the area under cereals a head of the population has decreased by 9 percent in 27 years. In certain Indian States, one-half to two-thirds of the owned holdings are of less than five acres. In Indonesia, over 95 percent of the farmers in East Java have only one to two acres. In the Philippines, nearly one-fifth and in Thailand 15 percent of the total holdings are less than one hectare in size. The report comments that the credit-worthiness of the small farmer is usually judged by banks and even by co-operatives too

Contents

I.C.I. Report on Dyestuffs ..	650
Futures Market for Jute ..	645
New System of Financial Control ..	659
U.K. Economy Through Suez Crisis ..	660
U.P. Sugar Crushing Starts Early ..	661
Bombay Markets Erratic ..	662
New Hawker Siddeley Planes ..	648
Raw Wool Processing Plans ..	652
Engineering 648 City Cable ..	658
Ditcher's Diary 649 Jute ..	663
Commodity Markets 652 Plantation Topics ..	664
Money 653 Calcutta Markets ..	665
Stocks and Shares 655 Company Notices ..	665-66

much from the point of view of the security he can offer rather than according to his ability to repay. This places tenants in a weaker position.

The most important feature of agricultural credit in Asia, the report emphasises, is the overwhelming part played by credit from moneylenders, landlords, merchants, relatives, etcetera. In India, according to a recent survey, over 93 percent of the loans were from individual moneylenders, landlords, etcetera, and in Thailand the proportion was about 86 percent. Only in Japan have co-operatives had a larger share—over one-third of all borrowings, as against 3 percent in India and 14 percent in Thailand. In the Philippines, too, small farmers have had to rely almost exclusively on moneylenders, landlords, etcetera.

In these circumstances, a complete reorganisation of the agricultural credit structure appears desirable in many cases, the report concludes. Moreover, to break the vicious circle of "poverty, debt and high interest rates", measures designed to raise agricultural productivity must go hand in hand with improvements in the credit system. To approach the credit problem of the small farmer from a new angle, various measures are being proposed, especially in India and the Philippines. Co-operatives, it is generally agreed, provide the best basis for agricultural credit, but Governments will have to assume major, or even full, responsibility for providing funds for the development of the co-operative movement and its supervision. This would be a radical departure from the dependence of the co-operative on local savings and development entirely or largely independent of Government assistance. Co-operatives have to adopt an integrated approach to credit and marketing activities and have to begin dispensing credit on the basis of the repaying capacity of the borrower rather than on the security of his immovable property.

CURRENT COIN

Aluminium Loan Stock and Interim.—At an extraordinary general meeting of the Indian Aluminium Co. Ltd. on Monday, shareholders approved the issue of Rs. 2,68,13,200 worth of 5 percent Convertible Loan Stock repayable in 1971-81. The features of the Loan Stock were discussed at length in *Capital* on 1st November. A notable one is that until the end of 1970 stockholders will have the option of converting their Stock into ordinary shares at varying rates, depending on the length of time the Stock has been held. The new issue will provide part of the funds required by the company for the establishment of a new 10,000-ton aluminium smelter in Hirakud, involving an expenditure of more than Rs. 8 crores over the next four years. Aluminium Ltd., Canada, which is Indian Aluminium's principal shareholder, has decided to subscribe to one-half of the issue and, by limiting its subscription to this amount, in accordance with the desire of the Indian Government, is providing an opportunity for increased participation by Indian capital. The Stock will be offered to shareholders of the company on 20th December, and, if necessary, at a later date to the Indian public. Reflecting the doubling last year of Indian Aluminium's ingot capacity to 5,000 tons a year, profits for the first nine months of this year are estimated to be a good deal higher than those for the whole of 1955. A further substantial increase is expected when the Hirakud smelter comes into operation, bringing the company's total ingot facilities to approximately 15,000 tons a year. Indian Aluminium has just declared an interim dividend of 5 percent. It has completed the allotment of ordinary shares recently offered on a rights basis, and these shares also qualify for the interim dividend.

Burrakur and Kumardhubi.—A general meeting of the Burrakur Coal Company's shareholders is to be held on 4th December to consider a resolution authorising Burrakur to enlarge its investment in the Kumardhubi Fireclay and Silica Works Ltd. Kumardhubi Fireclay proposes to make a rights issue of 150,000 ordinary shares of Rs. 10 each at par. Burrakur, which holds a substantial portion of Kumardhubi Fireclay's capital, is entitled to take up 74,750 of these rights shares at a cost of Rs. 7,47,500. Burrakur's total holding in Kumardhubi Fireclay, after it takes up these shares, will be 41.53 percent. Kumardhubi Fireclay needs the extra capital from the rights issue to finance the second stage of expansion in its fireclay section, which will increase production by another 12,500 tons a year. In the light of plans to develop the steel industry, it is expected that this extra production will enjoy a ready market. It is also expected that Kumardhubi Fireclay will maintain its recent dividends of 15 percent on the increased capital.

Madras Plantation Shares Down.—The fixing of minimum prices for planting shares in Madras has followed the severe slump, caused by the Plantation Award published on 26th October. A fall of 25 percent in the price of active scrip has forced the Council of Management to reinforce its new rule of delivery of documents in seven days, by fixing floor prices at the level obtaining on Thursday last. Friday's business revealed no change in sentiment and sellers predominated. This was due mainly to reports that labour, including the I.N.T.U.C. Union, is pressing for immediate implementation of the one-man Tribunal's Award, thus denying implicitly the right of employers to seek the legal remedy. Another dispute over bonus is pending, but this is of little consequence compared with the Award. The Minister for Agriculture and Industry has told a labour deputation that the Madras Government will not intervene until trouble arises, and in any case, a tripartite conference could be held only after the Supreme Court has dealt with the employers' appeal. In circulars to shareholders a leading managing house has indicated how the award will lead to the erosion of reserves and heavy additions to the wages bill. This will mean not only the passing of dividends but a drop in agricultural income-tax paid by plantations. Plans for replanting will have to be held in abeyance. The Tribunal's view that Madras plantations are prosperous and can afford to pay for the benefits due under a socialistic pattern has been questioned by those claiming to speak for the small investors, who have a large and growing stake in the plantation industry. From circulars referring to the new burden, it is evident that rubber estates will fare better than tea or coffee. The estates in Wynad with modest capitalisation per acre stand to suffer like those in the Nilgiris with higher capitalisation, assuming that the Kerala State will give effect to the award handed down by the Madras Tribunal. In the case of the Chembra Peak estates, the sum payable at Rs. 19.25 lakhs exceeds the entire capital and reserves, put at Rs. 18,83,400 and the addition to the annual labour charges will be Rs. 4 lakhs. That is why the confident survey of the Chairman of the Coffee Board, describing a rise in coffee output with a promise of larger exports,

coinciding with better demand for mild coffee at higher prices, was coolly ignored by the market. The official chairman made no reference to the disastrous effects of the Award. Official neutrality has been carried very much farther than expected.

Problem of Coffee Exports.—The statistics of coffee production and consumption both in home and overseas markets, given in the address of Mr. K. Srinivasan, Chairman, to last week's meeting of the Indian Coffee Board, point to the necessity of exporting Indian coffee on an increasingly larger scale as indigenous production is rising. Coffee output at about 34,000 tons for 1955-56 was considered a record, but as the Board's Marketing Committee's estimate shows, the current year's (1956-57) production, at 35,890 tons, has surpassed that. Consequently, the surplus likely to be available for export has been placed at 7,924 tons, slightly less than the quantity actually exported during the previous year. Internal offtake has been estimated at 26,775 tons. Some consider that the estimates of domestic consumption are unduly high, and not justified by the rate of consumption in the recent past, so a larger surplus than the Coffee Marketing Board estimates should actually be available for export. This however makes a minor difference to the issue. The pertinent question is whether the Coffee Board itself should enter the trade when private interests have a satisfactory export record. Mr. Srinivasan's argument is that while the private exporter would be merely interested in getting the best price for his goods, he would be unlikely to take an abiding or long-term interest in such matters as "seeking new markets, or nursing or holding markets where he has gained entry." So he considers it necessary that the Board should think in terms of destination quotas, or straight trading with some foreign countries, as an effective measure against the problem of a continually growing exportable surplus. Mr. Srinivasan apparently does less than justice to private trade in underestimating its capacity for maintaining the existing markets and cultivating new ones. It would, on the other hand, do the export trade harm if a large proportion of it were to be handled by the State, especially in relation to the countries in which private traders have already established their contacts. Another matter which might also do harm to the export prospects as well as to the very development of the industry itself, is the latest Madras Tribunal award on the wages for plantation labour. Mr. Srinivasan discreetly withheld his comments on the issue, but he apparently fears that its effect on the plantation industries, including coffee, is bound to be adverse.

U.S. Economic Recovery.—The business news during October has provided further evidence of the strength of the forces supporting trade and industrial activity, says the First National City Bank of New York in its monthly newsletter. Steel mills, sold far ahead, have set a new monthly production record of roughly 11 million tons. Assemblies of the new model passenger automobiles more than doubled the September rate, although production delays cut output nearly one-fourth below original schedules. Encouraging signs of improvement have appeared in the textile markets. In September, industrial production, as measured by the Federal Reserve Board's index, rose to 144 (1947-49=100), equaling the all-time high set last December. Probably the index for October will move into new high ground. Part of the rise since the settlement of the steel strike has represented the recovery in steel production, but increasing output of industrial machinery and other capital goods continues to be the backbone of the advance. The support given to business by the capital goods boom is evidenced by the fact that manufacturers of machinery, including consumer and defence types, have added 223,000 workers to their rolls during the past year. In contrast, employment in auto and other transportation equipment plants was down by 82,000 persons. Other factories, on the whole, had about the same number of employees in September as a year earlier. In the aggregate, more people are at work in the industries and services than ever before. Statistical unemployment has dropped below the 2 million mark for the first time since late 1953. In manufacturing generally, overtime work increased in September, average earnings reached \$2 an hour for the first time, and payrolls were the greatest on record. With more people commanding higher wages, purchasing power has risen, consumers have continued willing buyers and business men have been ordering freely. The increased wage costs incurred by the industries in recent months carried with them the potential danger of either pricing goods out of the market or squeezing profit margins, and discouraging growth. In some instances these unfavourable effects can be seen. In a few markets, including copper, the pressure of demand has eased. Housing starts continue to lag. These soft spots, however, have only moderated the advance. In overall terms no slackening is evident. Figures are now available to measure the performance of the economy in surmounting the shortages and imbalances left by the five-week steel strike,

and they are impressive. Industrial production, as indicated above, jumped to its highest level this year in little more than a month after the steel strike ended on 5th August. General economic activity, as measured by the gross national product, showed scarcely a ripple as it rose from an annual rate of \$408,300 million in the second quarter to \$413,000 million in the third. This record provides evidence of the resiliency of today's economy.

Private Gold Hoards Increase.—Reversing the trend of the past two years, privately hoarded gold stocks throughout the world increased to \$11,900 million during the year ended 31st October, 1956, according to the November issue of *Pick's World Currency Report*. At the present annual rate of production it would take 12 years and three months to mine the 10,578 tons of gold which is dormant in individual hoards everywhere. The increase of 4.2 percent in the amount of coin, bar and sheet hoards, as compared with a drop of 2.6 percent last year, was due mainly to the Suez situation, to world-wide increases in the cost of living, the easing of gold restrictions in many countries and the continued universal distrust of paper currencies. Completely legal private stocks in France, the largest in the world, increased by \$100 million in the last year. Coin holdings accounted for most of this amount. Hoardings in other nations on the Continent reached \$1,700 million, against \$1,600 million last year, with those in Germany gaining by about \$40 million. The amount of the yellow metal hoarded in Asia and the Western Hemisphere also increased. The issue reveals that the stocks in Africa showed a decline from \$1,500 million to \$1,400 million. The uncertainty caused by the loss of the free international status of Tangier led to a marked shift of holdings from there to European centres. The world's total private hoard exceeds the combined official gold holdings of the Central Banks of Canada, Belgium, England, France, Germany, the Netherlands and Switzerland, which at present amount to about \$10,000 million.

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PORT FACILITIES IN CALCUTTA

AS is so often the case, at the eleventh hour, a correspondence is appearing in the *Englishman* regarding the merits and demerits of the new scheme of the Port Commissioners, whereby the jetties will be exclusively used for imports and the Kidderpore docks for exports. This is, as it seems to us, the best scheme that can be devised, if the jetties are really unable to cope with the import and export trade carried on by the "Liners" visiting this port. The docks were called into existence by the complaints of exporters, for importers were always content with the jetties; therefore, let the exports be either loaded into the vessels in the stream or in the docks. At the same time, we are by no means satisfied that the jetties are being worked to their fullest extent, for last year, the average stay of each steamer using the jetties was ten and a half days, and our opinion is that eight days should be ample. It is a curious commentary on our merchants that they invariably wake up too late. While the question of the construction of the docks was trembling in the balance, they made no active sign, but they woke up when, too late, the docks were here. So too this scheme, which they are now discussing, was settled in January and February of this year, over nine months ago, and it is now sought to re-open it when it is just on the eve of being given a trial. At the same time, better late than never.

FROM

CAPITAL

18th November, 1896.

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* Agricultural Credit Problems of Small Farmers in the E.C.A.F.E. Region, prepared by the E.C.A.F.E.-F.A.O. Agriculture Division.

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PLANESPRIVATE VENTURE MAKES
GOOD PROGRESS

THE Hawker Siddeley group has decided to invest many millions of pounds in two "private venture" aircraft, one civil and one military. Speaking in the House of Commons, Mr. Reginald Maudling, Minister of Supply, made the first official reference to the military project, a fighter. He said that Hawker Aircraft is one of the members of the group and has been developing a fighter of advanced design as a private venture. No public money has been spent on this aircraft. Mr. Neville Spriggs, Managing Director of Hawker, said: "It is true that we are proceeding with a fighter aircraft of advanced design. The project is going very well. It will be remembered that before the war we undertook as a private venture the development of the *Hurricane*, and we believe that the same kind of private initiative should be shown in present circumstances. We are not yet allowed to say how fast this aeroplane will fly or give away other details, but we will certainly have something to add later." Evolution of the aircraft is in the hands of a team led by Sir Sydney Camm, the man responsible for such famous fighters as the *Hurricane*, *Typhoon*, *Tempest* and *Hunter*.

The Hawker Siddeley group's other "private venture", a turboprop freighter-coach aircraft, was announced towards the end of August. Work has started on it at the factory in Coventry of Armstrong Whitworth Aircraft. Now more information has been released. There are to be two versions of this aircraft: the *AW.650*, a twin-engined, short-fuselage design, and the *AW.651*, a four-Dart version

with a longer fuselage. Both designs will have twin-boom layout and pressurised fuselages. Payloads of the short and extended fuselage versions are, respectively, 25,000 lbs (11,500 kg.) and 30,000 lbs (13,600 kg.). This flexible, medium-range aircraft is designed for use as a military transport, civil freighter, car ferry or air coach able to carry 66 passengers. The freighter version is to have large loading doors at each end of the fuselage.

Armstrong Whitworth say that stage lengths of up to 2,000 nautical miles (3,700 km.) and cruising speeds of between 300-350 m.p.h. (480-560 km.p.h.) are envisaged. Special attention is being paid to take-off and landing performance; moderate wing loading augmented by double-slotted flaps should ensure excellent slow-flying qualities. This project is in the hands of Sir Arnold Hall, Technical Director, Hawker Siddeley group, Mr. H. M. Woodhams, managing director, Armstrong Whitworth, and Mr. E. D. Keen, the company's chief designer who is heading a design team at A.W.'s new £1 million research and design centre in Whitley, near Coventry. This centre, as announced in June this year, will cover aircraft and guided weapon missile research and design and includes electronic computer and pressure chamber facilities. The company's £200,000 private venture Mach. 3 wind-tunnel, opened last year, is already established in Whitley, together with transonic and low speed tunnels. A "private venture" aircraft costs a great deal of money today and is a comparatively rare bird.

BRITISH INSTALLATION FOR INDIAN
LIGHTHOUSE

A British firm has just completed the manufacture of the entire installation of a lighthouse assembly, ordered by the Lighthouse Department of the Indian Ministry of Transport, for the island of Perotan in Bombay State. The complicated lens system is in two panels. The effect when the

apparatus is rotated at its correct speed is to give a 0.35 second flash every 10 seconds. Apparent beam intensity is some half-a-million candlepower, and is achieved by means of a small incandescent petrol-vapour mantle about the size of a domestic electric-light bulb. The optic will be rotated by a weight-driven clock, the weights rising and falling in the centre of the lighthouse tower. The optic will rotate in a mercury bath. The apparatus has been erected at the firm's new Crawley (Sussex) factory for inspection by the Indian lighthouse authorities prior to its despatch.

LARGE BATTERIES FOR U.K. ATOMIC
POWER-STATION

Chloride Batteries Ltd. of Clifton Junction, Swinton, Manchester, have supplied two large batteries for the nuclear reactors installed at the U.K. atomic power-station, Calder Hall. The batteries are each connected in parallel with a twin-bulb 400 kW mercury-arc rectifier set at 270 volts. Under normal conditions, this provides a floating trickle charge across the 120 cells—2.25 volts a cell. The pumps, fans, instrumentation and emergency lighting for each reactor are normally supplied by the rectifiers, but should their output fail, the batteries automatically take over the important load. Absolute reliability of the batteries is essential, for a complete failure of these services could cause severe damage to the reactors. Each battery is capable of supplying 1,200 amperes for half an hour. Following an emergency discharge, the rectifier is capable of charging its battery quickly and supplying the reactors' auxiliary services at the same time. Similar large Chloride stationary batteries are being manufactured at the Exide factory near Calcutta, and are working in automatic telephone exchanges, in new project power stations and sub-stations, in many parts of India.

BIGGEST CRAWLER TRACTOR IN THE
WORLD ARRIVES IN INDIA

The world's largest production crawler tractor, first built in 1955, and the largest tractor ever to be used on the Indian soil, was delivered recently. This machine is known as the "Caterpillar D9," manufactured by Caterpillar Tractor Co., Peoria, U.S.A., and has for the first time been brought to India by Tractors (India) Ltd. It is expected to be used on Government projects, either by the Government or private contractors, on construction work vital to the second five year plan. In other countries, the "D9" has set new earth-moving standards. In the U.K., after demonstrations on actual working sites, experts agreed that it "would revolutionise the country's open cast workings". The "D9" weighs 26 tons, or 31 tons with the gigantic blades, and is the first track-type tractor to be fitted with a turbo charger which, being driven by the engine exhaust, utilises power which is normally wasted energy. By this means, more h.p. is obtained, resulting in better performance. Brief specifications of the tractor are: length 17 feet 10½ inches; width 9 feet 11½ inches; height 8 feet 9 inches and gauge 90 inches.

U.K. TO PRODUCE BENSON ONCE-THROUGH
BOILER

A major advance in large-scale steam-generating practice in the U.K. is being pioneered by the Steel Company of Wales and Simon-Carves, who have collaborated in a scheme incorporating the first Benson "Once-Through" forced-circulation boiler to be ordered in Britain. The plant, which will be designed and built by Simon-Carves as an extension of the "E" power station at the Margam steel works in South Wales, will generate 240,000 lbs. of steam an hour at a pressure of 3,300 lbs. a square inch and a temperature of 1,060°F with reheat to 840°F. These are the most advanced steam conditions ever commercially used in Britain. The modern Benson "Once-Through" boiler has been developed from British designs patented by Mark Benson over 30 years ago. For steam generation at pressures near, at and above the "critical pressure" it has outstanding superiority in flexibility of operation and in speed and economy of construction and maintenance. Although of British origin, this type of forced-circulation boiler has until recently been developed and established mainly in Germany, and its advantages are already widely accepted in Europe and the United States.

INDO-BRITISH VENTURE TO MANUFACTURE
ELECTRIC TOOLS

Industrial expansion calls for an abundant supply of performance-proved tools. An Indo-British venture has launched a scheme for the manufacture of electric tools in India, and production has already commenced. The collaborators on this project are the Wolf Electric Tools Ltd., London and Rallis India Ltd., Bombay. This Indo-British venture, the first of its kind in India, will go a long way in ensuring adequate supplies of electric tools. The close collaboration of the participating firms and the frequent exchange of technical experts will ensure that the Indian-made "Wolf" tools are of the same high quality as those made in England. An interesting feature of this venture is that a substantial amount of indigenous materials are being used in the manufacture of Wolf electric tools in India.

A DITCHER'S DIARY

instincts. But the Indian reaction to news from Hungary, in defiance of the official line, makes me wonder whether there is not, after all, something to be said for the instinctive approach. Even as the agitation of the dissenters in Britain was, in the final analysis, a tribute to British democracy, the Indian protest too was, in the same way, a compliment to Indian democracy; and if one cannot, on the Hungarian issue, see eye to eye with Mr. Nehru, one must still recognise that it is he who has created conditions in which such free expressions of popular feeling are possible.

"A miracle has been wrought," says the epilogue to *Eight Years of D.V.C.*, a copy of which the Chief Information Officer has been good enough to send me. My native preference for understatement, together with an aversion from such imprecise expressions as "miracle," makes me resistant to official claims of this sort. But, with the memory of a recent motoring tour of the Damodar Valley still vivid in the mind, I see very little exaggeration in the claim. I had not seen the Valley before what has been called its metamorphosis, but a look at the areas still untouched by the Corporation gives one a pretty grim picture of what it must have been not so many years ago, indeed no more than eight years ago, this without any of those recurrent floods which used to ravage the whole vast region. The plan was certainly a very bold one, and it has so far been executed only in part. Unfortunately, it is not clear how much longer it may be before the entire idea is implemented. One frequently reads disquieting reports that some Ministers in the Government of India are more enthusiastic about certain other projects than about the D.V.C.; they may even have good reasons for such preferences; only I do not know them. What is clear to this layman is that the achievement of the D.V.C. is remarkable by any standard, and it will be a pity if the experience gained by the Corporation is to be made no further use of. Nor is it clear why, with so much of the original D.V.C. plan still unimplemented, there is so much fear of retrenchment, although I am not, of course, remotely in favour of paying men without work. Several projects are being started in many parts of the country; it does not appear to have occurred to everybody that it is easier, and more economical, to build on a foundation that is already there than to start anew elsewhere.

It is still too soon to say whether Sir Anthony Eden's attempt to cripple a military dictator by force was the wrong choice to make. Only history can pass that kind of judgment, although it must be remembered that he was proved right when he advocated the same sort of thing against Hitler and Mussolini twenty years ago. Certainly times have changed and public opinion, although rarely for the good, is a more potent force than it was then. But Russia has proved in Hungary that the United Nations is useless when it comes to stopping a fight unless at least one great power is prepared to act independently, as the United States did in Korea. And there is still this fact which might yet secure Sir Anthony a place among the world's heroes. One verdict which it is reasonable to give even at this stage is that the results of the intervention have not been worth the trouble and that the decision, having once been made, was inexcusably fumbled in the execution. If the Canal Zone had been completely occupied within, say, three days of the ultimatum expiring, the chances are that Nasser would have fallen before

world opinion and Russian promises could have come to his rescue. If such a thing was not militarily practicable, then the expedition should not have been attempted at all. It is my guess that Sir Anthony will be held accountable for his bungling after making the big decision, sooner than he will be for the decision itself. Thanks to the world's preference for self-delusion about men like President Nasser, it looks as if the Franco-British attempt to weaken him will fail. Indeed, with her usual genius for taking advantage of the prejudices and sentiments of the ordinary man, Russia is quite obviously determined that her protégé will now be re-equipped with all the implements he requires for stirring up more trouble. But if Russia's ambitions in the Middle East are to be allowed by world opinion to press on to a third world war—and now that Nasser's bacon appears to be saved that seems more than likely—nobody is going to spare the time to wonder how things would have turned out if Sir Anthony had shown the ability to match his courage. Such is human nature, that when war comes, the blame will fall on Britain in general and Eden in particular. The paradox can be seen when we remember which men were held accountable for the last war and of what deeds they were accused. But long before this, Sir Anthony's own party will need a scapegoat if it is to save its face with the electorate, and his country will need one if it is to salvage its reputation with the rest of the world. It would be surprising if a man with Eden's sensibilities did not appreciate the rôle for which events have now cast him.

I did not have a close relative die on 2nd November, nor did my routine commitments permit me a severe cold, an attack of fever, or a pain under't pinny; so I was not able to watch the Australian test players at work. But I did see the r faces smiling at me from a Press advertisement a few days later and that reminded me I had been promising myself a few minutes off to read a P.E.P. pamphlet which appeared on my desk some months ago. It is entitled, significantly it seems, *The Cricket Industry* and it confirms what the advertisement suggests—that the combination of cricketing ability and a photogenic appearance can be a money-making asset these days. It says that four or five of the top British players have even found it advisable to follow the example of film stars and form themselves into limited companies for tax purposes. And this is not the only way first-class cricketers are making big money. Almost all appear to be busy writing their memoirs, signing newspaper articles, making personal appearances, autographing cricket bats and, as the pamphlet puts it, "sponsoring the sale of anything from hair cream to flannel trousers." I do not know whether such things are permissible for amateurs without damaging their status. But if they are, I can see an excellent way round their tiresome piece of snobbery—to which of course there have lately been exceptions—which dictates that the captain of the English team should never be a professional. Indeed, there seem to be good pickings in cricket for those at the top. A 1st XI player, even in the more affluent counties, is rarely paid more than £1,000 a year. But the "benefit" system can put considerable capital sums in a pocket. For instance, Cyril Washbrook of Lancashire made £14,000 from his "benefit" in 1948, (he no doubt insured against rain), Alec Bedser of Surrey netted £12,866 in 1953, Denis Compton of Middlesex £12,200 in 1949 and Sir Leonard Hutton of Yorkshire £9,713 in 1950. And all that was free of tax.

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I.C.I. PROJECT REPORT ON THE DYESTUFFS INDUSTRY

NEED FOR UNIFIED AND INTEGRATED DEVELOPMENT

(FROM OUR NEW DELHI CORRESPONDENT)

"INDIA will find the goal of complete independence unattainable" unless a dyestuffs industry is created in this country. This is the opinion expressed in the project report submitted by Imperial Chemical Industries. A point in India's favour is that she is organising her industrial development centrally, and by the controls she has set up, is able to ensure that a logical plan, once adopted, is faithfully followed. She also has the advantage of an adequate home market. Against this, however, the shortages of raw materials, of ancillary industries and of trained personnel are factors which will retard the development of the industry. Some of them, such as the shortage of trained manpower or the lack of ancillary industries, will disappear in due course. But the lack of raw materials may not. These drawbacks, however, "have one point in common. They cannot be rectified by efforts confined to the dyestuffs industry, but demand action by the Government or other branches of industry. The development of the industry depends on the parallel development of other industries: those supplying raw materials, both organic and inorganic, and those supplying the chemical plant required on such a scale.

"A chemical plant probably reaches its maximum of complication in the dyestuffs industry. While Indian engineering is capable of producing certain items of plant, given time, there are simply not enough engineering facilities available in the country to service adequately a dyestuffs industry on the scale contemplated. Not only will the new plant of endless variety and in considerable

amounts will be required to create the new industry, but chemical processes, being of a highly corrosive nature, resulting in comparatively short life for every single item of plant, necessitate continuous replacements."

The project report, therefore, recommends the development of the industry "along the lines of a single, well-integrated unit, planned as a whole, and preferably managed as a whole. It would be idle to ignore the present situation in India, where attempts to create an industry by a number of independent, unplanned concerns are already under way. It would be clearly impossible to present a programme of action for the next stage until the position of the existing firms is defined. The difficulties here are two-fold, partly the ascertainment of the facts of the situation and partly a declaration of policy.

The report declares: "Our own experience leads us to the firm conclusion that the ideal plan for the development of the dyestuffs industry in India would provide for it to grow as an integrated whole on one side and under one control. In our view, this offers the best possible opportunity for the existence in due course of an industry which will satisfy the developing needs of its customers and hence of the Indian economy as a whole. We realise that there are difficulties in implementing the ideal arrangement. As a second-best plan, it would be practicable to build the industry on the basis of a number of individual producers of dyestuffs on different sites, each drawing his supplies of dyestuff intermediates from a single

manufacturer operating an integrated intermediate factory."

Having regard to the considerable distances likely to be involved in the transport of materials, and the economics of transport, it has been considered desirable to accept that all the basic raw materials are imported at their cheapest chemical stage, namely sulphur in preference to sulphuric acid; refined anthracene in preference to crude 40 percent; rectified benzene, toluene and xylene; ammonia in preference to nitric acid. For a similar reason, it is desirable that all processes which create by-products required by the dyestuffs industry, particularly where the usable by-product is hydrochloric acid, should be located on, or in the vicinity of, the dyestuffs and intermediate site. For these reasons, it is desirable to have closely linked together: 1. Chlorine-producing and chlorine-using plants. 2. Hydrogen-producing and hydrogen-using plants. 3. Plants producing, using and recovering sulphuric acid. 4. Plants producing and consuming hydrochloric acid, particularly where anhydrous hydrochloric acid is required.

Sub-division of Factory

Any absolute sub-division of a factory into areas dependent on the type of product, namely, primaries, intermediates and dyestuffs, is not completely practicable or necessarily desirable, particularly in the vat, triphenylmethane, rhodamine and sulphur dyestuffs fields. But there is a general advantage in attempting to concentrate each of the main groups specifically devoted to that type of activity for the purposes of general administrative control in view of the similarity of many of the problems and techniques. It is certainly preferable, if any mixing of plants is to be done in order to build up economic operating units, that it should be of dyestuffs and associated intermediates rather than of two dyestuffs types, particularly where one of the types is a basic dyestuff. It is also desirable to separate in the basic field the lighter colours from the blues and greens in view of the strong contaminating influences of dust. Four main manufacturing areas are suggested:

1. Primaries area covering caustic, chlorine, acids and the major products from coal tar raw materials.
2. General benzene and naphthalene intermediates.
3. Anthraquinone and durindone vat dyestuffs and intermediates together with standardisation.
4. Other dyestuffs groups—azo, basic, sulphur, together with standardisation.

Within each of the areas there would have to be provided centrally a local administrative office and process laboratories, an amenities area for changing, washing and messing for the operative workers, and an area workshop for minor jobs associated with the maintenance of the plant in that area. The local administrative office would house the departmental head in charge of the area generally and provide accommodation for the superintendents of the individual sheds when they are not engaged on duties within the shed. The process laboratories would be fitted for carrying out routine control tests on batches manufactured within the shed and for the conduct of minor experimental work associated with problems and difficulties arising during the course of manufacturing operations, and within the limit of time available to the plant staff for such work. The office would also house the technical engineering personnel responsible for the maintenance of plant within the area. The main engineering workshop would be located centrally in the general factory area, as would the power plant. Research laboratories, analytical laboratories, administrative offices, raw material warehouses, general stores and finished material warehouses would be located conveniently, generally on the fringe of the actual manufacturing area. The main feature distinguishing this area from other areas is that the majority of the plants are devoted to the production of a limited range of products, frequently one only, and the tonnages involved are appreciable. It is an area which could well expand appreciably over the years as many of the products suitable for inclusion in this area have uses outside the field of dyestuffs chemistry.

Caustic Soda Liquor

In this area, salt would be converted to caustic soda liquor, preferably in a mercury cell plant, chlorine and hydrogen being obtained as by-products. The hydrogen would be potentially available for a number of catalytic reductions, such as aniline from nitrobenzene, and alpha naphthylamine from alpha nitronaphthalene. The mercury-amalgam from the caustic cells would also be available for the reduction of nitrobenzene, o-nitroanisole and o-nitrotoluene in the first stages of the preparation of benzidine, dianisidine and toluidine by the Bonelli process. Ammonia would be converted to nitric acid; and sulphur to sulphuric acid and various strengths of oleum. The area devoted to the acid group would also house the equipment to make the various grades of mixed nitric acid and sulphuric acid required for many of the primary nitrations, and would be provided with a pot concentrator to enable the spent acid from bulk nitrations to be re-concentrated to 100 percent strength and its residual organic content destroyed. The pot concentrator would also re-concentrate the weak sulphuric acid produced in the concentration of 50-60 percent to 95 percent nitric acid, a considerable amount of this higher strength nitric acid being required for dinitrations. The production of chlorosulphonic acid from sulphur trioxide (tapped off from the oleum unit) and dry gaseous hydro-

chloric acid (a by-product of numerous chlorinations) would also be undertaken and the tail gases from the oleum unit, as well as a bleed-off from the sulphur dioxide stream, would provide the sodium bisulphite liquor required in intermediate productions.

Organic Side

So far as the organic side of the primaries area is concerned this would deal with the first stage reactions in the conversion of benzene, toluene, xylene, naphthalene and anthracene to intermediates. The general reactions involved are sulphonation, nitration, chlorination and oxidation, with complex sweating and/or distillation equipment to separate the isomeric nitrotoluenes and chloronitrobenzenes and to fractionate the mixture of mono and disulphonated benzenes. It is not, however, proposed to include in this plan capacity for the conversion of naphthalene to phthalic anhydride. The main uses of this intermediate are outside the dyestuffs field and it is considered preferable that the dyestuffs industry's requirements be produced at the site where hot pressed naphthalene is produced. It is also not proposed to make provision for the sulphonation of naphthalene as a first stage in the preparation of b-naphthol (although it would be the logical site for such manufacture) as adequate capacity is being provided elsewhere in India which should be able to meet the limited needs of this factory. It would be convenient to include in the primaries area those second stage reactions involving the reduction of a nitro group to an amino group to provide the primary amines such as aniline, alpha naphthylamine, o-toluidine, p-toluidine, etcetera.

The whole of this area deals with bulk quantities and involves a transport of the considerable quantities of raw materials in and finished products out, so that adequate rail access is essential. In view of the transport problems relating to incoming raw materials, very generous storages for all the basic materials (benzene, toluene, naphthalene, anthracene) will have to be provided to ensure that there is no hold-up in the steady working of these primary plants due to raw material shortages. Although not by any means a primary product, the manufacture of indigo could well be sited conveniently adjacent to this area in view of the bulk nature of the production and its consumption of aniline, and sodium bisulphite. It does not naturally fit in with any other dyestuffs group. It is by no means certain that the manufacture of indigo in India will prove economic, one of the raw materials required being metallic sodium. This may prove costly to obtain. Further investigation of this point is necessary before a firm conclusion can be reached.

Benzene and Naphthalene Intermediates

The intermediates to be manufactured in the benzene and naphthalene intermediates area would be mainly those required for the wide range of azo dyestuffs and for the general azoic field. The majority of the intermediate stages required for the sulphur, vat and triphenylmethane dyestuff fields are better accommodated alongside the respective dyestuffs units in the appropriate dyestuffs area. The problems involved in the intermediate field are somewhat different from those in the primaries fields, although many of the same reactions are involved. The scale of manufacture, however, is very much reduced as the primary products branch out into the various derivatives required to provide a comprehensive range of dyestuffs. Practically none of the intermediates required are needed on a scale that would justify a plant devoted specifically to the manufacture of any one intermediate and it is necessary to group a number of productions into a compromise unit based on the consideration of such factors as:

1. Nature of chemical reaction to be performed, namely, nitration, sulphonation, chlorination, acetylation, reduction, hydrolysis, alkaline fusion, etcetera.
2. Type of plant required for reaction, such as enamelled pans, stainless steel equipment, cast iron pans, tile lined vats, rubber lined vats, pressure vessels, distillation equipment, heating under reflux, etcetera.
3. Operating conditions: brine refrigeration, ordinary water jacket cooling; low pressure steam heating; high pressure steam heating; Merrill oil or Dowtherm heat circulation systems; and special agitation conditions.

It is then necessary to group these various unit plants into economic administrative and operational units, taking certain major common features as guiding points. For example, if a number of individual units require considerable quantities of sulphuric acid as one of the raw materials, these would be grouped to obtain the benefits to bulk storage and handling of acid. A series of units involving nitrobenzene or nitrotoluene as a reaction solvent would similarly be grouped to cover both the storage and handling of the solvent and the precautionary measures necessary to ensure the safe operation of the processes involving toxic products. In some cases it may be necessary to group two or more such groups to build an economic operational shed unit. In general, it is convenient to group these products into sheds based on the benzene nucleus on the one hand, and the naphthalene nucleus on the other.

More Complex Intermediates

A naphthalene intermediate shed would be almost exclusively devoted to the manufacture of the more complex intermediates derived from refined naphthalene. Such products as H acid, Peri acid, Laurent acid, Cleve acid, Oxytobias acid, Tobias acid, Amino G and Amino J acids, Gamma acid, J acid, Chicago acid, naphthol mono and disul-

phonic acids, naphthylamine disulphonic acids would be made here. The plants involved would require to perform a variety of reactions, such as sulphonation, nitration, reduction, lime-out, evaporation, autoclave fusion, acidification and absorption of released sulphur dioxide, filtration, etcetera. Certain of the processes involve amination under pressure and recovery equipment for the excess ammonia released after completion of the reaction. The range of products could probably be grouped into five appropriate units which would form an economic operating ensemble. The majority of the remaining general intermediates fall into the benzene field, generally being derived from one of the products produced in the primaries area. The types of reactions to be carried out are more diverse than in the naphthalene field and can be brought under the following main headings:

1. Methoxylations and ethoxylations of ortho and para chloronitro benzene and derivatives.
2. Sulphide reductions of nitro compounds to produce Brentamine base intermediates and other amino and nitroamino compounds.
3. Vacuum distillation equipment for the purification of volatile amines.
4. Nitrations in enamelware with suitable units for low temperature brine cooled nitrations.
5. Iron reductions of the metadiamine type.
6. Phenylations.
7. Hydrolysis of acetyl derivatives in acid media.
8. Hydrolysis in alkaline media.
9. Rotary baker units for sulphonations.
10. Acetylation unit.
11. Solvent iron reductions.
12. Aqueous pressure recrystallisations.
13. Brentamine base unit for the preparation of hydrochloric acid salts of amines.
14. Chlorination unit and still for Fast Red TR Base.
15. Chlorination unit for side chain chlorination of toluene and separation of mono, di and trichloro bodies.
16. Hydrolysis unit for conversion of benzal chloride to benzaldehyde.
17. Diazotisation and Sandmeyer unit for conversion of amino groups to chloro-groups.
18. Plant for general chlorinations and phosgenations.
19. Recovery plant for hydrochloric acid by-product of chlorinations.
20. Drying stores for Brentamine bases, and for intermediates to be sold to customers with some grinding and blending equipment.

Three or four sheds would be required to house the plant items necessary to cover this field. The intermediate field, with its multi-purpose plants, involves essentially the grouping of appropriate products and the design of plants to accommodate in one unit products apparently similar as regards the chemical operations required, but in fact far from identical as regards actual operating conditions.

Anthraquinone Intermediates

Next for consideration are Anthraquinone intermediates and dyestuffs (excluding Soledons). The reactions involved in the preparation of many vat dyestuffs intermediates are not significantly different from those involved in the preparation of vat dyestuffs. It is convenient, particularly in view of the limited range still left to be covered, to regard the whole field as an entity accommodating like processes together, whether dyestuffs or intermediates. On this basis, the whole range, including Alizarine, could probably be accommodated in three economic sized operating sheds, the types of reactions to be covered in each of the three sheds being as follows:

Shed A.

1. Condensations and benzoylations in nitrobenzene as solvent.
2. Fusions with aluminium chloride with and without solvent.
3. Condensations in other solvents such as o-dichlorobenzene.
4. Recovery plant for solvents and reactants used in excess in the condensations, namely p-toluidine.

Shed B.

1. Mono and di-sulphonations of anthraquinone.
2. Acid chlorinations, nitrations.
3. Ring closures in sulphuric acid.
4. Acid extractions, pastings and bleaching.
5. Alizarine.
6. Benzanthrone.

Shed C.

- Autoclave aminations.

The dyestuffs area can be divided basically into two sections:

1. Production of dyestuffs from intermediates.
2. Standardisation of dyestuffs.

The production of dyestuffs can be divided into a number of logical chemical-cum-dyeing groupings:

A. Basic dyestuffs.

1. Rhodamines and Eosines (Xanthene dyes).
2. Triphenylmethane derivatives.

B. Vat dyestuffs.

1. Anthraquinone type.
2. Durindone (thioglycolic acid) type.

C. Solubilised vat dyestuffs.

D. Azo dyestuffs.

E. Thionol (sulphur) dyestuffs.

A small manufacturing shed would be required for the Rhodamines and Eosines, including the special intermediates required. This shed might be associated with the manufacture of the Magenta range of intermediates and dyestuffs of the triphenylmethane series, and of Auramine, in order to build up a suitable sized operating unit of not too diverse a dyestuffs range. One shed would probably be required for the greens and blues in the triphenylmethane series, including provision for making the special intermediates mainly required for these dyestuffs, namely, alkylanilines. The anthraquinone vat dyestuffs have been incorporated into the acid using shed making anthraquinone intermediates. The Durindone vats and the special intermediates would require a small shed to themselves. Solubilised vat dyestuffs with the spray drying equipment and the pyridine recovery system would form the nucleus of a further shed. Azo dyestuffs would require a shed containing about 14 three stage units, together with some special equipment for the preparation of Ultralan dyestuffs. For the standardisation of these dyestuffs, the equipment is relatively simple in the case of the azo dyestuffs, sulphur dyestuffs, basic dyestuffs and Soledons. Only simple grinding, followed by mixing with diluent, is required, as the manufactured product which is in powder form is soluble in water. With the vat dyestuffs, however, which are insoluble in water, physical form is of importance and it is necessary to include operations which produce the dyestuff in the requisite finely divided form and include standardising ingredients which enable this physical form to be retained on drying. All this work is carried out in the standardising department prior to grinding and blending.

Standardising Sheds

Basic dyestuffs, because of their incompatibility with other dyestuffs, require to be segregated in standardising. Two standardising sheds would probably be required for dyestuffs:

1. For non-vat dyestuffs with two or three units separated from the rest for basic dyestuffs.
2. For vat dyestuff pastes and powders.

To run the factory a number of ancillary activities will be involved which can be broadly described under the main heading of services. These can be subdivided into three groups:

1. Engineering (operated by engineering personnel).
2. Technical (other than engineering).
3. Commercial.

The engineering services cover two broad fields:

1. Provision of steam, power, water, gas, etcetera, all being services directly associated with the carrying out of the chemical operations on the factory.

2. Engineering maintenance services.

For a factory such as has been outlined an area of at least 200 acres of suitable building land will be needed. More indeed would be an advantage in order to allow the expansion of certain sections of the factory, the products of which may find outlets in industries other than dyestuffs and also to permit the attachment to the factory of related manufactures, such as, for example, pharmaceuticals.

It is estimated that, given adequate water supplies, the capital cost of a factory built on an undeveloped site would be approximately £22 million, or say Rs. 30 crores. Of this sum, about £2.5 million would be required for inorganic and primary production plants, £6 million for intermediates production plants and £3.5 million for dyestuffs production plants. The further £10 million would be required to provide engineering and other services, roads, railways, offices, etcetera. No provision has been made in this estimate for any houses which may have to be built. Working capital to the extent of approximately £5 million would be needed to finance stocks, etcetera.

SOUTH EASTERN RAILWAY TENDERS.

The General Manager, S. E. Ry., Garden Reach, Calcutta 23 invites tender No. GM22/56/56 ICS(56) for supply of:

1. 3-Ton Petrol Driven Trucks with metal cab and body—8 Nos.
2. 5-Ton Diesel Driven Trucks with super structure and canopy—8 Nos.
3. 5-Ton Diesel Driven Trucks with metal cab and body only—8 Nos.

Tender forms are obtainable from the Controller of Stores, S. E. Ry., Garden Reach, Calcutta 23 (I. B. Section) on remittance of Rs. 5/- per copy (not refundable) by Money Order to him or on production of Cash Receipt from the Chief Cashier, Garden Reach. Closing date is 28-11-56 at 12 noon. Firms not on the South Eastern Railway's list of approved contractors must deposit Rs. 1000/- cash with the Chief Cashier as Earnest Money and enclose the Receipt together with a valid Income Tax Clearance Certificate with the tender.

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Commodity Markets

PLANS TO PROCESS INDIAN RAW WOOL

LICENCES FOR COMBING AND CARDING PLANTS

THE Indian Government has launched a scheme for processing a considerable quantity of the indigenous raw wool. Two firms have been given licences for the manufacture of wool tops, while a third has been allowed to set up a wool carding factory. The British firm of Forbes, Forbes Campbell and Company, Bombay has been allowed to set up a wool combing plant with an annual capacity of 9 million lbs. of wool tops. This will involve an investment of about Rs. 2.5 crores and, if the project is pursued according to original expectations, production should normally begin before the end of 1957. Indications are that the factory will be located near Bombay. The other wool top plant will be set up by Birla Brothers in their Digvijay Woolen Mills, Jamnagar. This mill is already producing a wide variety of woollen fabrics. The combing plant will produce 5 million lbs. of wool tops a year and will cost about Rs. 1.4 crore. Both these projects are in their preliminary stages and apparently nothing is finalised as to from where the machinery and plant are coming. While it is more than likely that the machinery for the Forbes, Forbes Campbell factory might come from the U.K., it is not unlikely that Birla Brothers might tap other machinery sources in the Continent and the United States as well, especially in view of the tie-up their Textile Machinery Corporation, Gwalior, has with similar manufacturing firms abroad.

Carding Plant

The wool carding plant for which a licence has been granted to a Bombay firm, will be set up in Porbandar, Saurashtra. This will be the first factory of its kind in the country. This project will cost about Rs. 10 lakhs, and out of this, machinery and plant are expected to cost around Rs. 6 lakhs. At present, of the Rs. 5 crores worth of raw wool exported from India, about Rs. 3 crores worth goes through Bedi Port near Porbandar. This comes back to India after processing and refinement. It is expected that the Porbandar carding plant will cut India's raw wool exports by at least half. Between the two combing plants that are to be set up, they will produce about 14 million lbs. of wool tops, against India's annual requirements of 18 million lbs. Last year, India imported 13 million

lbs. of wool tops valued at about Rs. 7.5 crores, and most of this came from the U.K.

In the meanwhile, the Development Committee for Woollen Textiles Industry has set up three sub-committees to enquire into the condition of the organised sector of the industry, the carpets and the cottage sector and the woollen hosiery industry. These sub-committees will collect statistics on the employment potential, manufacturing capacity and the materials used by the different sections of the woollen textile industry. The sub-committee for the carpets and cottage sector will also collect details on the location of small units in different States, the wage structure and conditions of the workers employed. It will also enquire into the marketing of carpets and other woollen textiles manufactured on a cottage industry basis.

Wool Centre in S. India

The Madras Government has submitted a scheme to the Union Government on the setting up of a wool utilisation centre in or near Coimbatore. The proposed centre will conduct experiments on the right use of wool produced as a result of the adoption of various improved breeding policies and use of new implements. Besides making available valuable information to persons engaged in the industry, the centre will also train individuals. The scheme, according to informed sources, has been viewed with favour by the Wool Committee of the Indian Council of Agricultural Research at its recent New Delhi sitting.

ENQUIRY COMMITTEE URGES BAN ON NEW POWER-DRIVEN OIL MILLS

The Oilseeds Crushing Industry Enquiry Committee, which was set up by the Government of India in 1955 to carry out a rapid survey of the state of the oilseeds crushing industry in the country and to recommend lines on which the industry should be developed, has submitted its report. The committee's main recommendations are: (1) *Ghanis* have superior employment possibilities compared with mills and there is a case for giving every possible encouragement to them even if this means a slight loss of the total vegetable oil resources of the country. (2) While encouragement should be given to *ghanis*, the oil milling industry is also entitled to a place in India's economy. (3) No more power-driven mills should be set up in the country, and the installed crushing capacity of the milling industry may be allowed to operate for all oilseeds except sesamum. The recommendations of the committee are being examined by the Indian Council of Agricultural Research, Ministry of Agriculture, Government of India.

WHOLESALE PRICE INDEX FALLS

THE official wholesale price index (base: year ended August, 1939=100) moved down by 0.4 percent to 417.2 during the week ended 27th October, 1956, compared with 418.7 (revised) for the previous week. The index was also lower by 0.4 percent than that of a month ago, but was higher by 16.6 percent over the corresponding week of last year. The average for the month of October, 1956, worked out to 417.8 as against 419.8 for September, 1956, and 357.2 for October, 1955. The index for Food Articles declined by 1.0 percent to 391.8 resulting from a fall in the prices of rice in Calcutta (-5%) and gram (-3%). There was, however, a rise in the price of wheat in Amritsar (+2%). Lower prices of raw cotton (-4%), groundnuts (-2%), and linseed in Bombay (-1%) brought down the index for the Industrial Raw Materials group by 1.5 percent to 497.9, compared with 505.4 (revised) for the previous week, although the prices of castorseed in Bombay (+4%) and gingellyseed in Bombay and rapeseed (+1% each) were marked up. The index for Semi-Manufactures advanced by 0.8 percent to 408.6, against 405.3 (revised) for the earlier week. Items which exhibited variations were: gingelly cake (+9%), gingelly oil (+6%), castor oil in Calcutta (+3%), mustard oil and cotton yarn (+8% each), copper (-4%), linseed oil in Calcutta (+3%), coconut oil and groundnut oil (-2% each) and copra cake (-1%). The Manufactures group index remained stationary at the previous week's level of 386.5 (revised). A rise of 1.3 percent to 589.5 in the index for the Miscellaneous group was caused by an upward movement in the prices of chillies and tobacco, both in Calcutta, and an increase in the price of black pepper in Cochin; the prices of black pepper, turmeric and betelnuts, all in Calcutta, however, showed a downward movement.

INDEX NUMBERS BY GROUPS AND SUB-GROUPS
(Base: Year ended August, 1939=100).

Groups and Sub-Groups	27-10-56	Week Ended 20-10-56	29-9-56	29-10-55
I. Food Articles:	391.8	395.6	390.7(R)	322.8
Cereals	509*	516	507*(R)	391
Pulses	387*	396	392	322
Others	246	246	245	229*
II. Industrial Raw Materials:	497.9	505.5(R)	504.4(R)	409.7
Fibres	473	482	479	414*
Oilseeds	555	557(R)	568(R)	394
Minerals	533	551*	524	425
Others	421	422*	423	423*
III. Semi-Manufactures:	408.6	405.3(R)	405.8(R)	332.2
Leather	410	410(R)	373	341
Mineral oils	210	210	207	202
Vegetable oils	584	579	576	382
Cotton yarn	497	489*	502*	408
Metals	325	326*	328	276
Oilcakes	472	458	474	349
Others	362	362	363	330
IV. Manufactures:	386.5	386.5(R)	391.5	371.1
Textiles	418	418*(R)	427	402
Jute	423	—	430	400*
Cotton	426*	426*	430*	399*
Rayon and silk	413*	413*(R)	470*	479*
Woollen	266	266	266	278
Metal products	388	388	388	371
Others	295	295*	295	285
V. Miscellaneous:	589.5	581.9	588.2	557.8
All Commodities	417.2	418.7(R)	418.8	360.9

R = Revised.

* = Estimated.

Groups and Sub-Groups	October, 1956	Monthly Average September, 1956	October, 1955
I. Food Articles:	392.4	393.1	315.7
Cereals	510	509	385
Pulses	386	394	291
Others	247	248	226
II. Industrial Raw Materials:	502.8	507.0	403.7
Fibres	479	481	410
Oilseeds	558	575	381
Minerals	539	524	430
Others	421	423	422
III. Semi-Manufactures:	405.7	408.3	329.8
Leather	396	373	338
Mineral oils	210	207	202
Vegetable oils	576	588	372
Cotton yarn	494	504	407
Metals	326	329	273
Oilcakes	470	482	350
Others	362	361	330
IV. Manufactures:	387.6	391.4	371.2
Textiles	420	427	402
Jute	426	427	397
Cotton	426*	430*	401*
Rayon and silk	429*	470*	479*
Woollen	266	266	278
Metal products	388	388	368
Others	295	295	285
V. Miscellaneous:	585.3	577.1	559.3
All Commodities	417.8	419.8	357.2

* = Estimated.

R = Revised.

Finance in India and Abroad

THE CALCUTTA MONEY MARKET

INTERBANK DEMAND EASIER

Wednesday, 14th November.

LITTLE change has been reported from the money market this week. Funds remain in short supply, but the seasonal "slackness" has only just begun to give way. There has been some increase in the requirements of the sugar industry, but so far most of the improvement is on account of cotton purchases and ginning. The Calcutta interbank market is considerably easier this week. This is said to be due to the action of one large commercial bank in transferring funds into the city. The call rate is moving between 3½ and 3¾ percent, and there are reported to be lenders over.

It has been a better week in the bill market. A fair quantity of tea bills has been passing and a number of gunny documents have also come to hand. Remittance has been fair. Sterling is still down at the support level and shows little sign of recovery yet, although it is now rather stronger in terms of Continental currencies.

After remaining firm early in the week, silver eased at the close on profit-taking. The price declined from Rs. 172-12 to Rs. 172-7, quoted today. The rate for ready was quoted at Rs. 172-14. The London market has remained unchanged.

Gold has been easy in sympathy with silver and the price has declined from the previous week's level of Rs. 105-8 to Rs. 105-1. The sovereign at Rs. 69-5 showed a loss of 10 annas.

During the week ended 9th November, Government of India Treasury Bills for Rs. 24,56,50,000 were sold in favour of the Reserve Bank.

Rises of Rs. 9.37 crores and Rs. 9.20 crores to Rs. 1,452.96 crores and Rs. 1,460.41 crores in active notes and the total note issue were notable features of the return of the Reserve Bank of India for the week ended 9th November, 1956. The currency expansion has been covered by increasing rupee securities by Rs. 10 crores to Rs. 760.50 crores. Deposits of the Government of India increased by Rs. 10.85 crores to Rs. 63 crores while other Government accounts fell by Rs. 27.12 crores to Rs. 20.06 crores. Balances of commercial banks were Rs. 2.40 crores lower at Rs. 52.47 crores. Balances held abroad declined by Rs. 8.55 crores to Rs. 98.17 crores, as did investments by Rs. 9.10 crores to Rs. 74.29 crores. Other loans and advances increased from Rs. 83.39 crores to Rs. 90.09 crores, of which advances to scheduled banks against usance bills amounted to Rs. 42.41 crores against Rs. 43.43 crores. These advances totalled Rs. 344.34 crores since 1st January, 1956. Ways and means advances stood at Rs. 84.35 lakhs (Rs. 6.35 crores).

The return of the State Bank of India for the week ended 2nd November, 1956, shows a drop of Rs. 23 lakhs in investments to Rs. 229.37 crores. Investments in Government securities are down by Rs. 35 lakhs to Rs. 95.00 crores, while other authorised investments are up by Rs. 1 lakh to Rs. 11.30 crores. Advances, including loans, cash credits and overdrafts, and bills discounted and purchased, have increased by Rs. 96 lakhs to Rs. 130.72 crores. Cash and balances are, in consequence, shown at Rs. 16.20 crores, or Rs. 26 lakhs less.

The statement of the position of scheduled banks for the week ended 2nd November, 1956, shows Demand and Time liabilities at Rs. 638.92 crores (Rs. 13.05 crores on account of borrowings from banks) and Rs. 456.34 crores (Rs. 3.33 crores), compared with Rs. 646.37 crores (Rs. 12.97 crores) and Rs. 457.61 crores (Rs. 3.86 crores), respectively in the previous week. Cash has declined by Rs. 4.22 crores to Rs. 34.09 crores, while balances with the Reserve Bank have increased by Rs. 2.75 crores to Rs. 51.77 crores. There is a drop of Rs. 4.21 crores in investments to Rs. 367.32 crores. Advances and bills discounted at Rs. 768.71 crores show a rise of Rs. 8.37 crores. The ratios to total liabilities of cash and balances, and of advances and discounts, are, in consequence, shown at 7.8 percent and 70.2 percent, against 7.9 percent and 68.9 percent.

The following is a statement of the cash balances of the Central Government on the last day of July, 1956:

	Rs.
(1) At the Reserve Bank of India in India	71,45,65,000
(2) At treasuries in India	2,29,37,000
(3) In England (sterling converted at 18d. the rupee)	2,44,98,000
Total	76,20,00,000

According to the landborne trade returns received in the Department of Commercial Intelligence and Statistics, the provisional figures of the total value of foreign trade of India by land with

Pakistan, Afghanistan, Iran and Burma during the month of September, 1956, are as follows (in lakhs of rupees):

	Exports to	Imports from
West Pakistan	14	11
East Pakistan	27	140
Others	6	69
Total	47	220

Total trade amounted to Rs. 267 lakhs. Re-exports and trade in treasure were negligible. There was thus an adverse balance of trade amounting to Rs. 173 lakhs.

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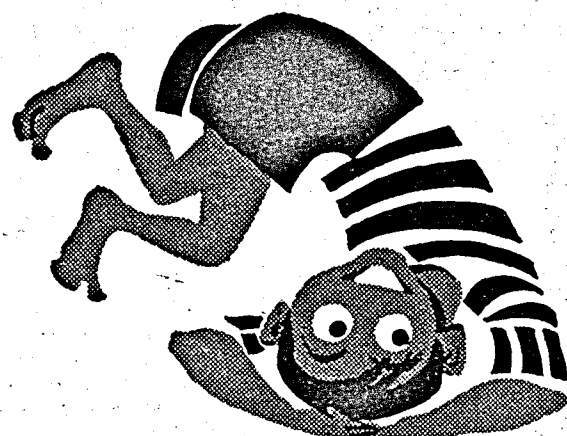


Paid-up Capital ... Rs. 2 Crores
Reserve Fund ... Rs. 95 Lacs

ALL TYPES OF BANKING BUSINESS TRANSACTED

G. D. BIRLA
CHAIRMAN

S. T. SADASIVAN
GENERAL MANAGER



TURNING A NEW ROLL

We have turned a new roll; and it has cost us three and a half crores of rupees.

To what purpose, pray?

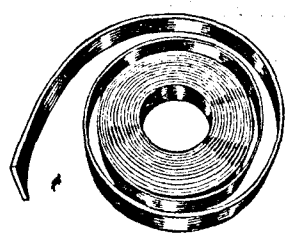
At the end of the rolling, we get coils of flat, steel strip—skelp, as the steel man calls it. The skelp is passed on to the Indian Tube Company, which welds it into tubes.

So what?

Merely that steel tubes pipe up water from deep inside the earth to parched fields, helping to grow a rich harvest. In the cities, countless homes receive a protected supply of water through these pipes.

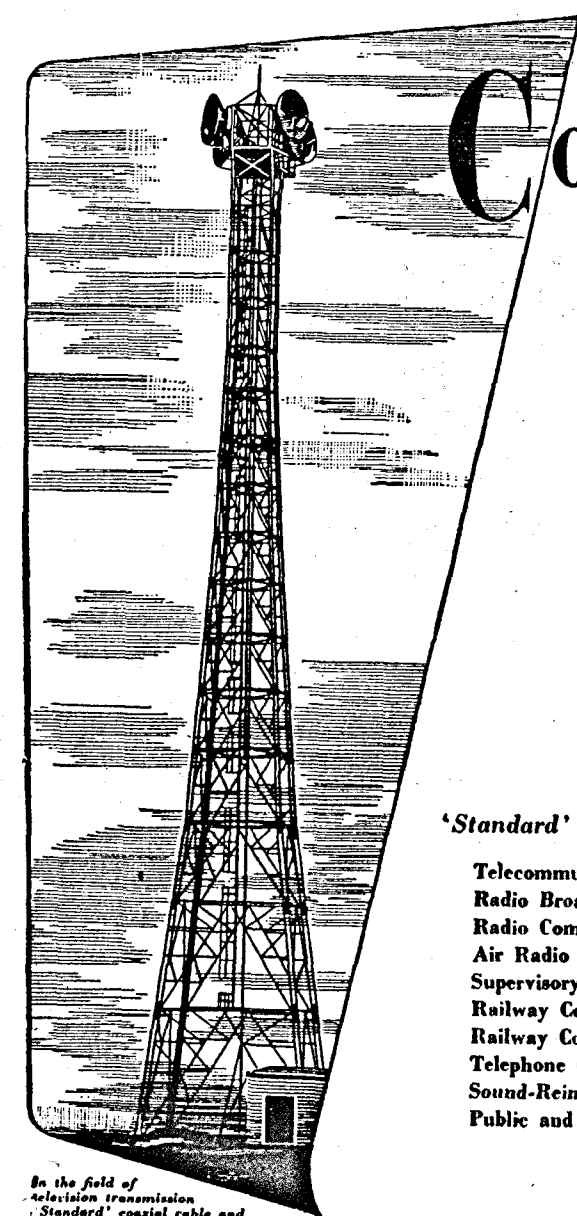
Soon, a new plant will turn out the kind of steel tubes that go into the making of bicycles. Remember also that the locomotive speeding along the track is kept going by steel tubes which hold the steam.

Tata Steel's new Skelp Mill, the first of its kind in India, has a capacity of 200,000 tons. When there is enough steel, this mill will roll all the skelp and strip the country needs.



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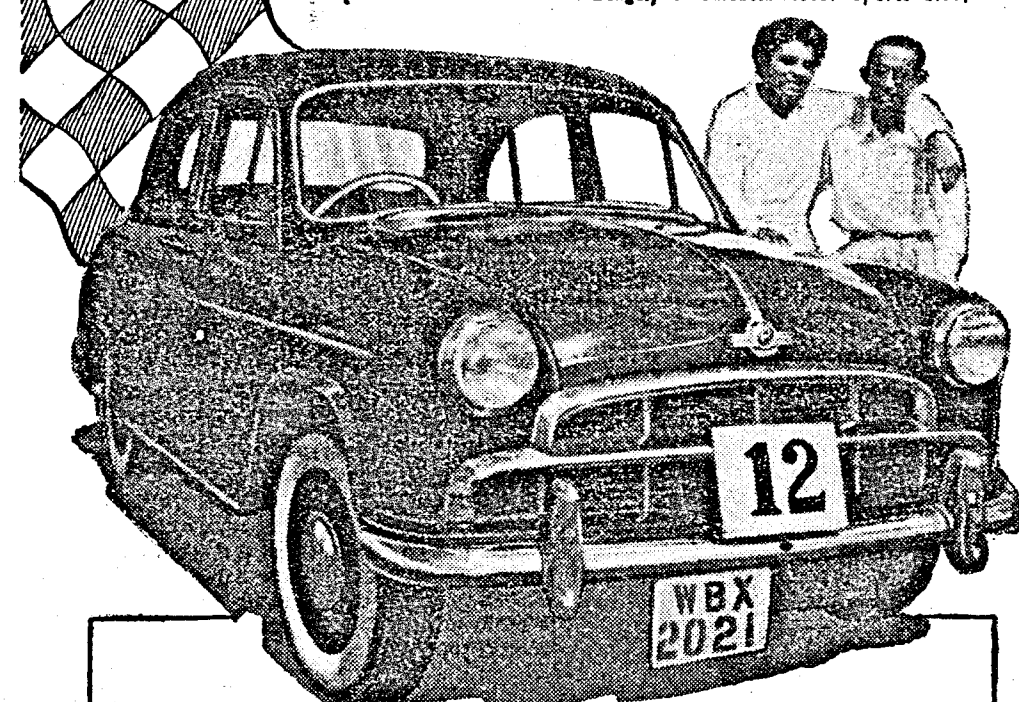
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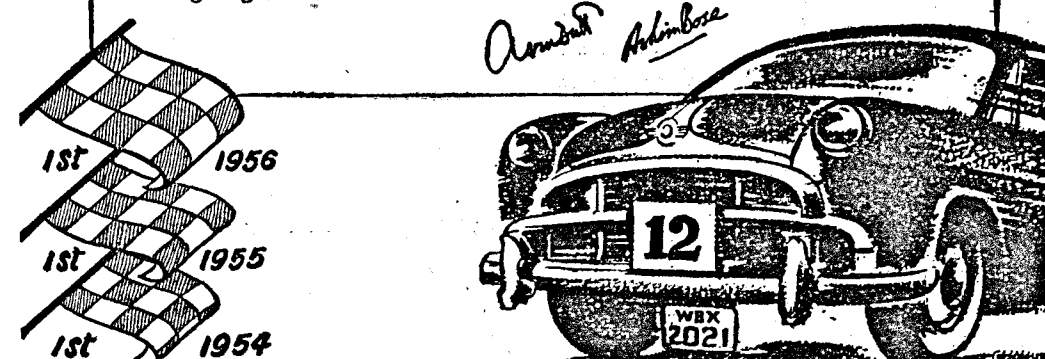
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Hindusthan car beats all other cars
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The Hindusthan Landmaster we used proved perfectly reliable during the Trial. The engine was not stopped for a single moment on the 772-mile run that lasted 25 hours and yet there was no trouble whatsoever.

We had to maintain the prescribed average speeds on good metalled roads as well as on rugged and hilly tracks. Yet, the manoeuvrability of our Landmaster, its instantaneous engine response and excellent road holding made it possible for us to drive at the controlled high and low speeds required by the Trial without any difficulty. The well-cushioned seats and spaciousness added to our comfort and kept us relaxed even in this tough and fatiguing Trial.

Amal *Mishra*



HINDUSTHAN MOTORS LTD. CALCUTTA

RESERVE BANK

ISSUE DEPARTMENT
(In 000's of Rupees)

	Week Ended 9-11-56	2-11-56	11-11-55
Liabilities—			
Notes in Banking Dept.	7,44.99	7,62.10	12,53.70
Notes in Circulation	14,52,95.95	14,43,58.52	13,32,24.19
Total Notes issued	14,60,40.94	14,51,20.62	13,44,77.89

Assets—

A Gold Coin and Bullion	1,17,76.03	1,17,76.03	40,01.71
Foreign Securities	4,62,20.66	4,62,20.66	6,47,06.60
Total of A	5,79,96.69	5,79,96.69	6,87,08.31
B Rupee Coin	1,19,93.94	1,20,73.62	1,09,08.51
Rupee Securities	7,60,50.31	7,50,50.31	5,46,61.07
Total	14,60,40.94	14,51,20.62	13,44,77.89

BANKING DEPARTMENT

Liabilities—			
Capital Paid-up	5,00.00	5,00.00	5,00.00
Reserve Fund	5,00.00	5,00.00	5,00.00
National Agricultural Credit (Long-term) Fund	15,00.00	15,00.00	—
National Agricultural Credit (Stabilisation) Fund	1,00.00	1,00.00	—

Deposits—

(a) Central Govt.	62,99.50	52,14.52	56,82.73
(b) Other Govts.	20,05.60	47,17.96	14,25.35
(c) Banks	32,46.74	54,86.73	53,57.98
(d) Others	12,21.12	13,00.15	15,27.48
Bills Payable	12,40.41	15,69.74	7,15.62
Other Liabilities	1,00,32.88	1,00,13.54	22,45.60
Total	2,87,46.24	3,09,03.24	1,79,54.76

Assets—

Notes	7,44.99	7,62.10	12,53.70
Rupee Coin	8.59	9.64	7.45
Subsidiary Coin	10.54	—	6.43
Bills Discounted Int.	—	—	57.30
Govt. of India Treasury Bills	4,44.19	4,33.21	7,80.01
Balances held abroad	58,17.38	1,06,72.18	66,28.23
Loans to Govt.	84.35	6.35	2,84.00
Other Loans etc.	90,08.85	94,73.38	26,56.23
Investments	74,20.45	83,30.22	50,07.63
Other Assets	11,97.60	11,29.57	12,31.58
Total	2,87,46.24	3,09,03.24	1,79,54.76

SCHEDULED BANKS

(In 000's of Rupees)

	2-11-56	26-10-56	4-11-55
Demand Liabilities—			
(a) Borrowings from Banks	13,04.56	12,96.70	15,66.99
(b) Others	6,25,87.30	6,33,40.57	5,96,76.27

Time Liabilities—

(a) Borrowings from Banks	3,33.00	3,86.00	5,11.00
(b) Others	4,53,01.46	4,53,74.74	4,18,58.21
Borrowings from State Bank Demand Liabilities	13,35.38	12,20.68	6,32.17
Time Liabilities	34,06.80	38,31.69	35,19.89
Cash	51,77.06	49,01.80	50,09.13
Balances with the Reserve Banks	51,77.06	49,01.80	50,09.13
Balances with other banks in current account	9,64.82	9,88.22	10,77.01
Money at calls and short notice	17,26.58	17,59.62	25,43.02
Investments in Central and State Govt. Securities	3,67,32.31	3,71,53.12	3,91,70.83
Advances	6,13,05.93	6,12,04.06	4,84,86.68
Inter-bank bills purchased and discounted	1,63,19.59	96,67.51	63,10.15
Foreign bills purchased and discounted	52,45.87	51,62.64	46,36.27

CLEARING HOUSE RETURNS

Week ended	Rs. (thousands)
2-11-56	59,02.25
2-11-56	62,25.36
26-10-56	62,48.59
19-10-56	44,41.88

STATE BANK OF PAKISTAN

ISSUE DEPARTMENT
(In 000's of Rupees)

	week ended 26-10-56	week ended 19-10-56
Liabilities—		
Notes in Banking Department	9,58.56	9,96.70
Notes in Circulation	2,50,73.77	2,50,28.53
Total Notes issued	3,00,32.33	3,00,25.23

Assets—

A Gold Coin and Bullion	11,33.41	11,33.41
Sterling Securities	87,70.69	87,70.69
Government of India Securities	16,68.25	16,68.25
India Notes representing assets receivable from the Reserve Bank of India	43,02.28	43,02.28
B Rupee Coin	6,09.37	6,09.37
Govt. of Pakistan Securities	1,29,58.27	1,29,58.27
Held with Reserve Bank of India pending transfers to Pakistan	19.02	19.02
Govt. Coin and Bullion	4,40.63	4,40.63
Sterling Securities	1,00.90	1,00.90
Govt. of India Securities	29.51	29.51
Rupee Coin	—	—
Total	3,00,32.33	3,00,25.23

BANKING DEPARTMENT

Liabilities—		
Capital Paid-up	3,00.00	3,00.00
Reserve Fund	3,00.00	3,00.00
Deposits—		
(a) Central Government	40,06.13	36,30.82
(b) Provincial Government	4,38.24	9,63.42
(c) Banks	15,46.34	16,17.87
(d) Others	3,64.12	3,76.84
(e) Others	13.13	14.31
Bills Payable	11,87.59	10,05.91
Other Liabilities	—	—
Total	81,57.55	81,06.17

Assets—

Notes	9,58.56	9,96.70
Rupee Coin	—	—
(a) Pakistan	12	11
Subsidiary Coin	—	—
(a) Pakistan	11	12
(b) India	—	—
Bills Purchased and Discounted—		
(a) Internal	—	—
(b) Govt. Treasury Bills	2,11.81	2,10.23
Loans and Advances to Govt.	—	—
Provincial Govt. Debts Balances	4,39.00	4,58.15
Other Loans and Advances	55,23.89	54,58.93
Investments	9,64.06	9,81.93
Other Assets	—	—
Total	81,57.55	81,06.17

Stocks and Shares

DULLEST STOCK MARKET OF THE YEAR

MONEY SHORTAGE AND WORLD SITUATION

DISCOURAGE OPERATORS

Wednesday Evening.

BUSINESS in the Calcutta stock market this week is reported to have been the dullest of the year. Turnover has been down to a minimum and even first class miscellaneous and engineering shares have fallen in price. Speculators have been quiet and depressed, with Indian Irons moving narrowly between Rs. 32-14 and Rs. 33-3; this evening's closing quotation was Rs. 33. The reason for the inactivity in the market is probably the extreme tightness of money, even before the busy season has begun to get under way. Another reason may be the fact that potential purchasers are reserving their funds for the new issues which are coming to the market soon, while the continued uncertainty of the Suez situation still overshadows future economic prospects.

Most sections of the market have suffered price falls. In coal, Burrakurs have featured on interested buying. Tea scrip have suffered a setback on reports from South India about the effect of the recent Plantation Award on the future of the industry. Government securities have been even quieter than usual.

Details of the week's trading follow.

There was a further contraction this week in the volume of business in Government securities and prices were once again marked down due to continued stringency in the money market, and lack of buying support. Three percent Conversion Loan 1966 receded further to Rs. 73-11 which is the lowest rate touched since the loan was issued in 1946.

Short-dated loans were unchanged with 3% 1957 at Rs. 99-12 and 3% 1958 at Rs. 99-9. Medium-dated issues were fractionally easier with 3% 1959-61 being offered at Rs. 97-15; 2% 1961 had sellers at Rs. 93-7 as did 2% 1960 at Rs. 93-6. Three percent 1963-65 was quoted lower at Rs. 94-4 and 3% 1964 was marked back to Rs. 94-6. In National Plan loans, 3% 1961 turned sellers at Rs. 99-4 while 3% loans 1964, 1965 and 1967 were marked back by one anna in each case to Rs. 98-7 sellers.

Long-dated issues were weak with 3% 1966-68 quoted at Rs. 92 and 3% 1970-75 at Rs. 88. Small business was reported in 3% 1974 at around Rs. 98-8.

State loans continued depressed with sellers over and prices were once again marked down substantially. Two noticeable price alterations were in 4% U.P. and Madras 1968 which were both quoted lower at Rs. 98 while other issues were on offer at lower rates without attracting any buyers.

Business in preference shares was of a retail nature with sellers predominating. In the miscellaneous group, Bowreah Cotton "A" and "B" were crossed at Rs. 140 and Rs. 70 respectively. British India Corporation changed hands at Rs. 123-12 and Calcutta Electric at Rs. 11. Aluminium Corporation 6% were crossed at Rs. 115 and a small lot of Birpara Tea at Rs. 120. Chrestien Mica Industries were sold at Rs. 57-12 and Calcutta Tramways at Rs. 8-12. Duncan Brothers came to hand at Rs. 61-12 and Indian Iron & Steel had sellers at Rs. 104. Indian Standard Wagon were taken at Rs. 125. New Victoria Cotton reported business at Rs. 5-8 and Textile Machinery were crossed at Rs. 97. In the jute section, Auckland Second were sold at Rs. 62. Hastings Jute were better at Rs. 95 and a small lot of Gourepore was reported at Rs. 85.

Little business was reported in the banking section. Hindusthan Commercial were offered at Rs. 10 and Hindusthan Mercantile were crossed at Rs. 13-8. United Commercial were shaded at Rs. 56 as were Punjab National at Rs. 55-8. United Bank of India "D" shares were unchanged at Rs. 4-8.

In railways, a solitary transaction was reported in Dehri-Rohas at Rs. 13-2.

Cotton shares were featureless. Elgin were easier at Rs. 18-12 and Cawnpore Textiles were lower at Rs. 9-2. Kesoram changed hands at around the previous quotation of Rs. 16-12 while Jayshree were easier at Rs. 6-10. New Victoria closed one anna easier at Rs. 2-8. Bowreah and Dunbar were marked back today to Rs. 138 and Rs. 248.

The outstanding and perhaps only feature in the coal section was Burrakur which was well supported and was taken up at one time to a new high of Rs. 17-8; profit-taking at the close brought the price down to Rs. 17-5. Bengal dropped five points to Rs. 490 and Central India reacted from Rs. 7-1 to Rs. 6-14. Dhemo Main were unchanged at Rs. 7-12 while Equitable were marked back from Rs. 28-12 to Rs. 28. East Indian were lower at Rs. 31-6 and South Karanpura were depressed at Rs. 8-12. New Beerbhoom were marked down sharply from Rs. 17 to Rs. 15-12. Pench Valley were crossed at Rs. 20-12, but later dropped to Rs. 19-12.

Jute shares were extremely dull and it was practically impossible to execute selling orders.

Here is a chart showing representative price movements:

	Opening 8-11-56	Closing 14-11-56
Anglo India	Rs. 168 0	Rs. 164 0
Birla	17 8	17 1
Dalhousie	94 0	90 0
Howrah	22 4	21 10
India	141 0	132 x.d.
Kelvin	205 0	195 0
Kinnison	155 0	141 0
National	24 0	23 10
Northbrook	24 0	23 0

Only two shares were mentioned in the electric supply section, viz. Calcutta at around Rs. 13-4 and Mirzapur at Rs. 9-8.

Sugar shares were more or less unchanged, but the volume of business was extremely small. Durbhanga were marked down from Rs. 22-12 to Rs. 22-4 and Dyer Meakin Breweries were wanted at Rs. 6. Ramnugger receded today from Rs. 24-12 to Rs. 24-6.

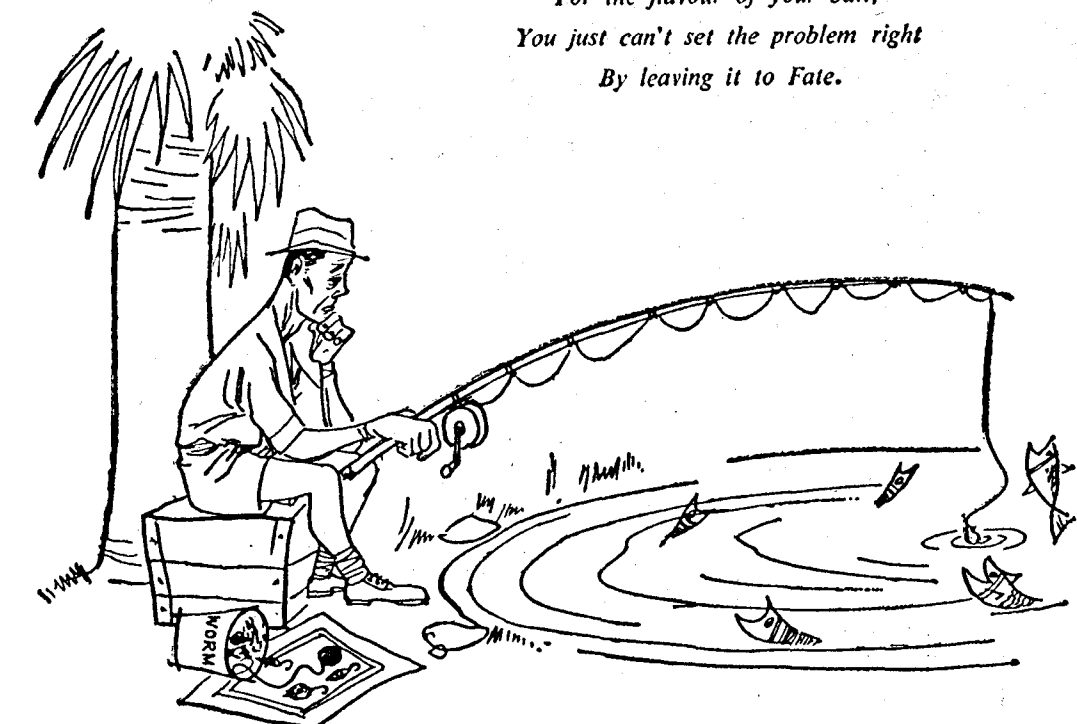
In paper, Titagur changed hands at Rs. 39-12. India Paper Pulp at the previous rate of Rs. 23-12 and Shree Gopal at Rs. 17-2. Orient met with some enquiry during the week and at one time were taken up to Rs. 36-12; tonight's closing quotation is Rs. 36-3.

In the engineering section, Indian Iron & Steel fluctuated narrowly between Rs. 33-5 and Rs. 32-14 ex-dividend to close at Rs. 33. Burn & Company dropped Rs. 4 to Rs. 370 and Indian Malleable Castings Deferred were reported at Rs. 4. Jessop & Company eased from Rs. 36-10 to Rs. 35-12 and Richardson & Cruddas softened to Rs. 26-12 against an opening quotation of Rs. 27-8. Indian Standard Wagon were comparatively steady at Rs. 219. Textile Machinery, after being sold down to Rs. 22, recovered at the close to Rs. 22-7.

In cement, Ashoka were steady at Rs. 12-7 as were Assam Bengal at Rs. 7-4. Dalmia Cement

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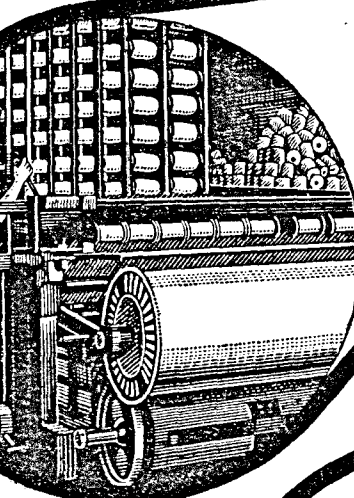
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WIDESPREAD LOSSES IN STOCK MARKETS EFFECTS OF MIDDLE EAST SITUATION

London, 14th November.

THE grave international situation again dominated the stock markets during the past week and widespread losses were recorded. Selling, apart from oil shares, was small, but buyers were completely absent. Prices rallied quite sharply afterwards on further consideration of the situation, and gains more than recouped losses. Apart from the Middle East situation, other news had little effect. The Chancellor of the Exchequer's statement in the economic debate in Parliament also failed to have any effect, while the October trade figures, although satisfactory, had no great influence on sentiment. The markets steadied later, but that was due largely to the rally on Wall Street. The gilt-edged market had another very subdued week and prices generally moved within narrow limits. The underlying tendency was towards lower levels, and small losses were recorded on the week. Foreign bonds inclined lower, with Hungarian 4½ percents sharply lower on Russian intervention in that country. Dollar stocks were higher, with the dollar premium strong at over 1 percent. The initial favourable response of the industrial market to the cease-fire news proved to be short-lived, and the earlier gains were wiped out in subsequent dealings. Compared with the previous levels, widespread losses ranging generally up to about 2s were recorded. Gold shares lost ground partly due to the general conditions and partly because of official doubts about the reliability of the Zandpan bore-hole results announced earlier in the year. New Riebeck shares established a small premium in first dealings. Base metal shares recorded extensive falls. Oil shares fluctuated widely, but showed substantial falls on the week. British Petroleum reached 15½s following the cease-fire news, but were later back to around 13½s. Teas and rubbers were very quiet, and prices were little changed generally.

The Money Market

It was more difficult to borrow in the money market last week. Credit was short from the beginning due to lack of maturities to bolster up

cash balances, and the market had difficulty in pulling itself up from a bad start. Wednesday saw an easing of the situation, but subsequently conditions became tight again. The rate for money generally ruled at 4½ percent, with 5 percent touched on Thursday, while the authorities were in greater evidence and supplied fairly large sums of money. The rates for bills were firm with January's sold at both 4-29/32 percent and 4-15/16 percent. The Treasury bill tender saw no change from the market side, while the average rates recorded little change. Applications for £200 million worth of 91-day Treasury bills totalled £333,165,000 and were allotted at an average rate of 9½s 10.86d percent against 9½s 11.55d percent in the previous week. Applications for £80 million worth of 63-day bills totalled £85,960,000, and were allotted at an average rate of 9½s 10.95d percent against the previous week's 9½s 11.00d. This week £280 million worth of bills are on offer comprising £190 million worth of 91-day bills and £90 million worth of 63-day bills. The Bank of England return for the week ended 7th November showed that notes in circulation were about £9 million higher at around £1,886 million, while bankers' deposits were about £18 million lower at around £238 million.

Stock Market Prospects

The *Investor's Chronicle* market newsletter writes: "The volume of selling of industrials has been remarkably small as investors were wisely reluctant to throw good shares overboard. The inflationary argument for equities because of defence expenditure is not strong as the Government will make a strenuous effort to contain inflation. Gold shares appear sold out. Ceylon tea shares have been active, stimulated by mergers and bids and by continued demand for good teas at above last year's prices. Holders should sit tight."

Vegetable Oils Dearer

With minor exceptions, most vegetable oils were substantially dearer on better demand, particularly for early shipments. There was active demand for British Standard Specification Grade linseed oil prompt despatch, at up to £127 ex-tank, U.K., with further buyers. Canadian linseed lacked features, while traders considered that there was a chance that the latest move in Argentina may result in exports of linseed. Groundnut oil advanced sharply, with business in Nigerian to north Continental ports, including November-December at £137, and December-January at £136½, c.i.f., with buyers over. South African oil was confined to tentative operations at a substan-

tial advance to £142 c.i.f., December, Continent. Indian oil was not mentioned below £138 c.i.f., January-February. Groundnuts were holding firm, although no trading of note was reported. Straits coconut oil was neglected and was a shade easier, but Ceylonese oil was holding steady, backed by firmer advices from the origin. At first-hand levels, castor oil was raised by £2 a ton, while Scandinavian, it was reported, was buying Indian commercial grade at £143, cost and freight drummed. Castorseed was steady although Marseilles paid £74½ for float, parcels of British East African oil. East African sunflowerseed made £42½, December-January, north Continent, while Nigerian seed was in stronger demand.

Sharp Fall in Rubber

A sharp decline at the start of the week ended 8th November was accelerated by selling on a market which some traders believed had been somewhat overbought. A report that releases were to be made from the U.S. stockpile to American industry caused a further temporary softness and uncertainty. After a mild rally on buying orders attributed to U.K. interests, values again slipped on the cease-fire news from Egypt, but the lower levels induced a good demand. Towards the close, the market was thin with renewed trade and speculative demand finding sellers reserved in view of the international uncertainties. Values finally were about a 1d a lb lower on the week. Small available quantities of sole crepe again found a ready market on the basis of 46d a lb for 1/8th inch smooth No. 1 on the spot.

Rubber Shipments to U.S.A.

Far Eastern shippers are sending most of the natural rubber to the U.S. east coast through the Panama Canal, while the Suez Canal is blocked, says the U.S. Business and Defence Services Administration. The Panama route will take about the same time as shipping through the Suez Canal and there will be no shortage in the United States before December, the B.D.S.A. adds. If a shortage occurs, it will be of a temporary nature only, caused simply by the time lost in re-routing ships. Rubber shipments to Europe will be made via the Cape of Good Hope. This will add about a week to the normal four week's voyage through the Canal. The B.D.S.A. forecasts that European manufacturers may buy and use increased quantities of American synthetic rubber in November and December because their stocks of natural rubber are not high. U.S. synthetic rubber stocks are above normal and production can be increased, the Administration says.

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Subscribed Capital	Rs. 5,76,66,125
Paid-up Capital	Rs. 3,14,54,250
Reserve Fund and other Reserves	Rs. 4,01,81,217
Deposits as at 31-12-55	Rs. 1,26,96,40,383

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New Delhi

NEW SYSTEM OF FINANCIAL CONTROL

EFFECT OF SUEZ CANAL CLOSURE ON INDIAN ECONOMY

(FROM OUR NEW DELHI CORRESPONDENT)

THE work of streamlining the Union Finance Ministry has begun. In order to cut red tape, the Finance Minister, Mr. T. T. Krishnamachari, moves about in his Ministry, discussing day-to-day problems with the Secretaries and other officials. He has evolved a new system of financial control, under which the Secretaries of the spending Ministries are allowed to meet him and discuss their schemes, the soundness of which has to be guaranteed by the Minister. To set an example to other Ministries, he has already reduced the number of Deputy Secretaries in his Ministry by at least six. A reorganisation of the Company Law Department has also been undertaken. The traditional rôle of the Finance Ministry as the co-ordinating agency has been revived. A meeting of the Ministries of Heavy Industry and Transport was recently held under the chairmanship of the Finance Minister, when the problems in the development of heavy industries from the transport angle were discussed. More meetings on similar lines will follow.

The Finance Minister has repeatedly made it clear that there will be no difficulty in raising internal finances for the second five year plan. He is confident of raising the required money. The main difficulty is external finance. Here the price line will be a very important factor. India will need to import foodgrains and other essential consumer goods to resist any upward movement in prices. Price support, among other things, may also be needed to provide incentives to the cultivator if prices tend to fall sharply. In these matters, the Finance Minister needs the support of his Party in general, and his Cabinet colleagues in particular. The suggested revision of textile policy will be the first test as to whether this support will be readily available. Meanwhile, negotiations with the World Bank for loans are in progress.

Brief Budget Session

The final session of the present Parliament, according to plans, will be summoned by the middle of March, when the Finance Minister, Mr. Krishnamachari, will put forward his first Budget covering four months. The Budget estimates will be on the basis of the existing tax structure. Proposals for fresh taxation, if any, will be brought before the new Parliament which is likely to be summoned in May, 1957.

India and the Suez Canal

The Government of India has been discussing the economic consequences of the Suez crisis. The closure of the Canal has already led to an increase of freight rates, thereby raising the prices of imports, and reducing India's competitive advantage in her export trade. In brief, it has slowed down foreign trade, and its prolongation will be detrimental to the economy, particularly to the second five year plan. A short-lived dislocation, however, is not expected to affect the plan in any material respect, because the resumption of normalcy can be followed by an increased tempo of activity. The future of the plan also depends on the continuation of peace-time production in Europe, particularly in the U.K. and France. Any diversion of peace-time production to other channels will affect India's plan, it is feared.

Russia Offers Loan to India

Following the visit of the Production Minister, Mr. K. C. Reddy, Russia has offered India a loan of 500 million roubles, or Rs. 55 crores, carrying 2½ percent interest and repayable in ten years. The Government of India will soon decide what machinery and plant to import from Russia in order to utilise the credit.

Pending Legislation

The winter session of Parliament is to deal with a heavy legislative programme. The Lok Sabha has 18 pending Bills, six of which are at the Select Committee stage. With the exception of the State Bank of Hyderabad Bill, which has been put down for withdrawal, the remaining 17 are due for enactment. The Rajya Sabha, similarly, has four pending Bills, two of which are at the Select Committee stage. The provisional programme of new official business includes 19 Bills, four of which seek to replace Ordinances. The other new Bills include: (1) the Indian Telegraph (Amendment) Bill which seeks to regulate the use of telephones, (2) the Central Sales Tax Bill, representing legislation for the levy, collection and distribution of taxes on sales of goods in the course of interstate trade or commerce and the imposition of restrictions and conditions as to rates and other incidents of tax subject to which the States may impose tax on the sale of certain commodities declared to be of special importance to interstate trade or commerce; (3) the National Film Board Bill for the setting up of a National Film Board with the Film Production Bureau, Film Institute and Censorship Organisation as its constituent units, (4) the Employees Provident Funds (Amendment) Bill to bring certain non-factory industries within the scope of the Employees Provident Funds Act, 1952; (5) the Minimum Wages (Amend-

ment) Bill to extend the statutory time limit for fixing wages, laid down in the parent Act; (6) the Bar Council Bill to amend and consolidate the law relating to legal practitioners and to establish an all-India Bar; (7) the Coal Bearing Areas (Acquisition and Development) Bill to establish greater public control over the coal mining industry and promote development by providing for the State acquisition of land containing coal deposits; (8) the Railway Protection Force Bill to provide for better protection against thefts and pilferages of railway property and other property entrusted to the railways for transport; (9) the Cotton Textiles (Additional Excise Duty) Bill to provide for the levy and collection of an additional excise duty on cotton textiles issued out of mills in certain circumstances.

As usual, there will be a debate on foreign affairs and demands for supplementary grants.

Co-operative Warehousing

The Prime Minister last week inaugurated the National Co-operative Development Warehousing Board. It will plan programmes for the production, processing, marketing, storage, warehousing, export and import of agricultural produce through co-operative societies and warehousing corporations. The Board may advance loans or grant subsidies to State Governments for financing co-operative societies. The Board may provide funds to State warehousing corporations in order to purchase agricultural produce from co-operative societies on behalf of the Central Government. It may subscribe to the share capital of the Central Warehousing Corporations or advance loans or grant subsidies to it or to any other State warehousing corporation. The Board will plan and promote programmes through co-operative societies for the supply of seeds, manures, fertilisers, agricultural implements and other articles to cultivators.

To execute the programme of warehousing, a central corporation with an authorised capital of Rs. 20 crores and an issued capital of Rs. 10 crores will be set up. It will operate warehouses at 100 centres of all-India importance with a storage capacity of 10,000 to 20,000 tons each. In addition, every reorganised State excepting the centrally-administered territories, will have a warehousing corporation which, in turn, will set up 250 warehouses of 2,000 to 10,000 tons of capacity each. A warehouse will accept agricultural commodities such as food grains, cotton seeds, raw jute and vegetable oils, for storage on a reasonable rent from the farmers and will issue receipts to them. These receipts will indicate the quality and quantity of the produce, which according to the plan, will become negotiable instruments like a bank cheque. The bank will accept these receipts against which loans to their holders will be advanced without taking physical possession of the produce. In this manner, warehouses will ensure orderly marketing operations and will become an important agency for stabilising prices. According to the present programmes, Vishakhapatnam (Andhra), Hubli (Bombay), Raipur (Madhya Pradesh), Kumbhaknam (Madras), Moga (Punjab), Rajkot (Bombay), Balasore (Orissa), Hapur (Uttar Pradesh) and Cooh Behar (West Bengal) are some of the places where warehouses of the Central Corporation may be set up during the scheme's first year of operation. In addition, central warehouses will also be established in important cities like Bombay, Calcutta, Madras, Nagpur, Cuttack and Gauhati.

Wool Trade

India's trade in wool and wool goods showed marked improvement during the first six months of this year over the corresponding period of 1955, especially in raw wool and semi-manufactured products, but imports of wool tissues were considerably less. Raw wool exports particularly to the United States and the U.K. were higher, though the increase was less for the U.K. due to internal difficulties which caused U.K. manufac-

turers to withdraw from the Indian market for some months. Exports to "other" countries included the first wool shipment in June for Soviet Russia. It is reported that during January-September, Russia purchased approximately 3,500,000 lbs of wool, but the bulk of the shipments have been made in the last month or two.

India's increased imports of raw wool and wool tops were due mainly to larger purchases from Australia although in the case of tops, the bulk (5,869,000 lbs.) came from the U.K. Higher imports of wool yarn during the first six months of this year were due to the export by Italy of 1,304,000 lbs., compared with only 771,000 lbs. last year. This represents 89 percent of India's total imports. It is noticeable that the 50 percent reduction in imports of wool tissues has occurred in shoddy and mixed wool tissues; the imports of "woollen and worsted piece-goods" were higher than last year. Italy is still the largest supplier of wool cloth to India, although her exports, being mainly in the cheap categories, have fallen by two-thirds. In thousand linear yards, with the first half of 1955 in parentheses, the figures are: Italy 184 (636), the U.K. 110 (239), others 160 (115); total 454 (990).

Research on Sheep-breeding

The Government of Madras has sanctioned the establishment of a sheep breeding research station near Chinnasaalem in Salem district. The farm will be started in an area of about 1,500 acres and research on the improvement of the local woolly sheep will be undertaken on the farm. The Chinnasaalem sheep farm will be one of the biggest of its kind in India. In order to carry out further intensive work among the sheep breeders of Madras State, the Government has already given its sanction to the establishment of three additional sheep units during the current year, thereby bringing the total number of sheep units in the State to seven.

Water Supply for Durgapur Steel Works

A British water engineer is visiting India shortly to advise on a project for drawing water from the river Damodar for the proposed Durgapur steel works in West Bengal. Water supply equivalent to the needs of a small town is required for the new steel works in Durgapur and its employees' homes. Some £50 million worth of plant, materials and equipment for the steel works is to be imported from the U.K. The British water expert, who is to act as a specialist consultant on the principles of design and to give general guidance, is Mr. N. J. Pugh, water engineer of the city of Coventry. Most of the work he will do for the Indian project will be carried out in the U.K., but he will spend two weeks on the site in Durgapur. Mr. Pugh's assistance was sought by the Cementation Company, which is responsible for the water works. The development project, as a whole, is being carried out by the Indian Steelworks Construction Company for the Government of India. Mr. Pugh has long experience in water engineering. In March this year—as chairman of the British Standards Institution committee on plastic tubing—he led a British technical delegation to an international conference in Zurich.

Heavy Water and Fertiliser Consultants

The Government of India has appointed the U.S. firm of Vitro as consultants for the heavy water and fertiliser plant in Bhakra-Nangal, Punjab, which is estimated to cost Rs. 25 crores.

Problems of Regional Development

The B. M. Birla Committee's report on the industrialisation of Uttar Pradesh has focussed interest on the growing inequality among the States in general, and on the industrial backwardness of Uttar Pradesh, in particular. The object of planning should be as much to remove inequalities between man and man, as between one State and another. The question that is being asked here is to what extent these inequalities have been reduced by the first plan and how much more is likely to be reduced by the second. One school of thought holds that the Government's taxation policy has been effective in reducing inequalities in personal incomes. It is true that an average man, judging from the current consumption figures, is eating more food and using more cloth than he did before. This may or may not indicate greater economic equality. In the U.K. one result of the taxation policy has been the sale of many "stately homes of England." Has a similar movement been noticed in India? There does not seem to be much evidence of that outside theoretical essays. If the old saying that industrialisation is the parent of inequality is accepted, the process of industrialisation, which has

INDIAN WOOL TRADE (Thousand lbs.)

Exports			Imports		
Classification	January-June		Classification	January-June	
	1955	1956		1955	1956
Raw wool, to:			Raw wool	2,195	2,521
United States	5,474	8,253	Wool tops	6,554	8,110
United Kingdom	5,958	7,589	Wool yarn	1,110	1,469
Belgium	146	784	of which—		
France	222	458	weaving	860	1,328
Germany	255	407	knitting	47	52
Others	298	1,168	Wool tissues	993	413
Total	12,354	18,659	of which—		
			woollen and worsted	183	186
Re-exports	2,989	1,446	shoddy	306	127
of which to—Belgium	772	409	mixed	504	100
U.K.	1,836	122	Blankets and rugs	93	273
			Carpets and rugs	15	10

been helped forward by the first plan, should have sharpened inequality. Another school of thought claims that the first plan has accentuated disparities in the per capita income in various States and the second plan will further that process. In other words, the poor are becoming poorer and the rich richer.

There can be no objection to the industrialisation of any State, provided it has the natural and other resources. But the luring of industries by offering better terms to the private sector or the imposition of certain disabilities in order to reduce, if not to neutralise, the natural advantages of other States, are objectionable methods. It has to be pointed out that while equality is being claimed by some States in the matter of industrialisation, they have illogically opposed any move to whittle down the concentration of certain undertakings that exist within their territories. The dispersal of the sugar and cotton textile industries are examples. Between these two extremes, it is however, possible to find a *via media*. One method may be to disperse consumer goods industries to their principal marketing centres. Such a step would not only reduce industrial imbalance, but would also ease the transport problem. The case of cotton textiles illustrates the point. The industry is largely concentrated in Ahmedabad, Bombay and Madras State, while some of the biggest consuming areas are in West Bengal, Bihar, Assam and Orissa. Similarly, long-staple cotton is grown in the Punjab. A dispersal of this industry on a regional basis is economically possible. Sugar is another industry which needs dispersal. Regional self-sufficiency in consumer industries can be a major way of reducing inequality in industrial development between one State and another.

London

SUEZ CRISIS AND THE U.K. ECONOMY

SIGNS OF STRAIN IN STOCK AND EXCHANGE MARKETS

(FROM OUR LONDON CORRESPONDENT)

WITH the passage of another week of crisis, it is obvious that there has been considerable reassessment of the Middle East situation. So far the City may be said to have avoided "taking a view"—and perhaps thereby shown greater perspicacity than the politicians—and contended itself with a cautious slowing down of almost all activity. The probability that there is no swift or easy solution of the Middle East problem in sight has been emphasised. The City has been obliged to revise its attitude, and indeed has been encouraged to do so by the Chancellor's warning about the coming strain on the economy. Quite apart from the actual cost of operations in the area, our crude oil imports (if we can get the supplies) will not only cost more but will have to be paid for in dollars. The general rise in freight rates has not ended, exports cannot avoid being affected by the shipping shortage, and the first signs of strain have made their appearance in the exchange and stock markets, especially the former. All three varieties of sterling have been under pressure from Continental selling, with the result that all the good work which the Bank of England has put in over the last 18 months in establishing a unified system of

rates is threatened. The City is not given to panic reactions, and there will not be any now, but it is inexorably being forced into taking a view, and it will be interesting to see just what that view will turn out to be.

Against the crisis background, the proroguing and reassembly of Parliament for the new session appeared somewhat unrealistic, and the Queen's speech outlining the Government's proposed legislative programme attracted less interest than would have been the case otherwise. It is not a particularly imposing programme but it certainly contains quite a few measures which will create controversy. In the economic sphere is a Bill to allow the imposition of duties on goods "dumped" in Britain for sale at prices below the cost of manufacture in the country of origin. Existing emergency powers for hire-purchase transactions are to be made permanent, but the Government is to go further and regulate borrowing by hire-purchase finance companies. The Transport (Railway Finance) Bill to implement the Government's plans to make "special advances" to the British Transport Commission was expected, but the partial abandonment of rent control and the revision of various subsidies for housing in Scotland and the construction of agricultural silos, and other measures will meet with strong opposition. Meantime, the Board of Trade is closing another loophole in the present hire-purchase restrictions, making it illegal to make a hiring arrangement involving a sale at the end of the hiring period.

Shipping Freights and Fares

The main impact of the Suez position, though it is in one way or another affecting most markets, has so far been noticeable in shipping. To meet daily changes in the situation, Ministry of Transport officials are holding regular meetings with the U.K. Chamber of Shipping, acting as spokesman for the industry. Until the Government's needs are fully met and the time factor in clearing the Suez Canal of the blockships now sunk in it has been established, the outlook for shipping freight and fares will remain uncertain. There is little doubt that any movement, even when the situation clarifies, will be upward, if for no other reason than that shipowners will expect charterers to meet the additional war risk premium payable on the eastern routes while the general scarcity of vessels will push up rates elsewhere. The biggest increase in freight rates since the start of the crisis was announced by one of the Freight Rate Conference organisations in London last week. It was stated that on outward voyages from British and Continental ports, cargoes for Port Sudan would bear a 25 percent surcharge. Two days earlier, six of the conference organisations announced a 15 percent surcharge on cargoes bound for East Africa, India, Pakistan, Ceylon and the Far East. Later, this was also extended to homeward freight from India and Pakistan, but not from Colombo as yet. The closing of the Suez Canal has added another 3,000 miles to the voyage from London to Singapore, but in the case of Port Sudan and the Persian Gulf the increase is about 5,000 miles; this accounts for the higher surcharge. The voyage to Australia has been lengthened by about 1,000 miles, but so far there has been no increase in the freight rates, though it is thought one must come. The liner companies have added a 20 percent surcharge on passenger fares to the Far East, including the P. & O., the Nederland Line and the Rotterdam Lloyd Line. Importers in the City state it is too soon yet to make any estimate of the effect of the increased freight rates on prices. It is almost certain, however, that the increase will have to be passed on to the consumer. The cargoes on which increased rates will now be paid are principally jute and cotton from Pakistan, tea from India and Ceylon, coffee and sisal from East Africa, and iron ore, manganese, rubber, tin and vegetable oils from various parts of Asia.

Drain on Gold Reserves

The pressure of current events and the ups and downs of markets tended to detract from the usual importance attached by the City to the monthly gold and dollar statement. As mentioned briefly last week, the Treasury announcement showed that the reserves fell by \$84 million in October and stood at the end of the month at \$2,244 million. The only comfort to be derived lies in the fact that the drain has declined in the last three months. Excluding the lump sum received for the Trinidad Oil Company, the loss in September was \$125 million and in August \$129 million. Seasonal factors were still working against sterling last month, and the uncertainty over Suez kept traders and bankers abroad out of sterling. The October figures do not yet reflect the impact of the latest crisis. This must have cost dollars and gold in supporting the market. U.S. defence aid in October was \$7 million; \$25 million was paid to the E.P.U. on account of our deficit in September. The October deficit with E.P.U. was £13 million against £12 million in September, in spite of the end of the tourist season. The inference must be that imports are still running at too high a level and that some of the speculative pressure against sterling is reflected in the E.P.U. figures. The November figures may be no better, for the Suez crisis will affect those, and in December the U.S. and Canadian loan repayments fall due. The outlook is hardly bright.

The Employment Situation

The number of vacancies on the registers of employment exchanges is still declining. The Ministry of Labour has announced that vacancies, on 19th September, the day of the last count, were 334,000, or 27,000 fewer than on 22nd August and

90,000 fewer than a year ago. In the four weeks ended 19th September, there were 177,200 vacancies filled, compared with 176,330 in the four weeks ended 22nd August, and 264,400 in the corresponding month a year ago. In the Midlands, the respective figures were 28,749, 31,954 and 52,800. The number of workless on 15th October was 254,073, against 247,640 on 17th September and 215,155 on 10th October, 1955. In October, the percentage of unemployment was 1.2, compared with 1.1 in September, and 1.0 in October, 1955. A fall in the number of workers temporarily stopped was unusual for the period of the year and it is understood was largely the result of the return to work of Clydeside shipyard workers. The number in civil employment at the end of September was 23,085,000, which was 15,000 fewer than at the end of August.

Industrial Building Plans

Fewer firms asked for permission to build new factories in the third quarter of this year than in any three-month period for a long time. But the total area involved was larger than in the second quarter and roughly equal to that approved in the third quarter of 1955. The number of approvals was 550, compared with 641 in the second quarter and 611 in the third quarter of last year. The area approved was just over 20,000 sq. ft., compared with 14,300 sq. ft. in the second quarter and 20,700 sq. ft. in the third quarter of 1955. These figures indicate that industrial investment plans have been moderated but not that they have been sharply and suddenly cut down. Actual industrial building activity, which corresponds to approvals and "starts" of earlier periods, is still at full stretch. The Board of Trade states that the total factory area under construction at the end of July was the highest since the war.

Free Market in Europe

Qualified support on a wide basis has been forthcoming for British participation in a common European market, on the basis that the dangers of staying out would be greater than those of joining. The House of Lords favoured joining when it debated the question. So did a majority of the Regional Councils of the Federation of British Industries, and a joint meeting of the U.U.C. General Council with representatives of the Labour Party. This general agreement coincides with the announced views of the Government—that British membership should be on special terms to safeguard Imperial Preference and that it should not be full-scale membership—so the idea may be expected to make good progress. There will still, however, be a lot of haggling when the specific terms come to be negotiated, and even then it will be necessary for not a little "new thinking" on the part of all concerned.

For instance, some industries fear the flooding of the home market, with no compensating advantages of freer entry into European markets, since certain European countries enjoy natural advantages which cannot be overtaken by improvements in efficiency. Some are "deeply sceptical" of the possibility, in practice, of working out watertight safeguards enabling competition on level terms. Others consider the question of readjustments being possible by stages over 12 to 15 years. The U.U.C. fears dumping by European countries who might exploit workers to produce cheap goods and adopt other unfair competitive trade practices. It goes on to suggest: (1) the Government should be able to take adequate measures to offset any threat of unemployment in particular industries; (2) the Government must be ready with plans to help workpeople displaced as a result of free trade—adequate unemployment pay, retraining schemes and financial support during retraining, and assistance to workers and their families to move to new areas; (3) the Government must be free to control the distribution of industry and to provide special assistance on defined and agreed conditions to essential industries; (4) countries should be able to restrict imports for balance of payments reasons and to control movements of capital; (5) all the Governments concerned should take action to deal with international cartels in the area; (6) Britain should retain its right to make long-term trade and commodity agreements with the Commonwealth and other countries outside the free trade area.

Brooke Bond Financing Plans

With the full accounts, the directors of Brooke Bond, the tea group, give details of their financing plans, which involve the raising of over £1.8 million of new money. It is proposed to issue the three million new "B" Ordinary 5s shares at 12s 6d each on a one-for-four basis. Additional working capital was required to finance increased stocks and this has been met from temporary bank borrowings, which had reached £2.2 million by 30th June. The primary object of the new issue is to reduce the extent of these loans. The group is also continuing its programme of expanding its tea plantation interests, particularly in East Africa. The benefits of this policy, say the directors, should soon begin to be reflected in profits as the young plantations come into full bearing. After the issue for cash £3½ million of reserves are to be capitalised for a one-for-one free issue to "A" and "B" Ordinary holders. The "rights" issue is being underwritten for 3d a share commission. Trading prospects for the current year are good, say the Brooke Bond directors. Provided conditions do not change materially, it is intended to pay a dividend of at least 4½ percent tax free on the Ordinary as increased to 27½ million in 5s shares by the "rights" and scrip issues. Such a distribution would represent a gross yield of about 5½ percent on the issue price and would involve, excluding distributed profits tax, a cash distribution of £312,500. For the year ended 30th June, a total of 10 percent tax free was paid on the £3 million Ordinary.

Uttar Pradesh

U. P. SUGAR MILLS START CRUSHING EARLY

CANE PRICES AND QUALITY

(FROM OUR LUCKNOW CORRESPONDENT)

A LARGE number of sugar factories in the State have started crushing operations earlier than usual in order to avail themselves of the Government of India's offer that factories which start cane crushing by 4th November will qualify for a concession of 5 annas in the cost of each maund of cane crushed. According to the official announcement, the cane-growers will meet the cost of this concession to the extent of 1 anna. The rest will be borne by the Government of India and the State Government on a fifty-fifty basis. Incidentally, the cane crop at the moment is not fully ripe and the cane crushed at this stage will have a low sugar content. A warning to the sugar industrialists of U.P. and Bihar against "whimsical, unplanned and incongruous" growth of the industry was last week given by Mr. A. P. Jain, Union Minister for Food and Agriculture in Kanpur. Mr. Jain who was addressing the 24th annual session of the Sugar Technologists Association said that the pattern of sugar trade in India was going to change substantially in future. "The change that is coming," he added, "is likely to be to the disadvantage of U.P. and Bihar, the two leading sugar manufacturing States. The price at which sugar is going to be produced in Bombay and other States of South India would be lower than the prices of U.P. and Bihar products. The consumption of sugar is barely 20 percent of its production in U.P. and the same applies to Bihar." The bulk of additional sugar capacity and new licences has this year been granted to south India. Out of the 1,000,000 tons of proposed additional capacity, licences have already been issued for about 996,000 tons.

The Problem of Cost

The problem of cost in U.P. may never be solved unless cane prices are linked with its quality. Though this proposal has often been discussed in the past, it had to be shelved because of opposition from the growers who are a considerable electoral force in the countryside. According to Mr. Jain, the Government of India is again considering a proposal in this matter, and the Gopala-krishnan delegation which recently visited several sugar producing countries has favoured the idea. He was not prepared to entertain the suggestion that the Government subsidise sugar exports. "Is there any country," he asked, "which is giving subsidy to both production and export? Should the taxpayer pay subsidy if the prices of Indian sugar are below those quoted by other countries?"

Sugarcane Research

The Sugarcane Research Institute in Lucknow, it is understood, is to be further expanded at a cost of Rs. 1 crore, provision for which has been made in the second five year plan. The expansion programme envisages the extension of the existing sections and the setting up of new ones. The Government of India has dropped its plan to shift the Indian Institute of Sugar Technology from Kanpur to Lucknow. But the U.P. Government having decided to expand the Harcourt Butler Institute of Oil Technology in Kanpur, the Institute of Sugar Technology will not be able to share its buildings with the H.B.I.T.

Dearth of Technicians

The U.P. Government may have to forgo the bulk of the Rs. 40-lakh U.S. aid in the shape of technical equipment for the State's training institutes as it has not enough money to make use of the equipment. Originally, the plan was to cost Rs. 3.5 crores which was to be borne both by the Centre and the State Government on a 60-40 basis. The target set for the training of technicians during

the five-year period was 5,100. Eventually, the size of the plan shrunk from Rs. 3.5 crores to Rs. 15 lakhs and the number of technicians to be trained was also reduced from 5,100 to 200. A 35-acre site which was acquired in Kanpur for housing the institute is lying vacant and the U.S. equipment which keeps arriving at the site is also lying idle.

Employment Exchanges

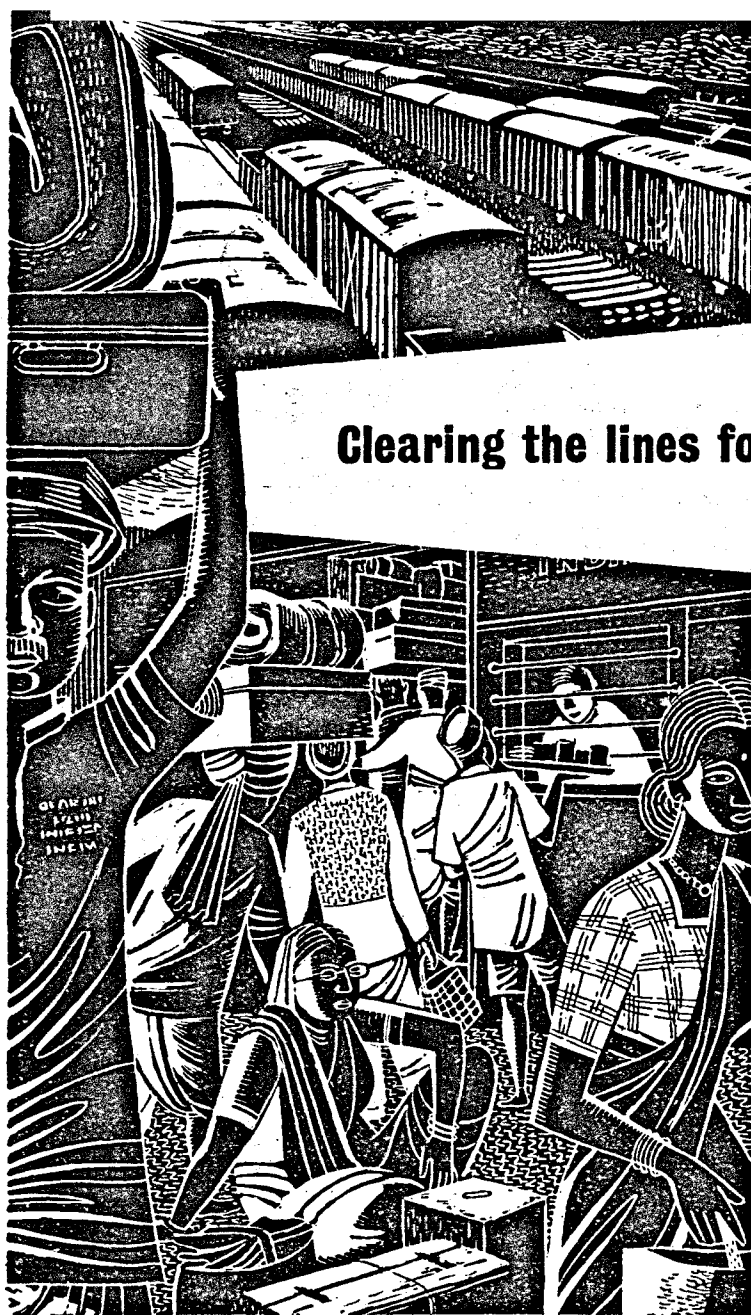
The expansion of U.P.'s employment exchanges is likely to be affected because the State Government is unwilling to accept the Centre's terms for providing Rs. 45 lakhs by way of aid. The Centre is prepared to bear 60 percent of the cost, but the State Government maintains that it cannot meet the remaining 40 percent without cutting down some of its plan schemes. At present, the majority of the State's districts—30 out of a total of 51—remain uncovered by the Government's employment service scheme.

Achievement of a Jute Grower

By raising 51 maunds of jute an acre, a U.P. farmer, Mr. Bajru Kabaria, has earned his place among the best in the country. He has a small farm in Sikrora village in Gonda district. At a ceremony held last week in Gonda, Mr. Kabaria and other producers who had outstanding records to their credit were honoured by the State's Jute Development Officer, Mr. H. D. Nathani. With four years still to go, the State's jute output this year is expected to reach 100,000 bales or 10,000 bales behind the annual production target set for the final year of the plan. U.P. took to jute growing in 1948 and a beginning was made with six districts. It was extended during the first five year plan to 24 districts. The area under the crop was raised to 32,584 acres at the end of the five-year period, and the production went up to 68,000 bales. The average jute yield an acre rose to 13 maunds in the final year of the first plan and to 15 maunds in the first year of the second plan. The number of jute markets in the State rose from three in 1948 to seven at the end of the first plan.

Flood Control in U.P.

The Nepal Government, it is reported, has consented to the Government of India's Rs. 14-crore constructional programme in Nepal for controlling floods in U.P. and Bihar. The plan includes the construction of a dam on the Gandak and a retention reservoir on the Rapti, both in Nepali territory. A party of officials of the Irrigation Engineering Department will this month be going to Nepal to carry out a detailed survey of all the nine rivers and rivulets that have their sources in Nepal and flow into U.P. and Bihar.



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More wheels may turn and more machines may manufacture... but this extra activity is meaningless without more transport to move passengers, raw materials and finished products. That's why of every rupee set aside for the Second Five Year Plan—an industrial plan, above all—no less than 3 annas will be spent on developing India's railways.

The Plan's allotment of Rs. 900 crores, will be used for rehabilitation of railway track and equipment, as well as to build 842 miles of new track, to buy 2,258

locomotives, 11,364 passenger coaches and 107,247 wagons, and to improve passenger amenities and working conditions for railway staff.

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Bombay

BOMBAY MARKETS FOLLOW ERRATIC COURSE

BRIGHT EXPORT PROSPECTS FOR OILSEEDS

(FROM OUR BOMBAY CORRESPONDENT)

COMMERCIAL activity in Bombay has followed a somewhat curious pattern in recent weeks, at a time of year when activity is usually strong all round. The textile market has been listless; cotton futures have been erratic; and bullion operators seem to be miscalculating events. Almost the only exception has been the oilseeds market. Leading textile mills in Bombay and Ahmedabad continue to follow a cautious policy in view of the Middle East crisis. There is no tendency to enter into forward commitments at the present price level and the volume of business has therefore remained moderate with only some of the smaller units selling their products on a forward basis. The wholesale trade, too, has not been over-anxious to augment stocks because enquiries from consuming centres have been somewhat disappoint-

ing. It is expected, however, that conditions will improve very soon because supplies in the interior markets are now dwindling, particularly in the Gujarat and Saurashtra areas. The lower level of prices now prevailing is also expected to stimulate demand. With the exception of Burma which purchased sizable quantities of printed chintz, mulls, voiles, shirtings and towels, and West Africa, with token business in grey sheeting, bleached long cloth, coating and dyed poplin, the export trade has also been slack. Singapore and Hong-kong appear to be interested in grey sheeting and long cloth, but hardly any business has been transacted, while trade with the U.K. continues to be limited, in spite of the renewed interest shown by U.K. importers. Indonesia and Sudan show no interest at all.

The cotton trade now believes that the new crop will not exceed 5 million bales as against an earlier estimate of 5.4 million bales and this should have some steadying effect on the wholesale textile market. Trade in cotton futures has been somewhat erratic, the fluctuations being very wide. The market has turned soft on increased long liquidation caused by large arrivals. Jarilla for March delivery has risen to Rs. 670-8 after being marked down to Rs. 649-8 earlier in the past week. At the close, the contract stabilised at Rs. 651-4, but kerb

quotations at Rs. 564 were also reported. Vijay closely followed jarilla. After declining from Rs. 757-8 to Rs. 751 it improved to Rs. 767, but dropped again to Rs. 750 at the close. The improvement during the middle of the week followed disturbing weather reports from growing centres, but the higher levels led to renewed bear pressure. Towards the end of the week, however, it was reported that the weather conditions had improved and large quantities had arrived in upcountry markets. Erratic futures quotations did not influence the spot market and the daily turnover averaged 7,500 bales mostly for near deliveries.

Export Demand for Raw Cotton

Cotton for export was in demand and prices hardened during last week. In view of the tight position of foreign exchange, the trade believes that the Government will announce a liberal export policy some time towards the end of this month. Business in foreign cottons was limited by the scarcity of supplies and Egyptian and Sudan growths were marked up because of the Suez crisis. The Foreign Agricultural Service of the U.S. Department of Agriculture has announced a procurement authorisation of \$23,925,000, with India covering about 146,000 bales of Upland cotton. The contracting period has been specified as 7th November, 1956 to 29th June, 1957 with shipments allowed up to 31st July, 1957. It is reported that all staples of 1½" and above will be allowed except American Egyptians. Although no official announcement has yet been made by the Government of India, trade circles hope that applications for import licences will soon be invited.

Rise in Castor Futures

Castor futures last week advanced to Rs. 144 from the previous week's quotation of Rs. 138-10. It seems that this healthy tone will continue because the supply position abroad is tight and Brazilian offerings have not come up to expectations. The U.K. and some European countries appear to be competing for Indian supplies. Britain purchased Commercial castor oil at £140 a ton as against the previous week's purchase price of £134. Latest reports here indicate that U.K. importers are willing to offer £143 for the commercial quality and £149 for the B.S.S. grade. American importers have also offered more, and limited business was done at 175 cents a lb. for the Commercial quality for delivery next month. It is, however, believed that American merchants will have to pay more for further deliveries in view of the activity in U.K. markets. This renewed activity in the U.K. and U.S.A. would seem to confirm reports that Brazil's castor crop has been seriously affected by rains and the total Brazilian supply will not exceed 125,000 tons. If this be true, then Indian exporters should be able to do considerable business. An adverse factor, however, is shipping. The Karmohom Conference lines have already announced a 15 per cent increase in freight surcharge, while American lines have announced the cancellation of freight to Mediterranean ports because of the Suez closure.

Groundnuts Gain

Groundnuts, too, recorded substantial gains because of persistent short-covering and bull support. After being marked down to Rs. 135-4-4, the February contract improved gradually to Rs. 142-14 and receded later to Rs. 141-4, but kerb quotations hardened to Rs. 142-8. Groundnut bears had their calculations upset by unfavourable weather reports. Crop estimates are now being revised and it is expected that the final outturn will not exceed 2,400,000 tons, as against earlier expectations of 2,700,000 tons. Arrivals continue to be below the normal level for this time of year, and the incoming supplies are being rapidly absorbed by crushers, whose stocks are running low. Overseas reports are encouraging. Nigerian groundnut is quoted in the U.K. and the Continent at about £142 10s a ton for November delivery, while the price for December and January deliveries is somewhat lower. This indeed is an attractive price, but because there is no export quota, Indian business men are unable to take advantage of the world conditions. It may be worthwhile for the Government of India to permit exports in order to earn foreign exchange. No doubt, there is a risk that the internal price level may rise if exports are allowed, but this may offset the greater advantage of increased foreign currency earnings. Another favourable factor is that the disparity between the local price and the price quoted abroad is wide enough to stand the increased freight rates. All things considered, it would seem to be a good opportunity to scale down the foreign exchange deficit. Linseed and linseed oil maintained a steady tone due to a scarcity of offers. Export business in oil was negligible because Indian prices continue to remain out of parity in spite of the recent improvement in overseas quotations. Linseed oil abroad has recorded a sizeable improvement, with the spot material quoted at around £128 and January delivery at £114 a ton. Cottonseed futures appeared to follow the up-and-down movements in cotton futures rather than the trend in the other oilseeds. After being bid up from Rs. 82-8 to Rs. 84-4, the February contract reacted to Rs. 85-4. Indian cottonseed oil continues to be in good demand abroad. Last week, Britain paid up to £119 a ton as against £114 in the previous week.

The Railway Board has authorised the South Eastern Railway to carry out a survey for a 15-mile long railway line from Bhilai to Deorjhal. This line is required for the movement of limestone from the deposits in Deorjhal for the Bhilai steel plant.

Jute

GUNNY PRICES IMPROVE AFTER EARLY DECLINE

SUBSTANTIAL FALL IN SACKING STOCKS

THE Calcutta jute goods markets showed wide variations during the past week. The situation in the Middle East continued to have an effect on local affairs, but the cease-fire made its influence less effective. As a result, speculators had to look for other reasons to fit their purpose, and were soon presented with ready-made ones in the form of various trade statistics. The first of these showed a drop in mills' sacking stocks of 11,400 tons to 77,200 tons at the end of October, which is the lowest figure since May 1956. This was most encouraging although a small decrease had been expected due to a number of groups converting many of their looms to hessian, which showed a greater profit margin. Sacking prices reacted strongly and a very steady undertone developed. But hessian received a setback with the news that its stocks showed an increase of 1,500 tons, although this was not unexpected in view of the conversion. Hessian stocks now stand at 30,900 tons. Stocks of other goods increased by 1,400 tons to 8,600 tons; they are reaching proportions which cannot be ignored, and now make up 7½ per cent of the grand total, which dropped to 116,700 tons, also the lowest since May 1956. The I.J.M.A. production figures were also published and showed a decline. At 80,400 tons, they were the lowest for one year. It is significant that out of the drop of 4,100 tons compared with the previous month, sacking production accounted for 3,300 tons. October had six working hours less than September. Compared with August, which had the same number of working hours (203½), production in October was 9,200 tons less. Out of this, sacking accounted for 7,700 tons, or nearly 84 per cent of the total. The consumption of raw jute during October amounted to 468,732 bales making the total for the current season 2,032,338 bales. Here again the effect of mills converting to lighter fabrics is demonstrated, as, compared with August, which had the same number of working hours, their consumption dropped by 53,636 bales.

Mills were keen for business in jute goods, but during the early part of the session, overseas buyers showed no interest. Towards the week-end, constant selling pressure caused prices to fall. After the week-end, reports of good business with America caused a recovery in hessian. By Tuesday, rates recorded new high levels, and were over Re. 1 higher than the week's opening. Very little interest was shown in sacking at first and prices tended to slip back, but the encouraging stock reports brought about a recovery, and until the week-end, rates recorded small but steady rises. Reports of a steamer being placed and closing about the middle of the month caught many local operators short. Over the week-end, and on Monday and Tuesday, heavy shippers covering forced sacking rates up by about Re. 1-8 to within 4 annas of the highest level recorded this year. Thus during the week, heavy goods prices moved through a range of Rs. 2-8.

The raw jute section had a comparatively quiet session compared with previous weeks, but more business was done than would appear on the surface. This is due to the growing practice among mills of "under-cover" or secret buying, and is detrimental to the trade in that it cuts out completely the element of competition. Those which resort to this type of purchasing are left completely at the mercy of a few sellers who, in the circumstances, can create to their own advantage a false market. In nearly all cases, it has been obvious by the prices paid that the same jute could have been obtained at least 8 annas a maund less if general indications had been given out. During the week, prices remained fairly steady and in general tended to rise, but up to the week-end only small transactions were reported. With the improvement in the gunny market, mills became interested. Over the week-end, and immediately afterwards, good business was done, so raw jute rates rose by 8 annas to Rs. 31 a maund. Rail transport difficulties were still a major headache for many sellers and applications for extension of delivery on this account were numerous. The moisture content of nearly all deliveries recently has been very heavy, and is causing anxiety to mills. The quality of all arrivals is reported to be the best for many seasons, but the moisture tends to cancel out this advantage.

THE JUTE MARKETS

Manufactured Goods: The cease-fire agreement in the Middle East caused gunny prices to slump at the opening of the market last Thursday, and heavy goods quotations lost about Re. 1. November shipment B Twills dropped to Rs. 117-6 and January-March to Rs. 117-2 a 100 bags, while 40in. 10oz. hessian was called over at Rs. 44-1 and Rs. 43-3 a 100 yards which was a fall of 4 or 8 annas. There was very little activity during the day and prices remained unchanged in spite of bull activity. With the publication of the trade statistics, however, sacking rates by Friday morning regained 8 annas of the previous losses. Hessian dropped few annas. There was very little change until

after the week-end when, following reports of good business in hessian with America, and heavy local shipper covering in sacking against steamers loading in port, prices rose. Over the next few days, all previous losses were wiped out, and both sections ran at a premium on opening rates; 40in. 10oz. hessian recorded a new high level on Tuesday morning at Rs. 45-2 for November shipment, this being a premium of Rs. 1-2 on forward shipment. B Twills showed a steady improvement, and quotations on Tuesday morning rose to Rs. 119-8 for November shipment. At the close, the market was easier but quotations were nominal due to the fatka market being closed. Opening quotations on Wednesday morning were as follows:

	November.	December.	Jan.-March.
	Rs.	Rs.	Rs.
40in. 8oz.	36	35-10	35-2
40in. 10oz.	45	44-9	43-13
B Twills	119-6	119-2	118-12
Heavy Cees (Plain)	119-8	119	118-12
A Twills	140	140-8	141
Liverpools	131	131-4	131-12
Cornsacks	119-12	120	119-4

Raw Jute: Raw jute prices tended to remain fairly steady during the past week. There was small but daily buying, both by the mills and their representatives, of a fair quantity of jute. Opening quotations were based on Northern-Assam jute at Rs. 30 a maund basis Bottoms for November-December shipment. Mills attempted to reduce these rates, but sellers were reluctant to meet any counter-bids. With the improvement in the gunny market over the week-end, they advanced their prices by 8 annas a maund. Business was done at the new levels and a steady tendency developed. After good business on Monday night, quotations were increased to Rs. 31 a maund on Tuesday morning. Encouraged by the firm goods market, raw jute sellers became reserved, and indicated higher prices, but buyers lost interest at this stage and no further business was reported.

During the week, business was done in good Northern and Assam agencies at Rs. 30 to Rs. 31 a maund basis Bottoms for November-December shipment, and in Northern Middles alone at Rs. 32 to Rs. 33-8 a maund for the same shipment. Large quantities of Murshidabad Tossa were purchased at prices paid varying between Rs. 29-8 and Rs. 30-8 a maund. Here again Middles only from selected agencies were taken up at Rs. 31 to Rs. 33 a maund. Karimnagar-Bongaon Daissee and Tossa came in for a great deal of attention, as did Daissee from the Sheoraphuli side. Business was done at Rs. 30-8 to Rs. 31-8 a maund basis Bottoms, and Rs. 33-8 to Rs. 35 for Middles only. Small lots of Daissee Mesta changed hands at Rs. 27-8 to Rs. 29 a maund basis Bottoms and Bimili at Rs. 27-8 for F.A.Q.

At the close, the raw jute market was unchanged, and opening quotations on Wednesday morning were as follows:

Indian Jute:	Landed at Mills Rs. a md. basis Bottoms.	Shipment.
Lower Assam	31	Nov.-Dec.
Northern	31	"
Murshidabad White	31	"
Daissee	31-8	"
Daissee Mesta	29	"
Local Northern	30-8	"
Bimili	29 for F.A.Q.	"
Tossa is quoted at 8 annas to Re. 1 a maund above the price of white jute.		
Pakistan Jute:	Rs. a md.	Shipment.
Jat	33	Nov.-Dec.
District	32-8	"
Northern	32	"
Pucca:	Rs. a bale.	Shipment.
Mill Firsts 2/3	230	Nov.-Dec.
Export Firsts 2/3	210	"
Export Lightnings 2/3	190	"
Jat Cuttings	130	"

The Cossipore markets have ruled steady due to continuous buying by mills' agents. All arrivals have found ready buyers, who are bidding against each other for the better fibres. Imports during the week totalled about 770 wagons, which is average for the time of the year.

I.J.M.A. STOCK FIGURES FOR OCTOBER

The Indian Jute Mills Association reports the total stocks of jute goods at the end of October, 1956 as follows:

Description	31st October, 1956 Lakh Yds. 000 Tons	30th September, 1956 Lakh Yds. 000 Tons	Increase over (+) or decrease from (-) last month Lakh Yds. 000 Tons	31st October, 1955 Lakh Yds. 000 Tons
Hessian Cloth & Bag	11.02	30.9	29.4 +66	11.29
Sacking Cloth & Bag	18.64	77.6	88.6 +114	29.7
Others		8.6	7.2 +1.4	29.0
Grand Total (000 Tons only)	116.7	125.2	-8.5	62.3

N.B. These figures are based on replies received and represent all members of the Association and Gagalbhai with estimates for three non-member mills.

I.J.M.A. PRODUCTION FIGURES FOR OCTOBER

The Indian Jute Mills Association reports the total production of jute goods for October, 1956, as follows:

Description	Quantity
1. Gunny Bags	
(a) Hessian	4,752 tons 1,401 lakh yds. 83.0 lakh Nos.
(b) Sacking	39,522 tons 9,273 lakh yds. 4,038 lakh Nos.
2. Gunny Cloth	
(a) Hessian	29,992 tons 11,166 lakh yds.
(b) Sacking	947 tons 22.6 lakh yds.
3. Other manufactures	5,139 tons
4. Total production (above figures combined)	
(a) All kinds	80,352 tons
(b) Hessian (both bags and cloth)	13,107 lakh yds.
(c) Sacking (" ")	9,499 " "

	Summary	(00,000 yds)	(000 Tons)
	Oct., 1956	Sept., 1956	Oct., 1955
Hessian	13.17	13.37	11.66
Sacking	9.50	10.47	10.36
Others			
	5.2	5.2	4.6
Grand Total	80.4	84.5	78.8
Hours Worked	203.5	197.5	189.0

N.B.—These statistics are based on replies received and represent all members of the Association and Gagalbhai with estimates for three non-member mills.

GUNNY SHIPMENT STATISTICS

The following figures include coastal shipment relating to manufactured jute goods for shipment from the port of Calcutta. These are gross figures based on shipping bills presented.

	Hessian Bags (Tons)	Cloth (Tons)	Total (Tons)
1st to 5th November, 1956	936.3	10,689.5	11,625.8
1st to 5th October, 1956	1,126.7	15,358.7	16,485.4
1st to 5th September, 1956	571.2	8,695.3	9,266.5
	Sacking		
1st to 5th November, 1956	12,213.3	97.0	12,310.3
1st to 5th October, 1956	15,402.0	721.7	16,123.7
1st to 5th September, 1956	7,304.2	224.9	7,529.1

THE FOREIGN JUTE MARKETS

SOFTER UNDERTONE IN FIBRE

(FROM OUR DUNDEE CORRESPONDENT)

THE tone of the raw jute market has become definitely softer, and buyers are inclined to look for lower prices. The prevalence of secured parcels, with holders wishing to take their profits, is making the position very irregular and the real state of the market is obscured. Offers are at most times not very freely made, though in general there are a good deal more than a week or two ago. Spinners are not keen to operate, even at the lowest quoted rates, but when there is anything available afloat or on spot, they are interested. Claims by sellers under Clause 3, for inability to ship, have been made for jute that should have been shipped in September. There are quite a number of these, and also some for October. The material has not even left Pakistan yet, and the bulk of it has been bought at round about the minimum prices which prevailed in the early days of the current season. Mill Firsts are nominal at £118 a ton (£27 above the minimum), with Mill Lightnings from £98 and Mill Hearts at £94, against the minima of £81 and £71 respectively, c.i.f. U.K. or Continent. Business has lately been done in Lightnings at £103 and Hearts at £99, afloat near at hand. The dark jute has gone firmer recently and good marks of Daissee-2/3 are quoted at £99 and grade at £95, with grade Tossa-2/3 at £108 and fours from £98, after business done a week ago in Tossa at £110 and £100 respectively, c.i.f. November-December.

Spinners are practically filled with orders for jute yarns for delivery this year in most quantities, and prices rule very firm. The better qualities, such as JC2R, JCC, JCR, JCT and the finer qualities of rove have all been raised by about £5 a ton since 5th November, and sacking weft, which was not raised on 31st October along with other common yarns, was also advanced to the same extent.



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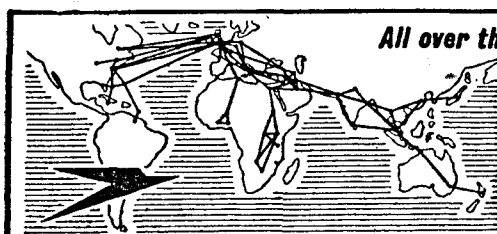


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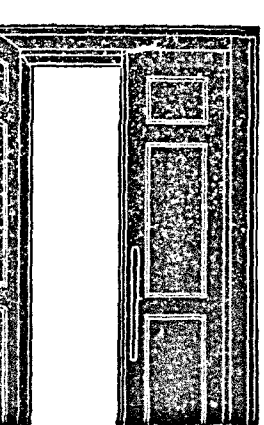
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JOINT STOCK COMPANIES PREFERENCE SHARES

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Year of Issue	NAMES	Amount Issued in 000's	Rate per Share	Paid-up per Share	Market Quotations 14-11-56	Year Issue	NAMES	Amount Issued in 000's	Rate per Share	Paid-up per Share	Market Quotations 14-11-56
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
BANK.											
1901	Allahabad Bank (May Nov.)	15.00	6	100	113	135	Birds Investments (Dec.)	24.00	51T	100	70 1/2
COAL.											
1905	Bengal Nagpur (Feb. Aug.)	11.25	7	100	105	118	Bombay Steam Navigation (July)	15.00	5T	250	15
1896-97	Borra (June Dec.)	4.00	6 1/2	100	103	119	Britannia Biscuit (Feb. Aug.)	15	8	10	15 1/2
1901-02	Burrakur (June Dec.)	22.98	7	100	109	126	British Ceylon Corporation (14) (Apr. Mar.)	15	8	10	15 1/2
1946	Burrakur (June Dec.)	4.50	6T	100	8 1/2	84	British India Corporation (Feb.)	81.00	8	100	123
1895	Equitable (May Nov.)	4.00	6	100	104	117	Burn Eng (1st & 2nd) (Feb. Aug.)	13.00	7	100	137
1931	Khas Kaimar (Mar. Sept.)	1.93	5	10	5	2	Burn Engineering (Feb. Aug.)	15.00	6	100	114
1931	New Beerboom (Jan. July)	2.00	7	10	12	131	Calcutta Electric Supply (Mar. Sept.)	1,900.00	5	10	10 1/2
1898-99	Ondal (June Dec.)	2.00	6 1/2	100	110	115	Calcutta Silks Manufacturing (July Jan.)	2.00	10	55	60
COTTON MILLS.											
1936	Ahmedabad Advance (Apr. Oct.)	10.00	5	100	110	110	Calcutta Tramways (Oct. July)	2,250.00	5T	21	81
1894	Bangalore (Jan. July)	6.00	6	100	125	128 1/2	Carew & Co (January)	8.00	6 1/2	100	105
1938	Basanti (Oct.)	5.00	6 1/2	100	8	8	Cawnpore Sugar Works (Feb. Aug.)	10.00	8	100	127
1938	Bengal-Nagpur (Apr. Oct.)	3.00	7	100	99	116	Chrestien Mica Industries Ltd.	30.00	51T	100	57 1/2
1900	Bowreah "A" (Apr. Oct.)	6.00	8	100	140	135	Dacca Electric Supply (July)	6.00	6	10	10
1900	Bowreah "B" (Jan. Apr. Oct.)	6.00	7	100	140	135	Dalmia Cement (Bharat)	3,500.00	6	100	101
1913	Buckingham & Carnatic (Jan. July)	21.30	7 1/2	100	144	133 1/2	Delhi Flour Mills (Oct.)	19.45	6	100	101
1928	Cambodia (July)	1.00	7	100	122 1/2	125	Deshgargh Power Supply "A" (Jan.)	16.00	5	100	102
1912	Central India (Apr. Oct.)	50.00	5	500	531 1/2	531 1/2	Deshgargh Power Supply "B" (Jan.)	12.00	4 1/2	100	93
	Delhi Cloth & General (Oct.)	20.00	4 1/2	25	20	20	Duncan Brothers & Co. Ltd.	45.00	4	100	61 1/2
1912	Elgin (May Nov.)	11.00	8	100	135 1/2	143 1/2	Dunlop Rubber "First" (Jan. July)	30.00	6	100	124
1943	Elgin "B"	4.20	5	10	91	92	Dunlop Rubber "Second" (Apr.)	40.00	6T	100	93 1/2
1919	Elphinstone (May Nov.)	25.00	7T	100	87 1/2	87 1/2	East India Distilleries (Jan. July)	2,200	7	100	17 1/2
1919	Kesaram (June Dec.)	20.00	7	100	130	133	Eastern Investments Ltd (Apr.)	2,500	5T	100	10
1925	Khatu Mankaji (Nov.)	12.00	6	100	88	88	General Investment & Trust (Feb. Aug.)	1.00	5T	100	75
1931	Kothari (Nov.)	12.00	6	100	91 1/2	91 1/2	Gillanders Arbuthnot (Apr. Oct.)	2,500	5T	100	55
1909	Muir (Feb. Aug.)	3.00	5 1/2	200	185	185	Gladstone Lyall & Co. Ltd.	15.00	6T	100	66
1913	New Great Eastern (Mar.)	26.05	6 1/2	5	5 1/2	31	Gudrey Phillips India Ltd.	30.00	5 1/2T	100	68 1/2
1920	New Victoria (Apr. Oct.)	2.00	7	50	58 1/2	58 1/2	Gwallior Sugar (Redeemable) (Dec.)	6.75	7	100	68
1933	Palani Andavar (Mar.)	15.00	5	100	115	115	Gwallior Sugar (Dec.)	5.00	7	100	65 1/2
1935	Swadeshi (Bombay) (May)	35.00	6	100	113	113	Humayun Properties Ltd. (Nov.)	12.00	6	10	9 1/2
1927	Swadeshi (Cawnpore) (Mar.)	3.00	6 1/2	100	113	113	Indian Aluminium (Mar. Sept.)	40.00	5T	100	83 1/2
1931	Vasanta (Apr. Oct.)	16.00	7	500	550	550	Indo Burma Petroleum (Jan. July)	50.00	7T	100	105
1908	Vishnu (Apr.)	16.00	7	500	550	550	Indian General Navy & Railways	2,244	6	100	85
JUTE MILLS.											
1927	Agarpara (Jan. July)	10.00	7	100	104	116	Indian Cable Co. (Nov.)	12.88	6	100	33 1/2
1905	Alexandra (Feb. Aug.)	9.00	7	100	97 1/2	97 1/2	Indian Standard Wagon (Aug. or Sept.)	1,968	7	100	124
1896	Alliance (Mar. Sept.)	15.00	6	100	97	102	Indian Iron & Steel	2,635	5	100	104 1/2
1917	Anglo-India (Jan. July)	40.00	7	100	120 1/2	120 1/2	Investment and Finance (Feb. Aug.)	2.00	5	100	75
1908	Auckland (July Jan.)	10.00	5 1/2	100	80	96	Investment and Finance (Feb. Aug.)	2.00	6T	100	65
1945	Auckland (July Jan.)	15.00	4 1/2	100	62	76	James Wright (Jan. July)	1.30	6	50	41
1918	Bally (Jan. July)	20.00	7	100	105	115	Jardine Henderson Ltd.	50.00	5 1/2T	100	61
1896	Barnagore (Oct. Dec.)	7.00	5T	100	41	41	Jessop & Co.	10.00	5	100	101
1906	Belvedere (Jan. July)	7.00	7	100	111	125	Jupiter General Insurance (Sept.)	4.99	6 1/2	10	10
1840	Bengal (June Dec.)	10.00	5 1/2	100	79 1/2	85	Kumardhubi Engineering (June)	12.00	5	100	98
1919	Birla (June Dec.)	23.64	7 1/2	100	105	115	Do Fireclay & Silica (June)	2.00	7	100	116
1896	Budze Budze (May Nov.)	9.00	7	100	111	120	Martin Burn Ltd.	30.00	5	100	101
1934	Calcutta (Jan. July)	6.00	6 1/2	100	109	118	McLeod & Co.	10.00	5T	100	69
1919	Caledonian (June Dec.)	7.00	7	100	111	118	McLeod & Co.	10.00	5T	100	69
1919	Cheviot (June Dec.)	5.00	7	100	108	118	Mettur Chemical & Industrial (Sept.)	20.00	6	100	99
1928	Chitavalah (Mar. Dec.)	7.00	7	100	108	118	Metal Box Co. of India Ltd.	30.00	6T	100	96
1900	Clive (First) (May Dec.)	8.00	6	100	86 1/2	92	Midnapore Zemindary (Feb.)	8.75	5	100	92
1905	Clive "A" (Second) (May Dec.)	8.00	7	100	98	105	Mysore Chemical Mfg. (Sept.)	2.00	5	10	9 1/2
1903-12	Dalhousie (July Jan.)	15.00	7	100	97	115 1/2	National Insulated Cable	10.00	5 1/2	100	103 1/2
1897	Delta (June Dec.)	5.00	5	100	105	94	National Tobacco (Jan. Dec.)	25.00	5	100	74
1912	Empire (Jan. July)	10.00	7	100	108	120 1/2	National Tobacco (Jan. Dec.)	25.00	4 1/2	100	67 1/2
1899-98	Fort Gloster (Jan. July)	14.00	7	100	115	88	Northern India Oil (Jan. July)	2.00	6	100	48
1948	Fort Gloster (2nd)	7.00	5	100	111	125	Poona Electric Supply Co. Ltd. (June Dec.)	4.00	7	100	103 1/2
1911	Fort William (May Nov.)	10.00	7	100	101	128 1/2	Premier Construction "First" (Apr.)	15.00	6 1/2T	100	99 1/2
1916	Ganges (June Dec.)	26.50	8	100	87 1/2	105	Purtapore (Sugar) (Oct.)	6.00	10	10	16 1/2
1895-04	Gouropore (June Dec.)	25.00	6	100	95	107 1/2	Ramnagar Cane & Sugar (Aug.)	4.00	6	100	100 1/2
1913	Hastings (Aug. Feb.)	11.00	10	10	13 1/2	14 1/2	Rohas Industries (April)	20.00	7	100	127
1890	Howrah (Jan. July)	8.75	7	100	107	123	Rohas Industries "B" (Apr.)	8.00	4 1/2	100	65 1/2
1903-98	Howrah "A" (Jan. July)	17.50	7	100	108 1/2	117 1/2	Shaw Wallace & Co. Ltd.	75.00	6T	100	79 1/2
1919	Hukumchand (June Dec.)	16.00	7	100	91	100	Shree Gopal Paper	7.50	6	100	119 1/2
1900	Kamarhaty (Apr. Oct.)	10.00	6	100	87 1/2	106	Shree Krishna Gyanodaya Sugar "A" (Oct.)	6.00	6	100	101
1900	Kankarabhat (Apr. Oct.)	10.00	6	100	87 1/2	106	Shree Krishna Gyanodaya Sugar "B"	12.00	5	100	75
1935	Kedarnath (Jan. July)	2.00	7	100	95	95	Smith Street (Chemists) (Nov.)	5.00	10	50	70
1907	Kelvin (Mar. Sept.)	10.00	7	100	108	120	South Behar Sugar (Oct.)	28.56	5 1/2	100	161 1/2
1895-09	Khardah (May Nov.)	9.00	6	100	99	116	Spencer & Co. "A" (Provisions) (Jan. July)	36.80	6 1/2T	100	101
1909-13	Kinnison (July Jan.)	15.00	7	100	100	116	Spencer & Co. "B" (Provisions) (Jan. July)	10.00	5	100	82
1912	Landowne (July Jan.)	5.00	7	100	103	115	Star Paper (Apr. Oct.)	5.00	6 1/2	100	131
1906-07	Lawrence "A" (July Jan.)	10.00	5 1/2	100	106	119	Surat Electricity (Apr.)	5.00	6 1/2	100	131
1905	Naihati (July Jan.)	7.50	7	100	110	124	Tata Chemicals (Nov.)	60.00	5	100	117 1/2
1945	Naihati (July Jan.)	10.00	4 1/2	100	104	114	Tata Hydro Electric Power (Sept. Mar.)	89.28	7	100	121 1/2
1917	National (May Nov.)	5.00	7	100	97 1/2	104	Tata Iron & Steel (First) (Nov.)	75.00	6T	150	168 1/2
1939	Nellimaria (Apr. Oct.)	33.00	8	100	105 1/2	114	Tata Iron & Steel (Second) (May)	63.82	7 1/2T	100	115 1/2
1908-09	New Central (Jan. July)	15.00	5 1/2	100	79 1/2	93	Tata Power (May Nov.)	86.97	7 1/2	1,275	1,275
1935	Rameshwara (Jan. July)	7.00	6	10	10	111	Tezpor-Balpara Tram (I) (June Dec.)	2.25	6	100	140
1906-12	Reliance (Jan. July)	20.00	7	100	104	112 1/2	Titagur Paper Mills (Mar. Sept.)	11.50	8	100	140
1901	Sammugger (Feb. Aug.)	11.70	8	100	97	108	Titagur Paper Mills "2nd"	15.00	4 1/2	100	89
1928	Shree Ambica (Mar. Sept.)	7.00	7 1/2	100	104	113	Vellore Electric (Sept. Mar.)	1.25	6	10	8
1895-01	Soorah (Feb. Aug.)	9.00	6	100	104	103	Vizagapatam Electric Supply (July)	1.00	6 1/2	100	82 1/2
1897	Titagur (Feb. Aug.)	15.00	6	100	104	113	TEA				
1901-02	Union (July Jan.)	6.00	7	100	104	113	Amlukie (May Nov.)	75	7	100	465
1898	Victoria (Feb. Aug.)	15.00	6	100	104	113	Banarhat (Jan.)	4.00	6 1/2	100	124
1918	Waverley (Mar. Sept.)	750	5	50	49	59 1/2	Birpara (Jan.)	1.00	8	100	120
MISCELLANEOUS.											
1938	Alkali & Chemical (Mar. Sept.)	31.00	5	100	101	109 1/2	Brooke Bond Estate India Ltd.	35.00	6T	100	83 1/2
1946	Aluminium Corp. (Oct.)	20.00	6	100	101	104	Choonabhatti (Jan.)	2.00	6 1/2	100	125
1944	Aluminium Corp. (Oct.)	6.25	5 1/2	100	106	106	Dimakusi (June Dec.)	119	8	10	3 1/2
1946	Amalg. Elec. (Belgaum) (Oct.)	20.00	5 1/2	100	106	106	Ghile (Sept.)	2.00	6	100	87 1/2
1917	Anderson Wright (Dec.)	49.34	7T	1,000	1,200	1,200	Hantapara (Jan.)	50	8	100	140
1919	Andhra Valley Power (May Nov.)	1.30	7	10	72	72	Hasimara (Mar.)	3.00	7	100	128
1916	Asst. Hotels of India (Mar. Sept.)	21.67	7T	100	101	109 1/2	Kingsley Golaghat (Dec.)	2.40	6	100	108
1895	Bengal Assam Steamship (Nov.)	3.00	7	60	82	82	Moheema (May Nov.)	3.20	6 1/2	100	125
1899	Bengal Chemical (Aug.)	2.00	7 1/2	100	80	80	New Samarabath (Nov.)	2.00	6 1/2	100	125
1899	Bengal Paper Mill (Mar. Sept.)	4.00	7	100	135 1/2	138	Nigiri Neerungundi (Jan. July)	1.50	7	75	75 1/2
1897	Bengal Paper Mill "A" (Mar. Sept.)	3.00	8	100	135 1/2	138	Okayti (Dec.)	50	8	100	95
1897	Bengal Timber Trading (Oct.)	5.00	8T	100	135 1/2	138	Pathemara	75	8	100	101
1936	Bharat Sugar Mill (Dec.)	3.00	5T	100	135 1/2	138	Patrakola (May Nov.)	12.00	6	100	105 1

COAL COMPANIES

O. Pa. F. and Dd. indicate Ordinary Preferred Ordinary Founders' and Deferred shares respectively. P. next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Number of Spindles	Net Block Account	Reserve & other Funds	Cash & Securities	NAMES	Accounts closed	Net Profit including taxation	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until
Ra.		Ra.	Ra.	Ra.			Ra.	Ra.	1954 1955 1956	Ra.	14-11-56 7-11-56 A year ago
25,50,000	26,43,478	24,50,000	6,60,570		Amalgamated	3-9	6,83,393	26,953	31-5 61-71	10	221 221 231
1,00,00,000	1,96,15,288	1,40,49,223	18,65,659		Bengal P	4-10	2,18,986	7,31,563	71-71 91-81	200	503 503 514
4,49,350	3,08,193	70,000	2,24,303		Bengal Bhatdee	6-12	15,149	4,951	11-11	10	61 61 61
2,25,000	2,48,198	5,30,654	3,64,478		Bengal Nagpur P	6-12	50,568	1,07,984	Nil-Nil Nil-Nil	10	16 16 101
15,97,000	14,18,665	6,91,475	13,52,078		Bhaigora	9	13,899	39,978	61	10	61 61 51
40,00,000	68,91,474	20,23,235	32,65,300		Bharat Collieries P	6-12	2,52,221	27,433	61	10	71 71 81
7,15,000	15,63,291	14,29,045	68,704		Bhulanbarare	6-12	20,810	1,87,446	Nil-Nil Nil-Nil	10	121 121 141
16,00,000	38,87,275	16,18,636	7,185		Bokaro & Ramgur	6-12	1,21,936	79,196	10-10 10-10	10	14 14 151
7,50,000	18,56,889	24,29,026	11,60,066		Boree P	6-12	21,682	84,207	10-10 10-10	10	241 241 241
90,92,480	2,38,29,968	17,57,102	25,32,133		Burrkur P	6-12	11,90,330	1,15,376	21-31 21-31	10	171 161 151
49,97,000	34,53,430	750	3,65,990		Central India	3	2,45,758	9,927	21	10	61 71 8
8,00,000	16,67,573	13,30,519	15,752		Central Kurkend P	6-12	82,768	2,129	11-11	10	121 121 101
6,00,000	1,43,676	1,43,676	7,32,536		Churulia	6-12	6,374	2,129	11-11	10	21 21 31
16,00,000	24,00,428	Nil	50,309		Dhenc Main	6-12	60,039	1,83,318	Nil-Nil Nil-Nil	10	71 8 8
2,40,000	Nil	2,39,653	2,39,653		East Indian	4	2,39,653	2,39,653	221	21	31 31 31
29,63,762	1,15,55,712	63,55,049	24,17,590		Equitable P	6-12	8,87,453	82,379	71-71 71-71	10	15 15 301
10,00,000	4,74,708	2,97,486	3,32,871		Ghusick & Muslia	6-12	12,978	24,844	71-71	10	15 15 15
6,00,000	5,08,856	3,31,155	4,95,444		Juzdar Kajora	6-12	2,415	2,401	71-71	10	21 21 41
8,00,000	3,17,780	7,25,000	7,92,425		Hurridadi	6-12	2,70,524	45,985	71-10 121-121	10	231 231 231
3,50,000	6,31,200	5,66,816	1,407		Kalapahar	2-8	1,38,130	2,21,237	Nil-Nil Nil-10	10	201 201 201
45,00,000	31,71,936	24,32,396	25,61,314		Karanpura Development	6-12	49,116	17,839	Nil-Nil Nil-10	100	181 19 211
20,00,000	24,60,896	1,77,173	26,967		Karanpura Collieries P	2	2,26,982	6,965	Nil-10 21	5	119 119 120
5,00,000	10,29,548	16,00,000	11,25,332		Katras Jheriah	1-7	5,92,347	1,33,475	28-28 25-30	35	62 62 561
1,38,400	6,75,000	95,000	11,80,294		Khas Kajora P	6-12	49,776	1,918	28-28	10	91 91 91
5,65,750	10,84,977	85,000	9,590		Mundulpur	6-12	79,868	79,868	Nil-10	10	21 21 31
7,48,240	2,62,442	1,50,000	5,04,429		Nazira	12	82,501	25,598	Nil-10	10	71 71 71
7,00,000	5,11,418	26,617	61,641		New Bansdeopur	3-9	6,91,111	6,071	31-71 71-71	10	10 10 101
17,76,220	11,15,781	20,01,763	3,78,338		New Beerbhoom P	4-10	2,64,716	94,383	31-31 31-5	10	151 191 191
6,00,000	10,447	75,000	40,447		New Manbhoom	3-9	25,330	2,233	Nil-Nil Nil-Nil	10	111 111 101
2,50,000	7,69,623	1,75,500	10,12,916		North Damuda	1-7	7,954	32,184	Nil-10	21	21 21 21
1,15,000	4,42,488	2,85,193	1,53,246		North West	3-9	51,420	15,950	Nil-Nil 61	71-71	10 19 19 221
7,50,000	1,20,000	12,19,987	23,26,757		Ondal P	6-12	22,197	56,646	5-5 5-5	10	151 151 181
8,34,000	9,21,342	10,862	4,36,015		Parasea P	6-12	1,08,075	8,018	31-31 31-31	10	141 141 121
15,75,000	12,40,000	16,00,000	12,21,654		Pench Valley	3-9	4,18,450	33,343	61-71 71-71	10	201 201 21
2,50,000	2,62,405	7,500	11,536		Pure Sitalpur	6-12	2,008	18,581	Nil-10	10	6 6 61
23,99,500	37,99,038	19,17,105	39,198		Raneegunge	3-9	1,83,814	16,846	21-21 21-21	10	131 131 101
13,50,000	7,93,001	9,23,585	14,29,643		Rewa	6-12	4,96,775	26,029	71-61 81-121	10	231 231 191
20,00,000	23,74,251	7,52,027	1,01,427		Samla	12	1,80,660	31,543	71	10	14 14 12
2,50,000	1,56,194	1,34,374	11,356		Searsale	1	88,009	11,078	25 30	15	21 7 151
2,80,000	10,92,193	8,26,598	7,87,726		Seebpore P.	6-12	2,42,112	49,299	1421-1421 17-17	7	291 291 291
8,00,000	3,23,629	6,32,757	7,503		Sendra	6-12	4,098	7,503	Nil-11 11-11	10	111 111 111
17,50,000	22,81,985	10,75,016	63,654		South Karanpura	2-8	59,079	51,533	Nil-11 11-11	10	81 81 111
8,00,000	1,43,000	1,59,335	21,89,690		Standard	6-12	47,444	17,347	71-71 5-5	10	231 231 201
10,00,000	15,58,085	15,075	3,910		Talcher	9	22,689	3,85,056	Nil	21	21 31 31
3,50,000	4,66,000	3,53,000	8,176		Union	6-12	4,033	44,167	21-21 21-21	10	141 141 141
49,98,000	33,06,550	50,000	2,17,164		Western Bengal	3	4,09,468	7,262	31	10	61 61 71
7,00,000	32,65,173	21,569	61,460		West Jamuria	6-12	19	1,46,690	Nil-Nil Nil-Nil	5	10 11 11

N = Nominal

COTTON MILLS

Paid-up Capital Ordinary	Number of		Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent			Paid-up per Shares	Latest Market Quotations as available until		
	Spindles	Looms									Ra.	Ra.	Ra.		1953	1954	1955
Ra.			Ra.	Ra.	Ra.				Ra.	Ra.				Ra.	Ra.	Ra.	
15,00,000	14,108	356	14,62,919	1,73,478	11,90,008	Basanti P	12	49	1,97,268	41,227	21	10	61	61	61	61	
32,72,340	22,197	505	27,69,676	23,18,909	24,551	Benares P	3-9	120	1,27,187	4,79,347	10	10	11	11	11	11	
7,11,280	36,000	932	17,17,120	2,20,369	30,842	Bengal Luxmi	3	27	3,66,176	47,818	10	40	40	40	36	36	
27,00,000	31,476	624	23,53,000	15,50,000	3,84,224	Bengal Nagpur P	6-12	236	5,23,389	18,199	21	Nil	Nil	10	91	91	
15,00,000	38,764	992	31,35,500	1,09,84,251	21,32,642	Birla Cotton	3	22	5,28,332	4,25,221	30	30	30	30	30	95	
6,00,000	42,872	641	37,54,142	22,72,588	1,44,948	Bowen P	6-12	138	84,028	23,47,373	Nil-111	Nil-111	Nil-111	100	139	150	
3,00,000	22,000	610	8,43,453	29,51,420	1,00,393	Cawnpore Textiles	3	25	6,73,253	36,767	111	10	Nil-5	5	9	9	
4,27,02,900	1,01,808	2,762	9,94,63,168	2,74,48,393	2,94,83,803	Delhi Cloth & Genl. P.	6	238	1,81,41,278	62,759	9	9	9	25	401	381	
1,00,563	49,414	519	84,12,181	25,71,925	1,53,884	Dunbar	6-12	138	9,92,376	1,37,951	Nil-111	Nil-111	Nil-21	100	274	274	
19,00,000	54,000	1,290	22,44,751	68,33,360	43,06,983	Elgin P	9	25	32,80,464	93,386	15	10	10	10	291	291	
3,00,000	59,250	1,872	2,38,99,575	1,60,53,952	47,29,368	Kescom P	3	22	37,41,719	2,45,435	111	81	81	20	161	161	
33,96,288	35,864	864	17,48,143	19,67,679	74,08,655	Mohini P	12	45	9,53,316	5,158	10	10	10	25	10	10	
30,00,000	88,000	1,825	47,44,546	52,19,601	92,65,055	Muir P	12	208	18,77,941	7,77,290	10	10	10	85	85	118	
22,89,822	78,848	1,367	43,25,577	26,00,968	1,45,701	New Victoria P	12	237	18,83,371	13,76,473	Nil	10	10	210	21	111	
3,07,095	23,196	795	22,57,946	18,38,739	2,02,178	Rampooria Cotton	6	4	6,16,936	1,094	61	10	10	151	151	12	
19,47,750	23,196	795	22,57,946	18,38,739	2,02,178	Rampooria Cotton	6	4	6,16,936	1,094	61	10	10	151	151	12	
5,00,000	1,14,836	2,077	2,83,77,688	2,65,04,931	32,30,412	Swadeshi (Cawnpore) P	12	333	43,71,838	7,09,029	71	71	71	100	121	121	
1,57,50,000	1,14,836	2,077	2,83,77,688	2,65,04,931	32,30,412	Swadeshi (Cawnpore) P	12	333	43,71,838	7,09,029	71	71	71	100	121	121	
40,50,000	48,754	1,310	91,31,708	1,89,73,217	43,89,979	Bangalore W. C. Silk P	12	26	56,34,938	2,38,649	25	30	30	100	505	565	
1,78,47,800	1,20,012	2,770	3,20,71,600	1,87,39,278	23,80,514	Buxingham Carnatic P	12	46	1,01,66,075	2,38,445	10	10	10	100	1951	195	
20,00,000	28,000	100	18,00,003	20,32,074	11,26,239	Cambodia P	12	210	1,96,274	27,593	71	Nil	5	10	141	183	
12,00,000	23,864	100	6,41,058	9,00,000	38,53,302	Coimbatore Cotton	12	188	5,53,750	61,404	10	10	10	392	392	338	
20,76,000	72,832	407	47,91,212	7,98,581	22,227	Coimbatore Spg & Wvg	6	46	7,52,342	10,23,340	Nil	10	10	50	90	93	
6,50,000	50,640	295	12,25,505	17,90,000	58,77,434	Kaleswarar	12	139	2,05,780	7,677	10	10	10	335	335	290	
24,00,000	30,512	200	32,38,868	16,23,000	1,43,757	Kothari Textile P	6	141	3,23,924	29,382	10	10	10	171	171	181	
23,64,000	48,756	100	15,01,051	21,70,200	78,350	Lakshmi	12	186	31,41,248	2,208	10	10	10	258	258	172	
1,75,02,480	4,65,224	100	2,15,02,107	4,13,81,878	31,04,891	Madura	12	108	77,86,509	18,86,813	20	20	20	15	481	481	
12,00,000	21,856	100	4,43,189	6,86,363	10,32,898	Malabar Spg & Wvg	12	240	1,85,193	78,039	20	20	20	300	113	112	
60,00,000	24,252	603	29,49,893	69,00,000	1,19,91,155	Mettur Industries	3	29	48,44,863	45,835	221	35	421	100	441	4071	
13,61,780	5,000	100	14,15,992	8,90,279	1,34,663	Mysore Spun Silk	3	142	1,753	3,986	Nil	Nil	10	61	61	31	
4,00,000	20,137	Nil	8,36,608	5,00,000	24,24,908	Palani Andavar P	12	30	7,39,437	2,687	10	10	10	50	172	172	
7,78,700	15,540	416	5,42,118	2,43,421	2,65,911	Sitaram Spg & Wvg	3	164	87,724	3,083	10	10	10	60	60	60	
7,00,000	28,104	270	12,98,653	18,23,501	11,71,924	Vasanta P	12	47	16,37,459	1,000	10	10	10	100	340	340	

Liquid Assets

BOMBAY COTTON MILLS

O. Pa. C. and Dd. indicate Ordinary Preferred Ordinary Contributory and Deferred Shares respectively. P. next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Number of		Net Block Account	Reserve & other Funds	Cash & Securities	NAMES OF MILLS	Accounts closed	Net Profit including taxation	Carry forward	Dividends per cent			Paid-up per share	Latest Market Quotations as available until			
	Spindles	Looms								1952	1954	1955		13-11-56	6-11-56	A year ago	
Ra.			Ra.	Ra.	Ra.			Ra.	Ra.			Ra.	Ra.	Ra.			
33,00,000	48,652	1,016	78,85,647	23,92,600	13,11,543	Ahmedabad Advance P	6	269	2,94,748	4,408	10	5	2	100	200	200	157½
50,00,000	48,254	896	20,17,010	9,99,960	10,78,490	Apollo	12	229	1,49,510	-2,24,868	NIL	NIL		2	2½	2 53/64	3½
40,00,000	41,135	980	56,44,089	24,00,000	10,33,977	Benarilal Ramcharan	8	350	-4,14,858	45,646	NIL				54½	54½	54½
2,50,98,000	2,03,942	4,911	1,92,50,620	6,29,32,051	3,63,58,662	Bombay Dyeing etc	12	199	54,80,358	73,129	9	8	10	252	698½	963	802½
1,00,00,000	48,352	848	5,48,718	25,25,750	71,44,104	Bredbury P.	3	262	11,48,339	90,935				50	200	200	204½
1,09,42,800	23,848	496	26,33,370	5,00,000	58,709	Breach Fine Counts	3	43	13,78,997	11,67,692				250			
1,00,42,800	1,18,296	2,760	84,77,147	2,63,96,826	42,99,545	Century Pines	12	22	30,99,708	6,34,956	22	22	22	100	542	553	580½
46,87,500	1,15,188	2,062	91,53,966	56,73,074	27,90,251	Central India P.	6	269	39,632	4,703	5	2	3	100	131	1393	158½
49,00,000	44,592	694	47,63,561	1,00,56,566	58,070	Coisals Land & MID	12	344	-12,85,292	33,98,439	NIL			100	992	993	802½
26,00,000	24,916	719	37,34,829	32,52,434	1,01,655	Cooria	1	58	7,46,029					100	118½	118½	118½
16,00,000	43,512		13,26,202	26,53,597	18,49,367	Dawp	12	262	2,92,556	1,07,563	7½			50	91	91	90½
34,00,000	49,164	920	8,87,007	27,75,000	26,87,929	Edward Textiles	12	260	9,18,679	30,168	7½	7½		200	325	325	265½
25,00,000	33,848	782	24,22,107	1,00,000	33,29,431	Elphinstone P.	12	59	19,96,991	49,379				50	50	50	42
45,00,000	46,072	784	22,83,294	28,21,476	43,47,258	Finlay	12	341	61,75,097	55,082				100	333½	341	310
39,04,700	77,966		19,78,309	43,37,706	23,64,706	Gopak	12	18	12,45,522	55,195				100	238	241½	299
12,00,000	11,672	1,387	61,31,596	2,48,297	52,00,000	Hine Mills Ltd. P.	6	156	5,20,791	1,801	4½			10			
35,00,000	40,856	1,116	64,14,395	68,13,239	10,75,932	Hindustan	3	305	4,27,954	5,195				1,000	3,825	3,825	3,825
2,00,00,000	2,48,870	6,498	4,41,45,022	3,84,70,706	31,82,629	India United	12	15	1,32,22,197	5,89,816				10	12½	12½	14½
60,00,00,000 Dd.														1 Dd	2 3/4	2 3/4	2½
9,00,000	47,824	1,202	75,60,490	61,57,161	4,26,274	Indian	6	305		17,407				1,000	3,830	3,830	3,830
50,00,000	50,074	1,426	48,58,928	57,98,513	--	Indore Malwa United	12	103		42,081				100	95	95	95
6,68,000	22,664	459	6,64,300	48,64,818	28,76,437	Khandesh	12	122	1,96,715	63,148	6			1,000	--	--	--
94,000														250	--	--	--
29,92,500	65,260	1,514	50,33,012	49,54,660	24,68,047	Khatrau Makanji P.	6	149	4,92,850	22,865	10	--		100	227	227	211½
1,00,00,000	1,11,456	1,846	88,73,299	1,34,00,000	8,16,145	Khinooor	12	146	31,21,795	33,990	20	18	18	100	340	349	361
32,50,000	51,972	1,213	35,78,446	77,40,640	9,87,456	Lakshmi P.	12	44	13,97,807	14,744	15	17	17	250	650	650	550
29,99,700	36,416	551	39,80,598	19,58,091	12,15,175	Minerva	12	126	1,98,449	16,589	1	6	10	--	--	--	--
94,91,850	52,408	1,020	74,24,442	75,31,527	9,17,444	Model Mills Nagpur	6	78	4,77,626	27,241	3	--	--	250	189½	189½	167½
51,75,000	50,560	1,665	53,42,444	32,62,000	67,594	Morarjee Goculdas	6	104	12,50,550	26,751	12	14	14	100	260	260	255
24,83,500	48,794	600	49,73,635	50,54,445	30,78,517	Mysoore Spg & Mfg P	3	261	49,43,379	19,401	20	17	12-18*	50	108	107½	112½
24,00,000	45,944	432	23,52,760	7,45,700	10,79,000	New City of Bombay	12	42	15,67,153	8,456	--	--	--	100	140½	140½	140½
30,00,000	64,884	1,029	22,77,098	25,72,444	27,32,568	New Great Eastern P.	12	42	12,48,697	153	--	--	--	100	250	250	206
49,94,100	26,708	469	51,34,024	99,86,656	25,25,928	Jemanshabai	10	273	12,88,408	1,79,408	--	--	--	--	--	--	--
48,00,000	54,244	726	53,94,222	35,02,899	1,54,21,424	Phoenix	12	327	10,10,022	8,507	--	--	--	100	146½	149½	145
25,00,000	9,520	277	89,277	4,13,656	3,28,231	Sassoon & Alliance Silk	12	257	2,10,343	27,801	--	--	--	10	14½	14½	14½
25,00,000	60,240	1,288	47,75,324	49,94,477	45,94,677	Sassoon Spinning	12	359	22,21,695	10,145	12½			10	35	35	35
16,00,000	1,11,360	2,234	1,14,66,629	1,51,25,293	38,22,524	Sholapurc	4	183	24,07,965	1,95,119	--	--	--	1,000	1,800	1,800	2,220
42,00,000	34,840	1,276	15,08,540	49,02,108	98,69,2661	Simplex	3	56	18,98,596	35,839	80	--	--	50	196	201	2,202
69,00,000	66,068	1,640	33,20,221	59,06,251	18,63,897	Sree Nivas Cotton P.	12	327	20,80,610	1,53,662	--	--	--	100	211½	215	263½
1,00,00,000	55,940	2,000	1,23,42,650	94,75,000	36,68,595	Swadeshi P.	12	269	15,47,509	67,611	16	8	12	100	437½	454½	454½
24,00,000	45,556	528	45,36,446	56,58,670	12,46*	Swan	12	341						100	231½	437½	428½
32,78,938	63,248	1,800	1,10,89,972	57,21,006	17,34,476		12	269	8,25,350	43,485	6	10	16	25	53½	55	75
32,00,000	54,280	1,495	56,56,889	36,84,372	6,72,046	Vishnu P.	12	44	7,77,492	23,125	4	8		100	172½	172½	176½
12,00,000	45,556	1,308	62,07,441	12,11,933	31,81,227	Western India	3	305	52,10,985	8,027				1,000	161½ x d	3,875	3,875

MISCELLANEOUS COMPANIES

O., Po., C and Di indicate Ordinary Preferred Ordinary Contributory and Deferred Shares respectively. P. next to the name of the company indicates that the company also has Preference Shares. Figures in 'accounts closed' column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Stock Account	Reserve & Prer Funds & Profit & Losses & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent			Paid up share	Latest Market Quotations as available until		
									1950	1951	1952		14-11-56	7-11-56	A year ago
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.			Rs.	Rs.	Rs.	Rs.	
MININGS.															
22,369,796		£1,73,459	£2,534,298	Burma Mines Ltd.	12	153	£608	£304	Nil			3½	2½	2½	
30,000,000				Chrestien Mica Industries Ltd P	12	312	11,97,133	10,883	6½	7½	100	16½	16½	23½	
15,00,000	43,47,289	22,78,383	34,23,759	Consolidated Tin Mines	3	67	£10,533	£22,218	7½	7½	50	8½	8½	14	
£318,088	£238,420	£57,484	£112,683	Indian Copper Corporation	12	38	£1,299,804	£117,083	10	25	45	2½	2½	2½	
£914,200	£876,054	£1,853,056	£1,376,169	Metal Corpn P.	8	343	-2,39,779	-4,51,131	Nil	Nil	100	10½	10½	9½	
29,19,430	61,58,471	2,01,886	13,723	Orissa Minerals Development	6-12	21	4,40,034	1,18,835	20-20	10-10	10	22½	24½	25½	
2,63,673	23,37,496	35,58,897	32,52,617	Tavoy Tin Dredging	12	14	£9,059	-£19,119	Nil	Nil	25	2	2	2	
23,00,000	£445,323	£317,487	£234,026												
£375,000															
CEMENT LIME SLATE, ETC.															
43,14,600	41,51,412	21,43,429	29,84,072	Assam Bengal Cement	3	90	1,70,813	6,44,675			100	7½	7½	7½	
70,976	33,23,186	14,32,396	1,06,702	Bengal Potteries	12	155	8,02,009	12,631	6½	10	2½	3½	3½	3½	
31,70,655	25,13,276	26,53,750	4,80,720	Bisra Stone Lime	3-9	21	6,79,533	24,689	9½-5	9½-8½	100	14½	14½	15½	
10,00,000				Dalmia Cement (Bharat) P.	12	123	56,57,138	2,87,995	10	10	12½	3½	5½	4½	
60,00,000	62,91,311	98,26,915	2,11,38,275	Kumardhubi Fireclay & Silica P	12	21	6,05,311	49,404	15	15	10	17	17	13½	
26,50,000				Reliance Firebrick & Pottery	2-8	..	1,10,349	18,001	Nil-24	Nil-15	10	22	22	20	
5,00,000	77,49,749	72,13,923	2,14,327	Sona Valley Portland Cement	12	..	7,88,467	41,941	1½	1½	10	8½	9½	21	
15,00,000	6,00,000	59,84,174	22,45,000	Sutna Stone & Lime	6-12	3	69,589	652	5½-5½	5½-5½	5½-6½	10	16½	16½	
75,00,000	1,63,551	61,287	2,27,012												
3,22,560															
CHEMICAL INDUSTRIES															
62,00,000	1,50,41,342	42,71,273	69,549	Alkali & Chemical Corp of India	9	121	19,39,845	1,19,168	£	£	8	10	22½	22½	22½
40,00,000	21,81,251	15,000	61,675	Bathgate & Co Ltd P.	12	324	-3,54,305	-22,19,370	Nil	..	..	10	2½	2½	2½
11,45,800				Bengal Chemical & Pharm P.	4	245	14,18,430	11,70,500	6	6	6	100	103	105	110½
11,08,900A	56,08,902	43,35,000	1,49,08,740	Frank Ross P.	2	129	46,893	858	Nil	Nil	Nil	6	2½	2½	2½
22,54,700B				Smith Stanstreet P.	6	191	4,25,809	83,868	10	10	20	11	11	15½	15½
4,35,000	82,695	69,370	15,903												
5,00,000	4,29,261	10,45,949	2,27,193												
ELECTRIC LIGHTING POWERS.															
19,99,600	47,69,341	26,19,793	22,94,558	Agra Electric Supply	3-9	32	3,05,594	46,384	6-5	5-5	5-5	100	163	159	165
8,00,000	26,70,592	6,55,886	4,84,369	Bareilly Electric Supply	6-12	32	33,783	20,990	8½-5	5-5	5-5	10	14½	14½	19½
17,00,000	10,72,095	22,47,869	11,75,299	Benares Electric Light Power	5-12	32	5,94,018	38,507	8½-6½	6½-6½	6½-6½	10	18	18	19½
5,31,360	10,86,663	5,90,855	85,318	Bhagalpur Electric Supply	12	202	1,44,138	41,819	6	6	6	10	8½	8½	9½
£4,262,646	£18,097,213	£7,242,380	£593,368	Calcutta Electric Supply P.	12	90	£1,52,226	£136,163	Nil	6	6	£1	13½	13½	15½
6,60,040	17,88,439	5,34,904	93,184	Cuttack Electric Supply	12	202	1,24,836	26,455	Nil	8	8	10	9½	9½	9½
17,51,500	33,10,419	10,41,599	3,39,346	Dacca Electric Supply P.	12	202	3,89,244	12,706				10	4½	4½	12½
5,21,640	8,42,506	1,65,000	3,037	Jhansi Electric Supply	12	168	71,309		..	..	..	10	9½	9½	9½
22,49,550	42,94,132	14,91,996	6,31,532	Jubbulpore Electric Supply	3-9	32	2,14,454	27,527	5½-4	5½-4	5½-4	10	14½	14½	17½
4,95,000	5,44,854	2,51,058	1,13,323	Muzaffapur Electric Supply	12	202	58,676	27,739	5-5/8	5-5	5-5	10	9	9	9
5,82,390	17,12,129	1,78,813	83,660	Mozuffapur Electric Supply	12	202	73,159	-7,070	Nil	Nil	..	10	7½	7½	8½
6,99,700	5,43,057	77,521	3,48,185	Natra Electric Supply	6-9	329	30,021	2,295	3-3	3-3	3-3	10	9½	9½	6½
35,07,380	85,46,049	37,10,223	11,51,661	Patna Electric Supply	12	202	7,40,283	68,305	7½	7½	..	10	11½	11½	12½
3,00,000	2,87,192	92,919	2,24,719	Saugor Electric Supply	6-12	32	26,549	2,248	2½-2½	2½-2½	2½-2½	10	..	..	..
9,10,000	7,57,951	2,72,300	1,20,999	Shajahanpur Electric P.	9	202	65,624	14,394	5	5	5	10	8½	8½	7
16,80,000	27,99,605	5,36,596	3,38,039	Situa (Chorhata) Electric	12	21	3,29,874	44,269	7½	7½	..	10	11½	11½	12
56,00,000	£,62,42,470	35,82,369	13,28,419	United Provinces Electric	3-9	52	5,39,998	80,398	5-5	5-5	5-5	100	158	158	169
5,98,500	7,78,128	2,07,493	7,77,619	Upper Ganges Valley Elec.	6-12	32	93,211	8,097	11½-4½	11½-4½	11½-5	10	13½	13½	15½
4,97,500	9,83,503	4,45,371	6,17,317	Upper Jumna Valley Elec.	3-9	32	63,313	28,289	6½-6½	6½-6½	6½-6½	10	18	18	19½
ENGINEERING & METAL															
6,00,000	1,74,699	6,49,870	2,10,157	Arthur Butler (Mozuffapore) P	10	300	1,52,744	1,01,965	..	..	..	10	9½	9½	8½
50,00,000	51,62,373	1,15,307	1,17,153	Bhartia Electric Steel	12	31	11,67,212	3,95,940	7½	10	12½	10	17½	17½	16½
39,61,853	48,94,568	60,13,020	42,18,134	Braithwaite India	12	289	27,02,716	5,59,761	14-2-7½	16-1-14	25	29	29	29½	
12,00,000	11,00,577	20,99,831	2,31,294	Britannia Building & Iron P	6-12	24	6,16,247	1,51,297	7½-7½	7½-7½	7½-7½	10	38½	38½	33½
19,38,670	9,20,991	6,50,000	2,34,389	Britannia Building & Iron P	3	109	24,04,547	17,197	5	6	10	7½	7½	12½	12½
10,00,000	17,90,445	30,75,000	17,672	Britannia Engineering	12	165	1,37,822	1,36,319	15	15	..	10	16½	16½	22½
5,00,000	5,44,177	1,07,000	6,594	British India Electric Cons.	6-12	24	91,780	-5,26,929	Nil-1½	Nil-1½	Nil-1½	10	9½	9½	9½
84,00,000	£37,50,426	94,65,000	8,62,721	Burn P. (Engineering)	4	32	40,53,237	96,435	15	10	15	100	37½	37½	34½
12,50,000	20,64,770	22,00,000	45,733	Hooghly Docking	12	32	1,72,120	2,037	15	12½	12½	50	136	136	133
36,94,590	23,07,106	65,000	55,916	Indian Galvanizing	12	24	5,46,700	41,267	4	10	10	10	21	21	25½
5,18,37,080	15,50,80,810	9,24,19,311	2,60,33,538	Indian Iron & Steel P.	3	32	7,12,98,649	6,49,401	10	10	10	10	33	33½	41
3,85,000				Indian Malleable Casting	3	222	-26,954	-82,872	..	..	..	5C	7½	7½	6
19,49,250	30,46,716	47,33,987	13,61,471	Indian Standard Wagon P.	3	32	41,06,372	24,072	15	19	25-30	25	220	219½	162
26,580	35,69,979	27,13,122	1,64,34,729	Indian Steel & Wire Products	3	122	13,11,485	2,58,586	30	30	30	100	193	194	194
32,00,000	45,97,847	9,71,398	15,35,612	Jessop & Co P.	10	290	47,27,193	14,130	15	15	30	10	35½	36½	6½
51,00,000	54,15,822	13,42,118	1,56,283	Kumardhubi Engineering P.	11	21	6,23,372	2,14,225	16½	16½	16-2/3	8	9½	9½	12½
15,30,000															
10,50,000	4,44,410	21,29,546	7,20,534	Marshall Sons (India)	6	170	99,627	93,713	12½	12½	..	2	51	6½	7½
49,96,000	34,34,843	11,68,291	2,93,571	National Iron and Steel	3	192	4,98,383	3,99,513	..	..	..	10	8½	8½	8½
6,00,000	9,22,727	6,10,321	1,36,103	Saran Engineering	3	25	1,68,352	9,264	15½	12½	6½	10	7½	7½	10½
60,00,000	1,55,63,547	3,51,516	12,57,737	Textile Machinery	12	22	3,44,777	1,47,573	7½	10	..	10	22½	22	19½
SUGAR BREWERIES, ETC.															
14,00,000	10,57,296	15,41,237	1,34,061	Balrampur Sugar	6	25	1,73,882	20,880	Nil	1½	1½	5	6½	7½	11½
19,00,025	9,79,539	5,00,000	1,42,483	Belsund Sugar	9	127	1,38,925	49,906	10	10	..	7½	11½	11½	12½
15,00,000	4,67,681	13,00,000	20,40,455	Bharat Sugar P.	6	316	4,94,260	13,206	15	15	15	10	17	17	22
33,57,580	22,31,256	36,89,916	26,47,199	Buland	10	42	1,47,927	8,477	10	..	..	10	..	..	..
32,00,000	44,63,474	27,37,030	3,59,392	Carew (Sugar) P.	6	158	2,63,567	12,445	Nil	7½	2½	10	8½	8½	12½
30,00,000	14,38,021	57,83,651	16,43,447	Cawnpore Sugar P.	10	25	12,46,968	82,023	20	7½	7½	10	192	193	24
18,00,000	19,38,855	34,34,891	2,99,443	Champanar Sugar	6	25	5,73,991	24,019	10	10	15	10	268	269	268
26,00,000	20,28,769	33,35,766	9,55,327	Darbhanga	8	171	9,61,957	1,12,397	15	15	..	10	22½	22½	15½
16,20,630	12,59,649	16,39,916	41,32,151	Dover Mackin (Breweries)	3	110	7,70,691	7,70,691	10	10	11½	5	5½	5½	7
15,93,000	23,89,532	2,24,658	3,84,913	Gwallior Sugar P.	9	237	-57,978	8,819	..	..	..	100	77	77	48
† Liquid Assets * 1956															

MISCELLANEOUS COMPANIES—Contd.

J, Po, C and Dd indicate Ordinary, Preferred Ordinary, Contributory and Deferred Shares respectively. P next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary		Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
Ra.	Ra.	Ra.	Ra.	Ra.				Ra.	Ra.	1954	1955	1956	Ra.	14-11-56	7-11-56	A year ago
SUGAR BREWERIES, ETC.																
11,00,000	6,45,722	3,75,000	10,90,564	New Savan Sugar and Gur	5	140	95,437	52,205	..	..	..	10	6 1/2	6 1/2	6 1/2	6 1/2
9,00,000	7,28,559	17,64,369	58,734	Purtabpur Sugar P.	10	25	5,08,340	6,871	7 1/2	7 1/2	..	10	15 1/2	15 1/2	15 1/2	15 1/2
16,59,820	26,52,127	35,00,000	4,84,350	Rannugger Cane & Sugar P.	8	1	18,11,564	20,350	15	20	..	10	24 1/2	24 1/2	24 1/2	24 1/2
19,99,600	25,62,553	39,88,218	13,92,915	Raza Sugar	10	92	10,78,193	3,144	..	..	..	10	..	..	..	..
8,00,000	4,42,169	6,54,762	1,85,115	Ryam Sugar P.	6	25	1,43,788	24,340	5	..	..	10	20 1/2	20 1/2	20 1/2	20 1/2
11,99,000	15,94,531	18,37,529	98,312	Samastipur Central Sugar	6	25	79,022	8,477	5	Nil	..	10	13 1/2	13 1/2	13 1/2	13 1/2
20,00,000	72,62,286	36,66,708	1,63,444	Shree Krishna Gyanoday Sugar P.	7	335	12,99,571	34,046	15	17 1/2	..	10	11 1/2	12	12	17 1/2
7,94,500	12,54,888	11,65,175	11,16,588	Shree Sitaram Sugar	8	140	1,90,067	7,991	10	15 1/2	..	10	15 1/2	15 1/2	15 1/2	15 1/2
9,99,950	14,54,274	1,54,304	1,42,696	Sitalpore Sugar	6	94	1,39,515	1,39,515	Nil	Nil	..	10	4 1/2	4 1/2	4 1/2	4 1/2
16,00,000	6,07,804	7,99,778	4,22,572	United Provinces	9	341	4,23,880	39,061	12 1/2	..	..	10	21 1/2	21 1/2	22 1/2	22 1/2
8,00,000	38,92,308	21,57,557	3,60,236	Upper Ganges Sugar P.	6	227	10,24,525	82,931	25	25	..	10	9 1/2	9 1/2	70	70
14,00,000A	14,24,740	23,74,426	10,72,924	Upper India Sugar	4	302	16,80,886	86,393	15	20	..	100AC 12 1/2 BC	280	280	127	127
7,00,000B																15
MISCELLANEOUS																
8,00,000	2,20,232	1,56,200	9,53,528	A Firpo (Restaurateurs)	10	85	84,518	4,475	..	..	..	10	4 1/2	4 1/2	7 1/2	7 1/2
1,50,00,000	1,40,80,594	6,21,715	51,061	Air India Ltd	12	269	6,02,785	14,30,401	..	..	..	100	..	..	..	..
2,00,00,000	2,58,39,656	68,01,534	50,022	Air India International Ltd.	12	322	10,51,340	30,205	..	..	..	100	..	..	..	..
47,50,000	1,31,03,534	15,00,000	5,97,941	Aluminium Corp P.	3	132	12,82,024	32,582	Nil	Nil	..	100	11 1/2	11 1/2	8 1/2	8 1/2
2,50,000D																2 1/2
40,00,000	42,38,502	14,50,000	54,97,530	Anderson Wright, Ltd P.	12	1	89,042	18,284	7 1/2	Nil	..	10	11 1/2	11 1/2	6 1/2	6 1/2
80,00,000	10,11,675	37,63,719	14,41,315	Angelo Bros.	3	268	11,84,131	34,961	12 1/2	20	..	10	23 1/2	23 1/2	11 1/2	11 1/2
30,00,000	17,54,434	27,66,285	5,49,834	Assam Match	12	274	8,35,902	1,18,395	12 1/2	12 1/2	..	10	20 1/2	20 1/2	20 1/2	20 1/2
13,99,998	21,25,615	28,30,285	64,182	Assam Saw Mills & Timber	9	21	87,045	5,14,537	Nil	Nil	..	3	4	4	5 1/2	5 1/2
20,00,000	61,61,507	23,00,090	61,84,697	Associated Hotels of India P.	8	204	8,82,993	32,682	2	4	..	10	10 1/2	10 1/2	10 1/2	10 1/2
80,01,400	33,50,000	1,09,53,000	1,12,08,422	Balmer Lawrie & Co.	12	304	32,12,152	5,03,129	13	12 1/2	..	100	168 1/2	168 1/2	182 1/2	182 1/2
12,00,000	2,65,000	8,24,890	1,80,023	Baraee Coke	3-9	128	2,16,123	22,708	7 1/2	7 1/2	..	10	19 1/2	19 1/2	15 1/2	15 1/2
6,00,000	76,414	Nil	30,72,471	Benzal Timber Trading P.	6	128	4,43,164	1,19,103	..	..	..	100	41	41	21 1/2	21 1/2
50,00,000	19,53,822	Nil	19,59,059	Bharat Airways Ltd.	6	22	3,19,589	3,19,229	..	..	..	10	5 1/2	5 1/2	4 1/2	4 1/2
20,00,000	7,95,437	7,95,437	62,81,006	Birds Investments P.	9	180	5,89,372	1,15,707	12 1/2	12 1/2	..	10	17 1/2	17 1/2	20 1/2	20 1/2
45,97,020	76,85,085	31,11,814	2,09,476	Britannia Biscuit P.	3	90	8,14,261	1,79,277	10	10	10	10	15	15	15 1/2	15 1/2
22,50,000	13,98,796	43,18,773	3,38,973	British Ceylon Corporation P.	12	6	27,75,295	1,85,955	..	..	..	7 1/2	10 1/2	10 1/2	10 1/2	10 1/2
5,25,00,000	59,89,738	1,18,60,524	2,50,83,630	British India Corporation P.	12	33	30,23,938	27,36,584	11	Nil	..	5	10 1/2	10 1/2	11 1/2	11 1/2
25,50,000A	2,16,659	3,24,161	6,46,589	Calcutta Gas Co (Propr.) Ltd. P.	9	235	60,996	1,550	5	6	5	10A	7 1/2	7 1/2	8 1/2	8 1/2
2,50,000B	5,92,780	2,40,684	1,02,576	Calcutta Silk Manufacturing P.	3-9	213	45,711	22,586	..	..	Nil	10	..	..	5	5
5,00,000																
90,00,000	17,68,710	67,71,168	2,49,58,018	Duncan Brothers & Co. Ltd.	12	169	48,24,539	4,28,060	12	..	..	100	121	121	136	136
1,60,00,000	2,94,09,046	3,14,86,174	4,04,79,333	Dunlop Rubber Co. (India) P.	12	96	96,72,154	11,71,685	15	15	..	10	27 1/2	27 1/2	35 1/2	35 1/2
51,28,000	54,12,212	1,48,25,323	1,48,25,323	Eastern Investments Ltd. P.	12	21	12,83,240	3,06,138	9	9	..	100	140	146	178	178
75,00,000	13,79,357	4,33,826	1,02,21,271	F & C Oster (India) Ltd. P.	3	84	4,36,349	5,26,954	..	..	..	10	11 1/2	11 1/2	17 1/2	17 1/2
90,00,000	12,89,300	21,97,641	86,55,300	French Motor Car	3	51	8,97,594	1,26,757	12 1/2	12 1/2	..	20	21	21	20 1/2	20 1/2
14,00,000	14,92,000	10,02,000	11,384	Ganges Rope	3-9	19	89,571	27,194	7 1/2	7 1/2	..	100	186	186	201	201
2,25,00,000	55,893	5,26,762	General Investments Trust P.	2-8	21	26,644	8,637	21-22	75	75	31-32	75	43	43	45	45
65,00,000	34,18,813	42,00,000	1,09,15,528	Gillanders Arbuthnot & Co. Ltd. P.	3	105	29,71,809	1,51,300	7 1/2	14	..	10	14 1/2	14 1/2	10 1/2	10 1/2
20,00,000	27,68,049	50,00,000	30,03,377	Gladstone Lyall & Co. Ltd. P.	12	209	7,02,739	34,255	..	..	..	10	..	..	..	..
40,00,000	31,71,333	781,000	98,394	Godfrey Phillips (India) Ltd. P.	12	310	19,01,201	11,86,811	10	20	..	10	25 1/2	25 1/2	20 1/2	20 1/2
30,00,000	32,90,010	17,22,303	6,22,424	Great Eastern Hotel	3	225	5,30,579	16,373	..	..	..	250	250	250	240	240
10,00,000	17,38,764	1,61,173	9,221	Hindusthan Ice & Cold Storage	9	..	43,377	24,274	..	..	..	5	11	11	7	7
55,20,000	31,95,729	19,00,000	19,72,453	Hoare Miller & Co. Ltd.	12	294	91,339	67,868	..	..	..	10	6 1/2	6 1/2	6 1/2	6 1/2
15,16,00,000	7,42,66,599	7,88,86,788	5,50,32,187	Imperial Tobacco	3	325	3,66,59,515	24,94,274	6	8	8	10	14 1/2	14 1/2	14 1/2	14 1/2
1,80,00,000	2,41,97,583	53,33,989	10,13,114	Indian Aluminium Co. Ltd. P.	12	293	28,79,662	14,18,076	..	9	..	10	10 1/2	10 1/2	..	..
1,52,89,220	98,54,740	1,62,50,000	3,90,322	Indian Cable P.	3	34	77,23,781	28,96,462	10	12 1/2	..	100	38 1/2	38 1/2	32 1/2	32 1/2
5,00,00,000	22,07,260	2,21,286	11,69,467	Indian National Airways	12	93	36,302	12,62,971	..	..	..	100	6 1/2	6 1/2	6 1/2	6 1/2
1,25,00,000	7,44,398	5,38,000	17,67,876	Indian Rubber Manufacturers P.	3	173	1,79,618	32,616	5	5	..	10	18	18	12 1/2	12 1/2
8,27,970	4,64,735	18,15,487	10,03,705	Indian Wood Products	9	88	17,28,038	2,61,619	27 1/2	30	..	10	44 1/2	44 1/2	44 1/2	44 1/2
20,00,000	15,362	4,46,244	2,16,228	Investments and Finance P.	2-8	21	67,456	9,746	21-22	21-31	31-32	100	65	65	65	65
2,40,000			3,20,157	Ivan Jones Ltd.	9	194	1,39,321	36,496	..	..	..	2	3 1/2	3 1/2	3 1/2	3 1/2
5,87,500D	2,16,659	3,24,161	6,46,589	James Wright P.	12	281	60,996	1,550	5	5	..	50	4 1/2	4 1/2	4 1/2	4 1/2
1,17,500Dd	51,23,900	55,00,000	3,73,43,977	Jardine Henderson Ltd. P.	3	39	41,88,361	4,70,107	7 1/2	7 1/2	..	100	86 1/2	93	111	111
2,00,00,000	3,17,363	6,02,958	3,21,617	Macfarlane & Co.	3	133	14,078	4,849	..	..	..	100	3	3	3	3
68,00,000D																
1,50,00,000	88,50,000	63,33,428	2,57,13,417	Macneil & Barry Ltd. P.	3	334	52,06,340	6,31,124	7 1/2	7 1/2	11	100	24 1/2	24 1/2	28	28
1,37,53,000	36,41,510	54,56,061	1,85,74,341	Martin Burn Ltd. P.	9	309	71,18,708	2,03,456	13 1/2	18 1/2	..	100	240	240	240	240
40,00,000D	37,19,459	72,01,900	2,34,00,550													

BOMBAY MISCELLANEOUS COMPANIES

O P O F Dd G. and R indicate Ordinary Preferred Ordinary Founders' Deferred Guarantee and Rebate Shares respectively P next to the names of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit Including Taxation	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	13-11-56	6-11-56	Old Price
Rs	Rs	Rs	Rs				Rs	Rs	1954	1955	1956	Rs	Rs	Rs
CEMENT														
12,67,59,333	16,16,27,689	6,15,51,096	3,90,26,918	Associated Cement	7	53	4,71,77,960	5,62,770	8	10	..	100	194	214
ELECTRIC LTG POWER														
6,99,95,600	11,08,94,307	69,91,218	20,82,140	Ahmedabad Electricity	9	146	35,75,580	188	6	5	..	100	91	109
2,92,83,500	4,18,62,358	52,34,507	65,30,599	Andhra Valley Power Supply F	6	267	46,19,171	25,735	7	7	..	1,000	1,205	1,462
1,74,99,700	2,14,85,122	39,32,48	5,79,834	Bombay Suburban Elec Sup.	3	196	19,21,739	45	9	7	..	100	110	128
36,06,200	17,49,052	4,75,323	14,87,597	Poona Electric Supply P	12	229	3,86,015	..	..	..	..	100	146	146
2,34,45,226	3,37,65,356	63,82,555	58,39,877	Tata Hydro-Elec Power sup P	6	267	37,75,587	21,771	7	7	..	100	126	153
5,02,78,750	6,98,37,405	1,41,56,578	1,29,22,549	Tata Power P.	6	267	77,32,961	27,952	7	7	..	1,000	1,262	1,515
ENGINEERING & METAL														
63,42,200	17,06,292	44,16,374	1,54,08,311	Alcock Ashtown	12	268	8,79,666	1,35,820	12	..	..	100	322	332
6,00,000	29,341	4,43,904	59,338	Lost's Engineering	3	115	62,251	1,598	15	5	..	50	96	96
40,00,000	11,26,513	10,00,000	9,74,604	Larsen & Toubro P.	3	351	14,80,736	28,740	10	10	..	100	19	19
40,95,100	81,25,753	2,02,500	49,333	Machinery Migra Corp Ltd P	3	330	2,02,006	64,876	..	..	..	100A	96	96
1,10,00,000	15,09,979	16,66,194	7,06,260	McKenzie	7	283	1,49,085	64,938	..	..	..	100	96	96
1,50,000	5,834	1,00,53,052	1,79,32,042	Premier Constructor P.	12	284	3,35,178	59,102	25 5/6	28 1/2	..	300	202	186
1,21,250	..	..	..	..	..	..	..	..	..	..	..	..	..	..
1,18,72,400	4,80,59,980	26,78,952	44,49,499	Tata Locomotive & Eng. P.	3	69	3,303	50,350	..	..	..	100	168	169
6,63,75,000	32,44,07,755	16,63,05,536	12,34,83,510	Tata Iron & Steel P.	3	269	9,26,44,872	4,04,945	14	14	..	750	191	194
INSURANCE COMPANIES														
20,00,000	..	23,84,917	95,96,333	British India General	12	297	4,24,629	1,18,606	..	..	..	10	13	13
5,15,000	..	11,04,94,687	8,95,48,481	Empire of India Life	12	253	..	..	..	..	..	675	675	675
8,46,120	..	36,33,998	46,38,402	Indian Mercantile	12	75	..	1,13,109	..	..	..	20	45	45
18,74,940	25,01,134	2,88,61,185	2,81,49,442	Jupiter General P.	12	55	38,351	4,65,316	..	..	..	15	9	9
1,06,81,590	..	1,98,81,793	47,25,18,452	New India	12	179	43,58,653	71,250	16 2/3	..	..	45	44	49
6,00,000	..	57,83,74,431	63,46,93,432	Oriental Life	12	299	..	..	..	..	..	3,650	3,650	6,810
15,99,270	..	29,41,860	59,88,789	Vulcan	12	355	6,05,803	2,81,242	10	..	..	10	15	15
MISCELLANEOUS														
90,79,085	31,95,468	3,97,409	12,61,996	Air Service of India	6	336	-15,61,405	-37,22,790	..	..	..	15	..	..
47,97,250	21,34,989	35,75,182	78,89,034	Belapur Sugar	9	42	53,89,000	61,389	..	..	..	50	249	383
50,00,000	2,20,64,302	4,28,86,155	2,67,27,639	Bombay Burnmah Trading	5	285	47,93,172	61,990	16	21	..	125	682	689
43,00,000	1,21,04,053	31,74,431	31,14,308	Bombay Steam Navigation P.	6	256	4,54,215	30,135	..	..	..	50	247	244
99,99,250	3,087	19,47,386	1,28,40,992	Industrial Investment Trust	3	87	5,81,969	2,63,136	..	..	..	25	72	72
11,99,900	13,82,957	7,34,142	14,05,223	Kemur (Chemists)	3	87	62,232	16,942	..	..	..	100	215	215
1,57,71,400	3,74,05,779	1,81,13,445	2,99,942	National Rayon Corp.	12	352	63,19,604	4,72,076	10	..	..	200	213	213
9,39,98,069	18,36,62,413	12,46,31,677	7,10,16,957	Scindia Steam Navigation	6	198	32,72,555	22,72,555	24	24	..	20	19	17
7,00,000	27,45,055	97,30,000	11,27,080	Shivrajpur Synd (Manganese)	11	146	35,49,059	21,661	80	80	..	10	85	87
1,39,95,900	1,96,71,944	13,51,214	4,14,339	Tata Chemicals P.	6	269	13,58,026	57,597	..	..	..	10	19	19
70,07,475	75,25,791	34,08,586	22,83,813	Tata Oil P.	3	269	3,00,461	11,453	9	12	..	25	50	51
1,75,00,000	1,46,45,903	2,43,20,936	1,50,49,201	Western India Match	12	274	74,05,281	5,61,984	11	11	..	100	175	177

*1956

†Liquid Assets

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Block Account	Reserve & other Funds	NAMES	Accounts closed	Managing Agents	Net Profit	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	14-11-56	7-11-56	A year ago
Rs	Rs	Rs				Rs	Rs	1953	1954	1955	Rs	Rs	Rs
CALCUTTA													
17,24,000	20,62,356	2,00,804	Ahmedpur Kutwa S.S.G.	3	165	-29,367	33,735	2 1/2	2 1/2	2 1/2	100	60	61
21,69,300	33,40,889	6,00,102	Arrah Sasaram D. B. G.	3-9	32	2,57,676	..	3-3	3-3	3-3	100	71	75
64,00,000	41,30,202	3,11,049	Bankura Damodar River S.S.G.	3	165	46,607	..	2 1/2	2 1/2	2 1/2	100	59	59
19,00,000	29,09,643	4,91,171	Baraset Bastirhat D.B.G.	3-9	331	18,844	1,18,863	..	..	2 1/2	100	10	10
17,80,000	21,78,786	2,20,877	Burdwan Cutwa S.S.G.	..	165	78,839	..	..	..	2 1/2	100	58	60
81,00,000	35,46,011	..	Chaparmukh Sighat S.S.G.	3-9	32	62,834	10,849	1 1/2-1 1/2	1 1/2-1 1/2	1 1/2-1 1/2	100	52	52
4,75,000	3,20,040	4,75,000	Cherra Chhatrak Roadway	3	88	9,917	12	3-1	3-1	3-1	5	71	71
2,47,650	2,75,015	63,226	Darjeeling Roadway	3	101	18,097	4,549	1 1/2	2 1/2	2 1/2	10	71	71
22,50,000	62,20,813	13,52,500	Dehri-Rohat	3	335	6,42,311	37,814	6	7	10-12 1/2	100	13	13
11,49,700	20,10,843	1,68,140	Futwah Islampur S.S.G.	3-9	32	-33,016	5,917	98-98	99-1	1-1	100	63	63
16,00,000	50,82,188	17,87,954	Howrah Amta D.R.G. (P)	3-9	32	1,18,351	90,009	3-3	3-3	3-3	100	62	62
6,00,000	13,57,133	4,43,410	Howrah Shekshala D.B.G.	3-9	32	28,627	20,122	3-3	3-3	3-3	100	65	65
19,50,000	27,95,689	1,47,135	Kalkilhat Falls S.S.G.	..	165	-1,99,473	..	2 1/2	2 1/2	2 1/2	100	60	61
6,91,100	15,16,175	10,551	Katakhal-Lala Bazar S.S.G.	3	165	31,257	..	4	5	..	100	75	75
15,00,000	62,56,929	28,77,041	Shahdara Delhi Saharanpur	3-9	32	6,26,073	17,25,546	6-6	6-6	6-6	100	129	129
1,75,000	5,41,779	2,04,341	Tezpore Bailpara Tramway P	3-9	165	-43,574	5,944	..	..	..	100	..	..

Managing Agents, Managing Directors and Secretaries with their Respective address.—(Contd.)

320. F. W. J. Penn—United Breweries, Ltd., Bangalore-1.	329. Sri G. D. Bhagat—15, Shib Thakur Lane, Calcutta.	339. M. G. Investment Corp., Ltd.—127, Mahatma Gandhi Road, Fort, Bombay.	348. Sahu Jain, Ltd.—11, Clive Row, Calcutta.
321. P. O. Williams—14, Old Court House St., Calcutta.	330. Mahindra & Mahindra, Ltd.—Gateway Building, Apollo Bunder, Bombay.	340. K. O. Cheriyan—Travancore.	349. Chandmull Batia—7, Canning Street, Calcutta.
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326. Berwala Bros.—53, Netaji Subhas Rd., Calcutta.	335. Sahu Jain Ltd.—Dalmianagar, Calcutta.	345. The National Tea Corporation—130, Cotton Street, Calcutta.	354. G. C. Kanol—P-8, Mission Row Extension, Calcutta.
327. Marway Textiles (Agency) Ltd.—Waudby Road Fort Bombay-1.	336. Berwala & Co.—63 Netaji Subhas Road, Calcutta.	346. Seshasayee Brothers (Travancore), Ltd.—Eloor Factory Alwaye.	355. G. G. Robertson—16, Strand Road, Calcutta.
328. John Taylor & Sons (India) Ltd.—Mysore, Oorgram, South India.	337. B. R. Seng, Ltd.—Hornby Road, Fort, Bombay.	347. Associated Commercial Co., Ltd.—161/1, Harrison Road, Calcutta.	

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THERMAL INSULATION ENGINEERS

TAKING A LONGER VIEW OF THE CREDIT STRINGENCY

DISTURBING TRENDS IN BANK DEPOSITS

SERIOUS concern has been felt in recent weeks about the growing stringency of credit for meeting the requirements of business, trade and industry. The money markets have only just passed what is normally the trough of their slack season. A steadily rising demand for accommodation is expected in the busier months ahead, but already the commercial banks find themselves in the not entirely comfortable position where they have advanced a record proportion of their loanable funds. A number of the bigger ones have secured higher rates from borrowers without apparently deterring them, while call money in inter-bank transactions has secured as much as 4 percent, sometimes reportedly even more. Disturbing signs of the new credit shortage have also been seen in the pulpy state of the share and gilt-edged markets. The developing situation has taken India's energetic Finance Minister, Mr. T. T. Krishnamachari, on a rapid tour of the main financial centres in search of remedies which may ensure that the genuine needs of trade and industry will be adequately met in a vital phase of economic expansion. The concrete results of the discussions he has held with bankers and sundry financial pundits are awaited; but it would be unfortunate if meanwhile, as reports suggest, attention were concentrated on purely temporary palliatives, to the neglect of measures of longer significance which may be necessary to deal with what otherwise threatens to become a recurring situation in the economy.

The causes of the credit shortage are partly long-term and partly short-term in nature. In a deep and fundamental sense, it reflects the changing pattern of activity in a rapidly industrialising economy. In former years, credit requirements fluctuated with seasonal variations in the tempo of agricultural operations. Funds went out from the banks as harvests arrived in the markets and had to be financed; they returned as the harvests were distributed, consumed, processed or exported. The rapid industrialisation of recent years has, on the one hand, lifted the demand for credit to new, higher levels. On the other, it has tended to smooth out the apparent ebb and flow of credit, since industrial requirements are year-round whereas agricultural requirements are mainly seasonal. The present stage represents the critical point where the years-old swelling of industrial requirements has reached so high that if agricultural requirements were superimposed on them (as they would be during the coming busy season), a position of acute embarrassment would result. Hitherto, the banks have been able to meet the demands made upon them, partly because their resources have increased with the growth in economic activity, and partly because there has been scope for stretching their lending capacity and thereby utilising the resources more fully. But, for the time being at least, both these processes have reached very close to their expected limits; and the situation is one where the rise in credit needs threatens to move rapidly past the much slower rise in the banks' credit-creating capacity.

Against this background of long-term developments, a number of special factors have been at work in the economy this year. Loan rotations by the Central and State Governments were bigger than expected; banks contributed large amounts to the latter, often after persuasion of the sort that allowed little concern for their intrinsic economic merits. What is more, the Reserve Bank, in its recent efforts to help ease the monetary stringency by open-market operations, has neglected almost everything except short-dated securities. These are precisely the type of securities banks like to keep in the interests of liquidity, but they can hardly do so as long as the Reserve Bank subscribes to the same unflattering opinion of long-dateds and State Government loans as many

of their existing holders. At a time when their investment portfolios have to suffer the cinderellas of the gilt-edged market, banks have been called upon to finance a swelling inflow of imports. A large proportion of these are on Government account, with the result that, in accordance with hoary bureaucratic traditions, payments arrive at a snail's pace. The funds thus locked up are believed to be very substantial, and it is encouraging that their prompt release is said to be among the Finance Minister's more immediate concerns. Public and institutional demands for money are also likely to have increased with the recent and prospective subscriptions to new capital issues. The queue of such issues is a long one, and is probably not yet even half way through; in the circumstances, the prospects for the less attractive ones—and some of these are to finance expansion in vital sectors of the economy—cannot be regarded with optimism.

Discussions, both official and unofficial, hitherto seem to have centred mainly on the short-term measures that may be necessary to tide the money markets over the approaching critical months of the busy season. Mr. R. M. Mitra gives the background to these discussions in a special article on a later page today. Short-term measures are undoubtedly the more urgent, but if "crises" are not to become an annual October-November phenomenon, deeper thinking on the fundamentals of the problem will be necessary. For the time being, it is possible that a series of expedients may suffice. Apart from prompter payments against import bills, or their discounting with the Reserve Bank, other measures have been suggested—such as expanding the scope of the usance bill market scheme and providing facilities for quicker remittances between bank branches. But these do not go to the roots of the problem. The majority of them are, in effect, merely means to release a portion of the banks' funds, at present blocked, for commercial use. But they do not necessarily imply the continued independence of the banks in relation to resources in the long run. Nor is it sufficient to dismiss the possible inflationary implications by saying that a certain amount of funds has to be produced and it does not matter how. Some bankers may be inclined to view with secret pleasure the prospect of being able to borrow more money from the Reserve Bank at, say, 3½ percent under the bill market scheme, and then

INFLATION AND FOREIGN TRADE

THE closing of the Suez Canal has seriously aggravated India's foreign exchange problems. The effect on the

much-needed competition and the need for maintaining standards among consumers and producers. These are important factors and it is doubtful whether the small savings which could be made by cutting token imports would compensate for their loss. Examples of the eagerness with which manufacturing interests will seize any opportunity for securing further protection were not lacking at the Advisory Council meeting. It would be a pity if the present shortage of exchange were allowed to become the excuse for encouraging a state of affairs which would certainly hamper economic growth in the long run. Such a risk could be excused only by acute national emergency.

The point which stands out from an examination of recent trade returns is that the widening of the payments gap is not the result of larger imports of steel, machinery and development goods, food or raw materials, many of these items are coming in under long-term credit or aid agreements and are not reflected in the value figures. The real reason for the deterioration seems to be an increase in consumer-goods purchases due to increasing inflation in the home market. To react to this situation by slashing the import of these goods would only increase the inflation further and so contribute to a problem which, if priorities must be assigned, is even more pressing than the shortage of foreign exchange.

The other side of the trading problem—exports—can only be considered as an extreme long-term solution. There are certain immediate advantages which might profitably be exploited, such as the opportunities which Indian goods will gain from having the supply lines of their main European competitors lengthened for an indefinite period. The present situation in the Middle East might prove a permanent boon to India's goods, although the eager opportunism of such formidable competitors as Japan will have to be reckoned with. But the problems involved in grabbing individual markets suddenly isolated from their main sources of supply, bear no relation to, and should not be confused with, those of closing the payments gap permanently by expanding exports. The two main factors with which this country's goods will have to contend are their own prices and quality. These are likely to increase rather than diminish in importance if the emphasis changes to finished and partly-finished goods, as was suggested to the Export Advisory Council. A market easily won will not be so easily held if the quality of the goods is not up to specification. It is not to be expected that India's manufactures will reach the standards of their older-established competitors for some considerable time. In certain lines, there might already be some comparison. But over the whole range of manufactured goods, the going will be hard. Any effort to force the pace might well result in serious setbacks; a disappointed customer is always more difficult than the one who has yet to buy. If India is ever to become a large-scale supplier of manufactures to the world's markets, there will have to be a great deal of improvement in standards throughout the whole of industry. This is just not to be expected at the stage of development where much of it is now.

Perhaps the greatest impediment to any move for the expansion of exports is the question of price. This is one which the present trend towards socialism threatens to make intractable. A cheap and efficient internal economic system is essential for all countries which hope to become large exporters. The alternative is to subsidise—an expedient which is guaranteed to secure unpopularity with the world's trading community. Where socialist countries are attempting to build large export markets they are having no alternative but to resort to it. No doubt many find it worth while economically, while others have their political reasons. But subsidy is unlikely to serve India's purpose and, anyway, the possibility has not yet been seriously considered. It remains to ponder carefully whether socialism is compatible with an expanding and buoyant export trade; the United Kingdom, for one, has not found it so. Taxation and labour policy are probably the two things most damaging to export prospects. The examples of the tea and the jute industries come most readily to mind. But the problem is not confined to the production of primary products. Political opinion throughout the country appears to be convinced that there is no end to the benefits which industry as a whole can afford to pay now to over-expanded and inefficient labour forces and into a rapacious tax system. Whether India prefers her socialism to the present dependence on foreign trade is a question which cannot be delayed much longer. It is useful to remember that other developing countries which have chosen socialism have always had to isolate themselves economically in the process.

Discussion on cutting imports and expanding exports should not distract attention from the fact that the remedy for the present situation does not lie with either of these, at least not for the duration of the second plan. It is clear there has been

serious miscalculation, either of the amount of foreign exchange required for the plan or of the volume of inflation likely with development, or of both. If the plan is not to come to grief, it is the internal inflation which will have to be tackled. After that, steps can be taken to close the gap with borrowings or assistance from abroad. In the meantime, it would be disastrous to submit to the pleadings of pressure groups for more protection, or to expect too much from the expansion of exports. Taken as a whole, the foreign exchange problem is only another consequence of the inflationary morass into which the plan is now threatening to sink. It would help towards a satisfactory solution if it were tackled with that fact in mind.

THE RESERVES SUPPORTING STERLING PAYING FOR THE SUEZ ACTION

IN the City of London, perhaps better than elsewhere, it was realised that the cease-fire in Egypt was not the end of sterling's troubles but nearer the beginning of them. Few people were convinced by the smoothing assurances of the Chancellor of the Exchequer and of the Minister of Supply that the financial situation was not serious; indeed, many people were disturbed by the Government's complacency. Whatever action the Government may take, the currency will be subjected to strain in the coming months, and that strain will bear most heavily on the "dollar segment" of the economy. Attention is now focussed on the gold and dollar reserve. Is it adequate? How much will it be reduced? What means are there of strengthening it? Mr. Harold

Contents	
Import and Export Policy ..	691
Report on Coffee Industry ..	696
Cost to U.K. of Suez Operations ..	693
India Expects World Bank Loans ..	694
Technology for Small Industries ..	693
Credit Needs of a Growing Economy ..	684
Industrial Trends in U.K. ..	682
Stocks and Shares Index ..	686
Index of Industrial Activity ..	698
Without Prejudice ..	680
Ditcher's Diary ..	681
Money ..	683
Stocks and Shares ..	687
City Cable ..	690
Jute ..	695
Plantation Topics ..	696
Commodity Markets ..	697
Calcutta Markets ..	699
Company Notices ..	700-701

Macmillan, the Chancellor, has reminded us that a reserve is intended to take temporary strains such as the present one. He has also emphasised that the balance of payments of the United Kingdom has been much strengthened in the past year; and he could have added that the position of the other sterling countries, as a whole, had also improved, more recently. Fundamentally, changes in the sterling area's balance of payments are more important than changes in the gold and dollar reserve, for the former reflect the realities of trade, whereas the latter are often controlled by variable psychology. But it is the reserve that the world watches in an emergency. Anyway, it has no information on the balance of payments until the figures are too late to be relevant to an emergency such as the present.

That psychological factor can be supremely important, especially to sterling. If even a moderate proportion of the overseas money deposited in London is withdrawn, sterling may be heavily sold and substantial quantities of dollars may have to be expended to support it. If such a movement coincides with a strong commercial demand for dollars (to pay for oil, for instance) the pressure on the reserve will be severe. And the effects are cumulative; as the reserve falls so confidence weakens, and more funds flow out. It is quite true that the reserve is intended to take temporary strains and that psychology should not be affected by a temporary decline. But a reserve can act as a psychological support only if it is manifestly adequate to its practical function. And Britain entered the latest phase of the crisis in the Middle East with a reserve that was manifestly inadequate for all contingencies—at end-October, \$2,244 million. The Chancellor had, doubtless, the psychological factor in mind when he remarked: "Our reserves have behind them substantial reinforcements available which can be brought into play." The knowledge that these reinforcements are available should be a steadying influence, but the actual sight of them, in the monthly figures, would be even more effective.

The activities of the International Monetary Fund have disappointed many observers, but the

Fund can now show its value in an emergency—as it has done recently, indeed, for France. The U.K.'s gold subscription to the Fund amounts to \$236 million, and no more than formalities are involved in drawing the equivalent in dollars. The U.K.'s quota in the Fund amounts to \$1,300 million (including the \$236 million in gold), and total drawings within a twelve-month can be raised to 25 percent of that amount—i.e. \$325 million. Additional drawings would be subject to negotiation. In principle a member-country is entitled to draw to the full extent of its quota. In practice, the U.K. could probably negotiate (as France has done) a release of 50 percent—i.e. \$650 million. But the reserve held in London is on behalf of the whole sterling area. It should logically be reinforced by the drawing rights of the other sterling countries. These rights, on the assumption of 50 percent of quota, would add \$400 million. These are substantial figures, totalling, on that same assumption of one-half of quota, more than \$1,000 million—nearly one-half of the reserve as it stands at present. In fact, however, the true reserve of the sterling area is considerably larger than the monthly-published figure, for various sterling countries (apart from South Africa, which does not participate in the "gold and dollar pool") hold considerable reserves on their own account. For information on these supplementary reserves we rely on the U.S. Federal Reserve Board. The figures are not so recent as the British Treasury's, but they show approximately the proportion of the Treasury's figure to the total. At the end of June last, according to the American estimate, the value of the U.K.'s holdings of gold, short-term dollar balances, and U.S. Government securities, was \$3,124 million, and the total of such assets held by the whole sterling area was \$4,230 million. (The figure for the U.K. is not comparable with the Treasury's, which—showing the value of gold and dollars (U.S. and Canadian) held by the Exchange Equalisation Account—was \$2,385 million at the end of June).

It appears that one can add a further \$1,000-\$1,500 million to the national reserve on account of the rest of the sterling area, excluding South Africa's figure (\$246 million at end-June) and allowing for losses in the second half-year. Moreover, in addition to the U.S. securities included in the Federal Reserve Board's figures, the U.K.'s Exchange Equalisation Account holds a varied selection of dollar securities. Their value has never been disclosed, but is certainly substantial. It is estimated in banking circles at less than \$1,000 million, but it is worth mentioning that when the ex-Chancellor Mr. Hugh Gaitskell suggested last year that the value was about \$2,000 million the then-Chancellor Mr. R. A. Butler did not flatly deny it. These various supplements to the published reserve are considerably larger than the reserve itself—perhaps twice as large. But they are not, of course, equally "liquid." Nor would they necessarily be used in full in any emergency short of global war. It is still necessary to strengthen the reserve by making it scarce. And if the published reserve seemed likely to fall below \$1,700 million, as in the crisis of 1949, it might be necessary again to devalue the pound.

CURRENT COIN

Index of Industrial Activity.—Corrected for seasonal fluctuations, *Capital's* Index of Indian Industrial Activity shows a decline of 2.3 points during May, 1956. Mainly contributing to the decrease were jute manufactures, steel ingots and coals. Cheque clearances and notes in circulation dropped.

Hindustan Lever Shares.—The decision of Unilever Ltd., London, to offer for sale 557,000 ordinary shares in Hindustan Lever Ltd. is of great interest to Indian investors. These shares, which represent 10 percent of the company's issued capital, have a par value of Rs. 10 each, and are being offered to the public at Rs. 16-8. Subscription lists open on 3rd December. Hindustan Lever paid an interim dividend of 8 annas a share for the year ended December 1956, at the beginning of this month. The final dividend, to which the shares on offer will be entitled, is expected to be 6 annas, and is likely to be paid by May next year. The distributions are being supported by an estimated net profit of Rs. 90 lakhs for the current year. This net profit is expected after providing Rs. 1.08 crores for taxation (out of which Rs. 19.5 lakhs represents taxation due to capitalisation of reserves and is therefore a non-recurring element). The directors, it is reliably reported, hope to recommend a dividend of not less than Rs. 1-6 a share for 1957; this is on the assumption that the estimated levels of profit for 1956 are maintained and there is no major change in tax rates or trading conditions. It is noteworthy that after the shares on offer have been sold, the company will come under the purview of Section 22A of the Indian Income-Tax Act. The directors, it is believed, intend to recommend the distribution of a large portion of the profits to shareholders in future years. Hindustan Lever's entire issued capital of

Rs. 5.57 crores is in ordinary shares of Rs. 10 each; it is balanced by total net assets of Rs. 7.30 crores, of which fixed assets amount to Rs. 3.49 crores. The company's activities are chiefly concerned with the manufacture and distribution of soaps, detergents, toilet preparations, glycerine, vanaspati, margarine, edible oils and oilcake. There seems to be a considerable promise of expansion with the growth in consumer prosperity in years to come.

Vegetable Oil Industry.—In his address from the chair to the annual general meeting of the West Bengal Oil Millers Association, held last week, Mr. Kalicharan Bhagat stated the vegetable oil industry's case for larger production targets than have been allotted to it under the second five year plan. The industry, he pointed out, surpassed the first-plan target of 1,272,000 tons two years in advance, by producing nearly 1,400,000 tons in 1953-54 and 1,600,000 tons in 1954-55. The second plan target for the industry has been fixed on the basis of a consumption requirement of 2,100,000 tons by 1960-61, made up of 1,200,000 tons for edible purposes, 200,000 tons for export and the rest for the vanaspati manufacturing industry. The requirement has been calculated on the assumption of a certain rate of per capita consumption (8.8 lbs. a head a year) which Mr. Bhagat thought was erring on the low side. The consumption is likely to be higher than the planners' estimate due to the prospective increase in the national per capita income. The other strong reason for enhancing the target is the existence of considerable unutilised capacity within the industry. On the Planning Commission's own estimate, the mill sector at present has a crushing capacity of 5,600,000 tons a year, working on a single shift basis, and the non-mill sector has a capacity of 700,000 tons. Mr. Bhagat carried this argument into the export field also. India exported as much as 287,000 tons of vegetable oils in 1955-56, and the average export during the five years 1951-56 has been around 140,000 tons. Mr. Bhagat emphasised that the sharp fall in 1953-54 to a mere 30,000 tons was wholly due to the imposition of heavy export duties by the Government, and the subsequent rises and falls can also be attributed to the wayward course of the Government's export policy. He suggested that the export duties should not be levied again, in the interest of maintaining India's export markets in the teeth of acute foreign competition. An average of Rs. 31 crores to Rs. 35 crores of much-needed foreign exchange could be earned annually by selling vegetable oils abroad if the Government would stick to its present policy of encouraging exports.

Asian Foreign Trade.—The importance of foreign trade for the economic progress of less-developed countries was stressed at a one-week session of the Trade Sub-Committee of the U.N. Economic Commission for Asia and the Far East held in Tokyo from 29th October to 5th November. Among the topics discussed was a proposal, to go into effect in 1958, for establishing regional centres to train trade promotion personnel. Also considered were detailed suggestions to simplify trade regulations and procedures; increase trade among Asian countries in certain selected commodities, including iron ore, coal, salt, fish and fish products; improve arbitration facilities; increase the use of standards; and arrange fairs and exhibitions. Statements made at the meeting indicated that Asia's export trade in 1955, and to some extent so far also in 1956, had been more favourable than at any time since the Korean boom. It was stressed, however, that export earnings would have to increase even "more rapidly" to sustain economic development and to provide foreign exchange for essential imports. The region's foreign trade had benefited from favourable world economic conditions and increased external aid. Some progress had been made towards the liberalisation of trade and increased multilateral trading and payment arrangements. But there was a "wide divergence" in the situation in raw material markets. Rises in prices were not shared by all the major export commodities. Most Asian countries remained heavily dependent on export earnings from a few raw materials, and there were other obstacles preventing trade expansion. A proposal put forward by the E.C.A.F.E. Secretariat to establish training centres for trade promotion personnel was endorsed. The Governments of India and Japan immediately responded by offering host facilities for training and several countries from outside the region offered to send lecturers and experts. The conference recommended that funds be provided by the U.N. Technical Assistance Administration. According to information specially prepared for the conference, Asian countries increased their share in the world's seaborne trade from 32 percent before the war to 40 percent in 1954. The rise in the shipping activities of Asian countries has caused a series of problems connected with the shortage of shipping and port facilities. Considerable concern was expressed over the rise in freight rates and discrimination was alleged. Several delegates called for lower freight rates and the building of national merchant fleets, while other delegates warned against Government intervention in fixing ocean freight rates.

Activity in Dalmianagar.—With the opening of Ashoka Cement's new kiln in Dalmianagar by the Chief Minister of Bihar recently, the cement-production capacity of the concern rises to 600,000 tons a year. In 1951-52 it was at half this level. Incidentally, with the new capacity just installed, Dalmianagar becomes the biggest cement production centre in India, accounting for nearly 11 percent of the country's current requirements. Mr. S. P. Jain, chairman of Ashoka Cement Ltd., took the opportunity to inform the Government that the management is considering a project to manufacture cement and sugar machinery in this industrial centre; he also said that possibilities were being explored to expand cement production capacity even further. Proposals for this would soon be placed before the Governments of Bihar and the Union. Mr. Jain gave an idea of the growth of industrial activities in Dalmianagar over the past few years. The value of goods produced in 1955-56 from this centre was Rs. 11.5 crores as against Rs. 4.70 crores in 1950-51, a rise which corresponded to the increase in the economic activity and national income during this period in the country as a whole. Production of paper, an important line of activity, also recorded a big rise, the monthly production having at present doubled to 3,000 tons from that of 1950-51, and if the expansion plans now in hand are completed by April 1957, the capacity will further increase to 5,000 tons a month. A notable feature of the expansion plan is that bagasse pulp will also be used in the manufacture of paper.

"CAPITAL" CHRISTMAS TOY FUND

We acknowledge, with thanks, the receipt of the following donations:

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Rs. 5 each Karnail Singh, K. T. Baker, S.R.S., S.R., P.K.M., D.S.J., A.J.B.G., B.G., Indian Turpentine & Rosin Co. Ltd.
Rs. 3 R.A.R.
Total Rs. 667.
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Grand Total Rs. 2,444-7-3.

IMPERSONATION IN TRADE

AN observant critic has called humour the sunshine of life, and true it is that the magic of that influence, out of which is born a smile or a peal of hearty laughter, is super-excellent. While the spell lasts we are half-forgotten with the gods. Had Mercury not been among the immortals the reflection were perhaps humiliating that there exists an impudence of petty roguery as potent perchance to raise a smile as a groan, and if Cervantes laughed Spain's chivalry away, none the less true that Autolycus commands a kind of sneaking regard even among the straightlaced. To this latter fact may possibly be ascribed the reason why, in the present day, a number of petty rascals enjoy apparently an inglorious immunity from the consequences of their misdeeds. They are just as much rascals, yea far more so as a rule, than is the poor wretch who steals four annas and goes to prison for it; but then, this snapper-up of unconsidered trifles never makes us smile and consequently we cannot forgive him. A species of mercantile rascality which is becoming increasingly common in India just now is, what for want of a better name may be called "trade impersonation." It may be remembered that a little while ago a local firm, after procuring samples of cotton stuffs and piece-goods from some well-known manufacturers up-country, adopted the brilliantly ingenious method of cutting in half the samples it received and then sent these out at a lower quotation as its own manufacture. Doubtless it secured a few orders on the strength of this enterprising representation, and was enabled, by means of the value-payable system, to get rid of a certain quantity of its own inferior goods.

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CAPITAL

25th November, 1896

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Without Prejudice

APPOINTMENT OF UMPIRE
BY ARBITRATORSDIFFERING JUDGMENTS OF
HIGH COURTS

(FROM OUR LEGAL CORRESPONDENT)

THIS is an interesting problem; and it is commended to the non-legal reader for his consideration because the writer thinks that the average commercial man, not being hampered by any legal knowledge, is in this particular case more likely to come to a correct conclusion on the point involved than the average lawyer. Indeed, we might go further and suggest that the more experienced the lawyer is, the more hesitant he will be in a case like this to give any definite opinion at all; for the authorities are conflicting to a marked degree. Moreover, whatever conclusion the reader arrives at, he will have the satisfaction of knowing beforehand that at least one High Court in India supports his view. The reason that, for once in a way, we back the lay opinion is that the answer on the one side is sheer commonsense, which generally speaking is usually the law, and on the other, purely legalistic and technical.

This is the problem. A private limited company applied to the Calcutta High Court (Mukharji J.) to set aside an award made by two arbitrators nominated respectively by the petitioning company and the respondent who had agreed to the following arbitration clause: "All disputes and differences arising out of matters relating to the agreement shall be decided by arbitration under the Indian Arbitration Act by reference to a single arbitrator if the parties to these presents so agree upon, and in default two arbitrators, one to be nominated by either of the parties and to be appointed." The

parties did not agree upon one single arbitrator. Each party nominated his own. The two arbitrators were appointed on 17th October, 1955, and 21st October, 1955, respectively. You will have noted that by the agreement it was specifically provided that the reference was to "arbitration under the Indian Arbitration Act." This is what is requisite under Clause 2 of the First Schedule of the Indian Arbitration Act, 1940. We have italicised one word in the clause to emphasise that the duty imposed by the latter on the arbitrators is obligatory and not discretionary, as it would be if the word "may" had been used. "If the reference is to an even number of arbitrators, the arbitrators shall appoint an umpire not later than one month from the latest date of their respective appointments."

This was a reference to an even number of arbitrators. The latest date of their respective appointments was 21st October, 1955. Therefore their duty was to appoint an umpire not later than 21st November, 1955. They did not appoint an umpire by that date, or at all; nor, according to the applicant company, did they allow the company to appoint an umpire in spite of repeated requests. What they did was to proceed with the arbitration. Various statements and counter-statements were filed before the arbitrators by the parties; and eventually the arbitrators published their joint award on or about 17th-19th March, 1956. The gist of the award was that the applicant company was to pay the respondent a stipulated sum, with interest at 6 percent per annum from the date of the award until payment, and specified assets of the company were charged for payment. The company objected; and the objection with which we are concerned here was the non-compliance by the arbitrators with the duty cast upon them by the Arbitration Act to appoint an umpire. The company urged on the basis of this statutory provision that the entire arbitration proceedings before the arbitrators without the appointment of an umpire were illegal and invalid, and the whole award was bad. And

that is the problem you are invited to consider and answer before you read any further.

The point is not a new one. It had already been decided by two High Courts in India. But, unfortunately, the two decisions completely contradicted each other. In 1951, a strong Bench of the Allahabad High Court (Sapru and Chandiramani JJ.) were in no doubt as to the correct answer and, in delivering the judgment of the Court, Sapru J. held in forthright terms, with which his colleague concurred, that "it is clear that the arbitrators, where there is a reference to an even number of arbitrators, are under a statutory obligation to appoint an umpire not later than one month from the latest date of their respective appointments. It strikes us that the arbitrators had no option in the matter of the appointment of an umpire... That being our view, it is clear that in the circumstances of this particular case the award made is not valid." The award was therefore set aside with costs. Their lordships' reasoning was clear enough. The Act imposed a certain definite obligation on the arbitrators. Said Sapru J.: "The provisions of para 2 of Schedule 1 are of a mandatory character, and it was clearly the duty of the arbitrators to appoint an umpire." This mandatory duty the arbitrators had failed to carry out. So their award was invalid. And the judgment never having been reversed, the above is the law where the High Court of Allahabad holds sway.

Nevertheless, it is not the law within the jurisdiction of the Nagpur High Court, where in 1954 exactly the same problem was considered by a Bench which came to a categorically opposite conclusion. It was, as in the Allahabad decision, a Division Bench. No amount of casuistic distinction can reconcile the two decisions. One must be wrong and one right. The Nagpur Bench, before which, most unfortunately, the Allahabad decision does not appear to have been cited at all, pronounced as follows, and in doing so put its finger with precision on the very point which one thinks will have decided the question in the mind of the average non-legal commercial reader who may hold this view: "Each party appointed an arbitrator. The arbitrators were unanimous. What need for any umpire?" To which the average lawyer might add: "Quite so. *De minimis lex non curat.*"

Said their lordships of Nagpur: "No universal rule can be laid down for the construction of the statutes as to whether mandatory enactments shall be considered directory only or obligatory, with an implied nullification for disobedience. When the command of the legislature is disregarded, nullification may be the usual consequence. But the mere presence of the word 'shall' does not necessarily mean that proceedings in disregard of the requirements of the statute are null and void, and the question whether it is so, is in the main governed by considerations of convenience and justice. An intention that the disregard of the provision should be followed by nullification of the proceedings must not be attributed to the legislature when that result would involve general inconvenience or injustice to innocent persons or advantage to those guilty of the neglect without promoting the real aim and object of the Act. The Arbitration Act does not say that when the reference is to an even number of arbitrators the failure to appoint an umpire vitiates the award... Whatever may be the result in a case of a disagreement between the arbitrators, where no disagreement arises between the arbitrators and there is no need for an umpire, to regard the omission to appoint him as fatal to the validity of all the proceedings would only result in general inconvenience without promoting any object considered essential by the statute... When the object cannot point to any prejudice because of the omission to appoint an umpire, the omission does not vitiate the award."

Well, there you have two absolutely contradictory decisions by two Division Benches on a plain, apparently simple question. What is the non-legal reader's view? One fancies that on the ground—the commonsense one—that as there was no need for the intervention of an umpire since both arbitrators were agreed and as no one was prejudiced by the non-appointment of an umpire, the award was valid and must stand. The writer's respectful submission would have been: laws are made to be complied with. By statute, these two arbitrators were under a mandatory obligation to appoint an umpire within a specified time. They did not appoint an umpire within the specified time or at all. By not so doing, they disobeyed the orders given them by the Arbitration Act. Therefore they committed "misconduct." Therefore their award was bad.

This second view is now unsound so far as Calcutta is concerned. Mukharji J., having both the Allahabad and the Nagpur decisions before him, preferred the latter. "I regret," said his lordship, "my inability to subscribe to (the Allahabad) decision insofar as it holds that the provisions of clause 2 of Schedule 1 of the Arbitration Act are of a mandatory character, and that therefore the absence of appointment of an umpire makes the award invalid. With respect, I consider the sounder view is the one expressed by the Nagpur Division Bench." Adding his own reasons in an interesting judgment, his lordship overruled the objection and upheld the award.

[United Printing and Binding Works Ltd. v. Kishori Lal. A.I.R. Vol. 43. 1956 (November) 593.]

¹ Jawala Prasad v. Amarnath. A.I.R. 1951. Allahabad. 474.

² Tikaram v. Hansraj. A.I.R. 1954. Nagpur. 241.

A DITCHER'S DIARY

It seems little short of slanderous to suggest she does. From the enthusiasm with which the adolescent caperings of the Haldanes were received in Calcutta, I suspect Indians were more impressed by this distinguished pair of academic cranks than is the more cynical British public. Whether they will continue to be so now that Mrs. Haldane has been seen to favour drunken violence in support of the causes she upholds, is something I for one will be interested to learn.

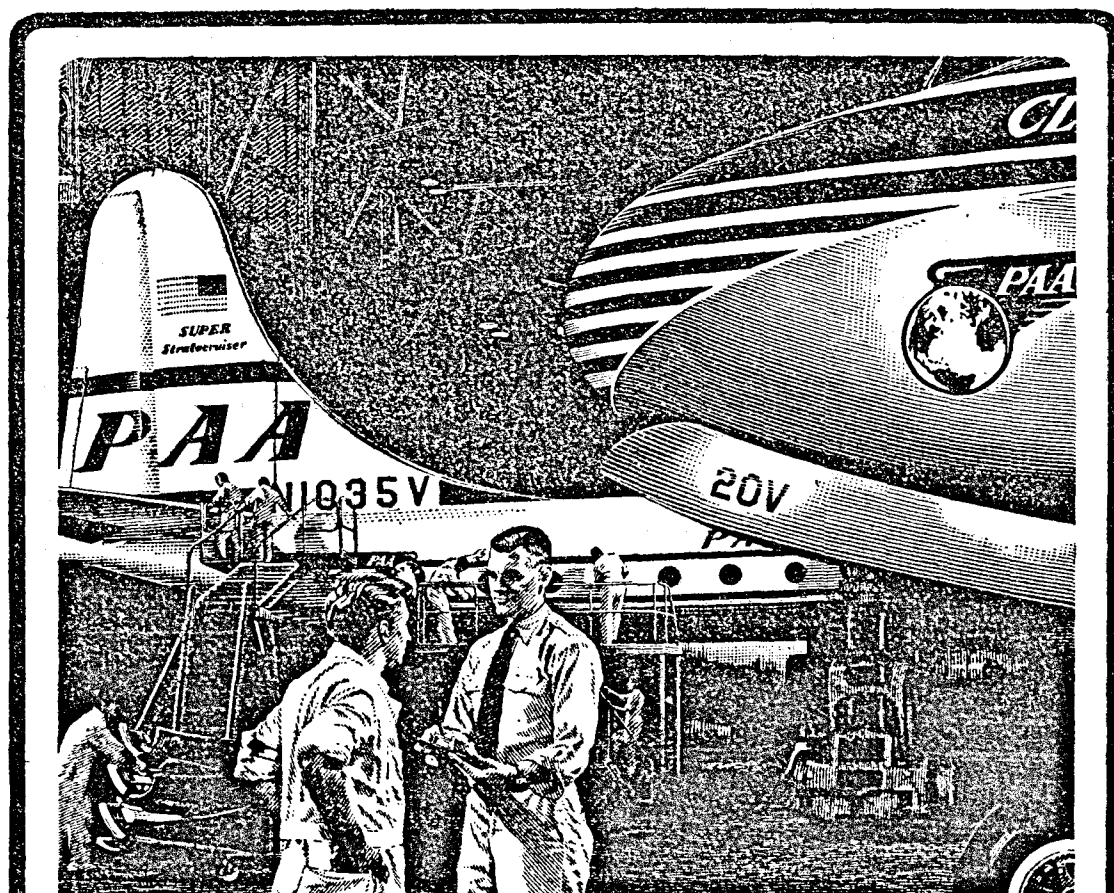
It is a pity diplomatic form requires that envoys should leave a reception at which their countries are being insulted, because, if Mr. Krushchev is as amusing to watch as he is to read about, the performance at the Polish Embassy in Moscow last Monday must have been worth watching. Perhaps the emotional outbursts of this born buffoon need not be taken too seriously, but I should like to know what Mr. Krushchev meant when he said of the capitalist countries: "Whether you like it or not, history is on our side. We will bury you." If that is a threat it is probably just as hollow as Mr. Bulganin's recent reference to rocket attacks on Britain and France. But it does reveal a distressing psychological outlook in a man who is supposed to guide the destinies of the world's second most powerful country—and certainly its greatest trouble-maker. So does the other part of his peevish wrangling "If you do not like us, don't accept our invitations and don't invite us to come to see you." If ever proof was needed that the brooding mistrust of the Stalin era is not dead, this is certainly it. Now that Mr. Krushchev is at last being impressed by events in Hungary that he might just possibly be capable of being in the wrong (the thought has already struck others, as we can gather from Mr. Mikoyan's remark to his chief: "When are you in the right?") a little self-evaluation might soon become fashionable in the Kremlin. If so that would be a good thing, because Mr. Krushchev has proved that he has much to contribute to the art of politics, especially on the more modern, lighter, public-relations side. He may even grasp the truth that posing as the world's benevolent uncle while sending tanks to murder Hungarian civilians is apt to get one a bad name for hypocrisy. There is also the chance of its eventually dawning on him that expressions of brotherly love and unbounded generosity—even to Asian minds, now that Mr. Nehru has said what he really thinks of the doings in Hungary—do not go well with a petulant leaning towards wholesale blood-letting.

I belong to a "noble" profession; Mr. K. M. Munshi says so. But I am more grateful to him for the other things he said about the Press in India, and they needed saying. He appealed to Indian journalists "to fight attempts by sections of the public to overwhelm the Constitution by direct action and the tendency to mobilise mob frenzy by playing upon popular passions." I have thought hard, and cannot remember a single instance in which the popular English-language Press has thrown its full weight in favour of the law. Violence is condemned in the mildest terms, and then followed by a reference to "police excesses," as though in extenuation of mob misbehaviour. This, in part, is a hangover from pre-Independence days, when breaking the law was the fashionable thing to do, but one cannot help observing that a hangover which lasts for nine years is a very long one indeed. Without pointing it out quite so bluntly, Mr.

Munshi did hit upon the crux of the matter when he described small papers as "the real voice of democracy, unhampered by the strings pulled by party loyalty, high finance or patronising advisers." I would not know about party loyalty, nor about patronising advisers, as far as I can see, most popular newspapers affect to be "independent" of parties, and patronage is rather difficult to establish. As for high finance, whatever that may mean, it appears to me to get the worst possible deal from the popular Press. If there is a "popular" newspaper in India which has come out with an outright condemnation of the tactics labour has been employing of late against employers, I have not yet seen it. Show the best possible reasons why the price of a commodity has just got to be increased, produce the best possible arguments why an industry must be treated more kindly by the State, and all you will get from the daily Press is an apologetic excuse, "You see, we'll be unpopular if we say that the price of coal has got to go up." And this from an industry which still keeps its own produce at 2½ annas a copy, long after the price of newspaper has come down.

It is not only those who read too many detective stories, or even the many who will always put Britain in the wrong, who are wondering whether there was collusion over the attack on Egypt. The average Briton dismisses the idea as unlikely. France, yes. But Britain, no—Sir Anthony is just not capable of it. He could be tricked, but to take part in a trick, never. The reasons for this conclusion vary from: He is too upright; his back-ground does not fit a man for that sort of thing, to: He just has not got it in him. The latter verdict is usually given with a regretful shake of the head, as if a touch of the rascal might perhaps be a good thing in a British Prime Minister. It is often followed by a sly wink and the comment: "Now if it were Churchill, that would be a different matter." But the question cannot be dismissed as a mere academic exercise either in forensic or psychological deduction; on its answer depends a great deal of Britain's future prestige. The most important task which Britain, and any other power which is not too self-interested or too blinded by indignation, has to look to, is that of keeping the dagger from being put back into the assassin's hand. I think this metaphor was Mr. Macmillan's and I cannot imagine one which describes better the rôle of Egypt before the Israelis forestalled her. But if it is proved that there was prior intrigue and collusion on the part of Egypt's attackers, it will not be easy for the world to keep this essential point in mind. And it does look as if there has been some collusion somewhere. There is no need to run through the evidence here; newspapers with a more voracious appetite for sensation will be busy reproducing it, with trimmings to suit all tastes, for months to come. Some of them have already started. Up to now the facts speak against France rather than Britain; Israel is excused, (and so she should be) as only doing what was indispensable for her own survival. They suggest that France and Israel did the plotting and that Britain only became a party through the pressure of events and from the justifiable conviction that the main obstacle to world peace is the Russo-Nasser conspiracy against Israel and the West. If Britain and France have anything to say in their own defence it is time they said it, because the world is fast arriving at a verdict anyway. So far as Britain is concerned the choice already seems to be between playing a Brutus or a Cassius.

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INDUSTRIAL TRENDS IN THE UNITED KINGDOM

UNSATISFACTORY FEATURES IN EXPORT TRADE

(FROM A SPECIAL CORRESPONDENT)

THE industrial world, in a sense, is dominated by the international political situation, but, at the time of writing, in only a few directions are there signs of any pronounced hesitancy, and there the reason may be due to causes quite unrelated to the complications in Hungary, Egypt and elsewhere. Not much of a precise nature can really as yet be said upon this aspect of business. Many orders now being executed were placed long ago. There are also special influences operating, as, for example, the laying in of winter stocks, early buying for Christmas and the large scale Government contracts, particularly for the attempted regeneration of the railways. There have been, too, several exhibitions, at which fresh machines and new methods of organisation have been in evidence, providing stimulation. The authoritative admission that the U.K.'s share in the ever-growing world market for goods is declining "almost at an alarming rate" has not seemed to have made much impression. Possibly, the seriousness of this fact is not brought home to the majority of people, because the U.K.'s exports over the past few years, measured by volume, still show an expansion of 12 per cent—which might of itself appear a fairly satisfactory figure. But it ought to be borne in mind that the far higher rate of increased power to export which her chief competitors have shown during the same period may imply that their export potentiality is becoming greater. Accurate knowledge of markets must have become greater by reason of their successful experience.

Psychology of Buyers

As a matter of fact, that this last is so, has been put on record in many reports from U.K. *attachés* overseas, who have given the warning that the British are lacking in psychological understanding of peoples abroad with whom they wish to trade. It is pointed out that British machines are offered whose appeal is lessened by some superficial drawback, from the would-be customer's point of view, which could easily be remedied. Similarly with products, upon which the comment has been made that too little trouble is taken in ascertaining the tastes and inclinations prevailing in the anticipated markets. However, the British people, or those who speak for them, are still confident that their own nation's technical advances during the past decade, together with those foreshadowed, will be able to ensure maintenance of prosperity for an indefinite period ahead. This reliance, as is well known, has come to be classified under the general heading of "Progress in Automation." There is, however, a failure in some quarters, to realise that automation is by no means a monopoly of the United Kingdom. The United States is years ahead in its practice, and almost completely automatic factories are to be found in continental Europe as well. Besides, there is nothing in the industrial world of today, nor can there be, which is not either quickly copied or "shared". So while according automation the respect that it deserves as an aid to industrial efficiency, it would be unwise to argue that psychological aid, or shall we say, human, factors have not also their own specific industrial value.

While automation can be engendered in all sorts of directions and places, it is probably true to say that determining the pace of the carrying out of this transformation is directly connected with the springing up of the atomic energy establishments; for there the present maximum feasible automatic control is to be seen from the start. Illustrations of what is being done at these establishments appear in the Press, popular and specialised, and therefore, so to speak, a pictorial urge is given to automation as an industrial ideal. It should also be noted that companies engaged in diverse activities send members of their staff to work in these establishments, and these persons become influenced by the extensive instrumentation and other practices with which they come in daily contact. Consequently, something of the automation spirit in its most powerful expression tends, through this agency, to infiltrate ordinary industry.

Manufacturers of machinery, equipment and instruments for chemical engineering have their

order books full to the utmost. Some sections of the chemical industry would be adversely affected by a diminution of Britain's oil supplies, since many chemicals are a by-product, or partly so, of petroleum. Nevertheless, the range of chemical products is now so wide that few industries are more strongly placed for continuous expansion than is the chemical, even in a period of political uncertainty. Imperial Chemical Industries announces that at its Wilton factory alone over £12 million a year is being spent on construction work for a single project, and that plans have also been made for the erection of numerous large-scale plants elsewhere. Indeed, it can be said that the capacity of these plants will be limited only by the difficulties of obtaining skilled workers. Plastics, titanium and refrigerants are prominent among the familiar products, outputs of which are to be vastly increased. Many quite new chemicals are to make their appearance soon. A few fore-runners of these are already on the market, including chemicals for which preliminary advertising ensured a quick public response, especially for the latest antiseptics intended for personal and household use. Competition between the giant chemical concerns of the U.K., the United States, Switzerland and Germany is more in evidence, but unless economic conditions are profoundly disturbed, there is no question of oversupply of their manufacture. Inevitably, some of the small chemical companies whose specialities have been superseded by the latest products, are finding it hard to devise policies of successful readaptation. But their domestic problems do not handicap the onward march of the chemical industry as a whole.

Quality Control

A conference on "Quality Control and Informative Labelling" does not sound exciting, but the gathering under that title which has been held recently in Gothenburg, Sweden, was more important than its title might suggest. It was called by the International Rayon and Synthetic Fibres Committee, and representatives from most textile countries, including Japan, contributed papers. Leading U.K. fibre manufacturers have long complained that the public does not get the full benefit of the outcome of their expensive research activities, since many fabric manufacturers do not observe high standards in spinning, weaving, processing, etcetera. A British rayon firm has endeavoured to counter this by allowing fabric manufacturers to fasten a guarantee on their products, backed by the name of the fibre suppliers themselves, provided that the fabric manufacturers have submitted their wares to independent tests. This has helped clear the position. But there is no quality control practice which is universally observed. In some countries, among them Denmark, the Government has taken the responsibility for ensuring that manufacturers adhere to minimum standards. This is akin to the utility standards upon which the British Government insisted during the second world war. The chief conclusion of the conference was that the best hope for bringing about quality control is through the association of proclaimed quality with branded goods—buy the latter and be safe. The second reform desired, namely, informative labelling, is difficult, because there is no widespread agreement at present upon the terminology necessary to be used. Where there is a measure of agreement, the public seldom understands the full significance of the terms employed. All that could be fallen back upon is the desirability of further educating the public in textile matters—a task made the more exacting by the frequent arrival of new fibres and new fabrics and revolutionary changes in their finishing treatments. It was conceded that the woollen manufacturer, supported by tradition and relying upon the reiteration of the simple claim "wool is best", has a strong position compared with that of the producer of fabrics made from man-made fibres, who would merely be regarded as precocious if he tried to put his case as tersely.

Isotopes and Textiles

The existing relations of isotopes to the textile industry is examined at length by a British textile journal. It finds that a good deal has been already accomplished and that what has been done justifies study by research workers, as indicating the line of developments likely to occur in future. The practical application most widely adopted so far is for the purpose of reducing static electricity, and simple radioisotope apparatus for this purpose is now to be found over looms in the U.K. Radioisotopes are used for measuring the thickness of materials or finishes; it is indicated that they will help in the early detection of fabric faults. The use of radioisotopes as tracers to determine the mechanism of a reaction or a physical process has attained eminence in biochemistry, and should eventually find many uses in industrial fields. The British paper industry is giving attention to the possibilities of radioisotopes, but most of the work in this connection has so far been in the pulp producing countries, where the use of radioisotopes in fibre mixing has been the subject of fruitful study.

In spite of the competition of other raw or semi-raw materials, rubber has entered into new industrial uses during the last year or so. This is due partly to increased research and partly to intensified propaganda on rubber's behalf. A further extension of industrial uses (apart altogether, that is, from any type developments) has been announced by the United States Rubber Company which has just acquired controlling interest of the North British Rubber Company Ltd., Scotland. Some of these uses are expected to lie in fresh uses of rubber for coatings, in which direction, rubber, although it has many rivals, has the advantage of favourable properties of its own.

RESERVE BANK

ISSUE DEPARTMENT		(In 000's of Rupees)		Week ended	18-11-55
		16-11-56	9-11-56		
Liabilities—					
Notes in Banking Dept.	...	18,14.49	7,44.99	9,89.76	
Notes in Circulation	...	14,43,65.77	14,52,95.95	13,44,57.30	
Total Notes issued	...	14,61,80.26	14,60,40.94	13,44,57.30	
Assets—					
A. Gold Coin and Bullion	...	1,17,76.03	1,17,76.03	40,01.71	
Foreign Securities	...	4,62,20.66	4,62,20.66	6,47,06.60	
Total of A	...	5,79,96.69	5,79,96.69	6,87,08.31	
B. Rupee Coin	...	1,21,33.26	1,19,93.94	1,08,37.92	
Rupee Securities	...	7,60,50.31	7,60,50.31	5,48,61.07	
Total	...	14,61,80.26	14,60,40.94	13,44,57.30	
BANKING DEPARTMENT					
Liabilities—					
Capital Paid-up	...	5,00.00	5,00.00	5,00.00	
Reserve Fund	...	5,00.00	5,00.00	5,00.00	
National Agricultural Credit (Long-term) Fund	...	15,00.00	15,00.00	—	
National Agricultural Credit (Stabilisation) Fund	...	1,00.00	1,00.00	—	
Deposits—					
(a) Central Govt.	...	51,41.73	62,99.59	53,06.86	
(b) Other Govts.	...	12,17.81	20,03.60	13,72.02	
(c) Banks	...	53,20.98	53,46.74	57,54.78	
(d) Others	...	12,97.11	13,21.12	15,60.60	
Bills Payable	...	12,34.26	12,40.41	7,59.73	
Other Liabilities	...	1,01,41.58	1,00,32.88	24,00.70	
Total	...	2,69,53.47	2,87,46.34	1,81,54.69	
Assets—					
Notes	...	18,14.49	7,44.99	9,89.76	
Rupee Coin	...	9.06	8.39	8.23	
Subsidiary Coin	...	11.38	10.54	6.85	
Govt. of India Treasury Bills	...	4,16.78	4,44.19	8,99.02	
Balances held abroad	...	91,46.07	98,17.38	70,86.04	
Loans to Govt.	...	1,46.35	84.35	3,11.00	
Other Loans etc.	...	82,75.77	90,08.85	25,89.13	
Investments	...	59,21.76	74,29.45	49,96.85	
Other Assets	...	12,11.81	11,97.60	12,10.51	
Total	...	2,69,53.47	2,87,46.34	1,81,54.69	

SCHEDULED BANKS

(In 000's of Rupees)		2-11-56	11-11-55
		9-11-56	
Demand Liabilities—			
(a) Borrowings from Banks	...	13,33.21	13,04.56
(b) Others	...	6,28,20.50	6,25,87.30
Total	...	6,41,53.71	6,39,91.86
Time Liabilities—			
(a) Borrowings from Banks	...	2,07.00	3,23.00
(b) Others	...	4,52,55.98	4,53,01.46
Total	...	4,54,62.98	4,56,24.46
Assets—			
Borrowings from State Bank Demand Liabilities	...	11,04.23	13,35.38
Time Liabilities	...	38,81.30	34,08.80
Cash	...	48,81.74	51,77.06
Balances with the Reserve Banks	...	48,81.74	51,77.06
Balances with other banks in current account	...	9,84.41	9,84.42
Money at call and short notice	...	17,31.21	17,26.58
Investments in Central and State Govt. Securities	...	3,65,92.91	3,67,32.31
Advances	...	6,04,08.90	6,13,05.93
Inland Bills purchased and discounted	...	1,07,84.50	1,03,19.59
Foreign Bills purchased and discounted	...	50,37.04	52,45.87
Total	...	6,41,53.71	6,39,91.86

CLEARING HOUSE RETURNS

Week ended	Rs. (thousands)	Calcutta	Bombay
16-11-56	65,28.36	63,68.88	
9-11-56	59,02.25	60,95.73	
2-11-56	62,25.36	53,56.84	
26-10-56	62,48.59	62,03.46	

STATE BANK OF PAKISTAN

ISSUE DEPARTMENT		(In 000's of Rupees)		Week ended	Week ended
		2-11-56	26-10-56		
Liabilities—					
Notes in Banking Department	...	10,41.10	9,58.56		
Notes in Circulation	...	2,94,73.09	2,90,73.77		
Total Notes issued	...	3,05,14.19	3,00,32.33		
Assets—					
A. Gold Coin and Bullion	...	11,33.41	11,33.41		
Sterling Securities	...	87,70.69	87,70.69		
Government of India Securities	...	16,68.25	16,68.25		
India Notes representing assets receivable from the Reserve Bank of India	...	43,02.28	43,02.28		
B. Rupee Coin	...	5,91.23	6,09.37		
Govt. of Pakistan Securities	...	1,34,58.27	1,29,58.27		
Held with Reserve Bank of India pending transfer to Pakistan	...	19.02	19.02		
Gold Coin and Bullion	...	4,40.63	4,40.63		
Sterling Securities	...	1,00.90	1,00.90		
Govt. of India Securities	...	29.51	29.51		
Rupee Coin	...	3,05,14.19	3,00,32.33		
BANKING DEPARTMENT					
Liabilities—					
Capital Paid-up	...	3,00.00	3,00.00		
Reserve Fund	...	3,00.00	3,00.00		
Deposits—					
(a) Central Government	...	39,96.41	40,08.13		
(b) Provincial Government	...	4,30.24	4,30.24		
(c) Banks	...	17,56.05	15,46.34		
(d) Others	...	3,58.53	3,64.12		
Bills Payable	...	28.84	13.13		
Other Liabilities	...	9,83.33	11,87.59		
Total	...	78,83.45	81,57.55		
Assets—					
Notes	...	10,41.10	9,58.56		
Rupee Coin	...	5.91	6.09		
(a) Pakistan	...	9	12		
Subsidiary Coin	...	11	11		
(a) Pakistan	...	11	11		
(b) India	...	—	—		
Bills Purchased and Discounted—					
(a) Internal	...	2,06.87	2,11.81		
(c) Govt. Treasury Bills	...	—	—		
Loans and Advances to Govt.	...	5,39.15	4,59.00		
Provincial Govt. Debtor Balances	...	51,24.82	55,23.89		
Other Loans and Advances	...	9,71.31	9,64.00		
Investments	...	78,83.45	81,57.55		
Other Assets	...	—	—		
Total	...	78,83.45	81,57.55		

Finance in India and Abroad

THE CALCUTTA MONEY MARKET

FUNDS REQUIRED FOR COTTON GINNING

Wednesday, 21st November.

THERE has been little change in the overall demand for funds this week, although a marked increase has been noted on account of the holding of cotton stocks now that ginning is in progress. There has been a slight tendency for advances to the sugar industry to rise, but the movement has not yet been appreciable. Demand from the jute industry has fallen considerably over the past few days. Funds are easier in the Calcutta interbank market this week, but the official call rate is still quoting 3½ per cent.

It has been a quiet week for bills. Those that have come to hand have been chiefly on account of tea shipments. Remittance is moderate. Sterling has not yet risen above the support levels, but it is reported from London that rather better tendency is developing.

During the week ended 16th November, Government of India Treasury Bills for Rs. 11,25,25,000 were sold in favour of the Reserve Bank.

Silver was steady following good support at the lower levels. The price advanced from the previous week's level of Rs. 172-7 to Rs. 172-12, quoted today. The rate for ready was Rs. 173-3. The London price increased to 80½d. The price of foreign silver in New York has been steady and stood at 91½ cents.

In sympathy with silver, gold increased from Rs. 105-1 to Rs. 105-8. The sovereign in Rs. 70 showed a gain of 8 annas.

A decline of Rs. 9.30 crores to Rs. 1,443.66 crores in active notes was the notable feature of the return of the Reserve Bank of India for the week ended 16th November, 1956. The total note issue was Rs. 1,39 crores higher at Rs. 1,461.80 crores. Notes held in the Banking Department consequently rose by Rs. 10.69 crores to Rs. 18.14 crores. Deposits of the Government of India and other Government accounts declined by Rs. 11.58 crores and Rs. 7.88 crores to Rs. 51.42 crores and Rs. 12.18 crores, respectively. Balances of commercial banks at Rs. 53.21 crores showed an increase of Rs. 74 lakhs. Balances held abroad declined by Rs. 6.71 crores to Rs. 91.46 crores, and investments by Rs. 15.07 crores to Rs. 59.22 crores. Other loans and advances declined from Rs. 90.09 crores to Rs. 82.76 crores, of which advances to scheduled banks against usance bills amounted to Rs. 40.80 crores (Rs. 42.41 crores). These advances totalled Rs. 358.22 crores since 1st January, 1956. Ways and means advances stood at Rs. 1.46 crores (Rs. 84.35 lakhs).

The return of the State Bank of India for the week ended 9th November, 1956, shows a drop of Rs. 1.65 crores in total deposits to Rs. 227.72 crores. Investments in Government securities are down by Rs. 16 lakhs to Rs. 95.64 crores, while other authorised investments remain unchanged at Rs. 11.30 crores. Advances, including loans, cash credits and overdrafts, and bills discounted and purchased, have fallen by Rs. 2.61 crores to Rs. 128.11 crores. Cash and balances are, in consequence, shown at Rs. 17.01 crores or Rs. 81 lakhs higher.

It was stated in the Press communique issued by the Reserve Bank on 3rd February, 1956, that the bill market scheme had been a striking success during the four years of its operation and that banks had been making full use of it to obtain funds during the busy seasons. The concessions concerning the rate of interest and the stamp duty were reviewed, and the Reserve Bank decided that, with effect from 1st March, 1956, advances to banks under the scheme should be made at 3½ per cent and the concession on the stamp duty withdrawn. The working of the scheme has again been reviewed recently. Taking into account the present economic and banking trends, it has been decided that with effect from 21st November, 1956, the rate of interest on advances to banks under the scheme should be at the bank rate, that is, at 3½ per cent a year. This rate will apply to the new advances granted.

The statement of the position of scheduled banks for the week ended 9th November, 1956, shows Demand and Time liabilities at Rs. 641.54 crores (Rs. 13.33 crores on account of borrowings from banks) and Rs. 454.63 crores (Rs. 2.07 crores), compared with Rs. 638.92 crores (Rs. 13.05 crores) and Rs. 456.34 crores (Rs. 3.33 crores), respectively, in the previous week. Cash has increased by Rs. 4.72 crores to Rs. 38.81 crores, while balances with the Reserve Bank have decreased by Rs. 2.95 crores to Rs. 48.82 crores. There is a drop of Rs. 1.39 crores in investments to Rs. 365.93 crores. Advances and bills discounted, at Rs. 762.30 crores, show a fall of Rs. 6.41 crores. The ratios to total liabilities of cash and balances, and of advances and discounts, are, in consequence, shown at 8.0 per cent and 69.5 per cent, against 7.8 per cent and 70.2 per cent.

Provisional figures of foreign sea and air-borne trade of India on private and Government accounts during October, 1956, according to data so far available in the Department of Commercial Intelligence and Statistics, Calcutta, are as follows: Merchandise, excluding transit trade of Pakistan but including that of other land frontier countries: Exports Rs. 5,226 lakhs, re-exports Rs. 42 lakhs (transit

trade negligible); imports Rs. 6,871 lakhs (transit trade Rs. 1 lakh); total trade Rs. 12,139 lakhs. *Treasure:* Exports of currency notes Rs. 110 lakhs, others nil. Imports of gold Rs. 1 lakh, currency notes Rs. 313 lakhs, others nil. *Balance of Trade:* The merchandise import figures are exclusive of the value of certain consignments of Government stores awaiting adjustment. Subject to this deficiency in import figures, and to the exclusion of figures for transit trade, the total value of exports (including re-exports) of merchandise, gold and silver fell short of imports by Rs. 1,603 lakhs.

LONDON FINANCIAL LETTER

POLICY FOR STERLING

By Air Mail.

THERE is no doubt of the British Government's intention to maintain the official value of sterling during the period of difficulty, but there are some sceptics in London doubting its ability to do so if that period is prolonged or if other problems supervene. The most satisfactory element in the position at present is the technical shortage of sterling on the part of interests which need it in the course of business. Payments for imports from the sterling area cannot be delayed indefinitely, and substantial quantities of sterling must soon be acquired to pay for imports of manufactures from Britain and of commodities from other sterling countries. In both these categories, the volume of trade has recently been large. Some weeks may, therefore, elapse before the currency shows signs of serious strain. The subsequent phase, when the sterling area's export trade is hindered and the reorientation of the oil trade is causing substantial net expenditure of dollars, will require very careful handling. The authorities have to decide how much of the reserve of gold and dollars they can safely sacrifice in support of sterling. There are signs already that they are prepared to abandon for a time the policy of unifying all rates for sterling and will concern themselves mainly with the basic official rate—which they are obliged to maintain, anyway, at \$2.78 to £1.

Transferable Sterling

It is not at present difficult to hold "official" sterling a little above \$2.78, but to keep "transferable" sterling at a discount of no more than 1 per cent, to which it had adhered for approximately 18 months, would evidently have been too costly, at least in proportion to the benefits gained by supporting it. There are no longer, apparently, large amounts of this currency available to convert in the open market, but the British authorities see no good reason why they should provide facilities for converting it almost at official rates. By mid-November the discount had widened nearly to 2 per cent, and in different circumstances, the "commodity shunters" would presumably have been preparing for action; but in the troubled state of shipping after closure of the Suez Canal, a much wider discount would be needed to ensure a profit on sterling commodities diverted to the dollar area by way of non-sterling countries. There is no practical advantage in keeping the other unofficial rate, that for "security sterling" (capital sterling immobilised by exchange control), near the official level, and this variety of sterling has, in fact, been jettisoned. It moved above \$2.78 in the second quarter of this year, when the unity of sterling seemed virtually achieved; by mid-November it was below \$2.50. At the same time, the "dollar premium" (a London rate reflecting British investors' willingness to pay more than New York prices for dollar stocks and bills) reached nearly 12 per cent. The policy of unifying all rates for sterling, initiated in March last year, has, indeed, suffered a damaging setback.

Hoarding of Gold

There has been some dispute in London concerning the status of gold in this new crisis. One interesting development is in the technique of relieving sterling by official selling of gold on a substantial scale in the bullion market. Of more interest to the disputants, however, is the demand for gold for hoarding. Has the metal's status as



the best store of value been confirmed in this crisis? Or is there evidence that the so-called "cult of gold" is dying? There is no disputing the fact that in the early days of November considerable quantities of gold were being bought by people whose instinctive reaction to the crisis was distrust of currency. They had no reason to be deterred by high prices such as characterised these critical periods in former years, for the only appreciable increases in price were in the few centres where—mainly because of temporary difficulties of transport—gold was not freely available. Even at a height of the crisis, the price in London (now the principal market) did not rise above \$35.08 an ounce, and a startling decline in the second week of November carried it actually below the official U.S. price of \$35.

It was this decline, while the international situation was still tense, that raised the question whether, with a final spasm of activity, the "cult" was dying. It appears, however, that increased selling rather than decreased buying was the cause of the decline. In London (to whose prices those of other markets are fairly closely related) the authorities found the gold market a convenient medium for supporting sterling by weakening the dollar. (Since gold in London is bought with a special "registered" sterling, which can be acquired only with dollars, an increase in the turnover of gold involves an increase in sales of dollars.) Moreover, while this decline was in progress the price of gold sovereigns was still rising.

For hoarding on a moderate scale, sovereigns are a convenient form of gold, whereas more substantial hoarding through the medium of gold bars has many practical inconveniences. It appears, indeed, that the intensification of the crisis actually caused some dis-hoarding—or reversal of a hoarding process that had not been completed. Some gold bought in the quieter phase of the Suez crisis was sold again in London when a major war seemed possible, because the previous buyers feared that this heavy material would be difficult to get out of the country. So the question whether there is still a strong latent tendency to hoard gold in times of unsettlement is not fully answered.

CREDIT NEEDS IN A GROWING ECONOMY

REORIENTATION OF THE BANKING SYSTEM

(By R. M. Mitra)

THERE seems to be a flutter in financial dovecotes. The onset of the busy season is occasioning some concern. Banks' advances have consistently maintained a high ratio to deposits. A survey of the position during the period 1950-51 to 1955-56 shows that, except for the slack season in 1952-53, the increase in banks' advances (including bills purchased and discounted) occurring in the busy season, has not been neutralised by a comparable fall in the succeeding slack season. The total increase in advances during the period 13th May 1950, to 11th May 1956, amounted to Rs. 740.1 crores, against a total decline of Rs. 440.5 crores. The net increase in banks' advances during this period, therefore, works out at Rs. 299.6 crores.

The rising trend in banks' advances is, perhaps, to be accounted for by the accelerated economic activities stimulated by the five year plans. The phenomenon of rising bank advances would, therefore, appear to be a natural development. Yet there is cause for anxiety. The weird processes of the monetary mechanism seem to have upset the apple-cart. The traditional concept of sound banking has tended to relate bank advances to a specified proportion of deposits. Banking thought in India has been moulded on the concept that advances should be about 50 percent of deposits. It is, therefore, regarded as disquieting that during the period 13th May, 1950, to 11th May, 1956, the net increase in banks' deposits and other normal resources aggregated Rs. 238.9 crores against a rise in advances of Rs. 299.6 crores. The rise in advances is more than 125 percent of the increase in resources. This disproportionate increase is becoming more pronounced as the economy is developing.

The period between October 1955 and October 1956 witnessed a rise of Rs. 66 crores, from Rs. 1,021.1 crores to Rs. 1,087.1 crores, in scheduled banks' liabilities in India, whereas scheduled banks' advances recorded a rise of Rs. 167.9 crores, from Rs. 592.4 crores to Rs. 760.3 crores, during this period. It would appear, therefore, that the recent rise in advances has exceeded 250 percent of the rise in resources, against 125 percent for the period May 1950 to May 1956. In terms of the relation between outstanding advances and outstanding resources, the percentage has increased from about 58 in October 1955 to about 70 in October 1956.

The Bill Market Scheme

The geometrical progression of the rise in advances has led to anxious reconsideration of the Reserve Bank's credit policy. The increase has been financed largely by drawing down cash reserves and by reducing holdings of investments. But the seasonal gap in banking resources has so far been met by money pumped in the system through the operation of the bill market scheme introduced in 1952. The *modus operandi* of the scheme is to allow scheduled banks to take advances from the Reserve Bank against the security of bills or notes executed by scheduled banks' borrowers in connection with loans or overdrafts extended by these banks themselves. When bank rate was increased to 3½ percent in November 1951, the Reserve Bank considered it necessary to devise suitable means to combat the contraction of credit supply attending higher rates of interest. It was, however, recognised that a sponsored addition to credit supply should be so designed as not to result in augmenting the normal flow of money supply.

The nineteenth century legend of banking has endowed "bills" with a magical power of creating useful and self-liquidating short-term finance. As genuine trade bills are not dealt in on any appreciable scale in the organised money markets of India, it was considered appropriate to start with an imitation. The scheme brought into force in January 1952 provided, therefore, for the conversion into usance bills or promissory notes of that part of banks' loans and overdrafts represented by temporary needs for increased finance. The Reserve Bank offered to make loans to scheduled banks against the security of these bills or promissory notes. Section 17 (4) (c) of the Reserve Bank of India Act, which empowers the Reserve Bank to grant such advances, read together with Section 17 (2) (a), requires that the bills and promissory notes accepted as security for these advances, should arise out of "bona fide commercial or trade transactions," bear "two or more good signatures, one of which shall be that of a scheduled bank or a State co-operative bank" and shall be "maturing within 90 days" (exclusive of days of grace) from the date on which they are accepted as security by the Reserve Bank. Section 17 (4) (c) also authorises the Reserve Bank to make advances to scheduled banks against other kinds of bills and notes, as provided in Section 17 (2) (b) and 17 (2) (c). But the scheme restricts the scope of advances to the requirements of section 17 (2) (a), because the purpose is to provide short-term finance for the genuine needs of trade and commerce.

Safeguards

The Reserve Bank has established appropriate machinery and evolved necessary procedures for assessing the creditworthiness of scheduled banks' borrowers and to ascertain the purposes for which the money borrowed is utilised. Thus the Bank can satisfy itself that there are two "good signatures" and that the overdraft or loan represented by bills or notes to be negotiated for the purpose of section 17 (4) (c) fulfils the tests of "bona fide commercial or trade transactions." There has been a great expansion of the volume of advances made under the bill market scheme. Although there was some initial uncertainty, as shown by the fall in total advances to scheduled banks under this scheme from Rs. 81.45 crores in 1952 to Rs. 65.84 crores in 1953, the scheme has since been increasing in attractiveness from year to year. The comparable totals for the respective years 1954 and 1955 are Rs. 147.52 crores and Rs. 225.44 crores. For the year 1956, the total recorded up to 9th November has reached Rs. 344.34 crores. The level of outstanding advances under the scheme rose by Rs. 30.5 crores during the first four and half months of 1955. It is true that a considerable portion of the rising scale of the increase is accounted for by the exchange banks' increasing participation in internal borrowing as a result of the present deterrent cost of borrowing in the U.K. (the exchange banks' outstanding borrowings under the bill market scheme rose by Rs. 9.5 crores during the first four and a half months of 1955, and they continued to be borrowers in the slack season also).

The overall expansion has assumed such large proportions as to threaten to burst the limits set for the scheme. It is suspected that, on the basis of tests applied by the Reserve Bank to determine eligibility of the offered bills and notes, scheduled banks may not have further advances of the required amount in their portfolios, fit for conversion into bills and notes within the meaning of Section 17 (4) (c) read together with Section 17 (2) (a) of the Reserve Bank of India Act. Suggestions were made by the Shroff Committee for liberalising the requirements of the bill market scheme. It was proposed that the scheme be extended to all scheduled banks with deposits of Rs. 1 crore and above, and that the minimum limits relating to advances be suitably reduced to

cover smaller loan or overdraft accounts. Although the Reserve Bank did not accept the Committee's specific suggestion for extending facilities to smaller banks, the scheme was modified in July 1954 to cover all scheduled banks licensed under Section 22 of the Banking Companies Act, instead of only banks with deposits of Rs. 5 crores and above, as originally provided in the scheme. The Committee's suggestion about minimum limits was, however, fully implemented, and along with wider coverage of banks, the minimum amount of borrowing by a bank was reduced from Rs. 25 lakhs to Rs. 10 lakhs and the minimum amount of a bill or note offered as security was reduced from Rs. 1 lakh to Rs. 50,000.

It is understood that the question of widening further the compass of the scheme is being considered. Suggestions seem to have been made, also, for liberalising the Reserve Bank's test of creditworthiness and to simplify its procedure of enquiry, so that a larger number of scheduled bank's loan or overdraft accounts may be found fit for conversion into eligible bills or notes, and so that the time-lag involved in offering securities and obtaining loans under the scheme may be shortened. It is also believed that further suggestions have been made to alter the scope of the scheme and to bring within its purview *bona fide* bills arising in the course of trade and commerce, instead of only pseudo bills created on the basis of conversion of loans and overdrafts. In this connection, bills relating to imports covered by letters of credit are reported to have received particular attention. It seems really interesting to note that while the scheme is supposed to be based on a "bill market" the relative instruments are neither bills in the proper sense of the term, nor purchased and sold as provided in the scheme for a market, and also as is the actual practice in the U.S.A.

Problems of Over-strained Resources

The real issue, however, does not seem to be that of devising ways of lending money to banks to enable them, in their turn, to re-lend to their own borrowers. It would seem that whatever measures of extension and liberalisation of the so-called bill market scheme may be introduced, the problem of bank credit being out of proportion to banks' deposit resources will remain to be dealt with. It has again been suggested that banks' existing resources may be more usefully employed in making loans, if quick movement of funds between a bank's different offices can be arranged through liberal remittance facilities provided by the Reserve Bank and its agents. In accordance with the recommendations of the All-India Rural Credit Survey, these facilities have already been liberalised. A scheduled bank or a State co-operative bank is now able to remit money free of charge, by draft, mail or telegraphic transfer, twice a week instead of once, as was the case up to 1st November 1955, to the extent of Rs. 5,000, or a multiple thereof, from any place where there is an agency of the Reserve Bank to any account which the remitting bank maintains with the Reserve Bank. Remittance facilities through a scheduled bank's accounts with the Reserve Bank at different places are available free of charge for a minimum amount of Rs. 10,000 and in multiples of Rs. 1,000 in excess of Rs. 10,000. There are other facilities also for remittances at concessional rates. It is possible that these facilities are capable of further improvement.

But again, the question is not simply that of activating banks' existing resources. The disproportion between a bank's resources and advances will not be lessened by a more active utilisation of its resources. It should be understood that the more intensive use of a bank's funds does not correspond with the operation of a quicker turnover (a higher velocity of money). Bank credit, whether built on borrowings from the monetary authorities or on maximum employment of banks' deposit resources, will tend to strain the liquidity of the banking system, unless suitable methods are evolved for impregnating banks' loan-assets themselves with elements of liquidity or ready marketability. Although new concepts of the liquidity of bank assets, and rationalised methods, may improve the liquidity and stability of the banking system, it must be realised, however, that so long as the money supply of the country is not channelled mainly through the banking system and banks' deposit resources consequently enlarged, the danger of uncontrolled and inflationary money in an expanding economy will present a constant threat. The problem before the monetary authorities seems, therefore, to be that of directing the existing flow of money into the banking system rather than creating new money (through loans to banks) on the top of money to be released in the process of planned deficit financing.

Redundant Money Dangers

It is to be noted that the authorities are alive to the danger of redundant money causing mischief. Measures are, therefore, being taken to increase loan resources on the one hand and restrict the availability and cost of loan funds, on the other. Although the restrictions imposed on scheduled banks' advances against rice and paddy, instituted on 17th May, have been withdrawn by a notification dated 14th November, similar restrictions relating to other foodgrains and cotton manufactures introduced on 13th September still remain in force. It is also worth noticing that the cost of loans under the bill market scheme is being steadily raised. The rate of interest went up from the original level of 3 percent to 3½ percent on 1st March, 1956, when the original con-

cession of the refund of half the cost of stamp duty on bills and notes, was also withdrawn. The rate of interest has now been increased to 3½ percent with effect from 21st November, 1956. It seems legitimate, however, to doubt whether a variant of the schoolboy's task of calculating the net supply of water in a tank fitted with one pipe for intake and another for outlet, will achieve convincing results. The recent trends of industrial growth and economic activity in the U.K. are causing misgivings about the success of the dual policy of expansion and contraction, if unaided by other factors needed to sustain confidence and buoyancy.

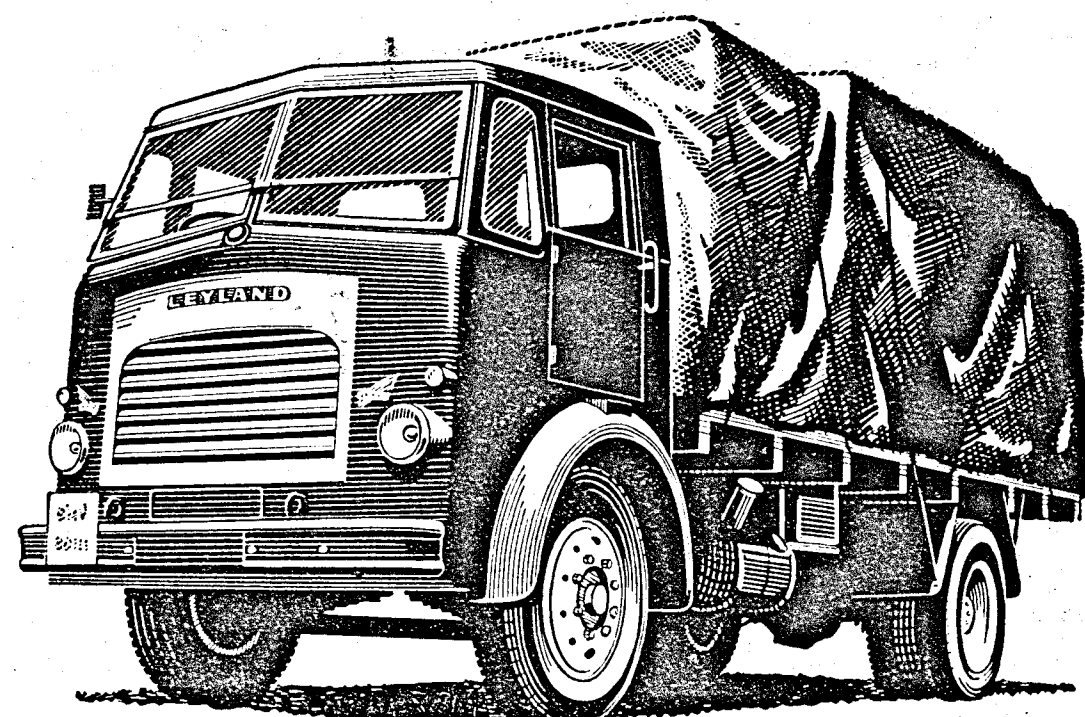
It is disquieting, therefore, to note that money supply in India circulates largely outside the banking system. In countries with organised money markets, bank deposits account for the greater portion of money supply, but in India legal tender notes continue to be the larger constituent of money supply. The demand deposits portion of the money supply represents little more than 30 percent of the total in India, whereas in the U.S.A. this component accounts for 80 percent. The recent tendencies seem calculated further to accentuate the disparity between bank deposits and notes in circulation outside the banking system. During the period April 1952 to March 1956, notes in circulation increased by Rs. 295.94 crores, whereas cash (including notes and coin) held by scheduled banks, after rising from an average of Rs. 34.68 crores during 1950-51 to Rs. 37.33 crores during 1951-52, fell to Rs. 34.64 crores during 1955-56. Again, cash held in banks' vaults accounts for less than 3 percent of notes and coin in India, compared with about 10 percent in the U.S.A.

Rationalisation of Money Supply

The tendency for legal tender notes to remain outside the banking system is likely to bring about new complications where increased advances under the Reserve Bank's bill market scheme are concerned. A stage may soon be reached where the notes flowing into the banking system out of the issue made in response to Government requirements, and against Government of India securities, may not be sufficient to meet the expanding requirements of the scheme. Although Section 33 of the Reserve Bank of India Act permits the Re-

serve Bank to issue notes against bills of exchange and promissory notes eligible under Section 17 (2) (a), 17 (2) (b) and 18 (1) (1), it appears from the statistics published in the Reserve Bank's monthly bulletins that such bills and notes have not at any time formed part of the rupee securities held in the Issue Department of the Bank. It seems that a further considerable expansion of the facilities under the bill market scheme may require the Reserve Bank to hold eligible bills and notes as part of its assets against note issue. This will involve a change in the hitherto familiar pattern of the asset structure of the Issue Department. But a more significant change involved may relate to the mechanism of the bill market scheme itself. It seems that bills and notes purchased by the Reserve Bank and not held merely as security, can form part of assets in the Issue Department. The scheme may, therefore, need to be modified to allow scheduled banks to hold bills and notes for purchase under Section 17 (2) (a) of the Act. It may be hoped that this change will result not simply in bringing into operation an unused but important provision of the Act, but also to promote a genuine, as distinct from a hypothetical, bill market.

But when all is said and done, the problems of increasing resources for expanding economic activity will require to be dealt with in a more constructive manner. So long as money supply flows largely outside the banking system and banks' deposit resources consequently fail to keep pace with the developing economy, the dangers of over-strained bank resources and of redundant and uncontrolled money, will continue to disturb the planned development of the Indian economy. It seems strange, therefore, that the authorities do not show sufficient awareness of the necessity for providing the requisite conditions to further the confidence of the money-using public in the Indian banking system. The need for a well considered move in this direction has been all the more heightened because of doubts and misgivings created by the increasing emphasis on nationalised banking institutions. It seems high time that the recommendations of the Shroff Committee relating to insurance of bank deposits received proper consideration. The example provided by the U.S.A. banking system should not fail to inspire necessary action.

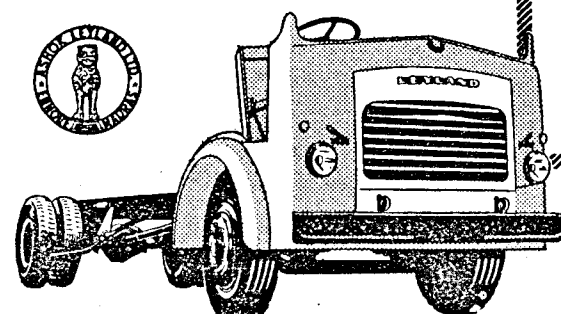


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*ECPO2. 2R	14ft 8in.	24ft 0in.	

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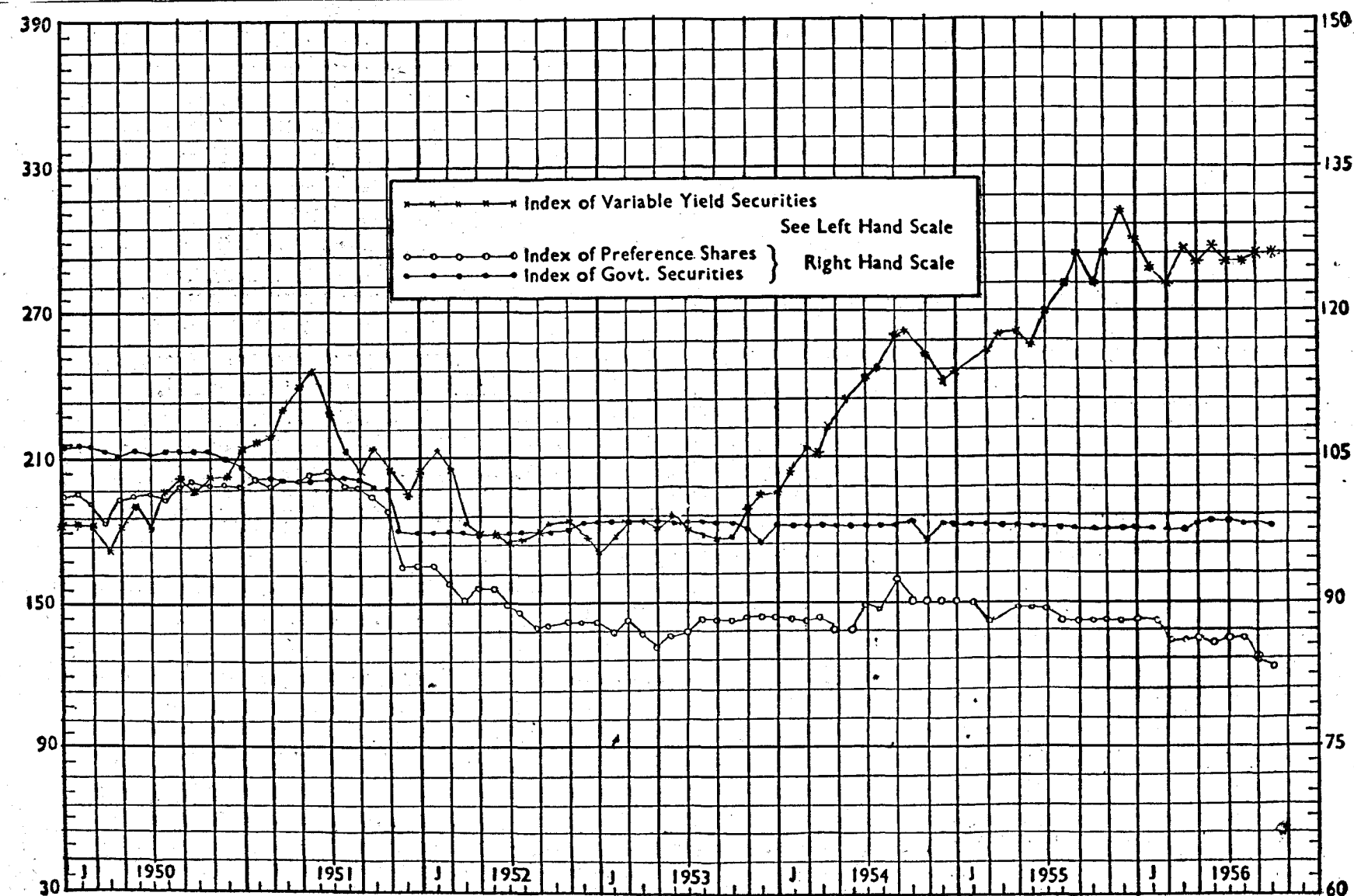
"CAPITAL" STOCKS AND SHARES INDEX*

The Capital Stocks and Shares Index (Base: 1939) has now been brought up to September, 1956. Compared with August, the September indices for Government securities and preference shares show drops of 0.6 points and 0.9 points, respectively.

There were increases in coals 2.6 points, jutes 1.6 points, minings and oils 17.6 points, cements 2.2 points, papers 4.7 points and miscellaneous 11.4 points, while decreases occurred in banks 1.5 points, cottons 18.6 points, engineering 6.0 points, teas 8.9 points and sugars 0.6 points.

Correlating all the factors, the Capital variable yield securities index shows that the index for stock prices in these classes of shares remained unchanged at 294.5 points during September, 1956.

		Index of Govt Securities	Index of Preference Shares	Variable-Yield Securities												Combined Index
				Banks	Cotton Mills	Coals	Jute Mills	Mining and Oil	Cement Lime etc	Eng. and Metal Works	Tea Shares	Paper Mills	Sugar Shares	Others		
Weights	---	---	7	12	9	11	10	6	17	4	7	8	11	100		
1952.																
October	...	97.7	87.7	129.1	192.6	186.8	170.6	99.9	93.0	162.0	207.9	543.3	150.5	217.7	181.5	
November	...	98.1	87.8	128.8	189.7	181.2	159.5	94.7	89.1	156.2	192.2	522.1	144.9	217.2	175.6	
December	...	98.1	87.4	131.4	188.5	175.1	150.0	92.2	89.6	159.3	166.7	517.5	139.5	218.2	173.2	
1953.																
January	...	98.0	86.4	131.9	188.9	167.5	144.0	105.4	88.9	162.6	179.1	517.5	133.5	223.9	176.0	
February	...	97.9	87.8	133.5	199.6	175.6	147.2	101.4	91.9	165.3	189.7	549.3	148.9	234.2	182.3	
March	...	98.2	86.4	136.7	204.1	184.8	144.0	96.8	92.1	165.3	196.0	569.2	155.9	222.4	183.1	
April	...	98.1	85.1	135.9	203.7	181.2	144.0	95.3	92.1	168.7	192.2	548.6	153.9	219.3	181.9	
May	...	98.1	86.4	136.7	208.7	183.2	148.0	99.6	94.3	173.4	179.1	569.2	164.1	222.9	186.3	
June	...	97.8	86.8	133.5	199.2	179.2	144.4	97.1	93.2	166.0	203.7	560.6	161.9	213.6	181.9	
July	...	97.6	88.6	135.1	199.2	172.6	140.4	90.7	90.9	164.6	192.6	550.6	161.2	213.1	178.7	
August	...	97.6	88.5	134.0	197.6	156.3	135.3	88.8	88.3	162.0	177.8	539.4	162.6	215.1	175.2	
September	...	97.7	88.6	131.7	192.6	160.3	132.1	87.1	89.3	160.9	204.1	547.3	169.9	216.3	177.1	
October	...	97.5	88.7	135.1	223.9	164.8	136.1	109.4	93.0	170.7	207.1	563.1	171.9	227.0	189.8	
November	...	96.1	88.7	134.0	201.7	161.2	144.4	112.5	97.5	180.0	247.4	628.1	171.9	230.1	193.4	
December	...	97.8	88.3	138.8	209.5	169.5	140.0	108.5	97.1	184.8	236.8	610.1	168.2	232.2	193.8	
1954.																
January	...	97.8	88.2	135.6	217.7	175.1	135.7	130.3	95.4	192.2	244.0	681.2	178.6	239.9	203.3	
February	...	97.8	88.0	137.7	228.1	176.6	142.0	148.8	92.8	205.3	242.7	713.0	181.6	254.9	212.4	
March	...	97.9	88.3	130.1	223.1	171.5	134.1	140.8	94.1	207.6	258.4	753.4	178.9	248.7	211.6	
April	...	97.8	87.6	134.8	222.7	176.6	136.9	134.9	92.4	221.8	261.4	781.2	183.9	255.9	216.8	
May	...	97.8	86.9	133.2	220.7	180.7	133.7	153.7	95.4	217.4	288.9	835.5	188.9	261.6	222.8	
June	...	98.0	90.7	128.0	238.4	199.5	148.4	171.5	103.3	244.6	314.4	862.7	192.5	289.6	239.8	
July	...	98.3	89.3	127.7	236.7	200.5	146.0	162.9	108.5	253.0	350.9	926.3	196.9	294.1	246.1	
August	...	98.2	92.6	126.7	238.4	215.3	158.3	179.2	115.4	266.4	379.7	1009.8	198.6	309.5	260.4	
September	...	97.9	90.0	129.1	240.8	203.1	163.8	183.8	118.0	270.1	381.0	997.3	206.3	309.0	262.0	
October	...	98.9	90.2	128.8	243.4	193.4	136.9	173.1	120.9	255.0	384.0	1012.5	205.3	299.7	253.2	
November	...	98.6	90.4	122.8	233.5	179.7	149.2	150.6	109.2	242.6	377.6	916.4	201.6	275.0	238.6	
December	...	97.8	90.0	122.8	217.7	185.8	155.1	159.2	107.7	248.3	371.7	936.3	207.0	279.1	242.5	
1955																
January	...	97.9	90.3	126.7	218.2	191.9	150.7	160.2	112.8	301.1	399.3	1019.7	205.3	286.3	259.6	
February	...	97.8	88.3	122.5	209.5	185.8	146.0	158.0	107.4	297.4	376.8	984.0	202.6	278.6	252.4	
March	...	97.8	89.0	120.7	214.0	189.9	153.1	157.7	112.4	309.5	392.1	1040.3	212.6	285.3	260.8	
April	...	97.9	89.2	121.2	216.1	199.5	152.7	148.2	114.3	304.1	373.8	1054.2	201.3	289.4	259.2	
May	...	98.0	89.0	119.1	215.7	192.9	146.4	152.5	112.4	302.7	347.1	1042.3	195.6	283.2	255.2	
June	...	98.1	88.9	118.8	224.3	202.6	150.3	179.8	113.9	315.5	391.2	1105.2	190.3	289.4	271.1	
July	...	98.2	87.7	112.8	249.1	211.7	150.3	204.1	121.0	322.9	378.9	1148.3	210.6	302.3	281.8	
August	...	98.0	87.8	124.1	241.3	214.3	156.3	231.8	126.8	331.1	368.2	1147.0	224.3	303.3	293.3	
September	...	98.1	87.7	119.9	242.5	206.1	149.6	222.3	120.4	336.0	354.7	1099.3	217.3	297.2	283.0	
October	...	98.3	87.1	126.1	257.8	203.1	142.8	225.0	130.3	363.9	353.0	1176.8	224.3	317.8	296.8	
November	...	98.1	87.7	125.4	278.0	222.4	147.6	219.2	136.3	375.0	349.2	1304.7	223.6	350.3	311.9	
December	...	98.3	87.1	131.9	261.5	216.8	140.0	234.2	131.1	356.5	291.1	1301.3	218.6	332.2	302.4	
1956																
January	...	98.3	88.4	129.9	245.8	218.4	136.0	225.9	124.4	334.3	292.8	1258.9	198.3	312.1	288.5	
February	...	98.3	86.4	122.0	246.0	206.7	132.9	217.0	120.6	331.6	286.4	1242.4	193.6	301.8	282.6	
March	...	97.9	86.2	123.3	277.1	207.7	119.8	229.0	124.1	355.5	331.8	1310.0	185.6	298.2	295.6	
April	...	98.0	86.7	123.5	275.1	202.1	115.8	226.9	124.2	345.4	331.2	1287.4	181.9	296.6	290.5	
May	...	98.2	85.6	127.7	274.7	206.1	121.8	228.4	136.1	356.2	324.2	1361.0	182.9	298.7	298.8	
June	...	98.2	86.9	125.4	261.9	202.6	117.0	233.3	127.5	325.9	337.7	1332.5	188.9	314.2	290.9	
July	...	97.9	86.0	128.3	283.7	201.1	112.7	226.6	124.9	330.0	313.6	1365.6	189.3	297.7	291.7	
August	...	98.0	84.5	134.0	295.7	204.1	119.4	212.4	128.5	337.3	303.8	1342.4	191.9	309.0	294.5	
September	...	97.4	83.6	132.5	277.1	206.7	121.0	230.0	130.7	331.3	294.9	1347.1	191.3	320.4	294.5	



*Publication 5th August, 1937, First Revision 16th October, 1941, Second Revision 9th January, 1948.

Stocks and Shares

HIGH CARRY-FORWARD CHARGES DEPRESS SPECULATIVE ISSUES

TEA SHARES IMPROVE

Wednesday Evening.
THE stock market continued quiet this week. Speculative shares moved narrowly in response to changes in the international situation but prices fell before today's clearing in response to high budla charges. The only feature among these scrips was Burrakur which was active on interested buying. The carry-forward charge for this counter at the clearing was as high as four annas a share. Indian Irons have been rather steadier, and at one time touched Rs. 33-11. Profit-taking and technical considerations brought the share back to Rs. 33-1 at the clearing, but it is reported that the prices have jumped after hours this evening to Rs. 33-10. Other speculatives were generally depressed. Operators are troubled by a number of factors of which the present shortage of credit in the economy is probably the most important.

The various investment sections were inactive, with the solitary exception of tea. Better auction prices and the news that the Madras plantation award has been stayed have helped to improve sentiment. The prospects before the tea industry are improving considerably now that the crop is almost finished and it is seen that stocks with the main consumers are not high. Details of the Hindustan Lever ordinary share offer have now been released and are outlined on another page of this issue. Government securities continued depressed.

Details of the week's trading follow.

The Government securities market continued quiet and prices were once again marked down. The recent selling pressure appears to have subsided, however, considerably and with the exception of one or two loans, small buying enquiry was noticeable. Three percent Conversion Loan 1986 was marked back by As. 3 to Rs. 73-8, but closed better at Rs. 73-9. In short-dated loans, both 3% 1957 and 1958 met with enquiry at their previous quotations of Rs. 99-12 and Rs. 99-9 respectively. In medium-dated loans, 3% 1959-61 had sellers at Rs. 97-15, while 3% 1963-65 was traded at Rs. 94-4-6. Three percent 1964 was fractionally easier at Rs. 94-5; 2½% 1961 changed hands at Rs. 93-7 and 2½% 1962 was asked for at Rs. 93-14 with few declared sellers. In National Plan loans, 3½% 1961 had buyers over up to Rs. 99-5 due to the approach of the interest date (1st December, 1956), but in contrast, 3½% 1964 met with sustained selling pressure and was marked back to Rs. 98-5. 3½% 1965 had small buyers at Rs. 98-6-6 and 3½% 1967 was quoted at Rs. 99-6. In long-dated loans, 3% 1966-68 appeared to have stabilised at Rs. 92-4, but 3% 1970-75 continued weak and closed As. 4 easier at Rs. 87-12; 3½% 1974 was unchanged at Rs. 98-8.

There was a substantial turnover in State loans as buyers were attracted by the low level of prices. Enquiry was entirely confined to 4% 1968 issues with practically no business reported in other State loans. Four percent U.P. 1967 was taken at Rs. 97-15-6 while 4% Madras 1968 had buyers at Rs. 97-15. Four percent Orissa 1968 was reported at Rs. 97-11 and 4% Punjab at Rs. 97-11-6. Four percent West Bengal 1968 had sellers at Rs. 99-8 as did 4% Bombay 1970 at Rs. 99-10.

Except for a few enquiries for selected preference shares, this section suffered from lack of business. In the miscellaneous group, Alkali & Chemical were offered at Rs. 101-8 and there was a small enquiry for British India Corporation at Rs. 121. A small lot of Bengal Timber was reported at Rs. 32-12 and Calcutta Electric were marked at Rs. 10-13. Burn 6% were bought on investment account at Rs. 115 and Indo-Burma Petroleum were marked at Rs. 104. There was a small enquiry for Jardine Henderson at Rs. 66 and New Victoria were crossed at Rs. 5-11. Orient Paper second were done at around Rs. 71 and Rohtas Industries "B" at Rs. 65. Indian Iron & Steel met with selling pressure and were depressed further to Rs. 100. In jute, Anglo India changed hands at Rs. 102 and Goupreore at Rs. 86-8. Standard Jute came to hand at Rs. 86.

In the banking section, Punjab National met with selling pressure and were marked down from Rs. 53-8 to Rs. 49-12. United Commercial Bank were eight annas lower at Rs. 55 and United Bank were shaded at Rs. 36-12. United Bank of India "D" shares were transacted at Rs. 4-8.

No business was reported in railway shares during the period under review.

In cotton, Elgin were better at Rs. 29 while New Victoria were slightly easier at Rs. 2-7. Kesoram were unchanged at Rs. 16-12 as were Cawnpore Textiles at Rs. 9-2.

Business in coal shares was on a much reduced scale. Burrakur as usual were active and were taken up to Rs. 18-15 against an opening quotation of Rs. 17-12. Amalgamated were unchanged at Rs. 20-12 as were Bengal at Rs. 48. Bhagora changed hands at around Rs. 6-2 and Bharat Collieries were marked at Rs. 7-5 c.d. Central India were slightly better at Rs. 7-2 as were Western Bengal at Rs. 6-4. Seepore met with small enquiry at Rs. 29-12 and there was a sharp rise in South Karanpura from Rs. 8-12 to Rs. 10; profit-taking today brought the price down to Rs. 9-8. Talcher

were crossed at Rs. 3-1. In spite of the firmness of the finished goods market, jute shares continued their downward trend as will be seen from the following table:

	Opening 15th Nov. 1956	Closing 21st Nov. 1956
Agarpara	11 0	10 14
Anglo India	164 0	163 0
Cheviot	180 0	175 0
Bally	182 0	175 0
Birla	16 14	16 12
Kinnison	141 0	135 0

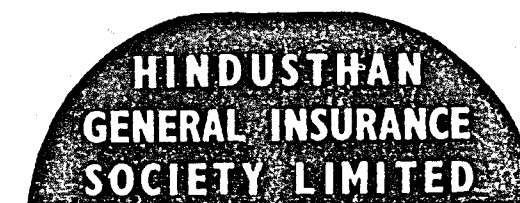
Contrary to the general trend, Howrahs were slightly better at Rs. 22-6 as were National at Rs. 23-8.

Only two transactions were reported in electric supply shares, namely, in Calcutta at around Rs. 13-3 and Jubbulpore around Rs. 14-10.

The only steady feature in the sugar section was Ramnugger which improved from Rs. 24-10 to Rs. 25. Belund were easier at Rs. 11-10 as were Cawnpore at Rs. 18-8. Dyer Meakin were wanted at Rs. 6 and Darbhanga changed hands at Rs. 22-4. Shree Krishna Gyanoday were done at Rs. 12.

In the engineering section, Indian Iron & Steel shares were, on the whole, steadier than last week and at one time were taken up to Rs. 33-11. Profit-taking, however, on settlement considerations brought the price at the close down to Rs. 33-1. Britannia Engineering, after being sold down to Rs. 13-13, recovered today to Rs. 15. Braithwaite were quiet at Rs. 27-4 and Burn at Rs. 37-1. Indian Standard Wagon were marked back from Rs. 222 to Rs. 218 and Jessop reacted from Rs. 36 to Rs. 35-8 as did Richardson & Cruddas from Rs. 27 to Rs. 26-6. Textile Machinery were done up to Rs. 22-11, but later encountered selling pressure and the price was marked back to Rs. 22-3.

In paper, Orient were marked down from



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RELAPSE IN STOCK MARKETS

RENEWED UNCERTAINTY OVER WORLD SITUATION

London, 21st November.

ALTHOUGH the stock markets rallied prior to the week-end on a rather more hopeful interpretation of the international situation, prices receded again in the absence of support and most sections recorded losses on balance. Oils were the chief sufferers, but all other sections were affected. Following the week-end news of Sir Anthony Eden's indisposition, international political developments, and the possibility of a fall in industrial production due to the shortage of oil there was renewed uncertainty and softness. A further restricting factor was the spate of new issues which appeared suddenly after being held up as long as possible because of the Suez situation. Middle East oils lost ground, but some western hemisphere oils improved. Gilt-edged followed the later downward movement of the rest of the market. Foreign bonds were generally quiet and dull throughout. Industrials fell back on a broad front. Shipping shares rose exceptionally in response to the advance in freight rates. Gold shares attracted selective support and were firmer on the week. Coppers also were firmer. Rubbers and teas fluctuated within narrow limits, but a feature

here was a substantial rise in Hunwal Tea following the directors' circular which stated the reasons for which an offer of £300 a planted acre had been refused.

The Money Market

There was a further tightening of the credit situation in the London money market during the past week. Early conditions were affected by a lack of maturities, and on Wednesday when a large bill maturity transpired, there was no actual benefit, because recent operations by the authorities had relieved the banks of the bulk of the bills held by them and there was, therefore, no expansion in the credit base. Difficult conditions were maintained throughout the rest of the week, although better conditions were experienced on Friday. In view of the shortage of funds, the rate on Monday continued at the high level of 4½ percent to 4½ percent. The bill business was held in check by the tight cash position with February hot bills sold at 4-15/16 percent. Applications for £190 million worth of 91-day bills totalled £299,710,000, and were allotted at the average rate of 100s percent compared with 99s 10.86d percent in the previous week. Applications for £90 million worth of 63-day bills totalled £96,300,000 and were allotted at the average rate of 100s 10.30d percent against 99s 10.95d in the previous week. This week £290 million worth of bills are on offer, comprising £210 million worth of 91-day bills and £80 million worth of 63-day bills. The Bank of England return for the week ended 14th November

showed that notes in circulation were about £6 million higher at around £1,892 million, while bankers' deposits were unchanged at around £238 million.

U.S. Federal Reserve Return

The U.S. Federal Reserve return for the week ended 14th November shows gold stock unchanged at \$21,910 million. Foreign deposits rose by \$52 million to \$342 million, while foreign investments fell by \$105 million to \$3,625 million. The Federal Reserve bought \$105 million worth of bills and \$1 million worth of certificates, but sold \$18 million worth of bills under repurchase agreements. Total discounts and advances rose from \$188 million to \$375 million, while the aggregate of excess reserves of member banks fell from \$365 million to \$139 million. The daily average excess reserves of member banks rose by \$69 million to \$643 million, while their average borrowings rose by \$14 million to \$942 million. Business loans of the New York city banks rose by \$116 million to \$11,145 million, compared with a rise of \$118 million to \$8,928 million in the corresponding period a year ago.

Paris Gold Falls

The Paris gold market slowly moved down to a lower level. The absence of buyers, in spite of the international tension, was the main reason for the trend, but in the later stages, a brighter view of the Egyptian situation also contributed to the price decline. A steadier tone prevailed in the last session, in spite of a further decline in fine gold.

Demand for Ready Rubber

Demand for spot and nearby parcels was the chief feature of trading in the rubber market, ring the week ended 15th November. Rubber, was believed, was wanted mostly in connection with Russian orders, but confirmation was lacking. contributory factor in the firmer trend was an increased demand from the Continent, especially for afloat parcels of Malayan rubber, which traders attributed partly to a report that the Indonesian dock workers were refusing to load supplies for the U.K. and France. By the end of the period, parcels were at a premium of about 4d a lb. over the November shipment. No. 1 R. S. S. on the spot gained nearly 2d while most forward deliveries closed about 3½d a lb. higher on balance, although final quotations were slightly below the best. Supplies of sole crepe, now available and in prospect, were still short of current demand and sellers had no difficulty in maintaining their recent quotations of 46d a lb. for ½ inch smooth No. 1 on the spot.

U.S. Rubber Imports

The United States imported 40,185 long tons of natural rubber during the month of September, according to the Department of Commerce. Imports of latex amounted to 2,790 tons.

World Sugar Prices at New Peak

A wave of sugar buying, prompted by the Middle East situation, has taken the sugar price in the U.K. and abroad to the highest levels for years, according to sugar traders in London. The average price calculated by the British Sugar Terminal Market Association on Monday rose to 39½s a cwt, which is a rise of 6½d over the past week and the highest figure recorded since the price calculation started earlier this year. In New York, contracts for supplies to be made available next March were made on Monday up to 3.91 cents a lb. against 3.84 cents on Friday. This followed the rise of 14 points on Friday itself. World prices for spot supplies of sugar, traditionally reported from New York, have risen sharply over the past week. The Cuban raw sugar spot price which last Friday was quoted at 3.80 cents was only 3.30 cents a week before. Messrs. Czarnikows in their latest circular said that the Middle East crisis had brought a larger volume of business to the market than is normally expected this time of year.

U.K. Textile Delegation Postpones Visit

The visit of the Lancashire cotton delegation to India for talks with Bombay millowners on cloth imports into the U.K. has been postponed until January, according to trade circles. The reason for the postponement is the current international situation. The delegation was to have flown out to India this week to try and persuade Indian industrialists to agree to limit the volume of duty-free cloth imported and retained in the United Kingdom.

Petition on Cloth Imports

The move for organising a petition to the Government urging restrictions on foreign cloth imports is not now opportune. This is the view which the 220 delegates representing Lancashire mills workers held at the recent conference in Manchester. Mr. Lewis Wright, General Secretary of the Weavers Amalgamation, pointed out that a cotton board mission was about to go to India and Hongkong to seek the co-operation of the textile industry in those countries in solving the import problem facing Lancashire. If the mission reported failure on its return, then it would be time to consider organising a petition.

INCREASED OUTPUT OF INDIAN IRON ORE

The total output of iron ore in India increased from 318,583 tons in August, 1956, to 332,014 tons in September, 1956, according to official statistics released by the Chief Inspector of Mines, Government of India. Returns received from 107 mines for the month of September, 1956, show despatches totalling 232,753 tons to the iron and steel plants and 129,261 tons to the export market. The reported stocks at the end of the month amounted to 1,333,928 tons.

New Delhi

IMPORT AND EXPORT ADVISORY COUNCILS MEET

FOREIGN EXCHANGE SHORTAGE DESCRIBED AS NOT ALARMING

(FROM OUR NEW DELHI CORRESPONDENT)

MR. MORARJI DESAI joined the Union Cabinet last week. Soon afterwards, he presided over the six-monthly meetings of the Import and Export Advisory Councils. Inaugurating the meeting of the Import Advisory Council, he warned: "We do not know what impact conditions in the Middle East will have on our import and export trade. There is also the consideration of the foreign exchange which has to be raised to meet the commitments in the second five year plan. It may be necessary to control and curtail imports. I hope we will have your co-operation in this matter." The President of the Federation of Indian Chambers of Commerce and Industry was ready with a scheme to cut imports by Rs. 50 crores, with restrictions on fish, fruits, vegetables, liquor, tallow, chemicals, drugs, medicines, cutlery, hardware, dyes, paper, cotton and art silk yarn. The Joint Secretary of the Commerce Ministry, Mr. K. B. Lall, elucidating his Minister's observations, said that it would be wrong to interpret from the discussions that the foreign exchange situation was alarming. What had happened was that, because of the planned increase in imports of some commodities, the imports of a large number of non-essential items had to be pruned slightly more than before. Rounding up the discussions, Mr. Morarji Desai said that there was no reason for the people to become panicky about foreign exchange. There were difficulties, but they could be overcome provided "we work together and realise the necessity of adjusting ourselves."

the current year, we exported as much as 356 million lbs, as against 260 million lbs in the corresponding period of 1955.

Tea Promotion

"The external price of tea is fortunately tending to rise again and we are confident that tea will continue to make its rightful contribution to our foreign exchange resources. A ceiling of 160 million lbs has been fixed for supply to the London market and it is hoped that this will adequately cover the requirements of the customers who depend on that market. A goodwill mission led by the Chairman of the Tea Board, is at present touring the United States. This mission, we hope, will succeed in helping Indian exporters and American importers of tea to co-ordinate their efforts to promote sales in the United States. The Tea Board is also paying increasing attention to the west Asian markets and is proposing to set up a small promotional unit in Australia. We also expect to be able to sell larger quantities of tea to the Soviet Union and to some of the countries in eastern Europe. You must have seen the report of the Plantation Enquiry Commission. The recommendations made by the Commission are at present being studied by the Government and I will be grateful for your advice on them.

"Our jute manufactures have not fared as well as we would have liked them to. The recent increases in the export duty on raw jute by Pakistan have not been particularly helpful. In our

(Figures in Lakhs of Rupees)

	Imports			Exports			Balance of Trade		
	By Sea and Air	By Land	Total	By Sea and Air	By Land	Total	By Sea and Air	By Land	Total
I. July-Dec. 1955									
July	4,998	162	5,160	5,068	43	5,111	+ 70	-119	- 49
August	4,478	164	4,642	5,102	29	5,231	+ 704	-135	+ 569
September	4,918	302	5,220	5,922	38	5,960	+1,004	-264	+ 740
October	4,984	218	5,202	4,814	32	4,846	- 170	-186	- 356
November	6,005	273	6,278	4,944	60	5,004	-1,061	-213	-1,276
December	5,627	317	5,944	5,223	92	5,315	- 404	-225	- 629
Total	30,910	1,436	32,346	31,053	294	31,347	+ 143	-1,142	- 999
II. Jan.-June 1956									
January	5,552	326	5,878	4,643	56	4,699	- 918	-270	-1,188
February	6,491	342	6,833	5,171	38	5,209	-1,320	-304	-1,624
March	6,352	281	6,633	5,928	39	5,967	- 424	-242	- 666
April	5,767	186	5,953	3,936	45	3,981	-1,331	-141	-1,472
May	6,754	106	6,860	4,488	33	4,521	-2,266	- 73	-2,339
June	6,313	105	6,418	4,612	43	4,655	-1,701	- 62	-1,763
Total	37,229	1,346	38,575	28,769	254	29,023	-8,460	-1,092	-9,552
III. July-Aug. 1956									
July	5,839	98	5,937	4,171	48	4,219	-1,668	- 50	-1,718
August	6,475	179	6,654	4,940	48	4,988	-1,535	-131	-1,666
Total	12,314	277	12,591	9,111	96	9,207	-3,203	-181	-3,384

Addressing the Export Advisory Council, the Union Minister for Trade, Mr. D. P. Karmarkar, said: "The actual performance of the export trade in the first nine months of the current year has not been altogether reassuring. During this period, we have earned in all only Rs. 439 crores. This compares unfavourably with the Rs. 457 crores earned during the corresponding period of last year. The comparatively low earnings appear to be partly due to a fall in the external price level of some of the commodities that figure in our export trade; the index of declared values for the half-year ended June 1956 stood at 91, as compared with 94 for the corresponding period in 1955. The consequences of the downward trend have been in a small measure offset by the improvement on the quantitative side; the volume index stands at 109 for the first half of the current year, as against 108 for the like period in the previous year.

"The trends in value and volume indices must cause us some concern, for if external prices do not improve, we may be hard put to it even to maintain our performance on the quantitative side. With the increasing pressure of home demand on our products, the internal price level is tending to rise. If this pressure continues to increase, and as a result our internal prices tend to get out of step with external prices, it is not unreasonable to entertain the apprehension that our export promotion drive may be put in jeopardy. It is, therefore, necessary for us to give some thought to what we should do to overcome the difficulties inherent in our present situation and to create conditions for maximising exports. It will perhaps help us to think out some solutions for our difficulties more concretely if we review the performance of each of our major earners of foreign exchange. The performance of tea, which competes with jute for primacy of place in our export figures in 1956, was better than in 1955. In the first nine months of

plans, we have set considerable store by the export of cotton piecegoods. But our recent experience has not been particularly happy. During the first nine months of 1956, we have exported 538 million yards, valued at nearly Rs. 4½ crores as compared with 581 million yards, which earned almost Rs. 4½ crores in the corresponding period of 1955. It is somewhat comforting to note that while the export of mill-made piecegoods has gone down, the shipment of handloom cloth has remained unaffected; 46 million yards valued at Rs. 6.69 crores have been exported in 1956, as compared with 45 million yards valued at Rs. 6.37 crores in the corresponding period of the previous year.

Rise in Cloth Prices

"The two factors which are mainly responsible for the difficulties that face our exporters are the growing pressure of home demand and the upward trend in prices. The Government has recently taken some decisions which ought to make it possible for us to export larger quantities in the near future. You are aware of the decisions announced some time ago in regard to the expansion of loomage, particularly for export. You are aware also of the recent increases in excise duties. While steps are being taken to increase the availability of raw material for the textile industry, we have participated in the triangular arrangement linking the supply of cotton by the United States of America with the sale of textiles by us to Burma. We are hoping that it will be possible to arrive at a similar arrangement with Indonesia.

"When I survey the structure of our export trade, I sometimes feel that the activities of our traders are not adequately organised and co-ordinated to produce the best possible results for our country. I refer in particular to methods of contracting, to facilities for survey and for quality control, and to adequate arrangements for arbitration for the settlement of disputes between im-

porters and exporters. On our part, we are more than willing to lend a helping hand. You must have seen the very valuable report recently submitted by the Export Credit Guarantees Committee. This report is engaging the Government's earnest attention. In this connection, you will be glad to hear that an understanding has recently been reached for the bulk supply of large quantities of iron ore to the steel mills in Japan. We have taken steps to increase the usefulness of our trade representatives abroad and I hope you are finding their reports of some value in your efforts to promote exports. In the Ministry, we have set up a Foreign Trade Board which meets once in three weeks to co-ordinate the activities of the different wings of the Ministry engaged in disseminating commercial intelligence, in publicising our export wares, in removing impediments to the growth of our trade and in energising and guiding the activities devoted to export promotion."

Avoiding Scarcity

Mr. Morarji Desai, Minister of Commerce and Consumer Industries, asked representatives of the trade to see that "no scarcity develops" in any commodity, so that the tendency of internal prices to rise may be checked. If this could be done, he told the Export Advisory Council, "we can improve our export trade also." The last nine months' export trade had not been "quite a profitable transaction, to my mind." Exports had not been as good as they were in the previous year. Mr. Desai prefaced his brief speech by saying that he could speak with "a little more confidence" about export problems, because "I have become a little wiser about these after the meeting of the Import Advisory Council" on the previous day. "The problem that faces us today is the problem of how best we can improve our exports without in any way causing difficulties to our own people and earning a maximum of foreign exchange. It is necessary to see that our exports increase because it is vital for the implementation of our second plan."

The Plan for 1957-58

The Planning Commission is getting ready for the National Development Council meeting here early next month. The Council will discuss the plan for 1957-58. The Planning Commission recently asked Central Ministries and State Governments to send in their proposals for inclusion in the 1957-58 plan. It was emphasised that only those proposals would be considered as had already been included in the second five year plan, or had been specifically accepted by the Planning Commission in considering proposals for inclusion in the plan for 1957-58. The Planning Commission proposes the following general scheme of priorities:

1. Schemes in the plan which have not yet been commenced will be considered after adequate provision has been made for continuing schemes.
2. Schemes which are calculated to earn or save foreign exchange will be preferred.
3. High priority is to be given to training schemes. Training programmes should be undertaken at the maximum rate administratively feasible.
4. High priority is to be given to schemes for increasing or facilitating an early increase in production in agriculture and industry.
5. High priority is to be given to schemes for removing transport bottlenecks and ensuring the early expansion of transport facilities, especially in areas in which the demand for transport is likely to increase on account of the plan.
6. High priority will be given to schemes for utilising resources already created, namely, new irrigation, new power, installed capacity, etcetera.
7. Programmes relating to industry, transport and power must be properly dovetailed into one another. Programmes in these fields will be viewed together.
8. Schemes in which a substantial proportion of the cost is found through the provision of labour and other resources by local communities will be preferred. This applies especially to the States.

This list is not, of course, exhaustive, but it is intended to reflect the present requirements of the economy. Proposals which are not adequately covered by these suggestions will have to be examined on their merits.

Sterling Balances

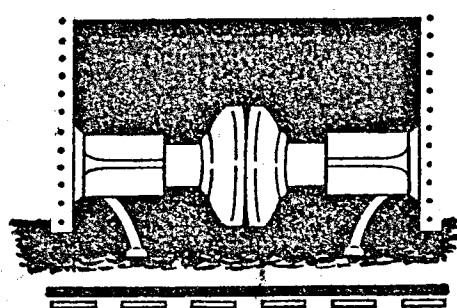
It seems that the Planning Commission, and especially the Finance Minister, Mr. T. T. Krishnamachari, are worried about the resources for the plan. They have reason to be worried. India's sterling balances have been declining rapidly, as the following figures show:

	Rs.
At end of March, 1956	746 crores
At end of September, 1956	615 crores
At end of October, 1956	582 crores
On 9th November, 1956	560 crores

The Finance Minister has repeatedly said that price stability is essential for financing the plan as far as foreign exchange is concerned. But the Indian National Trade Union Congress, at its session here, advocated a general rise in wages which would inevitably raise prices.

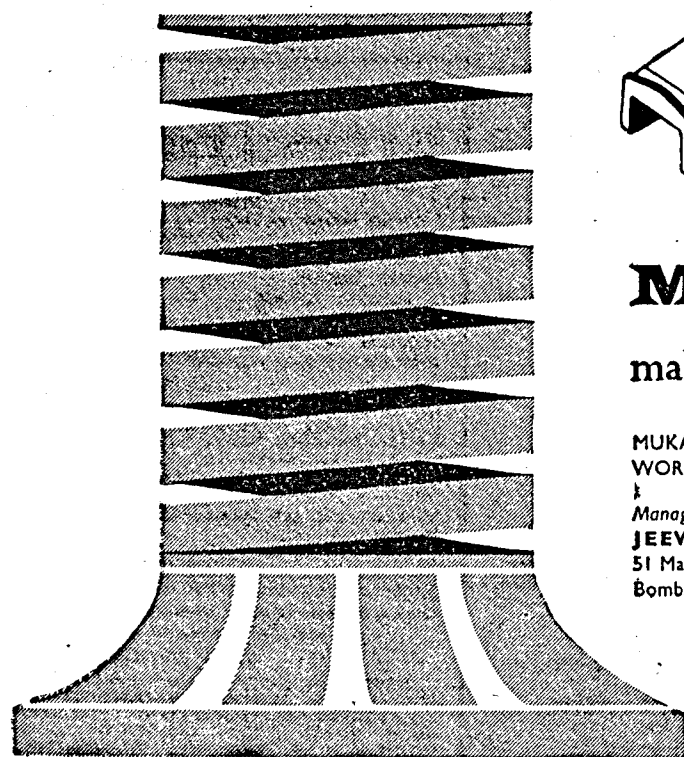
State Plans

The Planning Commission has had a series of discussions with States' representatives, at which tentative ceilings for State plans were suggested, on the assumption that they would be fitted into an overall provision of Rs. 395 crores, including Rs. 21 crores for Part C States. An analysis of current State budgets, however, shows a total provision of about Rs. 442 crores for development. It is presumed that this provision will have to be reduced to Rs. 395 crores. On the basis of the budget docu-

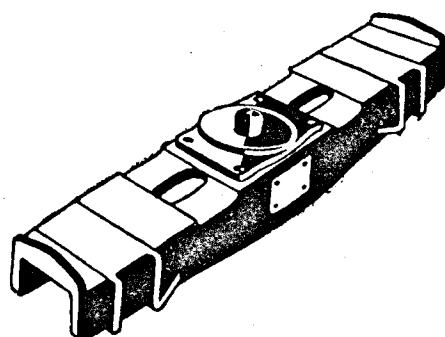


Probably not—unless, of course, you're building railway wagons! Bogie bolsters provide the pivot point and carry the load too. Naturally we, at Mukand, are interested in bogie bolsters because we manufacture them. But they are only one of the many items we cast for the railways. Among the others are: buffer plungers and casings, axle boxes, cross heads, drag castings, bogie columns, steam elbows, brake hanger compensating beam brackets, etc.

The Second Five Year Plan calls for a total of 1,20,869 new locomotives, coaches and wagons. All this means that there will be a vast demand for railway parts. The Mukand steel foundry—one of the few casting these—is working round the clock to meet the needs of Indian Railways. By 1958 we plan to produce at least 7,800 tons of steel castings annually. And as our expansion programme gathers momentum we at Mukand will contribute more and more to India's industrial progress.



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ments, the resources that State Governments can raise for financing their plan works out as follows:

	Rs. crores
(i) Balance from revenue account	1
(ii) Net receipts of loans from the public	44
(iii) Share of small savings	8
(iv) Contribution from miscellaneous items on capital account	—35
Total financial resources that States can raise for their plans	18

Some State budgets had not taken credit for the increased receipts from additional measures of taxation which were introduced at the time the budgets were presented. Similarly, while State budgets show a total receipt of Rs. 8 crores from their "share of small savings," the Central budget gives a figure of Rs. 18 crores. Actual net receipts from loans from the public have also been larger than those shown above. If allowance is made for all these items, States' resources for the plan would be as follows:

(i) Balance from revenue account	12
(ii) Net receipts of loans from the public	82
(iii) Small savings	18
(iv) Provident fund and other deposit heads	—35
Total financial resources that States can raise for the plan	57

Central Assistance

Assuming that the outlay on State plans is reduced to Rs. 395 crores and that States can raise Rs. 57 crores as shown above, the gap between the plan outlay and resources would be Rs. 338 crores. It is obvious that the whole of this gap cannot be met by Central assistance. The various Central Ministries have so far intimated allocations of Central assistance amounting to about Rs. 223 crores. Additional loan assistance for programmes of permanent improvement in scarcity areas, electrification schemes for employment relief and for large and medium industries are at present being considered. The figure of Rs. 223 crores does not include the assistance that will be given to Part C States. It is also understood that the Ministry of Finance has provided ways and means advances to States of about Rs. 50 crores in its budget. Part of this advance may be for development purposes and may therefore, form part of the Central assistance. The position on this is, however, not quite clear. While it is difficult to give any definite figure for Central assistance at this stage, it appears that the total this year might be something like Rs. 290 crores. Thus, Central assistance and the States' resources together would amount to something like Rs. 347 crores (Rs. 290 crores plus Rs. 57 crores). The gap between the plan outlay and the resources would thus work out to Rs. 48 crores (Rs. 395 minus Rs. 348 crores). The main reason why there is such a large gap is that a number of States have provided for large developmental expenditure outside the plan, both on revenue and capital accounts. It has been suggested that they reduce these non-plan outlays. Some with whom discussions have taken place have already agreed to make adjustments.

Outlay of Centre

The outlay on the Centre's plan for the current year works out to Rs. 363 crores. The estimate of financial resources is as follows:

	Rs. in crores
1. Savings from current revenues	68
2. Contribution from the railways for the plan	39
3. Net receipts of loans from the public	77
4. Small savings (net of payments of shares to States)	52
5. Provident funds and other deposit heads	—23
6. External assistance	82
7. Transfer of funds from the Centre to the States	—290
8. Balance available for the plan	3
9. Deficit financing	360
Total resources	363

In working out the balance for the plan from current revenues, the estimated additional yield from the recent changes in the excise duty on cloth (Rs. 17.5 crores) and from the export duty on manganese ore (Rs. 2 crores) has been taken into account. Similarly, in the case of loans from the public, the estimate of net receipts has been worked out on the basis of actual subscriptions to new loans floated by the Central Government in the current year. The minus figure of Rs. 26 crores under "Provident funds and other deposit heads" is explained mainly by the provision of Rs. 50 crores made in the Central budget for ways and means loans to States. Apart from this provision for ways and means, Central assistance for State plans in the form of grants and loans has been tentatively taken as Rs. 290 crores. Taking into account the adjustments indicated above, the deficit in the Centre's resources comes to about Rs. 360 crores, as compared with Rs. 356 crores shown in the Central budget.

Rourkela Steel Plant

The Minister for Iron and Steel, Mr. T. T. Krishnamachari, stated in the Lok Sabha that the contract for the steel melting shop for the Rour-

kela plant—where the L.D. process will be used for 75 percent of the output—has been given to the German firm of Krupp. Contracts have been concluded with 16 German firms for the rolling mills and ancillaries. The supply and erection of the power plant has been entrusted to Siemens of Germany. Tenders for the coke oven by-product plant, the grey iron foundry and the tonnage oxygen plant have been received and contracts will be concluded shortly. The project report for the development of the iron ore mines has generally been accepted, and preliminary work, like clearing the site and recruitment of staff, has commenced. In the township, 663 houses have been built and 1,489 houses are in various stages of construction. Preliminary work, such as excavation for the foundations, has commenced on the coke ovens and blast furnaces. There are 1,149 regular employees and 1,039 work-charged employees; 492 skilled workers and 25 engineers are under training in India and 68 engineers are under training in Western Germany.

Equipment for Bhilai Project

Eight consignments of equipment, structural steelwork, pipes and fittings have been received from Russia. Tenders have been invited in India for construction equipment, certain items of transport and tools and tackle. Civil engineering construction in three major zones—the blast furnaces, the open hearth plant and the rolling mills—has been entrusted to a reputable Indian firm. Water and power facilities for construction have been laid. The Madhya Pradesh Electricity Board has taken up the construction of a thermal power station in Korba to supply power primarily to the steel works. The Board has given an assurance that power will be available by August 1958. The location of the iron ore mines, dolomite quarries and limestone for the blast furnaces has been settled. Construction of a railway line from Bhilai to Dalli-Rajhara, the site of the iron ore mines, is in progress.

A broad lay-out of the township has been approved. Thirty-two bungalows, a hostel with 84 rooms, a double-storeyed building with 60 rooms and 50 blocks of permanent staff quarters have been constructed, and 250 staff quarters are in various stages of construction. Tenders have been received for another 600 quarters and 100 small bungalows. Two labour camps, temporary administrative offices and three storage sheds are ready. Thirty-four Russian experts, 88 Indian officers and 466 other staff are now employed in Bhilai. In addition to the first batch of 50 trainees, another 30 engineers are now under training in Russia.

Durgapur Steel Works

The final contract with the Indian Steelworks Construction Company of Britain has been concluded. Briefly, the structure and costs will be as follows:

	Rs. (Lakhs)	£ (Million)
Cost of supplies of plan and equipment f.o.b.		56.06
Sterling component of services		3.18
Technical services	988.76	
Civil engineering construction equipment and civil engineering works	1,384.24	
Erection of cables	161.52	
Target price for Indian plant and Indian work	2,084.54	
Shipping and insurance (estimates)		4.91
Customs duty	426.85	
Transport from dock to site (estimates)	148.45	
Works insurance	51.55	
	5,246	64.15
Or Rs.	85.54 crores	
Grand Total: Rs.	138.00 crores	

Under this arrangement, the company is responsible for the supply, construction and erection of the plant in its entirety. The construction of the township and certain works outside the perimeter of the plant, such as for water supply, will be the responsibility of the Government of India. Sixty houses are in various stages of construction. A temporary water supply scheme has been prepared. The Damodar Valley Corporation has finalised contracts for the construction of a big thermal power station which will be ready to consume the gases from the steelworks and supply the power requirements of the steel plant from March 1959. There are five officers and 199 other staff in Durgapur. Besides, there are two technical representatives of the consulting engineers.

Loans from I.C.I.C.

Replying to questions in Parliament, the Finance Minister said that during 1955 the Industrial Credit and Investment Corporation had underwritten public issues of shares for a total sum of Rs. 1 crore, and had made loans amounting to Rs. 10.25 lakhs. The industries assisted were concerned with the manufacture of paper, electrical equipment, fuel injection equipment, chemicals and equipment for the textile industry, the refining of sugar and metal ores, and cotton spinning.

I.F.C. Assistance

Replying to another question, Mr. Krishnamachari said that five applications had been received

from Punjab State for aid from the Industrial Finance Corporation during the period 1st July, 1955, to 30th June, 1956. Three of these had been accepted. The amounts sanctioned and disbursed were: the Janta Co-operative Sugar Mills Ltd., Bhogpur, Rs. 35,000 and Rs. 30 lakhs (interim loan); the Haryana Co-operative Sugar Mills Ltd., Rohtak, Rs. 35 lakhs and Rs. 34 lakhs (interim loan); and the Arun Textile Mills Ltd., Khanna, Rs. 20 lakhs.

Order for Radio-Telephone System

An order for a very high frequency radio multi-channel telephone system linking Jamnagar with Rajkot, and Bhavnagar with Surat, has been placed with a British wireless and telegraph equipment manufacturing company by the Government of India on behalf of the Western Railway. The system, with a potential capacity of 48 two-way telephone circuits between Jamnagar and Rajkot, and 24 between Bhavnagar and Surat, will be equipped initially to provide four circuits. The Bhavnagar-Surat link is some 58 miles in length, with no intermediate stations.

Dry Dock in Visakhapatnam

The project report for the construction of a dry dock in Visakhapatnam, prepared by Messrs. Rendel, Palmer and Tritton of the U.K. has been accepted. The firm has been appointed as consulting engineers for the project. It will be paid a lump sum fee of £40,000 and no separate fee will be given for the preparation of the project report. The estimated expenditure for the construction of the dry dock is Rs. 2.15 crores. The dry dock is expected to be ready by December 1959.

Farm Products from U.S.A.

Two ships bringing food and other products from the United States arrived in India last week. The commodities came under the Indo-U.S. agreement concluded in August this year. This agreement provides for the largest single transaction ever entered into with any country under the U.S. Agricultural Commodity Programme. It is the largest single transaction ever concluded between India and the United States, surpassing even the 2 million ton food loan of 1951. The new programme involves over \$360 million (Rs. 1,728 million) worth of commodities, weighing more than 4 million tons. Wheat and cotton are the main ones, the others being rice, tobacco and dairy products. They will all be shipped within the next two and a half years. The American Charge d'Affaires, Mr. Frederick Bartlett, said in this connection: "This agreement would seem to be one of those happy arrangements which combine rational economics with goodwill in a way which can only benefit both countries. India purchases these products for rupees and gains an additional supply of agricultural commodities. India's purchase of this additional supply will move forward her plan for meeting the consumption requirements of her people and provide a reserve for emergencies—a stabilising reserve against famine and its companion, very high prices. The United States secures the opportunity to assist a friend, and at the same time to make a constructive, beneficial use of its own present supplies. By far the largest portion of the rupees received from purchase will be loaned to India for economic development in pursuit of her five year plan. This sum, over \$234 million (Rs. 923 million), will be loaned on a long-term repayment basis. In addition almost \$55 million (Rs. 264 million) will be granted to India to assist in its great development effort. The remainder, some \$72 million (Rs. 345 million), will be used for various worthwhile and constructive purposes by the United States in India".

U.S. Trade Missions

Five trade missions are being organised in Washington to visit areas in south and west Asia and Latin America to seek means of increasing trade between those regions and the United States, it is learned. It is expected that the first of these newly-organised trade missions will visit Burma, Malaya and India. The tentative date for their departure is 1st February, 1957. They are expected to spend about six weeks in each of the three countries.

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COST OF MILITARY ACTION IN SUEZ AREA

EFFECT OF SHIPPING SHORTAGE ON EXPORTS

(FROM OUR LONDON CORRESPONDENT)

IT seems to be virtually impossible to discuss anything these days without linking it specifically with the Middle East situation. That was certainly what happened to the economic debate in the House of Commons. The inevitable result was that it produced little information or clarification either of the present economic position or of the prospects for the future. For the Opposition, Mr. Harold Wilson concentrated his attack on the consequences which might be expected from the Suez action—which he felt sure Mr. Macmillan had supported wholeheartedly—and which he listed as increased costs of raw materials and foodstuffs; a big increase in freight rates; diminished exports; loss of oil supplies, possibly to the extent of producing industrial paralysis and consequently unemployment; and the almost inevitable boycott of British goods in Middle East markets. It was Mr. Maudling, the Minister of Supply, and not the Chancellor of the Exchequer who spoke first for the Government, and he accepted only two of Mr. Wilson's anticipations, the effect on exports of a shipping shortage (which would also affect Britain's competitors) and the loss of trade to the Middle East. For the rest he asserted that Mr. Wilson had been far too gloomy, and definitely unhelpful and untruthful in his reference to the possibility of devaluation. The cost to the Exchequer during the present financial year of military operations in the Suez Canal area will be between £25 million and £45 million—a big sum, but not big enough in Mr. Maudling's opinion to upset the disinflationary balance of the April budget. This was later reaffirmed by Mr. Macmillan when he wound up the debate, and for confirmation that the Government's economic policy was working reasonably satisfactorily, he referred to the October trade figures and the conclusions which might be drawn from them. Certainly, with the balance of visible trade going strongly in Britain's favour and personal savings increasing as they have been doing recently, there is at least a reasonable hope that the Government's confidence is not unjustified.

On the other hand, it is quite impossible at the moment even to estimate the actual losses which this country may suffer as a result of the closing of the Suez Canal and Colonel Nasser's apparent determination to complicate rather than simplify the negotiation of a settlement. Mr. Macmillan resolutely refused to do so. A reasonably early solution of the Middle East problem would leave us no worse off than we were before as a result of our other economic difficulties. Overall, the Government's measures have proved, and are proving, successful. What might happen in the future, however, is anybody's guess—and, as Mr. Maudling pointed out, this must be considered against what might have been had Britain and France not acted when they did.

Record Exports in October

As far as the Commons debate on the economic situation was concerned, the provisional figures for overseas trade in October came as the most welcome support to the official spokesmen. The volume rose sharply and the visible trade gap was much smaller. Exports reached a new record last month at £294.9 million. This was £11 million higher than the May total, the previous record month, 14 percent more than the monthly average for the first nine months of the year, and £72.6 million above the September figure. Exports in October are normally high, but last month covered the unusually long period of 28 working days. In spite of a sharp rise in imports, the adverse trade balance fell to £46.7 million. This was about £15 million lower than in August and September, and £6 million below the monthly average for the first nine months. Imports last month at £34.3 million were the highest since March last year and 9 percent above the monthly average for the January-September period. They compare with £295.2 million in September and a monthly average of £334.3 million in the last quarter of 1955. Dollar market sales at £41 million also improved substantially last month, excluding a further £2.8 million silver repayment to the United States, they were 18 percent above the monthly rate for the first nine months of the year. The best results were again in the U.S. market, where exports were worth £24.7 million. This was 24 percent above the monthly rate, compared with exports to Canada of £16.3 million, which were only 11 percent above the monthly average this year.

Bill Against Dumping

The first step towards the introduction of an Anti-Dumping Bill, foreshadowed in the Queen's speech at the opening of the new session of Parliament, was taken last week. The memorandum accompanying the usual Ways and Means resolution explaining the Bill proposed powers which the Bill will confer "will be to impose Customs duties (chargeable in addition to the full amount of any other duties to which the goods concerned may be liable) on imported goods of a kind which, in the opinion of the Board of Trade, have been dumped or assisted by a subsidy." A Government department, "or other authority," is to be given the function of deciding whether there has been dumping or the giving of a subsidy. The term "subsidy" is not to extend beyond its accepted

meaning—money or its equivalent given to traders or producers by a Government or other authority—to cover controls on the export of raw materials used in the production of goods for export. In any definition of the term "fair market price," no account is to be taken of the effects of any such controls. Goods are to be regarded as dumped if their "export price" is less than their "fair market price" in the country in which they originate or from which they were exported to Britain. To prevent evasion, the country of origin must be defined in such a way that goods which have been subjected to a minor process of manufacture since they left a country will still be held to have originated in that country. The resolution authorises provisions to be made for the allowance of drawback of duty and for other relief from duty. The Government will be able to provide that the duty paid on any goods does not exceed either the effect of the subsidy or the margin of dumping.

Lancashire Searches for Efficiency

Whether or not this legislation will meet the demands of Lancashire and of other industries affected by cheap imports remains to be seen, but it is good to learn that meantime the cotton industry is pursuing its search for rationalisation and greater efficiency of production. A preliminary announcement last week records that agreement has been reached between the Master Spinners' Federation and the Cardroom Amalgamation as a result of which the spinning section should be able, given full co-operation on both sides, to make a substantial advance in ensuring more efficient production and better prospects of continuous employment. Full details will not be available until 11th December, but it appears that employers are to be strongly recommended to adopt fair working conditions for an up-to-date industry and to develop modernisation on lines which provide conditions equal or superior to those stipulated. Workers are to be asked to accept as an alternative to that provided by the Aronson List a wage structure based on work study and intended to ensure the most economic use of operatives and machinery. Double-day shift working will be permitted on the basis of 38½ hours for a five-day week, the payment to be at the 45-hour rate for the shorter period, so that the shift premium will be 10.1 percent. This compares with one of 20 percent where payment is at the 45-hour rate for the 37½-hour week. Hitherto normally operated on double-day shift working. Under the new arrangements, it should be possible to make better use of the improvements in plant and machinery which have already been carried out and to derive greater benefit from the recent recovery in the demand for yarn. There should be a much stronger incentive, moreover, for managements to proceed farther with re-equipment and reorganisation, and thus to lay a firmer foundation for meeting competition in the future. It seems likely that, if external conditions permit, a great many progressive schemes which have been held in abeyance will soon be put into operation.

Changes in Trade Agreements

Less welcome developments in the context of Britain's trade prospects—and some explanation for the Government's interest in the European free market scheme and the expansion of world trade—are provided by the release of details of the new trade agreement negotiated with Australia. Briefly, the new agreement, which runs for five years and replaces one negotiated in 1932 as part of the Ottawa system, lays down that Britain will maintain tariff preferences on a wide range of agricultural products and will continue the duty-free entry enjoyed by Australian goods. Australia, while maintaining preferences for all British goods now receiving them, will reduce the levels of preference to new guaranteed minimum margins of 7.5 percent on capital goods and 10 percent on most other goods, against the present rates on capital goods of 12.5 percent and on other goods varying from 10 percent to 17.5 percent. Australia will consult Britain before reducing some margins of preference, but not before applying the 7.5 percent to a long list of goods, including engineering and electrical equipment, cars, cotton yarns, acetate rayon yarns, artificial silk yarns and sewing cotton in bulk, which comprise Britain's principal exports. The Australian and British Governments "desire and expect" that sales of Australian wheat and flour in Britain, made on commercial terms, will amount annually to the equivalent of 750,000 tons of wheat over the next five years. At present, about 650,000 tons of Australian wheat are imported into the U.K. annually.

The new arrangement will favour Australian rather than British trade, but it is defended by the Government on the ground that it preserves at least some preference for British exports—an achievement in view of the Australian Government's determination to reduce preferences on British goods so that domestic costs can be lowered and trade with other countries increased. It is hardly surprising that Mr. Thorneycroft, the President of the Board of Trade, came in for criticism from both sides of the House when he disclosed the details in the Commons, for the most that U.K. exporters can hope for is that the arrangements will soon permit substantial increases in Australian import quotas. Even then the British share of the increased trade would be limited by the reductions in the margins of preference. By contrast, the Commons offered little opposition to orders giving effect to the tariff changes involved in giving effect to the bilateral agreements negotiated at the G.A.T.T. meeting in Geneva in May with Benelux, Western Germany, Italy, Norway, Sweden and the United States, which made concessions covering about £94 million worth (in terms of 1954 trade) of imports into Britain.

Bombay

TECHNOLOGY FOR SMALL PRODUCTION

ROLE OF BOMBAY SERVICE INSTITUTE

(FROM OUR BOMBAY CORRESPONDENT)

THE Small Industries Service Institute, Bombay, has done some useful work since its inception. Regional institutes of this kind were established by the Government on the recommendation of a Ford Foundation team which surveyed the country's small-scale industries nearly three years ago. The fundamental object is to assist small-scale industries in technical processes and the use of improved types of machinery and equipment; the use of raw materials for particular types of industries including tests, wherever necessary, to ascertain the suitability of such raw materials; the use of improved methods of agriculture; and the introduction of economics of production in order to reduce costs and to improve the quality of manufactures. Assistance is given by correspondence and also by personal visits to the establishments concerned by the institute's field staff. A system also exists under which follow-up visits are made to check whether the methods recommended by the field staff have been adopted and, if so, the results obtained. The following figures indicate the number of establishments that have benefited by the service since the institute opened: number of parties who received technical advice 551; number of parties who received information for starting new industries 266; number of units visited by field staff 1,168; number of parties given other assistance 303; number of establishments who have accepted the suggestions offered by field staff 125, and number of factories revisited for follow-up action 185. It is disappointing that so few should have accepted the technical advice offered considering the comprehensive range of industries and problems handled by the institute. Some of the problems handled included a suitable method of turning to a desired curvature a large and a heavy alloy steel ring of about 50 inches diameter and 12 inches high on a vertical lathe. The demonstrating officer prepared a tool design for turning the ring and the drawing showing the working of the tool was explained. Another engineering concern was in difficulties because its atomiser fuel nozzles were being clogged at frequent intervals. It was explained to them that they had incorporated a very high compression ratio which was causing lock pressure in the nozzle. It was suggested that the ratio be limited to 17 percent. The measuring device for compression ratio was explained and the difficulty cleared up. Apart from the engineering industries, assistance was also given in other fields. For instance, a leather firm was shown the proper method of soaking Java hides. The conditions under which arsenic sulphide should be mixed with lime were given. The need for temperature control was demonstrated. By the use of a mixture of sodium nitrate, sodium chloride and sodium carbonate, a good soaking of Java hides was obtained and by controlling the temperature of the slating bath, the waste of arsenic sulphide was avoided and the lining was satisfactory. In addition, drawings and designs to meet specific needs were supplied to the factories requiring them. For instance, the drawings of a village oil ghani of metal construction were supplied to a unit while another received a drawing showing the arrangement of fixing five hand-operated knitting machines on a stand for power operation.

Foreign Experts

Apart from the technical officers of the institute, a number of foreign experts for specific industries have been invited to study local conditions and make suggestions for improvements. At least eight foreign experts have been attached to the Bombay institute who have advised over a wide industrial field. One of the objects of the institute is to make the village artisan conscious of the machine age. With this end in view, a fleet of mobile vans is maintained. The Bombay institute has so far constructed two mobile vans—one for a machine shop and the other for carpentry. These vans have already visited a number of places in the Bombay region and have given demonstrations to village artisans. Opportunity was also taken of repairing the simple tools in villages. The institute plans to acquire four more vans in the near future which will be concerned with carpentry, blacksmithy, electroplating including electrical wiring and motor winding, and a service van for repairs to oil engines and centrifugal pumps and agricultural implements. Various practical problems have been encountered. It was found that an average worker employed in a small-scale industry is incapable of blueprint reading and is therefore unable to understand from the drawings what he has to manufacture. So it was decided to start classes for blueprint reading, heat treatment and electroplating. The response was encouraging and it was decided to hold similar classes in other areas also.

The institute is equipped with an electroplating unit and a number of demonstrations were held for those engaged in the industry. Methods of testing the solution, control of current and the precautions to be taken during plating were explained. Classes were also held in the various processes of heat treatment. The institute has issued 10 bulletins to date on specific technical problems. These bulletins are designed to guide the small entrepreneur in day-to-day difficulties. In addition, the institute has formulated 16 model

schemes which are meant for those contemplating to establish a new industry. The industries covered include automobile batteries, radio components, electric cables, electrical accessories, electroplating, sole leather, western type footwear, plastic alkathene toys, industrial hand gloves, stainless steel utensils, low tension insulators, roofing tiles, glass beads, enamelware, tin printing and tin can making. It is also intended to establish a number of facility centres for various types of industries which will be equipped with modern machines suitable for specific jobs. The village artisans will be allowed to work on these machines on a roster basis and make use of the heavier machines such as production lathes, milling machines, shapers and grinders. It is proposed to levy nominal charges to recover the depreciation cost and expenditure on machine operation only. Overheads and staff salaries will not be recovered from the artisans. The advantages of such facility centres are that artisans will have access to equipment which they cannot afford to buy for themselves, and opportunity will also be taken of instructing the artisan on improved methods of production and also market demands.

Ancillary Production

An important aspect of assistance to the small units is their development as ancillaries to the large industrial units. The technical officers of the institute have various small and large-scale units and compiled lists of equipment which could be manufactured by the small undertakings. These lists consist of component parts required by the railways, other government departments and private industrial firms. The technical officers give the necessary advice to the small units and ensure that they receive adequate facilities in the form of raw materials machinery, equipment and finance to execute these orders. This procedure has met with success and the All India Manufacturers Organisation has appointed a special committee to look into the question of having certain component parts manufactured by small units. As part of the general assistance programme for village industrialisation, the Government of India has decided to assist the State Governments in establishing industrial estates. These estates will provide standard sheds with modern amenities and other common facilities to the small units who move into them. The institute is playing an active part in the selection of sites and in the equipping of these estates.

Madras

EFFECT OF SUEZ CLOSURE ON INDIAN ECONOMY

MR. KRISHNAMACHARI EXPECTS WORLD BANK LOANS

(FROM OUR MADRAS CORRESPONDENT)

THE Union Finance Minister, Mr. T. T. Krishnamachari, explained to Pressmen the implications of the Suez Canal closure from India's point of view. The implementation of the second plan, in his opinion, will not suffer, although delayed arrivals of essential imports might retard the execution of schemes. Referring to the correspondence with the World Bank President, Mr. Krishnamachari said that the leakage in Delhi was unfortunate, as the letters were of a "routine" nature. The loan for railways development is, however, expected along with these for the Koyra, Kundah and Neiveli projects. Incidentally, in the recent Indian coal statistics Neiveli has been mentioned as a new source, but production figures are lacking as pumping is still going on. The inclusion of lignite with the coal statistics may enhance the importance of the public sector in mining, but the figures relating to the Korba field are not very exciting. Referring to the Press comment on the Russian loan, Mr. Krishnamachari said that the purchases of Russian industrial equipment on credit would be made on the basis of world prices and the payment would be fixed in terms of rupees or sterling for convenience.

The Finance Minister was asked to comment on the fall in the market price of the State loan. A broker's letter to a local daily newspaper mentions the loss suffered by small investors who were compelled by official pressure to subscribe. The terrific success of the loan was due to some unusual methods, and those who bought it with borrowed money have been eager to sell their holdings at a loss. The drop in the quotation for the new 1958 loan to Rs. 97-14 suggests a kind of distress selling, and the Government's reluctance or inability to support the market, it is said, has shaken confidence in gilt-edged. But the official view is that tight money is at the back of the fall, and banks have got to reduce their invest-

ments to increase advances. Stability at lower levels is likely, but the State Government so far has absorbed only small lots for its sinking fund. There are no extra budgetary funds to absorb offerings of gilt-edged securities and no Government broker working in concert with the Reserve Bank is yet in evidence. The drop in the 3 per cent Conversion Loan to Rs. 72-10 has certainly set the pace for the decline in State loans, which in small lots realise prices well below the quotation. But it is noted that the loans of other States, too, have come down. The explanation is the poor holding capacity of the average investor.

Loss in Plantation Scrip

The loss in gilt-edged looks considerable compared with that on planting shares, which in the past week met with only small buying. Some rubber shares relating to Kerala plantations have been bid up since the impact of the plantation Award on those estates will be relatively small. It is also hoped that the controlled price will be raised to meet the higher cost of production on rubber estates. No official explanation as to the application of the Award to estates now out of the Madras Government's jurisdiction, has been given. Market men are however banking on the planters' appeal to the Supreme Court which has just been admitted.

Tourism and Hotels

A visiting British expert on tourism has suggested that an Indian atmosphere be maintained in Indian hotels by avoiding the imitation of foreign cooking and menus. It has also been suggested that a trained staff mostly of educated women is vital for the efficient operation of such a scheme. Interior decoration in the local style is likely to catch the eye. But the patrons of Indian hotels are not all foreigners and those who seek a home away from home may not relish the provision for worship, the hiring of the common hall for entertainments and so on. But hotels should like the idea of putting up lobby displays for Indian arts and crafts, the arrangement of kiosks for newspapers and books. Some hotels have already a shopping annexe.

Yarn Prices Improve

The yarn trade here is looking up, the demand for yarn having improved since the last Deepavali festival. At the meeting of the yarn merchants last week, the president mentioned the increased demand for handloom cloth due to the rebate and other concessions. But the concession has been withdrawn from fair price shops although it is hoped the exporters will continue to receive preferential treatment. It is, however, feared that a higher sales tax on yarn may be imposed in which case Andhra consumers will be penalised. The multi-point sales tax on art silk and staple fibre yarn is resented by the trade. Credit restrictions hamper traders and dealers are finding it hard to sell yarn on credit. Mills are charged with adjusting forward deliveries according to the trend of prices and the remedy suggested is to stick to the schedule. Mills have been asked to keep up a balanced and uniform spinning programme in order to help customers and maintain regular supplies of all counts in demand. Forward trading in yarn is considered desirable in order to prevent wide price fluctuation. But the threat of State trading is a bigger danger to the middle man. According to the annual report, it is noted that out of 168 mills in the southern region with 3,600,000 spindles, only 35 will be composite units. This reinforces the plea for installing looms in the South Indian mills undertaking expansion of their spinning capacity. The installation of about 3,000 power looms in the next two years will not help greatly to increase cloth supplies.

Congress Electioneering

Electioneering is already in the air and Ministers are now candidates. The T.N.C.C. has been interviewing those who seek the Congress ticket and those who as Congress candidates lost at the last election are not to be excluded. The Union Minister for Finance, during his visit to Madras was not present at the meeting of the Selection Board which has to choose candidates almost by itself. But he gave the campaign a fine start by drawing attention to the fact that socialism has been implicit in the Congress ideals since 1930. The Prime Minister of India was a socialist long before the Avadi resolution was passed and agrarian reforms show the courage of Mr. Nehru's convictions. The high cost of food-stuffs can be checked only by increased production. Paddy prices in the South are going up as Kerala is still buying, and even the prospect of a bumper harvest in January in nearly all districts does not prevent buying for stock as well as sale. There can be no return to controls but Mr. Krishnamachari expressed the view that the continuance of rationing would have placed Madras in a better position. The Chief Minister of Madras declared that poverty could not be ended all at once and redistribution of wealth would make little difference to the poor. Mr. S. N. Agarwal hoped that the Congress would sweep the board as it aimed at improving the condition of the people.

Border Disputes

The Congress Party's electioneering campaign is unlikely to be marred by border disputes. With the appointment of Mr. H. V. Pataskar as the referee, the north boundary agitation has been intensified. But a counter-claim to Hosur has also been admitted for adjudication because of the Telugu majority in a district adjoining Mysore. The case for Andhra taking over Hosur depends upon the acquisition of Kolar against which the Fazl Ali Commission pronounced its verdict last year. The Tamils seek to get seven taluks of Chittoor on the ground that the district was carved out of North Arcot.

Jute

U.S. CONSUMPTION FIGURES LIFT HESSIAN RATES

FIRM TREND IN PAKISTANI JUTE MARKETS

ONE of the main bullish features of the Calcutta markets during the past week was the announcement from the United States that burlap consumption there had jumped to over 85 million yards during October. This is the highest figure recorded for over four years, and brings the average monthly consumption rate to 72.4 million yards, which is 4 million yards more than in 1953 and 1955, and 7 million yards more than in 1954, for the same ten-month period. This was offset to a certain extent by the fact that American stocks of burlap rose to 262 million yards, which was also the highest figure recorded for over four years, but is equivalent to only a little over three months' needs at the present rate of consumption. Less than half this amount, however, is actual spot stock, and with the current delays in shipping, there is no certainty when the afloat stocks will reach their destinations. That is one of the reasons why there was heavy buying interest in the hessian markets both from overseas interests, local shippers and speculative operators, which succeeded in pushing up rates by about Rs. 40 a ton to new high levels. This increased the profit margin on hessian, because although the price of raw material also increased, the rise was only about Rs. 27 a ton.

There was very little overseas interest in heavy goods, but speculative manipulations ensured a steady rise, and in sympathy with hessian, sacking rates advanced by about Rs. 20 a ton. This held out no attraction to the mills as it was well below the rise in raw jute prices, and again demonstrated the present uneconomic working on heavy goods fabrics. Sacking, however, received some support from shipper interests, and good business was done by local shorts, mainly for quick delivery against steamers loading or due in port in the near future. Near shipment rates were quoted at a premium of about Re. 1 over forward shipment, whereas three weeks ago they were at a small discount. During the week, this section also recorded new high levels for the season.

Raw jute received considerable support from the Calcutta mills, and this, coupled with the improved gunny market, caused a gradual rise in prices. Sellers were very reserved due to a substantial rise in agency prices, which has taken them well above the parity of Calcutta quotations. The rise in Indian rates has been prompted, among other things, by the firm Pakistani markets, where, it is reported, prices have taken a definite upward trend in the last few days. The premium for Pakistani jute has now risen to over Rs. 3 a maund on Indian jute, and the former has been virtually priced out of the market. In the circumstances, it is surprising to note that the Pakistani authorities have decided to increase the acreage under jute next season, and are to make an all-out drive to increase its export. At present, their aim appears to be to restrict as much as possible the export of jute to India, if current regulations are any criterion, but the decision may bring about a relaxation of the restrictions. It is rather anomalous, however, in the light of their previous determination to curtail production and burn the excess jute.

THE JUTE MARKETS

Manufactured Goods: The market was depressed at the opening last Thursday as a result of heavy speculative selling pressure, and prices for both sacking and hessian fell. November shipment B Twills dropped by 10 annas to Rs. 118-12 a 100 bags, and January-March shipment lost 6 annas at Rs. 118-6. The loss in hessian was not so large and 40in. 100z. fell by 3 annas to Rs. 44-13 a 100 yards for November shipment, and Rs. 43-14 for forward shipment. Prices fluctuated narrowly throughout the day, but there was more support for hessian and rates increased by 4 or 5 annas. Ready B Twills were unchanged but forward shipment improved to rule at par with near deliveries. During the day, reports of an increase in American burlap consumption gave support to hessian, and heavy buying by local shippers in sacking boosted heavy goods, until on Saturday morning 40in. 100z. was quoted at Rs. 46-2, a rise of Re. 1, and B Twills stood at Rs. 120-12, which was Rs. 2 above the previous day. Both these quotations were at new high levels. The steadier tendency continued over the week-end, but was predominant in hessian, where American buying pushed up prices another 2 annas. Over the next two days there was very little alteration in the quoted rates, but the undertone of the market was firm.

At the close, the market was firm and opening quotations on Wednesday morning were as follows:

	November.	December.	Jan.-March.
40in. 80z.	37-8	36-14	36-2.
40in. 100z.	46-8	46	45
B Twills	121-2	120-12	120-6
Heavy Cees (plain)	121	120-12	120-6
A Twills	140-12	141-8	143
Liverpools	133	134	135
Cornsacks	120-8	121	121

Raw Jute: Calcutta raw jute prices ruled steady throughout the week in sympathy with the

finished goods market and as a result of a substantial increase in upcountry agency prices. They also received support from mills, who continued to take up small quantities daily. Opening quotations on Thursday last were Rs. 31 a maund basis Bottoms for Dhubri-Northern jute for November-December shipment, but rates soon advanced by 8 annas a maund as the volume of business increased. Sellers reduced the quantity on offer, and in many cases were reluctant to enter into fresh obligations until the backlog against previous contracts, held up by the lack of transport, had been cleared. Good business was done on Friday and Saturday, and by Monday morning general indications had advanced to Rs. 32 a maund. There was only limited interest then, and for the next few days the market ruled firm with sellers reserved.

During the week, business was reported in Dhubri-Northern jute at Rs. 30-3 to Rs. 32 a maund basis Bottoms for November-December shipment, and Northern Middles alone at Rs. 33-8. Small lots of Murshidabad Tossa were done on the basis of Rs. 31 a maund. There was a strong demand for good Daissee and Daissee-Tossa, prices for these types of fibre ranged from Rs. 31-8 to Rs. 33 a maund basis Bottoms, and Middles only from Rs. 33-8 to Rs. 35-8 a maund, all for November-December shipment. Large quantities of Daissee Mesta were purchased at Rs. 29 to Rs. 30 a maund, and jungli Mesta at Rs. 28-8. Pakistan Cuttings changed hands at prices ranging between Rs. 132 and Rs. 135 a bale for November-December shipment and ready bills of lading. Export firsts were also done at Rs. 235 to Rs. 240 a bale for November-December shipment.

At the close, the market was unchanged, but sellers were reserved and a very steady undertone prevailed. Opening quotations on Wednesday morning were as follows:

Indian Jute:	Landed at Mills Rs. a md. basis	Shipment.
	Bottoms.	
Lower Assam	32	Nov.-Dec.
Northern	32	"
Murshidabad White	32-8	"
Daissee	32-8	"
Daissee Mesta	30	"
Local Northern	31-8	"
Bimli	29-8	"

Tossa is quoted at 8 annas to Re. 1 a maund above the price of white jute.

Pakistan Jute:	Rs. a md.	Shipment.
Jat	35	Nov.-Dec.
District	34-8	"
Northern	34	"

Pucca:	Rs. a bale.	Shipment.
Mill Firsts 2/3	255	Nov.-Dec.
Export Firsts 2/3	235	"
Export Lightnings 2/3	220	"
Jat Cuttings.	135	"

Local Cossipore markets are very firm and all arrivals have found ready buyers. Mill representatives have been taking large quantities and are paying good prices. All imports still contain heavy moisture and dry jute is at a premium. Wagon arrivals were average for the time of the year and during the week totalled 650.

THE FOREIGN JUTE MARKETS

FIRM UNDERTONE IN FIBRE

(FROM OUR DUNDEE CORRESPONDENT)

ALTHOUGH there is a good deal of irregularity in prices for raw jute from day to day, there is nevertheless quite a firm undertone and no sign of weakness. Values of white jute are far above the minimum prices fixed by Pakistan and those for dark jute are now about £10 to £15 higher. Many spinners would have been well pleased with their purchases of the raw material had it been shipped at the time contracted for. But there has been so much delay this season on account of the disorganisation of internal communications in Pakistan that much of the "paper" profits have disappeared. Some long-headed spinners bought pretty freely at the beginning of the season when values were ruling at the minimum levels of £91 for Mill Firsts, £81 for Mill Lightnings, and £71 for Mill Hearts for August-September shipment, c.i.f. U.K. Unfortunately, there are still quite a number of parcels which should have been despatched in September but have not yet left Pakistan, and a very considerable number of October shipments are still in that country. Some spinners are very perturbed about the position, but the British Jute Trade Federal Council has given an assurance that stocks of raw jute stored in Dundee or afloat this side of the Suez Canal are sufficient for some considerable time. The statement of the Council says that "further cargoes of raw jute have recently left East Pakistan on the voyage round the Cape and there are also quantities purchased

by spinners which are awaiting shipment by this route." Certain grades may not be readily obtainable.

Mill Firsts are offered from £120 to £123, Mill Lightnings from £100 to £103, after business done in secure parcels at £98, £99, and £100, and Mill Hearts at £95, with good Daissee-2/3 at £99 (minimum £90), and grade at £95 (£80), grade Tossa-2/3 at £109 (£100) and grade Tossa-4 at £100 (£90), c.i.f. U.K. Calcutta goods have enjoyed a firm undertone at 68s 3d for 40in. 100z. and 51s for 40z. November, 68s and 50s 8d December, and 67s and 50s January-March, with B Twills at 181s 6d and 181s 6d and 181s for the respective positions of shipment, all f.o.b. Calcutta. Jute yarns and cloth rule very firm, and fair business is passing.

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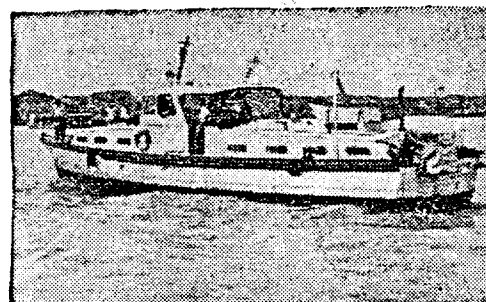
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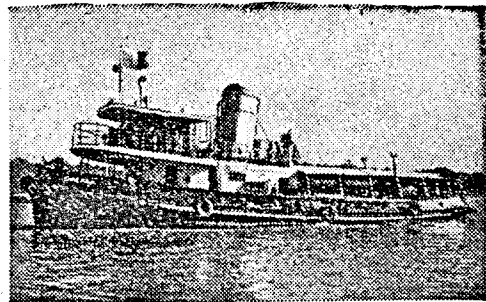


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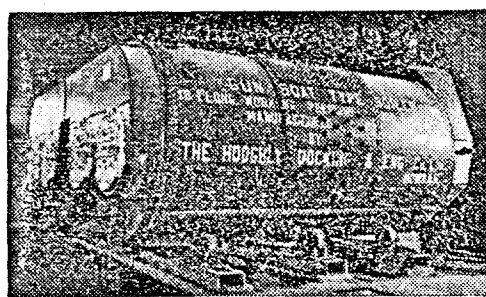
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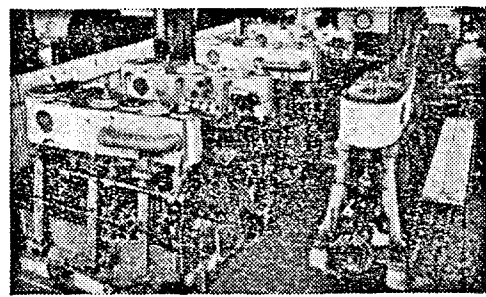
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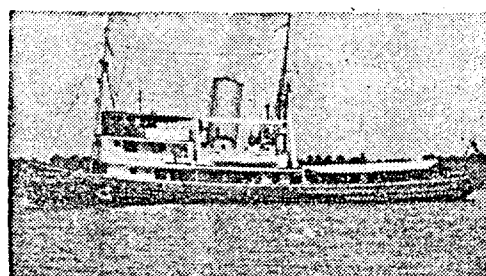
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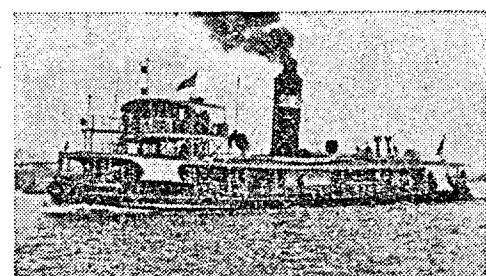
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Plantation Topics

COFFEE REPORT OF PLANTATION BODY

DIVIDEND RESTRAINT AND REPLANTING FUND URGED

THE Plantation Enquiry Commission, in its second report, dealing with the coffee industry, has recommended the creation of a Coffee Replanting Fund to which each coffee estate of 25 acres and above would be required to contribute a fixed amount of money. The fund would be used for the specific purpose of financing a programme of replanting. The Commission has recommended the setting up of a warehousing corporation, under the aegis of the Coffee Board to take over from the pool agents all functions connected with the marketing of coffee except curing. It has also suggested that the Coffee Board should market a certain portion of the coffee powder which is consumed internally. These sales should be subsidised from two "surplus" funds.

The Commission says that the immediate problems before the industry are the regulation of the internal distributive trade, an intensification of yield at economic cost in the existing areas and extension to the minimum necessary to meet the growing internal demand and to maintain and develop export markets. For promoting exports, it says, the export trade in coffee should be undertaken directly by the Coffee Board. The high quality of coffee earmarked for export should be maintained. The Commission's first report dealt with the tea industry. The Commission consisted of Mr. P. M. Menon (chairman), Mr. K. G. Sivaswamy and Professor M. V. Mathur (members). Mr. Sivaswamy has appended a note of dissent to the coffee report.

Surplus Funds

One of the "surplus" funds is to be created by setting apart the surplus in export realisations, that is, the actual export value, less the calculated value for exports on the basis of the internal auction value. The other will come from the excess in value as a result of gain in the weight of coffee in storage due to absorption of moisture. The Commission suggests that these two funds should

be used equally for subsidising retail sales of coffee and for a "pre assistance fund" for paying the basic price to the producer. The cost of production of different types of coffee, says the report, should be estimated in a most scientific manner by an independent expert agency. Recent trends indicate the need for a reduction in the cost of production. Pointing out that the percentage of gross profits in relation to the value of fixed assets has been very much above the figure considered adequate by the Cost Accountant, the Commission says that coffee companies should adopt a more prudent policy in the distribution of dividends in future. They should put by larger funds for financing schemes of development. Also recommended are: (a) a countervailing export duty equal to the Central excise duty levied on coffee; (b) adjustment of the excise levy on different types of coffee according to their market value, and (c) Central collection of the sales tax on coffee. Special recommendations have been made for assistance to small growers. Small holders should be induced to come into joint farming co-operative societies partnered by the State. The setting up of primary multipurpose coffee growers' co-operatives with whole-time managers has also been recommended. One of the important problems before the coffee industry is to improve standards of production so as to obtain a higher yield per acre. The yield in India is just about 60 percent of the yield in most of the important coffee-growing countries.

Dividend Restraint

The Commission finds that the percentage of dividends has ranged between 20 and 30 on ordinary capital. It says: "The fact that this dividend is declared on inflated capital (i.e., a capital which has been increased by the issue of bonus shares) masks the fact of the larger distribution of profits as dividends." The fixed assets of coffee plantations consist mainly of the coffee tree. By its very nature, the coffee tree is a wasting asset, and the Commission says that none of these companies has provided for this depreciation or made sufficient provision for replacing it. The working funds of the companies would not be sufficient to meet the entire expenses of replanting. Although the industry has made large profits, the growth in internal resources has not been sufficient to meet present replacement costs. The Commission, therefore, feels that coffee companies should have followed a more prudent policy in the distribution of profit as dividends and retain a larger part of it within the business so as to maintain the fixed assets in a normal condition. A limitation on dividends would in itself have put them in sufficient funds for carrying out necessary replanting and improvement of the coffee lands."

Regulation of Area

The Commission has recommended that powers should be conferred on the Coffee Board for regulating the area under coffee in relation to the needs of production. Amendments should be made in the Coffee Act to vest powers in the Board for licensing coffee production. Unless a phased programme of replanting is urgently begun, it is stated, certain coffee lands will have to be abandoned during the next ten years and production will seriously diminish. A greater rate of progress of replanting is necessary to save the industry's vitality and productivity. The Government should assume legal powers to make investigations and issue directions for the proper maintenance of fixed assets, including replanting, on any estate. The Coffee Board should have powers to issue directions on better farming.

Managing Agency System

Mr. Sivaswamy, in his note of dissent, says that the managing agency system in the coffee industry should be abolished. He says that the working of proprietary concerns and director-controlled companies, as compared with trustee companies under Indian and non-Indian managing agencies, shows that the latter had a smaller increase in reserves between 1946 and 1953, smaller working funds in 1953 an acre, a smaller increase in capital formation in 1953 over 1946 and a larger percentage of aged plants than the former. Their upkeep charges and commission to managing agencies and directors were high.

COFFEE BOARD MAY ENTER EXPORT TRADE

SOUTH INDIAN TEA OUTPUT LOWER THAN LAST YEAR

(FROM A SOUTH INDIAN CORRESPONDENT)

THE Coffee Board Chairman has confirmed that the current season's crop will exceed last season's record output of 33,775 tons, in the course of his address to the fourth meeting of the Board held last week. The Marketing Committee of the Board now estimates that the possible receipts of the season will be about 35,900 tons, against its original estimate of 34,000 tons. The Committee's estimate of internal consumption is 26,775 tons which appears to be on the high side. The exportable surplus is placed at less than 8,000 tons, against last season's 8,100 tons. As usual, the Board has underestimated the quantity available for export from the new season's crop, in spite of the increase in production.

The Chairman of the Coffee Board said that it was considering whether it should enter the export trade. Apparently, he is not satisfied with the present system of letting the export market completely to private enterprise. In his opinion, the exporter is not likely to give as much attention as might be desirable in seeking new markets or

nursing or holding markets which he already has. Therefore, the Chairman wants to consider whether the Board should try to sell a portion of the exportable surplus to certain countries and build new markets for Indian coffee, the production of which is steadily expanding. But Indian coffee does not seem to have suffered yet due to any negligence on the part of the private trade. On the other hand, there were occasions when the over-cautious policy of the Board and the hesitation of the Government in allowing larger coffee exports spoiled the chances of Indian coffee realising a better price in the world market. The usual uncertainty in the Board's export policy has proved too irksome to the exporter, and has been a great hindrance to his building up a market abroad. The first step towards consolidating the foreign market should be the adoption of a definite export policy by the Coffee Board, rather than itself entering the export business.

Tea Centre in Madras

Madras is expected to get a tea centre very soon. The Tea Board has selected a site near the Round Tana on Mount Road, and other preliminaries for opening the centre are nearing completion. One of the criticisms heard about the Bombay tea centre, which is the first of its kind in India, is that the price of liquid tea served there is exorbitant. A pot of tea for a single person costs 8 annas. This will be too much for the common man in Madras, who would naturally prefer to have his tea from a nearby restaurant where it costs him much less. Before finalising its plan for the Madras centre, the Board should take into consideration local preferences and the criticism of its Bombay centre.

S. Indian Tea Crop

South India harvested a slightly better tea crop in September, the figure being 9,600,000 lbs., compared with 8,800,000 lbs. in August and 9,100,000 lbs. in September, 1955. The production for the first nine months of the year amounts to 91 million lbs., against 96 million lbs. for the corresponding period of last year. In view of the loss in production, the case for south India adopting a crop regulation scheme, as has been done by north Indian producers, has lost some of its force.

Outlook for Pepper Market

The new pepper season has just started. Farm reports on the standing crop are encouraging and it is expected that the crop will be slightly better than last season's. According to certain trade estimates, last season's production was just over 24,000 tons. Carry-over into the new season is placed at 4,000 tons, which should be considered normal. Prices realised by the 1955-56 season's crop were considerably lower than in the preceding year. There has been a slight improvement in pepper prices due to the hostilities in the Middle East. Ceylon recorded an increase of Rs. 75 a candy to Rs. 700 a candy. But with a cease-fire ordered in the Suez area, the market again shows signs of weakening. Foreign demand cannot be considered satisfactory at present, so prices are likely to go down further as the pressure of new arrivals on the market increases.

WAGE AWARD FOR MADRAS PLANTATION LABOUR

APPEAL BY EMPLOYERS

(FROM A SOUTH INDIAN CORRESPONDENT)

THE United Planters' Association is appealing to the Supreme Court against the award of the Madras Plantation Special Tribunal. The planters feel that the Tribunal has not taken into consideration the capacity of the industry to pay the enhanced wages it has recommended with retrospective effect from March, 1952. They feel they have a strong case. The wages now fixed by the Tribunal are out of line with those paid either in the neighbouring State of Travancore-Cochin (now Kerala) or even in Assam, where the minimum wage has always been higher on account of the higher cost of living. The minimum wage laid down in the award is Rs. 2-4 a day for a male worker, compared with Rs. 1-7 a day paid in Madras, Rs. 1-9 in Travancore-Cochin and Rs. 1-12 in Assam. To pay at the enhanced rate with retrospective effect from March, 1952, means an expenditure for the planters of Rs. 13 crores to Rs. 14 crores, plus the annual recurring expenditure which would amount to another Rs. 24 crores to Rs. 3 crores. No correct estimate of the amount required to pay the staff increased allowances, etcetera, stipulated in the award, has been so far made. But on a rough estimate, something like Rs. 2 crores would be needed, besides the recurring expenditure of about Rs. 50 lakhs. If the award is fully implemented, it will eat away the entire reserve funds of the companies, and in many cases, even a part of their capital.

Burdens on Plantations

The plantation industry is over-burdened with taxes, labour charges and welfare measures. The Agricultural Income-Tax Act, the Plantations Labour Act, and the drastic recommendations of the Plantation Enquiry Commission, all add to the planters' burden, and the Special Tribunal's award is going to be the proverbial last straw on the camel's back. The implementation of the award will have serious consequences for the industry. It is felt that the liquid assets of many companies will not be sufficient to pay off the liabilities, as stipulated in the award, so they will be forced to sell away their properties or they will have to raise new funds from the market. The latter course has no chance of success. It is estimated that over 50 percent of the present shareholders of planting companies in south India are middle-class people.

Commodity Markets

WHOLESALE PRICE INDEX RISES

THE official wholesale price index (base: year ended August, 1939=100) moved up by 0.2 percent to 418.4 during the week ended 3rd November, 1956, compared with 417.4 (revised) for the previous week. The index was also higher by 0.2 percent and 14.3 percent respectively than those of the corresponding weeks of last month and a year ago. The index for Food Articles moved down by 0.4 percent to 390.5, compared with 392.2 (revised) for the previous week because of a fall in the prices of bajra (-7%), tea (-5%) and wheat (-1%). The prices of salt (+7%) and gram in Hapur and dal arhar (+1% each) were, however, marked up. Higher prices of raw jute (+5%), and castorseed in Bombay and groundnuts (+1% each) raised the index for the Industrial Raw Materials group by 0.9 percent to 502.4, although the prices of lac (-3%) and manganese ore (average export price) (-1%) showed declines. The index for the Semi-Manufactures group advanced by 0.6 percent to 411.2. Items which witnessed noticeable fluctuations in this group were: Coconut oil in Calcutta (+12%), cow hides and buffalo hides (+7% each), copper (+6%), groundnut oil (+4%), goatskins (+3%), zinc and castor oil (+2% each) and brass in Calcutta (-2%). The Manufactures group index rose by 0.4 percent to 388.5, compared with 386.8 (revised) for the earlier week reflecting an increase in the price of jute manufactures (+3%), rayon and silk manufactures (+2%) and glass (+1%). A rise of 0.2 percent to 590.2 as against 589.1 (revised) for the previous week in the index for the Miscellaneous group was caused by an increase in the prices of chillies in Calcutta and black pepper (+2% each).

INDEX NUMBERS BY GROUPS AND SUB-GROUPS (Base: Year ended August, 1939=100.)

Groups and Sub-Groups	3-11-56	27-10-56	6-10-56	5-11-55
I. Food Articles:	390.5	398.2(R)	388.7(R)	330.6
Cereals	508	510(R)	502*	393
Pulses	392	387	388	322
Others	244	246	247(R)	245
II. Industrial Raw Materials:	502.4	497.9	504.4(R)	419.6(R)
Fibres	481	473	483(R)	425*
Oilseeds	556	555	557(R)	400
Minerals	532	533	535	429
Others	418	421	422	452(R)
III. Semi-Manufactures:	411.2	408.6	404.7	335.2
Leather	431	410	373	358
Mineral oils	210	210	210	202
Vegetable oils	593*	584	570	388
Cotton yarn	497	497	497	408
Metals	326	325	327	276
Oilcakes	473	472	483	362
Others	361	362	363	330
IV. Manufactures:	388.5	386.5	390.4(R)	372.7
Textiles	421	418	424(R)	404
Jute	434	423	429	416
Cotton	426*	426*	426*(R)	399*
Rayon and silk	421*	413*	470*	479*
Woolen	266	266	266	278
Metal products	290	388	390(R)	371
Others	296	295	295	285
V. Miscellaneous:	590.2	589.1(R)	584.2	557.8
All Commodities:	418.4	417.4(R)	417.5(R)	365.9

R = Revised.

* = Estimated.

FIRST ESTIMATE OF KHARIF PULSES SHOWS DECLINE IN ACREAGE

The all-India first estimate of kharif pulses other than tur for 1956-57 places the current year's area at 10,785,000 acres, as against the adjusted corresponding estimate of 11,096,000 acres for 1955-56. This shows a decrease of 311,000 acres or 2.8 percent in area over last year, according to the Directorate of Economics and Statistics, Ministry of Agriculture, Government of India. The decline in acreage under pulses has been shared mostly by Madhya Pradesh, Punjab, Madhya Bharat, Mysore and Rajasthan and has been generally attributed to unfavourable weather conditions at the sowing time due to excessive and continuous rains. The decline in acreage has, however, been offset to some extent by increases registered in Bombay, U.P., Hyderabad and Kutch. As between pulses, the decline has been suffered mostly by moth. This estimate generally covers the period up to the end of August, 1956. Till then, the condition of the crop was reported to be generally satisfactory. The information given in this estimate relates to the set-up of States before their re-organisation on 1st November, 1956.

SCOPE FOR INCREASED AUSTRALIAN EXPORTS TO INDIA

There are definite possibilities in India for increased exports from Australia, but these are not to be gained without difficulties, according to Mr. R. W. C. Swartz, Parliamentary Secretary to the Minister for Trade, who visited India in October. Visits by trade specialists are needed to examine at first hand the particular needs of the market, and to explore the future requirements of India's rapidly developing industries. A wide scope exists for exports to India of the raw and semi-processed needs of her secondary industries. Mr. Swartz said that the industrial expansion programme of India's five year plans offered ever-increasing opportunities for the products of Australia. As a general rule, the level of Australia's exports to India fluctuated according to the value of the wheat exports. While Australia's total exports to India fell from £A194 million in 1954-55 to £A12 million in 1955-56, the exports of Australian commodities other than wheat increased from £A7.7 million to £A8.8 million. The principal exports other than wheat were zinc, dried milk, butter and cheese, wool tops and tallow. India was Australia's best customer for wool tops.

The Federal Director of the Associated Chambers of Manufacturers of Australia, Mr. Latham Withall, who accompanied Mr. Swartz to India, said that there were increasing opportunities for Australian exporters in India because India's import policy was shaped by import licensing to meet the needs of the second five year plan. "Australian heavy industry has an opportunity to move strongly into the Indian market for contractors' equipment, road-building equipment, railway rolling stock, locomotives, agricultural equipment, machine tools, windmills, pumps, diesel electric generators, automobile parts, garage equipment, wheel tractors, electric cables and the like," he said. "For our lighter industries", Mr. Withall added, "there is business opportunity for such goods as domestic hardware, small air-conditioning units, builders' hardware, plain cutlery, chemicals, drugs and medicines, electric appliances, and wool textiles of tropical weight."

Mr. A. N. Curphey, general manager of the Victorian Chamber of Manufacturers, who accompanied Mr. Swartz and Mr. Withall to India, strongly advised Australian manufacturers to lower their prices, use cheaper materials, and pattern their products for the individual markets of India and south-east Asia, where golden opportunities existed to expand trade. Mr. Curphey said the potential of the Indian and south-east Asian markets was "terrific"; they were "crying out" for enterprising exporters and manufacturers. They must, however, be prepared to lower their costs, and this could be done by using cheaper materials. But Mr. Curphey emphasised that the standard of workmanship must still be high. "It is not a case of shoddy goods, but of good products cheaper." Other points Mr. Curphey made were: (1) packaging must be more eye-catching and appealing, (2) manufacturers should examine the market potential for themselves, and (3) shipping facilities between Australia and India were poor and would have to improve.

The Bank of India, Ltd.

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CAPITAL ISSUED	Rs. 5,50,00,000
CAPITAL PAID-UP	Rs. 3,00,00,000
RESERVE FUND	Rs. 3,02,00,000

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Manek Chowk	Subhas Road	Kingsway
Station Branch	(Main Office)	Iwari Bazar
AMRITSAR	Bara Bazar	NEW DELHI
BANGALORE	Chowringhee	PANALPUR
BIRUJ (Kutch)	Square	POONA
BOMBAY	COMBATORE	POONA CITY
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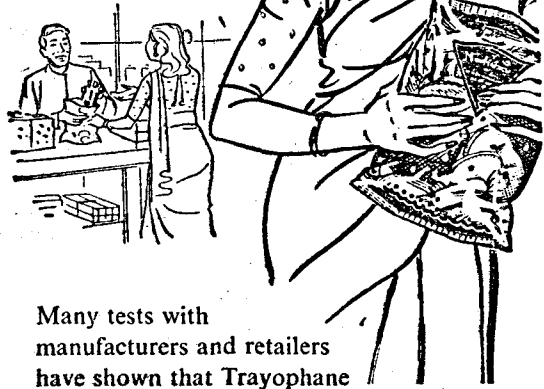
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"CAPITAL" INDEX OF INDIAN INDUSTRIAL ACTIVITY **

The Capital Index of Indian Industrial Activity (Base: 1935) has now been brought up to May, 1956. Compared with the preceding month, there were decreases in jute manufactures 1.7 points, steel ingots 2.3 points, coals 3.4 points and wagons

loaded 6.3 points, while increases occurred in cotton consumption 4.1 points, pig iron 1.6 points, cement 18.3 points, papers 4.6 points and electricity 9.5 points.

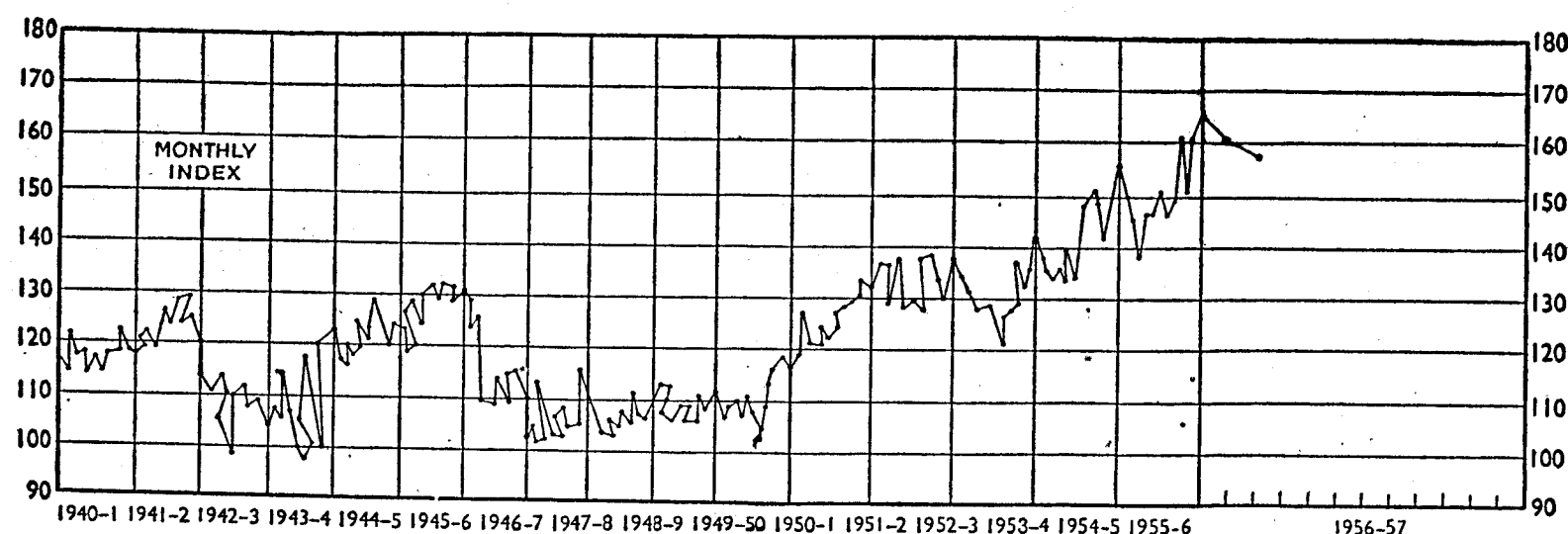
The indices for cheque clearances and notes in

circulation also declined by 5.2 points and 1.5 points, respectively. Correlating all the factors, the Capital Index of Indian Industrial Activity declined by 2.3 points during May, 1956.

		Industrial Production						Mineral Production	Total Number of Wagons Loaded (T)	Financial Statistics	Trade, Foreign & Coastal		Trade, Foreign & Coastal		General Monthly Index
		Indian Cotton Consumption	Jute Manufactures	Steel Ingots	Pig Iron	Cement	Paper	Coal		Cheque Clearances	Exports	Imports	Finnage Entered	Finnage Cleared	
		9	3	3	8	3	3	7	24	20	4	3	3	3	
1940-41		128.2	110.8	139.1	136.5	*	183.6	124.5	118.9	91.2	...	107.3(c)	...	138.1(d)	117.3
1941-42		150.3	122.1	157.3	141.6	*	192.2	116.6	117.0	94.0	...	109.2(c)	...	166.5(d)	122.7
1942-43		154.4	117.8	144.2	130.6	*	153.9	114.7	103.1	70.7	...	135.5(c)	...	...	108.8
1943-44		167.3	99.7	149.2	136.3	*	148.0	109.7	104.8	71.7	...	137.7(c)	...	...	109.2
1944-45		159.2	103.2	128.0	125.6	*	155.9	112.1	112.4	95.4	...	180.9(c)	...	...	120.7
1945-46		161.0	106.0	151.8	99.9	*	151.3	127.0	112.2	112.6	...	128.5(c)	...	...	127.5
1946-47		127.5	100.7	139.8	95.5	*	141.2	123.0	101.6	104.5	...	189.8(c)	...	...	115.0
1947-48		126.2	102.1	140.7	105.4	97.6	125.1	127.7	96.7	82.6	...	126.9(c)	...	100.7	110.0
1948-49		149.7	101.8	138.7	99.2	100.1	136.6	126.2	98.6	79.5	...	166.2(c)	...	108.3(d)	107.6
1949-50		123.5	90.2	157.9	116.4	143.4	146.1	146.0	114.5	67.3	...	140.6(c)	...	114.9(c)	109.4
1950-51		113.1	82.1	165.7	112.4	168.7	155.9	154.9	125.3	64.7	...	122.4(c)	...	121.6(d)	110.8
1951-52		126.6	93.2	175.9	125.4	207.6	170.6	169.5	134.1	83.1	...	129.5(c)	...	137.6(d)	125.7
1952-53		141.7	91.0	184.0	119.5	223.6	169.2	172.5	139.6	88.9	...	154.6(c)	...	137.7(d)	132.4
1953-54		145.9	86.5	178.1	115.5	251.4	166.1	170.8	137.0	83.1	...	145.8(c)	...	159.1(d)	130.4
1954-55		152.3	97.2	196.2	112.2	275.9	206.0	179.4	144.2	91.8	...	158.5(c)	...	179.5(d)	141.3
1955-56		157.6	105.2	193.4	122.7	281.2	221.1	184.0	156.4	101.5	...	178.9(c)	...	203.7(d)	151.2
1952-52		139.1	91.6	179.6	116.4	218.9A	168.8	173.6	136.9	83.1	Notes in Circulation Weight %	143.8	Consumption of Electricity Weight	152.7A	129.2
October		145.5	85.9	193.0	124.4	231.6A	162.5	174.5	137.0	78.7	148.2	147.6A	129.4	136.2	129.4
November		157.7	92.4	191.3	119.3	239.4A	164.3	182.8	145.1	87.9	151.9	152.4A	135.5	146.8A	135.5
December		147.1	85.2	192.2	129.7	219.3A	165.3	177.4	150.3	86.9	154.2	146.8A	128.9	145.3A	128.9
January		136.8	89.3	179.9	121.1	204.6A	156.2	163.2	140.5	81.1	153.9	145.3A	137.6	150.3A	137.6
February		137.8	93.9	189.8	121.1	221.8A	159.4	165.1	150.7	97.0	157.6	150.3A	137.6	150.3A	137.6
March		142.9	96.6	178.3	116.6	213.1A	173.3	182.1	141.0	90.6	159.8	147.4A	134.4	147.4A	134.4
April		146.2	83.3	179.6	130.1	242.9A	181.2	179.5	137.4	81.5	153.9	152.6A	132.0	152.6A	132.0
May		146.4	88.3	169.2	107.9	239.2A	185.1	170.8	125.9	80.4	146.5	151.7A	126.2	151.7A	126.2
June		148.3	87.9	142.7	87.5	252.0A	202.3	169.0	129.9	82.5	136.9	169.3A	125.2	169.3A	125.2
July		145.0	76.5	135.9	83.0	230.5A	190.8	168.3	129.9	79.9	135.6	162.1A	118.4	162.1A	118.4
August		144.3	89.1	144.5	94.0	233.2A	199.2	172.6	131.5	78.1	137.4	161.9A	124.5	161.9A	124.5
September		148.0	79.6	181.2	120.6	247.0A	177.2	171.4	134.6	75.7	138.3	156.9A	127.6	156.9A	127.6
October		136.4	82.1	204.7	131.3	253.6A	151.2	162.6	133.5	79.2	141.6	162.4A	128.9	162.4A	128.9
November		150.1	91.3	209.1	127.1	277.4A	150.8	179.3	147.3	91.1	137.3	166.7A	138.9	166.7A	138.9
December		143.7	78.4	206.6	128.9	272.2A	123.6	165.5	146.7	83.2	147.2	161.9A	134.3	161.9A	134.3
January		146.8	89.0	189.0	128.9	264.0A	116.9	163.2	137.2	86.7	156.4	160.0A	132.4	160.0A	132.4
February		147.1	95.3	205.7	125.0	291.8A	141.6	164.8	149.6	98.3	158.1	165.8A	142.1	165.8A	142.1
March		150.6	97.4	185.8	117.6	269.9A	209.5	170.2	140.1	89.1	154.7	170.3A	137.7	170.3A	137.7
April		150.2	81.9	183.6	124.4	280.1A	214.7	166.9	137.0	82.2	158.3	174.7A	134.5	174.7A	134.5
May		150.7	90.5	192.1	120.4	264.4A	208.7	169.3	133.6	81.0	160.3	174.0A	133.7	174.0A	133.7
June		154.1	90.7	195.2	117.6	273.9A	176.9	181.2	137.4	88.7	160.1	171.9A	132.9	171.9A	132.9
July		152.1	88.6	200.5	122.3	256.4A	167.4	180.4	137.4	84.4	154.7	175.2A	137.3	175.2A	137.3
August		152.9	96.2	187.3	115.8	271.2A	178.1	184.1	134.4	80.0	150.0	181.6A	134.7	181.6A	134.7
September		145.6	89.6	125.3	120.3	279.3A	194.3	170.5	137.6	81.2	150.2	174.5A	147.8	174.5A	147.8
October		156.7	105.6	199.8	126.6	275.9A	227.2	199.6	145.7	100.6	154.2	182.8A	153.3	182.8A	153.3
November		157.8	110.7	207.2	130.3	298.6A	238.3	198.8	156.4	101.7	159.1	185.9A	139.7	185.9A	139.7
December		149.8	98.2	211.0	127.6	282.0A	227.2	179.8	159.1	93.0	161.5	183.7A	147.4	183.7A	147.4
January		149.2	105.2	196.5	123.9	272.8A	210.6	174.2	150.1	93.1	164.3	181.5A	144.2	181.5A	144.2
February		158.0	111.4	208.1	120.1	285.3A	218.7	178.3	161.1	116.0	174.6	194.9A	156.7	194.9A	156.7
March		154.7	110.2	208.2	129.3	227.8A	216.5	181.4	152.0	100.6	182.3	191.9A	149.4	191.9A	149.4
April		151.1	94.4	205.1	130.3	281.6A	206.3	178.3	146.0	100.0	186.0	193.2A	147.5	193.2A	147.5
May		154.4	103.7	195.0	125.5	247.2A	208.4	180.3	140.2	96.7	173.3	198.2A	139.0	198.2A	139.0
June		160.4	94.7	189.7	119.4	262.0A	222.2	180.7	147.0	98.5	178.5	197.3A	146.4	197.3A	146.4
July		155.3	92.4	195.4	118.3	280.3A	224.3	189.6	148.4	100.6	182.3	195.7A	146.8	195.7A	146.8
August		164.9	106.3	191.2	114.6	255.0A	231.8	196.0	146.9	107.8	177.1	201.5A	151.0	201.5A	151.0
September		165.6	94.1	177.7	100.7	293.7A	209.3	179.9	151.6	95.1	172.4	200.6A	144.7	200.6A	144.7
October		151.6	107.7	186.3	113.6	293.3A	222.2	186.7	157.3	98.7	170.1	201.9A	150.0	201.9A	150.0
November		167.3	114.7	214.6	130.6	317.6A	232.2	192.2	169.9	106.4	172.5	217.3A	161.5	217.3A	161.5
December		151.0	104.2	208.1	133.9	300.6A	221.2	182.3	171.8	86.9	175.1	208.3A	151.8	208.3A	151.8
January		159.2	118.4	205.4	131.6	295.0A	228.6	179.8	167.9	110.6	181.8	215.1A	160.9	215.1A	160.9
February		155.9	124.0	215.5	125.0	320.5A	229.9	181.3	178.3	114.8	190.6	223.1A	165.8	223.1A	165.8
March		154.5	120.1	203.7	124.3	296.3A	217.3	189.8	166.9	109.7	198.3	216.3A	160.8	216.3A	160.8
April		158.6	118.4	201.4	125.9	314.6A	221.9	186.4	160.6	104.5	196.8	226.3A	158.5	226.3A	158.5

(a) April, 1935 to March, 1936=100
(b) Averages of eleven months, April to February
(c) Notes in Circulation
(d) Electricity Consumption
(e) Estimated
(f) Railway Earnings before April 1952
* Figures not available
† Official year
‡ Average of February and March
§ Annual indices represent averages of monthly figures
|| Provisional
** For construction and earlier figure see Capital 17th March, 1938.
A Base January 1946.

"CAPITAL" INDEX OF INDIAN INDUSTRIAL ACTIVITY (1935)



Calcutta Markets

STRONG GENERAL DEMAND AT TEA EXPORT SALE

DUST PRICES DEARER

AT Sale No. 22, held on 19th and 20th November, offerings at the Export auction consisted of 58,400 packages for which there was a very strong and excited general demand. With the exception of the best C.T.C.'s and some of the better liquoring Medium B.O.P.'s all kinds sold at dearer rates. Fannings and the poorest kinds were as much as 2 annas to 4 annas dearer, while the other kinds were 1 anna to 3 annas dearer. Darjeeling and Whole Leaf grades shared in the general advance.

Quotations

	1956	1955
Clean Black Pekoe	2 6 0	2 6 0 to 2 7 0
Plain B.P.	2 0 0 to 2 3 0	1 11 6
Medium Assam B.P.	2 6 0 to 2 7 0	1 13 0 to 1 13 6
Best C.T.C. Assam B.P.	3 2 0	3 0 0 to 3 1 3

At the Internal Sale, Dust offerings consisted of 23,871 packages for which there was a good general demand at dearer rates. Non-wither Doars were a strong feature and were 2 annas to 3 annas dearer, while the strongest feature of the Sale were the poor residue types which were 2 annas to 3 annas dearer. Commons, Doars and Medium Assams advanced by 1 anna to 2 annas, but the leafier kinds showed the greater advance in price. C.T.C. Assams also shared in the general advance and were dearer, but the better kinds were fully firm.

Quotations

	1956	1955
Medium Doars Dust	2 1 0 to 2 2 0	1 10 0
Medium Assam Grainy	2 2 0 to 2 3 0	1 11 6 to 1 12 6
Dust	2 2 0 to 2 3 0	1 11 6 to 1 12 6
Medium Assam C.T.C.	2 2 0	2 10 6 to 2 12 6
Dust	2 2 0	2 10 6 to 2 12 6
Best Assam C.T.C. Dust	2 12 0	2 10 6 to 2 12 6

Leaf offerings consisted of 1,695 packages for which there was a strong and excited general demand at much dearer rates. The few green teas on offer received better support than in recent weeks, and sold at about valuations.

RIISING TREND IN FREIGHT RATES

FURTHER rate increases in most markets have been noted over the past week, and there is no indication that the markets are anywhere near the top. In the American coal market, rates have risen to 94s 3d a ton to the Continent, and owners are confident that 100s will soon be reached. Madras-France paid 208s f.i.o. for 4,400 tons of manganese ore, January shipment, but the lower figure of 175s from Mormugao-Genoa was accepted by a Portuguese ship. In local markets, Calcutta-Colombo has paid 86s and Calcutta-Port Sudan 125s for a small ship. In the time charter section, a 3,000 tonner secured 50s for three months trading, delivery Dammam, redelivery West Coast India, and a 9,000-ton motorship was fixed at 65s for the trip out to Japan with delivery the U.K. in December. A major British oil company is reported to have chartered seven tankers at high rates for periods up to seven years with deliveries as far ahead as 1965.

LINSEED RISES

Prices have notably advanced during the past week, and a generally firmer undertone has been observed. Insufficient ready goods to meet the crushers' demands, and keener enquiries for oil following firmer advances from overseas, were the chief factors supporting the rise. Small activity has been recorded for near, as well as forward new crop deliveries, but sellers have been on the whole reserved. The oil section has been firm in anticipation of further exports; buyers have been fairly keen, while sellers have been reserved. Latest quotations were as follows: Ready-November Rs. 26 a maund; November-December Rs. 26 a maund; and April-May Rs. 22-8 a maund.

HIDES AND SKINS STEADY

The market ruled steady, and stocks were higher than in the previous week.

Bazaar Sales

(Between 13th November and 19th November, 1956)
Cowhides: Wet salted (Ord.) 21,000 pcs. on the basis of Rs. 8-8 to Rs. 9; Wet salted (Sloughered), 17,500 pcs. on the basis of Rs. 13 to Rs. 20-8.

Goatskins: Wet salted (Daissee, Killed) 42,200 pcs. on the basis of Rs. 285 to Rs. 300 and Rs. 375 to Rs. 390; Assam-Dinajpur 8,100 pcs. on the basis of Rs. 252-8 to Rs. 310; Purneah-Kissenganj 5,200 pcs. on the basis of Rs. 255 to Rs. 265; Patna-Pakur (Ord.) 7,400 pcs. on the basis of Rs. 245 to Rs. 255; Muzafferpore 27,200 pcs. on the basis of Rs. 300 to Rs. 312-8.

Bazaar Stocks

(19th November, 1956)

Cowhides: Wet salted 1,10,500 pcs.
Goatskins: Wet salted (Daissee, Killed) 34,000 pcs.; Assam-Dinajpur 54,000 pcs.; Muzafferpore-Patna-Purneah-Kissenganj 3,00,000 pcs.

SUGAR MARKET STEADY

During the week ended 21st November, sugar sales in the Calcutta market averaged 4,000 bags daily. Arrivals a day were 3,000 bags and stocks totalled 120,000 bags. Rates for ready sugar ex-Kantapur delivery were Rs. 30-14 for ordinary grain and Rs. 32-8 for big grain. The market was steady.

SHELLAC MARKET QUIET

During the week ended 20th November, the market was steady at the beginning and quiet at the end. The range of quotations was as follows:

Pure Buttonlac	Rs. 128 to 130 buyers, 129 value, 127 buyers.
Lemon No. 1 Shellac	Rs. 133 to 134 buyers, 133 done and buyers, 130-8 buyers.
Lemon No. 2 Shellac	Rs. 127-8 buyers, 128 done and buyers, 126 buyers.
F.O. Std. 1 Shellac	Rs. 123-8, 125 buyers, 124 done and buyers, 123 buyers.
Pure TN Shellac	Rs. 120-8 buyers, 123 to 120 basis done and buyers.
4% I.T.N. Shellac	Rs. 109, 110-8, 109 buyers.
No. 1 Kusmi Seedlac	Rs. 119, 121-8, 119-8 value.
No. 2 Kusmi Seedlac	Rs. 114-8, 116-8 value, 117 to 116 buyers.
Fine Bysaky Seedlac (Manbhumi)	Rs. 111-8, 113 to 109-8 buyers.
Fine Bysaky Seedlac (C.P.)	Rs. 107 buyers, 108 done and buyers, 105-8 buyers.
Ordinary Bysaky Seedlac (C.P.) Under 5%	Rs. 98-8, 100 to 97 buyers.
Ordinary Bysaky Seedlac (C.P.)	Rs. 93, 95 to 90-8 buyers.
Kireelac	Rs. 38, 37-8 buyers.

COMPANY AND PUBLIC NOTICES

THE INDIAN CABLE COMPANY LIMITED NOTICE

NOTICE is hereby given that the Thirty-seventh Annual General Meeting of the Shareholders of The Indian Cable Company Limited, will be held at the Registered Office of the Company, 9, Hare Street, Calcutta, on Friday, the 21st December 1956, at 11-00 a.m. for the following purposes:—

- (1) To receive and adopt the Directors' Report and Audited Balance Sheet and Profit and Loss Account for the year ended 31st March 1956.
- (2) To declare Dividends.
- (3) To elect a Director.
- (4) To re-appoint the firm of Messrs. Lovelock & Lewes of 4, Lyons Range, Calcutta, Auditors of the Company for the current year and to fix their remuneration.

As Special Business.

- (5) (a) In pursuance of Section 228(1) of the Companies Act, 1956, to appoint the firm of Messrs. A. F. Ferguson & Co. of Bombay for the purpose of auditing the accounts of the Branch offices of the Company at:—

Bombay,
Ahmedabad,
Ambala,
Jamshedpur,
New Delhi,
Nagpur,
Kanpur and
Secunderabad

and to fix their remuneration.

- (b) In pursuance of Section 228(1) of the Companies Act, 1956, to appoint the firm of Messrs. Fraser & Ross of Madras for the purpose of auditing the accounts of the Branch offices of the Company at:—

Madras,
Bangalore,
Coimbatore and
Trivandrum

and to fix their remuneration.

To consider and if thought fit pass the following resolution with or without modifications:—

As an Ordinary Resolution.

- (6) "That the accounts of the Branch office of the Company at Karachi, Pakistan, be not audited under the provisions of Section 228(1) of the Companies Act, 1956."

The Share Transfer Books of the Company will be closed from the 8th December 1956 to 21st December 1956, both days inclusive.

Dividends, if any declared at this meeting will be payable to Shareholders registered on the Company's Books on the 21st December 1956, or their mandatees.

By Order of the Board,
S. N. MUKERJEE,
Chairman.

9, Hare Street,
Calcutta, 13th November 1956.

N.B. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.

OCTAVIUS STEEL & CO. LIMITED

NOTICE is hereby given that the Thirty-fifth Ordinary General Meeting of the Shareholders of the Company will be held at the Registered Office, No. 14, Old Court House Street, Calcutta, on Friday the 14th December, 1956 at 12 noon for the following purposes:—

1. To receive and adopt the Directors' Report and the audited Accounts for the year ended 31st December, 1955.
2. To declare a dividend.
3. To elect a Director in place of the retiring Director.
4. To elect Auditors for the ensuing year and to fix their remuneration.

The Share Transfer Books of the Company will be closed from 8th December, 1956 to 14th December, 1956, both days inclusive.

By Order of the Board,
B. GHOSE,
Secretary.

14, Old Court House Street,
Calcutta, 21st November, 1956.

NOTE:—A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and, on a poll, to vote instead of himself and the proxy need not be a member.

AMLUCKIE TEA COMPANY, LIMITED.

NOTICE is hereby given that the 80th Annual General Meeting of the Shareholders of Amluckie Tea Company, Limited, will be held at McLeod House, No. 3, Netaji Subhas Road, Calcutta, the Registered Office of the Company, on Saturday, the 15th December, 1956, at 10-30 A.M. for the following purposes:—

1. To consider the Profit and Loss Account for the year ended 31st December, 1955, and the Balance Sheet as at that date, and the Reports of the Directors and the Auditors.
2. To declare Dividends.
3. To appoint a Director in place of a Director who retires by rotation.

And, in this connection to consider, and if thought fit, to pass the following resolution which will be proposed as a Special Resolution in conformity with the provisions of Section 261 of the Companies Act, 1956:—

"That Mr. T. K. Basu be and is hereby re-appointed a Director of the Company."

Special Notice dated 13th November, 1956, of intention to propose the foregoing resolution as a Special Resolution has been received by the Company wherein it is stated that a Special Notice of the Special Resolution is given to satisfy the requirements of Sections 190 and 261 (1) (f), (2) and (3) of the Companies Act, 1956, for the reason that Mr. T. K. Basu is presently a Director of the Company, which is a subsidiary of McLeod & Co. Ltd., the Managing Agents to the Company, and he is an associate of the Managing Agents within the definition in Section 2 (3) (c) (1) of the Companies Act, 1956, who may only be appointed or re-appointed a Director by a Special Resolution, of which Special Notice has been given to the Company.

4. To appoint Auditors for the year ending 31st December, 1956, and to fix their remuneration.

As Special Business:

5. To consider and, if thought fit, to pass the following resolution:—

"That the Board of Directors be and is hereby permitted with effect from the commencement of the Companies Act, 1956, to borrow moneys from time to time for the carrying on of the business of the Company notwithstanding that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) will exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose."

The Share Transfer Books of the Company will be closed from 1st December 1956 to 15th December 1956, both days inclusive.

By Order of the Board,
MCLEOD & CO. LTD.,
A. T. DOIG,
Managing Director,
Managing Agents.

3, Netaji Subhas Road,
Calcutta, 16th November, 1956.

NOTE: (1) A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member.

- (2) Payment of the proposed Dividends, if declared, will be made on or after 24th December, 1956, only to those members whose names are registered in the Books of the Company on the 15th December, 1956, or to their Mandatees.

No application for Warrants will be necessary. Claims on behalf of holders of Shares on blank transfer will not be entertained.

EXPLANATORY STATEMENT.

The Resolution being Item No. 5 of the above Notice is intended to provide the Board of Directors with authority to enable them to borrow moneys from time to time for the Company's business in excess of the statutory limit being the paid-up capital of the Company and its free reserves pursuant to Section 293 (1) (d) of the Companies Act, 1956.

THE CUTTACK ELECTRIC SUPPLY CO. LTD.

A dividend at the rate of 6½% for the year ended 31st December, 1955 without any deduction of income-tax paid by the Company, has been declared payable to the shareholders.

OCTAVIUS STEEL & CO. LTD.,
Managing Agents,
Calcutta, 19th November, 1956.

HASIMARA TEA COMPANY, LIMITED.

NOTICE is hereby given that the Fifty-first Annual General Meeting of the Members of Hasimara Tea Company, Limited, will be held at the Registered Office at No. 5, Church Lane, Calcutta, on Friday, the 14th day of December, 1956, at 12-15 O'clock in the afternoon for the following purposes:—

1. To consider and adopt the Profit and Loss Account for the year ended the 31st December, 1955, and the Balance Sheet as at that date, and the reports of the Directors and Auditors.
2. To declare dividends on the Preference and Ordinary shares.
3. To appoint auditors for the year ending the 31st December, 1956, and to fix their remuneration.

As Special Business.

4. To consider and if thought fit to pass the following resolution which will be proposed as a Special Resolution:—

"Resolved that the Company hereby accords consent to J. Thomas & Company Private Limited and W. S. Cresswell & Company Private Limited acting and continuing, with effect from the date of commencement of the Companies Act, 1956, to act as brokers of the teas produced by the Company."

As Ordinary Business.

5. To consider and if thought fit to pass the following resolution which will be proposed as a Special Resolution:—

"That Mr. H. R. Townsend be and is hereby appointed a Director of the Company."

Special Notice dated the 28th October, 1956 of intention to propose the foregoing resolution as a Special Resolution has been received by the Company wherein it is stated that the notice is given to satisfy the requirements of Sections 190 and 261 (1) (c), (2) and (3) of the Companies Act, 1956, for the reason that Mr. H. R. Townsend, a Director of the Company, who retires by rotation of directors at this meeting, is a Director and Member of W. S. Cresswell & Company Private Limited which customarily acts, as also does J. Thomas & Company Private Limited, as brokers of the teas produced by the Company, which may be construed as an office or place of profit under the Company. Having regard to the fact that the Managing Agents have a right to appoint a director to the Company, and to the provisions of Sections 261 and 314 of the Act, a special resolution re-appointing him as a director of the Company is considered requisite.

The Share Transfer Books and Register of Members of the Company will be closed from the 1st December to the 14th December, 1956, both days inclusive.

HASIMARA TEA COMPANY, LIMITED.

By Order of the Board,
DAVENPORT & COMPANY PRIVATE LIMITED,
Managing Agents.

Dated the 19th day of November, 1956.
Calcutta.

Note: A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead and a proxy need not be a member of the Company.

DUNCAN BROTHERS & COMPANY, LD.

NOTICE is hereby given that the Fifty-seventh Ordinary General Meeting of Shareholders will be held at the Registered Office of the Company, No. 31, Netaji Subhas Road, Calcutta on Saturday the 15th December, 1956 at 11 A.M. for the following purposes:—

1. To receive and adopt the Directors' Report, and to pass the Audited Accounts for the year ended 31st December, 1955.
2. To confirm the dividend paid on the Preference shares and Interim dividend on Ordinary shares and to declare a final dividend on the Ordinary shares.
3. To elect a Director.
4. To appoint Auditors for the current year and to fix their remuneration.
5. To transact such other competent business as may be brought before the Meeting.

The Share Transfer books of the Company will be closed from 6th to 15th December, 1956 both days inclusive.

Warrants for dividends, when declared, will be forwarded in accordance with registered instructions, or, if no such instructions have been received, to the registered addresses of all shareholders whose names appear on the Company's Register at the date of declaration. No application for payment is necessary, and holders on blank transfer are therefore recommended to submit their shares for registration immediately.

By Order of the Board,
DUNCAN BROTHERS & CO., LD.,
R. H. DUGUID,
Director.

Calcutta, 21st November, 1956.

Note. A member of the Company who is entitled to attend and vote may appoint a proxy to attend and vote instead of himself. A proxy need not be a member of the Company.

DALMIA CEMENT (BHARAT) LIMITED.

P.O. Dalmiapuram, Dist: Tiruchirappalli.

THE Managing Agents of the Company have volunteered to resign their Right to subscribe to the new ordinary capital in favour of some of the registered-holders as on 30-11-1956 of the ordinary shares of Rs. 10/- each who want to subscribe to the new shares, in the ratio of three new ordinary shares of Rs. 2/8/0 each against one ordinary share of Rs. 10/- on payment of compensation of only annas eight per each such share. A circular giving the details of the offer together with necessary Form of Application has been sent by the Managing Agents to the shareholders concerned.

In partial modification of the previous notice, it is hereby notified that the Transfer Books of the Company, as far as transfers of ordinary shares of Rs. 10/- each are concerned, will remain closed only from 27-11-1956 to 30-11-1956 both days inclusive to facilitate the persons holding such shares under blank transfers to get the shares registered in their names to avail the above offer of the Managing Agents.

for DALMIA CEMENT (BHARAT) LIMITED,
for HARI BROTHERS PRIVATE LIMITED,

J. DALMIA,
Director,
Managing Agents.

Dated, 10th November, 1956.

THE INDIAN CABLE COMPANY LIMITED

THE Directors have decided to recommend at the forthcoming General Meeting of the Shareholders to be held on the 21st December 1956, Dividends for the year to 31st March 1956, as follows:—

- (a) Dividend on Cumulative Participating Preference Shares @ 12½% free of Income Tax.
- (b) Cash Bonus on Cumulative Participating Preference Shares @ 2½% free of Income Tax.
- (c) Dividend on Ordinary Shares @ 12½% free of Income Tax.
- (d) Cash Bonus on Ordinary Shares @ 2½% free of Income Tax.

By Order of the Board,
B. J. WOODLEY,
Managing Director.

Calcutta, 13th November 1956.

DUNCAN BROTHERS & COMPANY, LIMITED.

THE Board of Directors at their meeting held on 7th November, 1956 have decided to recommend to the forthcoming General Meeting of Shareholders a final dividend of 6% on Ordinary shares (without any deduction for income tax paid by the Company) for the year ended 31st December, 1955.

DUNCAN BROTHERS, & CO., LD.,
R. H. DUGUID,
Director.

Calcutta, 21st November, 1956.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	Hour I.S.T.
Dibrugarh Co., Ltd. (Tea)	22-11-56	4 p.m.
Pahargomiah Tea Assocn. Ltd.	23-11-56	11 a.m.
Darjeeling Tea & Chin. Assocn. Ltd.	23-11-56	11-10 a.m.
Pashok Tea Co., Ltd.	23-11-56	11-20 a.m.
Teen Ali Tea Co., Ltd.	23-11-56	3-15 p.m.
Oodlabari Co., Ltd.	28-11-56	3 p.m.
Jardine Henderson, Ltd.	29-11-56	11 a.m.
Megna Mills Co., Ltd. (Jute)	30-11-56	11 a.m.
Indian Iron & Steel Co., Ltd.	30-11-56	11-15 a.m.
India Jute Co., Ltd.	30-11-56	4-30 p.m.
Muttra Electric Supply Co., Ltd.	4-12-56	11 a.m.
Investment & Finance Co., Ltd.	4-12-56	11-5 a.m.
General Investment & Trust Co., Ltd.	4-12-56	11 a.m.
Hoare, Miller & Co., Ltd.	5-12-56	11 a.m.
Burn & Co., Ltd.	7-12-56	11 a.m.
Tea Planters Benevolent Institution	7-12-56	11 a.m.
Bokakhat Tea Co., Ltd.	7-12-56	3-30 p.m.
Bhagatpore Electric Supply Co., Ltd.	7-12-56	3-40 p.m.
Bharat Collieries, Ltd.	8-12-56	Noon.
India Steamship Co., Ltd.	12-12-56	10-30 a.m.
Jubbulpore Electric Supply Co., Ltd.	13-12-56	11 a.m.
Hasimara Tea Co., Ltd.	14-12-56	12-15 p.m.
Octavius Steel & Co., Ltd.	14-12-56	Noon.
Amluckie Tea Co., Ltd.	15-12-56	10-30 a.m.
Duncan Brothers & Co., Ltd.	15-12-56	11 a.m.
Indian Cable Co., Ltd.	21-12-56	11 a.m.

(E) Extraordinary General Meeting.

DIVIDENDS DECLARED OR PROPOSED.—Hasimara Tea Co., Ltd.—10 p.c. (o). Seevok Tea Co., Ltd.—Nil. Investment & Finance Co., Ltd.—2½ p.c. (o). Clevedon Tea Co., Ltd.—30 p.c. Carron Tea Co., Ltd.—7½ p.c. Selimbong Tea Co., Ltd.—Nil. Jubbulpore Electric Supply Co., Ltd.—5½ p.c. including an additional of 1½ p.c. Parkside (Neigherry Hills) Estate Co., Ltd.—10 p.c. (f). Bengal Bonded Warehouse Association—5 p.c. Indian Cable Co., Ltd.—15 p.c. (o) including a cash bonus of 2½ p.c. Cuttack Electric Supply Co., Ltd.—6½ p.c. Duncan Brothers & Co., Ltd.—6 p.c. (f) (o).

O.—Ordinary Dividend.	Int.—Interim Dividend.
P.—Preference Dividend.	L.—Less Income Tax.
P.O.—Preferred Ordinary Dividend.	F.—Final Dividend.
D.—Deferred Dividend.	Cm.—Cumulative.

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Q. 47

"CAPITAL" STOCK AND SHARE LIST

THE INVESTORS GUIDE AND SHAREHOLDERS' GAZETTE

Official quotations of the Calcutta, Bombay, Madras, London Stock

Exchange Associations and other sources.

Wednesday 21st November, 1956.

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GOVERNMENT LOANS					PORT TRUST LOANS					IMPROVEMENT TRUST LOANS				
Amount Outstanding Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.	Amount Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.	Amount Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.
GOVERNMENT OF INDIA														
2,48,91,47,000	3	1946	1986 or later	73½	90,24,300	4	1914	1974	99	36,50,000	4	1904	1964	107
8,93,35,000	3	1896-97	At the option of the Government of India after 3 months notice	73½	76,90,100	4	1915	1975	99	35,00,000	4	1905	1965	99½
57,00,69,000	2½	1946	1961	93½	68,02,300	3	1921 1st	1981	82	15,00,000	4	1906	1967	99½
45,63,07,000	2½	1946	1960	96½	1,50,00,000	5½	1921 2nd	1981	144N	44,00,000	4	1907	1968	99½
50,35,63,000	3	1951	1958	99½	2,892,600	5	1923	1953-83	279½	75,00,000	4	1908	1969	99½
1,16,17,46,000	3	1938	1963-65	94½	2,901,000	5	1924	1954-84	279½	40,00,000	4	1909	1970	99½
1,10,11,78,000	3	1943	1966-68	92½						56,00,000	4	1910	1971	99½
75,88,72,000	2½	1947	1962	93½	99,84,500	5	1926 2nd	1956-86	100½	75,00,000	4	1911	1972	99½
	2½	1948	1962	93½	1,49,49,500	5	1927	1957-87	102	30,00,000	4	1901	1961	99½
		2nd issue			1,49,30,000	5	1928	1958-88	103	30,00,000	4	1902	1962	99½
30,33,10,000	3	1950	1964	94½	80,00,000	4	1931	1991	95	30,00,000	4	1903	1963	99½
14,77,48,000	3	1946	1976	83½	2,31,07,100	3	1932	1962	291½	30,00,000	4	1904	1964	99½
63,30,26,000	4	1926	1960-70	100½	25,00,000	3	1933	1963-68	95½	30,00,000	4	1905	1965	99½
1,15,35,83,000	3	1945	1970-75	87½	80,00,000	3	1935	1965	97½	20,00,000	4	1906	1966	99½
1,14,36,89,000	3	1944	1957	99½	50,00,000	3	1946	1976	84½	20,00,000	4	1907	1967	99½
5,85,78,000	3	1928	1958-68	102½	50,00,000	3	1947	1977	94	20,00,000	4	1908	1968	99½
75,29,00,000	3	1953	1961	99½						20,00,000	4	1909	1969	99½
1,13,65,64,000	3	1945	1959-61	77½	50,00,000	3	1945	1-2-2005	74	20,00,000	4	1910	1970	99½
1,58,17,07,000	3	1954	1964	98½	50,00,000	3	1945	1-2-1975	85	20,00,000	4	1911	1971	99½
1,03,87,92,000	3	1955	1965	98½	2,31,07,100	3	1946	1976	84½	20,00,000	4	1912	1972	99½
33,82,00,000	3	1956	1967	98½	25,00,000	3	1947	1977	94	20,00,000	4	1913	1973	99½
66,64,00,000	3	1956	1967	98½	50,00,000	3	1948	1978	94	20,00,000	4	1914	1974	99½
					50,00,000	3	1949	1979	94	20,00,000	4	1915	1975	99½
					50,00,000	3	1950	1980	94	20,00,000	4	1916	1976	99½
					50,00,000	3	1951	1981	94	20,00,000	4	1917	1977	99½
					50,00,000	3	1952	1982	94	20,00,000	4	1918	1978	99½
					50,00,000	3	1953	1983	94	20,00,000	4	1919	1979	99½
					50,00,000	3	1954	1984	94	20,00,000	4	1920	1980	99½
					50,00,000	3	1955	1985	94	20,00,000	4	1921	1981	99½
					50,00,000	3	1956	1986	94	20,00,000	4	1922	1982	99½
					50,00,000	3	1957	1987	94	20,00,000	4	1923	1983	99½
					50,00,000	3	1958	1988	94	20,00,000	4	1924	1984	99½
					50,00,000	3	1959	1989	94	20,00,000	4	1925	1985	99½
					50,00,000	3	1960	1990	94	20,00,000	4	1926	1986	99½
					50,00,000	3	1961	1991	94	20,00,000	4	1927	1987	99½
					50,00,000	3	1962	1992	94	20,00,000	4	1928	1988	99½
					50,00,000	3	1963	1993	94	20,00,000	4	1929	1989	99½
					50,00,000	3	1964	1994	94	20,00,000	4	1930	1990	99½
					50,00,000	3	1965	1995	94	20,00,000	4	1931	1991	99½
					50,00,000	3	1966	1996	94	20,00,000	4	1932	1992	99½
					50,00,000	3	1967	1997	94	20,00,000	4	1933	1993	99½
					50,00,000	3	1968	1998	94	20,00,000	4	1934	1994	99½
					50,00,000	3	1969	1999	94	20,00,000	4	1935	1995	99½
					50,00,000	3	1970	2000	94	20,00,000	4	1936	1996	99½
					50,00,000	3	1971	2001	94	20,00,000	4	1937	1997	99½
					50,00,000	3	1972	2002	94	20,00,000	4	1938	1998	99½
					50,00,000	3	1973	2003	94	20,00,000	4	1939	1999	99½
					50,00,000	3	1974	2004	94	20,00,000	4	1940	2000	99½
					50,00,000	3	1975	2005	94	20,00,000	4	1941	2001	99½
					50,00,000	3	1976	2006	94	20,00,000	4	1942	2002	99½
					50,00,000	3	1977	2007	94	20,00,000	4	1943	2003	99½
					50,00,000	3	1978	2008	94	20,00,000	4	1944	2004	99½
					50,00,000	3	1979	2009	94	20,00,000	4	1945	2005	99½
					50,00,000	3	1980	2010	94	20,00,000	4	1946	2006	99½
					50,00,000	3	1981	2011	94	20,00,000	4	1947	2007	99½
					50,00,000	3	1982	2012	94	20,00,000	4	1948	2008	99½
					50,00,000	3	1983	2013	94	20,00,000	4	1949	2009	99½
					50,00,000	3	1984	2014	94	20,00,000	4	1950	2010	99½
					50,00,000	3	1985	2015	94	20,00,000	4	1951	2011	99½
					50,00,000	3	1986	2016	94	20,00,000	4	1952	2012	99½
					50,00,000	3	1987	2017	94	20,00,000	4	1953	2013	99½
					50,00,000	3	1988	2018	94	20,00,000	4	1954	2014	99½
					50,00,000	3	1989	2019	94	20,00,000	4	1955	2015	99½
					50,00,000	3	1990	2020	94	20,00,000	4	1956	2016	99½
					50,00,000	3	1991	2021	94	20,00,000	4	1957	2017	99½
					50,00,000	3	1992	2022	94	20,00,000	4	1958	2018	99½
					50,00,000	3	1993	2023	94	20,00,000	4	1959	2019	99½
					50,00,000	3	1994	2024	94	20,00,000	4	1960	2020	99½
					50,00,000	3	1995	2025	94	20,00,000	4	1961	2021	99½
					50,00,000	3	1996	2026	94	20,00,000	4	1962	2022	99½
					50,00,000	3	1997	2027	94	20,00,000	4	1963	2023	99½
					50,00,000	3	1998	2028	94	20,00,000	4	1964	2024	99½
					50,00,000	3	1999	2029	94	20,00,000	4	1965	2025	99½
					50,00,000	3	2000	2030	94	20,00,000	4	1966	2026	99½
					50,00,000	3	2001	2031	94	20,00,000	4	1967	2027	99½
					50,00,000	3	2002	2032	94	20,00,000	4	1968	2028	99½
					50,00,000	3	2003	2033	94	20,00,000	4	1969	2029	99½
					50,00,000	3	2004	2034	94	20,00,000	4	1970	2030	99½
					50,00,000	3	2005	2035	94	20,00,000	4	1971	2031	99½
					50,00,000	3	2006	2036	94	20,00,000	4	1972	2032	99½
					50,00,000	3	2007	2037	94	20,00,000	4	1973	2033	99½
					50,00,000	3	2008	2038	94	20,00,000	4	1974	2034	99½
					50,00,000	3	2009	2039	94	20,00,000	4	1975	2035	99½
					50,00,000	3	2010	2040	94	20,00,000	4	1976	2036	99½
					50,00,000	3	2011	2041	94	20,00,000	4	1977	2037	99½
					50,00,000	3	2012	2042	94	20,00,000	4	1978	2038	99½
					50,00,000	3	2013	2043	94	20,00,000	4	1979	2039	99½
					50,00,000	3	2014	2044	94	20,00,000	4	1980	2040	99½
					50,00,000	3	2015	2045	94	20,00,000	4	1981	2041	99½
					50,00,000	3	2016	2046	94	20,00,000	4	1982	2042	99½
					50,00,000	3	2017	2047	94	20,00,000	4	1983	2043	99½
					50,00,000	3	2018	2048	94	20,00,000	4	1984	2044	99½
					50,00,000	3	2019	2049	94	20,00,000	4	1985	2045	99½
					50,00,000	3	2020	2050	94	20,00,000	4	1986	2046	99½

B indicates that Share capital is half paid. O, C and Dd indicate Ordinary Contributory and Deferred Shares respectively. P next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Reserve & other Funds	Cash and investments	NAMES	Accounts closed	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			
							1954	1955	1956		21-11-56	14-11-56	A year ago	
Rs.	Rs.	Rs.			Rs.	Rs.				Rs.	Rs.	Rs.	Rs.	
16,00,000			Allahabad Bank P.	12	16.11.21C	13.71.702	..	..	..	100	366	366	376	
14.50,000H	10.82.22.303	15.65.64.384									168		189	
1,00,30,000H		15.47.18.001	Bank of Baroda	12	28.01.31C	2,70,302	12	..	..	50	102	1011	103	
2,50,00,000H	3.52.00,000	30.19.90.483	Bank of India	12	84.90.778	13.26.63C	14	16	..	50	143	1423	164	
15.30.375N	27.00,000	2.84.34.127	Bank of Indore	12	4.30.34F	64.70C	6-6	7-7	..	25	52	52	52	
50,00,000	84.00,000	4.91.52.936	Bank of Mysore	6-12	8.87.291	4.19.228	8-8	8-8	8-..	100	258	261	257	
2.62.11.875H 52.42.375	4.01.81.217	72.31.72.307	Central Bank of India	6-12	77.75.97C	18.40.359	7-7	6-6	..	25	55	533	553	
£3,500,000	£5,000,000	£118.387.761	Chartered Bank of I.A.&C	12	£982.465*	£405.375	15	15	..	£1	34/9	34/9	42/3	
£1,000,000H	£1,500,000	£27.951.096	Eastern Bank	12	£132.536*	£112.65*	8	8	..	£5	£7	£7	£81	
1,50,00,000	1,00,00,000	35.72.99.886	Habib Bank	12	46.16.24F	103.89C	14	7/12	..	..	891	891	831	
50,00,000H	26.90,000	2.16.65.215	Hind Bank	12	10.86.45F	1.66.278	..	6	..	20	383	383	274	
1,25,00,000H	15.43,000	3.45.51.078	Hindusthan Commercial	12	1.75F	16.91F	NH	..	..	50	103	103	92	
50,00,000H	1.75,000	1.21.08.411	Hindusthan Mercantile	12	71.191	1.519	NH	NH	..	50	133	133	143	
HK\$25,000,000 £1,562,500 or 24.30,000	£8,000,000	£143.692.832	Hong Kong & Shanghai	12	HK\$20,580.32C	HK\$10,606.68C	£51	£5 1	..	HK\$12*	£861	£873	£97	
17,00,000H	76.50,000	16.04.77.414	Indian Bank	6-12	13.93.697	130.78*	12	..	..	100	203	197	190	
16.80,000							..	..	..	60	153	1511	110	
49.05.075	30,00,000	7.62.24.682	Indian Overseas Bank	12	16.55.72*	2.28.299	6	71	..	100	145	150	121	
6.25,000A							..	..	..	100A	424	424	41	
2,50,00,000H	5.41.083	77.14.495	Indo-Commercial Bank	6-12	1.21.61F	49F	..	..	..	25B	103	103	111	
10,30,000C							..	..	..	50C	233	233	27	
5,00,00,000	15.06.075	1.18.15.069	Industrial Finance Corpn	6	22.18.63*	..	21	..	..	50.0*	..	..	..	
£17,966.195A £1,437.296B	£15,000,300	£876,061.098	Lloyds Bank	12	£2,322.439	£558.006	15	6	..	£14A £1B	£2-15-9 £1-6-3	£2-16-6 £1-6-3	£2-17-6 £1-6-3	
£375,000H £375,000H £720,000	£1,750,000	£31,185.482	Mercantile Bank of India	12	£235.423*	£219.372	14	14	..	£23A £24B £1C	£3-19-6 £3-19-6 £2	£4-0-0 £4-0-0 £2	£41 £41 £2	
£2,851.563B 87.50,000	£3,104.687 97.50,000	£73,681.481 54.92.69.580	National Bank of India Punjab National Bank	12 6-12	£603.626* 64.41.068	£342.158 2.33.108	15 12	15 14	..	.. 25	20/3 50	20/9 561	22/3 471	
40,00,000	33.00,000	3.08.68.308	Union Bank of India	12	6.75.64*	1.75.874	61	..	..	5	61	61	61	
2,66.55.625	70.85,000	12.84.20.839	United Bank of India	12	14.61.418	1.69.796	3	..	..</					

Paid-up Capital Ordinary	No. of Loans	Net block Account	Reserve & other funds Premiums & Forfeited Shares W and	Cash & securities	NAMES	Accounts opened	Managing Agent	Net Profit including taxation	Carry forward	Dividends	per cent	Reserve fund	Latest Market Quotations as available until	A year ago	
Rs.	Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954	1955	1956	21-11-56	14-11-56	Rs.
60,000	879	49,30,818	49,50,000	35,34,916	Agarwala P	3-9	79	-6,50,623	67,202	24-32	33-23	..	10	11	14
60,000	446	14,71,561	10,25,000	1,77,489	Alexandra P	6-12	165	11,584	1,38,329	24-6	5-6	..	100	200	231
30,000	1,264	23,85,756	6,25,000	4,78,425	Alliance P	6-12	165	-2,73,565	23,103	6-6	6-Nil	..	100	138	138
49,20,700	2,561	95,08,335	72,00,000	32,22,952	Anglo-India P	3-9	3	10,19,776	1,23,973	24-6	5-34	..	100	162	162
20,00,000	810	86,98,709	42,52,343	3,19,533	Australian P	3-9	21	62,941	11,377	11-11	1-11	..	100	126	126
20,00,000	939	31,26,322	21,50,000	2,68,427	Bally P	3-9	128	19,953	65,302	Nil-Nil	41-Nil	Nil-Nil	100	177	177
£275,000	1,859	£490,254	£625,004	£107,268	Barnagore P	3	128	-£72,054	-£13,695	15	15	..	100	136	136
28,00,000	620	£24,311	£2,30,123	1,27,734	Belvedere P	6-12	2	4,12,423	1,005	5-5	5-24	..	100	126	133
45,00,000	600	25,78,849	33,45,000	99,83,522	Bengal P	5-12	235	13,31,280	65,100	114	114	..	10	161	161
91,25,000	1,373	1,68,77,751	2,17,48,393	1,52,39,759	Birla P	3	22	21,44,042	4,73,393	10	10	10	10	174	181
30,00,000	991	40,01,627	27,37,895	2,54,759	Budge Budge P	4-10	2	3,27,392	2,271	5-5	5-24	..	100	118	131
7,47,380	502	12,59,648	1,73,29,958	1,73,29,958	Calcutta P	6-12	62	31,976	48,461	Nil-Nil	4-23	..	10	914	914
18,00,000	616	45,64,476	30,46,234	56,335	Calcuttan P	3-11	4	-24,150	5,208	Nil-Nil	4-23	..	100	179	179
19,56,140	1,400	1,11,38,967	95,43,238	261,301	Chandpany P	3-9	341	-1,80,359	-19,010	Nil-Nil	4-6	..	100	153	171
15,95,000	530	24,74,480	28,39,282	3,29,387	Cheviot P	5-11	7	-1,42,959	63,800	6-6	6-6	..	100	186	186
30,15,000	500	17,02,643	31,00,000	28,21,035	Chitavalah P	6-12	165	5,58,078	1,32,949	5-61	74-61	..	10	131	131
10,00,000	969	13,80,489	25,12,433	1,35,356	Clive P	3	318	-1,51,574	18,647	1-13	3-1	..	10	15	15
28,00,000	763	64,18,110	45,89,318	6,07,482	Dalhousie P	3-9	21	-2,22,841	-2,20,845	1-13	3-1	Nil-Nil	100	90	943
15,00,000	600	28,36,589	26,26,429	16,22,449	Delte P	5-11	3	-51,192	15,912	6-6	7-5	..	100	173	173
21,00,000	1,884	81,28,836	60,69,959	4,82,336	Empire P	6-12	165	4,32,433	79,384	5-74	7-5	..	10	173	173
10,00,000	779	43,56,933	13,00,000	2,33,204	For: William P	3-9	70	75,579	1,34,822	10-10	10-10	..	100	223	223
84,32,100	1,014	78,18,399	Nil	4,96,268	Ganges P	3-9	19	-3,93,812	-2,67,452	Nil-Nil	24-Nil	..	100	623	623
10,80,000	607	23,92,271	28,78,751	1,29,342	Gondalpara P	12	8	-78,874	-74,093	Nil	3-1	..	300	808	890
43,20,000	1,394	57,77,1													

* Gross Stock

T=Dividend Taxable

COAL COMPANIES

O. Po. F. and Dd. indicate Ordinary Preferred Ordinary Founders' and Deferred shares respectively. P. next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent	Latest Market Quotations as available until
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954 1955 1956	21-11-56 14-11-56 A year ago
25,50,000	26,43,478	24,50,000	6,60,570	Amalgamated	3-9	236	6,83,393	26,953	3 1/2-5 6 1/2-7 1/2	10 20 22 23 1/2
1,00,00,000	1,96,15,288	1,40,49,223	18,85,859	Bengal P	4-10	2	26,18,986	7,31,563	7 1/2-7 1/2 8 1/2-8 1/2	200 484 503 535
4,25,000	4,08,193	70,000	2,24,303	Bengal Bhatdee	6-12	2	15,149	4,951	1 1/2-1 1/2	10 6 6 6 1/2
2,25,000	2,48,198	5,30,654	3,64,478	Bengal Nagpur P	6-12	2	50,568	1,07,984	NH-NH	10 16 16 10 1/2
15,37,000	14,16,665	6,91,475	13,32,076	Bhaikorah	9	152	8,13,899	39,978	...	10 6 6 6 1/2
40,00,000	88,31,474	20,23,321	22,65,321	Bharat Collieries P	6	335	2,52,221	27,433	...	10 7 7 8 1/2
1,15,000	15,63,291	14,29,045	68,704	Bhulanbarate	6-12	106	1,87,446	...	NH-NH	10 12 12 14 1/2
16,30,000	18,87,275	16,18,636	7,186	Bokarr & Ramgur	6-12	315	1,21,936	79,196	...	10 14 14 15 1/2
7,50,000	18,56,889	24,29,026	11,60,066	Borra P	6-12	106	2,14,682	84,207	10-10	10 24 24 24 1/2
90,92,480	2,38,29,968	1,75,17,502	25,32,133	Burrakur P	6-12	21	11,90,330	1,15,376	2 1/2-3 1/2-3 1/2	10 18 17 16 1/2
49,97,000	34,53,430	750	3,65,960	Central India	3	166	2,45,758	9,927	2 1/2	10 7 7 7 1/2
8,00,000	16,87,573	13,30,519	15,732	Central Kurkand P	6-12	323	34,743	82,766	...	10 12 12 10 1/2
6,00,000	14,87,876	1,43,876	7,32,336	Churuli	6-12	106	6,374	2,129	...	10 24 24 24 1/2
16,00,000	24,00,423	NH	50,309	Dhoni Main	6-12	19	60,039	1,33,318	NH-NH	10 7 7 7 1/2
2,24,000	NH	2,38,053	63,72,456	East Indian	4	128	1,13,646	25,767	18 1/2	10 31 31 31 1/2
29,63,760	1,15,25,712	83,55,049	24,17,690	Equitable P	6-12	19	8,87,453	82,379	7 1/2-7 1/2	10 28 28 30
10,00,000	8,74,708	2,07,486	3,32,973	Ghusick & Musila	3	307	12,979	24,844	...	10 15 15 15 1/2
6,50,000	5,06,856	3,31,555	4,95,544	Juzdar Kajora	6-12	20	24,150	2,401	...	10 21 21 21 1/2
8,00,000	3,17,780	7,25,000	7,92,425	Hurriladih	6-12	19	2,70,524	45,985	7 1/2-10 12 1/2-12 1/2	10 23 23 23 1/2
3,50,000	6,31,200	5,66,616	1,497	Kalapanari	2-8	2	1,38,130	2,21,237	NH-NH	10 20 20 20 1/2
15,00,000	31,71,936	24,32,396	25,61,314	Karanpura Development	6-12	21	49,116	17,839	NH-NH	100 18 18 22 1/2
20,00,000	24,60,896	1,77,175	26,967	Karanpura Collieries P	2	21	2,26,982	6,965	...	100 119 119 125
5,00,000	10,29,348	16,60,000	11,25,332	Katras Jherriah	1-7	2	5,92,347	1,33,475	28-28	100 62 62 58 1/2
1,38,400	6,75,000	95,000	11,80,294	Khas Kaira P	6-12	326	49,776	1,918	...	10 9 9 9 1/2
5,65,150	10,84,977	85,000	9,597	Mundulpur	6-12	326	79,868	79,868	NH	10 21 21 21 1/2
7,48,240	3,46,939	2,00,000	10,14,803	Nazira	6-12	347	92,517	31,201	5	10 7 7 7 1/2
7,00,000	5,13,418	26,617	61,841	New Bandseopur	3-9	5	59,011	6,071	3 1/2-7 1/2	10 10 10 10 1/2
17,76,236	31,15,787	20,01,763	3,78,338	New Beerbhoom P	4-10	2	2,64,716	94,383	3 1/2-3 1/2	10 15 15 21 1/2
6,00,000	11,71,301	75,000	40,447	New Manbhoom	3-9	202	2,25,330	2,233	NH-NH	10 11 11 11 1/2
2,50,000	7,69,622	1,75,500	10,12,916	North Damuda	1-7	306	7,954	32,184	...	10 21 21 22 1/2
1,15,000	4,42,488	2,85,193	1,53,240	North West	3-9	2	51,420	15,950	NH-NH	10 19 17 17 1/2
7,50,000	1,20,000	12,19,987	23,26,757	Ondal P	6-12	106	22,197	56,646	5-5	10 15 15 18 1/2
8,34,000	9,21,342	10,862	4,36,015	Parasea P	6-12	207	1,08,075	8,018	3 1/2-3 1/2	10 14 14 14 1/2
15,15,000	12,40,000	16,00,000	12,21,654	Pencr Valley	3-9	236	4,18,450	33,343	8 1/2-7 1/2	10 18 20 23 1/2
2,30,000	1,92,406	7,500	11,138	Pure Stalpur	6-12	5	2,008	18,581	...	10 6 6 6 1/2
23,39,500	37,58,038	19,17,105	39,198	Raneegunge	3-9	79	1,83,614	16,846	2 1/2-2 1/2	10 13 13 13 1/2
13,50,000	7,98,001	9,28,385	14,29,643	Rewa	6-12	236	4,96,775	26,029	7 1/2-6 1/2	10 23 23 23 1/2
20,00,000	23,74,261	7,52,027	1,01,427	Samla	12	48	1,80,660	31,543	7 1/2	10 14 14 12
2,50,000	1,56,194	1,34,374	11,356	Searsale	1	353	88,009	11,078	25	10 21 5 7
2,80,000	10,92,193	8,36,598	7,87,726	Seebpore P	6-12	2	2,42,112	49,299	14 1/2-14 1/2	10 29 29 29 1/2
8,00,000	23,624	5,29,306	6,32,757	Sendra	6-12	106	4,098	7,503	NH-NH	10 11 11 11 1/2
17,50,000	22,81,985	10,73,016	63,654	South Karanpura	2-8	21	59,079	51,533	NH-NH	10 10 8 11 1/2
8,00,000	1,43,000	21,89,890	21,89,890	Standard	6-12	106	47,444	17,347	7 1/2-7 1/2	10 23 23 20 1/2
10,00,000	15,58,085	15,375	3,910	Talcher	9	277	22,689	3,85,056	NH	10 21 3 21 1/2
3,50,000	4,66,000	3,53,000	8,176	Union	6-12	279	4,033	44,167	5-2 1/2	10 14 14 14 1/2
49,98,000	33,66,550	50,000	2,17,164	Western Bengal	3	166	4,09,468	7,262	3 1/2	10 6 6 6 1/2
7,00,000	32,65,173	21,569	61,480	West Jamuria	6-12	19	2,72,772	1,46,650	NH-NH	10 11 11 14 1/2

N = Nominal

COTTON MILLS

Paid-up Capital Ordinary	Number of Spindles	Number of Looms	Net Block Account	Reserve & other Funds	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent	Latest Market Quotations as available until
Rs.			Rs.	Rs.	Rs.				Rs.	Rs.	1953 1954 1955	21-11-56 14-11-56 A year ago
15,00,000	14,108	356	14,62,919	1,73,473	11,90,008	Basanti P	12	49	1,97,268	41,227	2 1/2	10 6 6 6 1/2
32,2,340	22,197	505	27,69,676	23,18,909	24,351	Benares P	3-9	120	1,27,187	4,79,347	...	10 11 11 11 1/2
7,11,280	36,000	932	17,17,120	2,20,369	30,842	Bengal Luxmi	3	27	3,66,170	47,818	...	10 40 40 36
27,00,000	31,476	624	23,33,000	15,50,000	3,84,224	Bengal Nagpur P	6-12	236	5,23,389	18,199	2 1/2-NH	10 9 9 11 1/2
15,00,000	38,764	992	31,35,500	1,09,84,251	21,32,642	Birla Cotton	12	236	5,23,389	4,25,221	30	10 30 30 95
6,00,000	42,872	641	37,54,142	22,72,588	1,44,948	Bowren P	6-12	138	84,028	23,47,373	NH-NH	100 139 139 373
30,00,000	30,000	610	8,43,453	29,51,420	1,00,393	Cawnpore Textiles	3	25	6,73,253	36,767	11 1/2	10 5 9 10 1/2
3,27,22,900	1,01,808	2,762	9,94,63,168	2,74,48,393	2,94,83,803	Delhi Cloth & Genl. P.	6	238	1,81,41,278	82,759	9	10 25 40 38 1/2
19,00,000	42,944	518	44,12,181	25,13,925	1,53,884	Dunbar	6-12	138	9,92,376	1,37,951	NH-NH	100 274 274 322
63,00,000	54,000	1,200	22,44,751	63,06,360	43,06,383	Elgin P	9	25	32,80,469	93,386	15	10 28 29 23 1/2
1,20,00,000	59,250	1,872	2,38,99,575	1,60,53,952	47,29,268	Kesoram P	3	22	37,41,714	2,45,435	11 1/2	10 16 16 17 1/2
6,00,000	35,864	864	17,48,143	9,75,679	74,08,655	Mohini P	12	45	3,53,316	5,158	...	10 25 25 25 1/2
30,00,000	38,000	1,825	47,44,546	52,19,601	96,65,057	Muir P	12	208	18,77,941	7,77,290	...	10 85 85 118
22,89,382	78,848	1,367	43,25,577	26,00,968	1,45,701	New Victoria P	12	237	18,83,371	13,76,473	NH	100 14 14 14 1/2
19,47,750	23,196	795	22,57,946	18,38,739	2,02,179	Rampooria Cotton	6	4	6,16,936	1,094	...	10 15 15 12 1/2
5,00,000	1,14,836	2,077	2,83,77,688	2,65,04,931	32,30,412	Swadeshi (Cawnpore) P.	12	333	43,71,838	7,09,029	...	100 12 12 11 1/2
40,50,000	48,754	1,310	91,31,708	1,89,73,217	43,89,979	Bangalore W. C. Silk P.	12	26	56,34,938	2,38,649	25	100 566 565 582 1/2
1,78,47,800	1,20,012	2,770	3,20,71,800	1,87,39,278	23,80,514	Bukingham Carnatic P	12	26	1,01,66,075	2,38,445	10	100 200 195 182
20,00,000	28,000	...	18,03,003	20,32,074	11,26,239	Cambodia P	12	210	1,96,274	27,593	...	10 15 15 13 1/2
12,00,000	23,864	...	8,41,058	38,53,592	35,53,592	Coimbatore Cotton	12	188	5,56,755	61,404	...	100 405 392 348
20,76,900	72,832	407	37,91,212	7,98,681	22,227	Coimbatore Spg & Wvg	3	46	7,52,342	10,23,340	...	100 97 90 81 1/2
6,50,000	50,640	295	12,25,505	17,90,000	58,77,434	Kaleeswarar	12	139	2,05,780	7,677	...	100 37 335 290
24,00,000	30,512	200	32,38,868	16,25,000	7,43,757	Kothari Textile P.	6	141	3,25,924	29,382	5	10 18 17 18 1/2
23,64,000	48,756	...	15,01,051	21,70,200	73,050	Lakshmi	12	186	31,41,248	2,209	...	10 275 258 177
1,75,02,480	4,65,324	...	2,15,02,107	4,13,81,878	31,04,691	Madura	12	108	77,86,509	18,86,813	20	10 15 49 48 1/2
12,00,000	21,856	...	8,43,189	10,32,398	10,32,398	Malabar Spg & Wvg	12	240	84,039	94,039	...	100 113 113 112
60,00,000	24,252	603	20,49,893	69,00,000	1,19,91,755	Mettur Industries	3	29	48,44,863	45,835	22 1/2	100 460 442 407 1/2
13,61,780	5,000	...	14,15,992	8,90,278	3,986	Mysore Spun Silk	3	142	1,753	NH	...	10 71 61 3 1/2
4,00,000	20,137	NH	5,36,608	3,00,000	24,24,908	Palani Andavar P	12	30	7,39,437	2,687	...	10 172 172 140
7,78,700	15,340	416	5,42,118	2,43,421	2,65,911	Sitaram Spg & Wvg	2	164	87,724	3,083	...	10 60 60 60
7,00,000	28,104	270	12,90,563	18,23,501	11,71,324	Vasanta P	12	47	16,37,459	...	...	100 340 340 260

† Liquid Assets.

BOMBAY COTTON MILLS

O. Po. C. and Dd. indicate Ordinary Preferred Ordinary Contributory and Deferred Shares respectively. P. next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Number of Spindles	Number of Looms	Net Block Account	Reserve & other Funds	Cash & Securities	NAMES OF MILLS	
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TEA COMPANIES

O. Po and Dd indicate Ordinary Preferred Ordinary and Deferred Shares respectively. P next to the name of the company indicates that the Company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital: Ordinary	Net Block Account	Reserve & other Funds	Acreage under Tea	Outturn and Average Price per lb realised for crop		Estimate 1956	NAMES	Accounts closed	Net Block Account including taxation	Dividends per cent			Latest Market Quotations as available until			
				1954	1955					1953	1954	1955	21-11-56	14-11-56	A year ago	
Rs.	Rs.	Rs.	Rs.	Lbs.	As P.	Lbs.	As P.	Lbs.	Rs.	1953	1954	1955	Rs.	Rs.	Rs.	
CACHAR																
3,00,000	4,40,887	1,75,000	862	2,89,040	39-11	..	..	..	1,72,877	NH	NH	..	10	12	14	
4,00,000	5,25,259	1,93,778	465	..	..	..	..	..	43,407	..	..	..	10	101	101	
10,00,000	17,71,849	4,13,800	1,480	4,90,282	40-10	..	..	..	3,98,904	NH	71	..	100	734	734	
2,00,000	2,75,753	1,13,800	794	1,00,456	+2-5	..	..	..	56,446	NH	NH	..	100	89	89	
7,00,000	7,07,190	11,00,000	649	5,91,520	39-6	3,91,440	28-6	4,40,000	33,600	NH	NH	..	100	919	919	
12,00,000	17,92,487	11,50,000	1,152	17,59,920	35-0	16,36,400	24-1	16,00,000	2,46,355	NH	25	40	100	171	171	
4,50,000	2,90,000	1,65,222	586	..	..	..	..	..	31,071	NH	15	..	100	102	102	
3,00,000	2,40,000	1,55,784	399	5,40,501	40-8	..	..	..	3,31,271	NH	274	..	100	143	143	
7,00,000	1,25,000	5,50,000	1,308	1,73,287	47-6	7,86,038	26-7	8,00,000	3,68,196	NH	20	15	100	264	264	
1,00,000	5,00,329	..	465	..	..	..	..	..	1,64,344	NH	..	..	100	15	15	
2,00,000	1,90,357	1,16,592	318	3,04,200	36-6-4-5	..	..	..	4,33,780	NH	10	..	100	22	22	
5,25,000	8,87,291	10,42,956	688	4,76,800	41-11	7,25,980	29-3	6,00,000	2,39,825	NH	35	20	50	104	104	
4,00,000	5,88,316	5,52,313	662	4,49,336	36-7-1-5	..	..	..	3,73,877	NH	123	..	100	193	193	
3,75,000	5,02,307	4,31,250	1,050	4,63,320	..	..	..	..	3,22,670	NH	20	..	100	12	12	
DARJEELING																
3,99,750	7,05,059	6,936	562	1,14,311	29-11	1,31,680	30-11	..	99,904	NH	NH	..	10	21	31	
2,79,900	4,72,000	1,25,000	407	1,41,174	62-0	..	..	..	1,54,209	NH	20	..	100	175	151	
3,75,000	5,75,000	3,11,928	991	..	..	..	..	..	1,15,595	NH	74	..	100	190	175	
2,00,000	1,84,414	1,62,639	488	1,35,760	52-5	1,27,760	38-9	1,23,000	27,865	NH	21	NH	100	29	190	
7,00,000	6,25,000	5,10,770	1,149	6,53,744	39-8	..	..	..	3,24,074	NH	40	..	100	319	301	
10,00,000	1,57,576	11,31	761	1,26,515	49-8	..	..	..	8,25,171	NH	20	..	100	104	29	
4,00,000	5,67,134	3,00,000	516	..	..	..	..	..	3,04,822	NH	10	20	..	100	161	
1,39,000	2,06,770	3,50,239	463	1,82,080	52-4	1,65,440	50-6	1,84,000	1,53,361	NH	73	..	100	296	101	
2,99,000	5,40,000	3,00,000	689	4,35,016	53-4	..	..	..	5,36,269	NH	10	40	15	100	273	
1,00,000	2,23,710	97,647	305	1,81,152	55-3	1,68,126	38-4	1,80,000	5,44,288	NH	20	..	100	600	273	
3,00,000	3,25,000	2,61,118	776	..	..	..	..	..	35,959	NH	374	NH	100	141	600	
2,99,000	3,83,067	4,09,567	500	1,68,691	50-8	1,64,824	37-11	1,76,000	45,450	NH	10	..	100	10	141	
2,05,000	4,00,000	2,07,813	570	1,68,424	58-8	1,27,541	35-11	1,60,000	15,953	NH	10	NH	100	10	911	
1,44,000	1,69,062	4,65,653	341	1,80,720	59-0	1,76,840	41-4	1,76,000	69,682	NH	23	15	NH	10	141	
3,00,000	2,60,000	1,1,302	389	1,77,704	53-3	..	..	..	33,455	NH	174	50	20	100	408	
6,25,000	3,98,413	1,45,99	747	2,05,335	47-0	..	..	..	1,99,321	NH	23	15	..	100	153	
9,00,000	3,27,623	1,46,857	683	2,64,900	50-4	..	..	..	45,341	NH	NH	..	100	6	304	
3,00,000	2,69,000	3,90,000	584	2,89,738	59-4	..	..	..	2,27,270	NH	5	..	100	3	491	
6,25,000	11,06,947	3,74,585	392	3,76,300	54-5	..	..	..	4,43,320	NH	30	50	..	100	11	
3,20,000	4,70,000	10,86,284	7181	4,40,947	48-8	3,70,473	41-11 3/5	4,00,000	50,750	NH	71	..	100	382	311	
8,01,350	10,96,000	2,90,000	1,666	7,11,945	50-5	..	..	..	99,088	NH	40	15	100	141	382	
DUARS																
27,00,000	19,11,197	24,25,000	2,549	30,81,680	51-2	30,69,360	31-9	33,20,000	11,23,892	45	120	25	100	494	330	
6,00,000	30,33,658	3,70,000	1,105	13,91,320	52-1	..	..	..	13,04,014	30	55	..	100	296	421	
9,00,000	9,80,500	16,53,306	1,112	14,15,840	41-10	14,18,240	29-8	13,60,000	3,78,003	30	65	..	100	149	494	
9,00,000	5,00,000	5,00,000	1,343.9	11,96,888	52-0	..	..	..	12,07,481	NH	20	25	100	175	146	
6,00,000	5,00,000	5,33,095	802	6,04,104	39-10	..	..	..	4,07,837	224	25	..	100	305	205	
6,00,000	6,91,678	10,50,000	903	10,58,690	49-4	10,82,880	31-11	11,60,000	3,98,498	25	90	..	100	272	305	
3,00,000	1,46,474	2,50,000	500	1,01,294	43-8	..	..	..	3,28,025	NH	15	..	100	577	272	
1,20,000	1,15,171	2,69,000	255	2,24,800	49-1	2,12,720	26-9	2,40,000	48,282	..	110	NH	100	15	577	
2,30,000	2,11,776	3,00,000	447	2,82,720	49-1	..	..	..	4,64,419	NH	50	..	100	268	154	
5,00,000	7,38,424	3,50,000	1,253.6	4,75,840	39-8	..	..	..	10,39,752	20	411	..	100	323	355	
10,00,000	17,49,550	22,55,503	1,022	12,36,090	47-11	12,20,160	27-11	..	19,197	16	24	12	100	208	234	
24,00,000	26,00,000	14,48,782	4,427	30,88,842	44-1	..	..	..	33,77,805	25	69	..	100	307	204	
32,00,000	32,36,929	50,63,333	1,238.2	63,71,277	41-11	..	..	..	49,76,926	25	60	121	100	251	31	
7,00,000	10,98,000	17,14,718	1,452	16,07,368	42-3	17,67,246	26-11	17,20,000	2,77,450	22	90	..	100	23	25	
7,00,000	5,18,809	5,15,000	807	4,86,400	42-3	4,62,400	28-7	5,60,000	21,307	25	65	NH	100	191	234	
9,00,000	1,20,000	1,12,000	837	11,46,814	39-4	..	..	..	10,39,752	25	65	..	100	793	19	
9,00,000	1,12,000	1,12,000	837	11,46,814	39-4	..	..	..	5,69,183	10	65	..	100	215	793	
13,00,000	8,81,963	18,45,000	1,163	15,52,400	49-3	9,78,988	28-1	10,00,000	2,05,071	25	40	71	100	319	205	
3,20,000	6,26,920	5,80,000	578	6,29,200	44-2	16,35,520	31-2	16,00,000	6,83,365	45	100	..	100	511	325	
2,30,000	2,30,000	4,79,541	348	2,56,097	42-0	6,65,680	27-1	6,40,000	12,93,776	20	121	..	100	245	245	
6,00,000	3,29,499	3,01,034	764	..	..	..	..	..	2,61,201	10	30	..	100	211	245	
7,65,000	8,77,189	11,43,550	1,635	10,69,520	47-11	10,14,720	38-11	11,08,000	4,89,450	NH	..	..	100	191	211	
7,46,400	12,77,189	19,20,000	1,766	19,10,000	48-6	..	..	..	2,66,987	NH	30	15	100	80	211	
3,46,400	1,43,381	8,97,500	663	6,01,920	46-4	..	..	..	26,13,913	50	100	..	100	80	932	
TERAI																
4,50,000	10,63,145	1,64,527	607	3,99,840	44-7	..	..	..	5,20,393	NH	15	..	100	59	81	
2,50,000	1,59,000	10,44,545	450	3,23,610	29-8	4,17,643	25-3	4,00,000	3,65,487	30	40	100	100	59	384	
8,00,000	2,08,045	1,47,495	1,589.4	13,20,702	48-7	..	..	..	18,94,392	30	60	..	100	221	190	
3,00,000	8,69,205	9,98,794	524	4,25,455	47-2	4,15,634	29-7	4,80,000	1,43,129	25	25	10	100	44	221	
3,00,000	3,89,676	7,66,350	309	4,50,542	49-8	4,63,382	26-5	5,20,000	78,474	25	55	15	100	251	44	
4,50,000	5,00,000	5,50,071	972	..	..	..	..	..	19,256	..	..	..	100	631	251	
3,00,000	4,96,140	5,98,145	970	..	..	..	..	..	4,13,739	..	..	..	100	551	631	
1,00,000	1,00,000	1,84,733	263	1,35,179	58-5	..	..	..	2,08,000	10	..	..	100	551	48	
2,20,000	5,17,592	7,00,250	549	5,69,280	42-2-5	6,86,800	30-11	6,40,000	3,43,549	10	40	30	100	351	34	

MISCELLANEOUS COMPANIES—Contd.

O, Po, C and Dd indicate Ordinary, Preferred Ordinary, Contributory and Deferred Shares respectively. P, next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation		Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
							Rs.	P.A.		1954	1955	1956		Rs.	21-11-56	14-11-56	A year ago
Rs.	Rs.	Rs.	Rs.				Rs.	P.A.	Rs.				Rs.	Rs.	Rs.	
SUGAR BREWERIES ETC.																
11.00.000	6,45,722	3,75,000	10,90,584	New Savan Sugar and Gur	5	140	95,437	52,205				10	6 1/2	6 1/2	6 1/2	
9,00,000	7,28,559	17,64,369	38,734	Purtapur Sugar P.	10	25	5,08,340	6,871				10	15 1/2	15 1/2	17 1/2	
16,59,820	26,52,127	35,00,000	4,84,350	Ramnugger Cane & Sugar P.	3	1	18,11,564	20,350	15	20		10	24 1/2	24 1/2	26	
19,99,600	25,62,583	39,88,218	13,92,915	Raza Sugar	10	92	10,78,193	3,144				10				
8,00,000	4,42,169	6,54,762	1,85,115	Ryam Sugar P.	6	25	1,43,798	24,340	5			10	20 1/2	20 1/2	20 1/2	
11,99,000	15,94,631	18,37,529	98,312	Samastipur Central Sugar	6	25	79,022	8,477	5	Nil		10	13 1/2	13 1/2	15 1/2	
20,00,000	72,62,286	36,66,708	1,63,444	Shree Krishna Gyanodaya Sugar P.	7	335	12,99,571	34,046	15	17 1/2		10	12 1/2	11 1/2	14 1/2	
7,94,500	13,54,858	11,65,176	11,16,368	Shree Sitaram Sugar	6	140	1,90,057	7,991				10	15 1/2	15 1/2	18 1/2	
9,99,850	14,54,274	1,54,304	1,42,696	Sitalpore Sugar	6	94	1,39,515	1,39,515	Nil	Nil		10	4 1/2	4 1/2	6 1/2	
16,00,000	6,07,804	7,99,778	4,22,572	United Provinces	3	341	4,23,880	39,061	12 1/2			10	21 1/2	21 1/2	22 1/2	
8,00,000	38,92,308	21,57,556	3,60,236	Upper Ganges Sugar P.	4	227	10,24,525	82,931	25	25		10	94 1/2	94 1/2	70	
14,00,000A	14,24,740	23,74,426	10,72,924	Upper India Sugar	4	302	16,80,986	86,393	15	20		100AC 12 1/2BC	280	280	127	
7,00,000B													28 1/2	28 1/2	15	
MISCELLANEOUS																
8,00,000	2,20,232	1,56,200	9,53,526	A Firpo (Restaurateurs)	10	85	84,518	4,475				10	4 1/2	4 1/2	7 1/2	
1,20,00,000	1,40,80,594	6,21,715	51,061	Air India Ltd	12	269	6,02,785	14,30,401				100				
2,00,00,000	2,58,39,656	6,01,534	50,022	Air India International Ltd.	12	322	10,51,340	30,205				100				
47,50,000	1,31,03,534	15,00,000	5,97,941	Aluminium Corp P.	3	132	12,82,024	32,582	Nil	Nil		100	11 1/2	11 1/2	8 1/2	
2,50,000												2 1/2D				
20,00,000	42,38,502	14,00,000	54,97,530	Anderson Wright, Ltd.	12	1	69,042	18,284	7 1/2	Nil		10	11 1/2	11 1/2	6 1/2	
30,00,000	10,11,675	37,63,779	14,41,315	Angelo Bros.	3	268	11,84,131	3,43,961	12 1/2	20		10	22 1/2	22 1/2	11 1/2	
30,00,000	17,54,434	27,66,265	5,49,634	Assam Match	12	274	1,18,392	1,18,395	12 1/2	12 1/2		10	20 1/2	20 1/2	19 1/2	
13,99,998	21,25,615	23,30,285	64,182	Assam Saw Mills & Timber	9	21	97,045	5,14,537	Nil	Nil		3	41	41	6 1/2	
20,00,000	61,61,597	23,00,000	61,84,597	Associated Hotels of India P.	8	204	8,62,993	32,683	2	4		10	10 1/2	10 1/2	4 1/2	
80,01,400	33,50,000	1,09,53,000	1,12,08,422	Balmer Lawrie & Co.	12	304	32,12,152	5,03,129	13	12 1/2		100	157	168 1/2	189	
12,00,000	2,65,000	8,24,890	1,80,023	Bararee Coke	3-9	128	2,16,123	22,708	7 1/2	7 1/2		10	19 1/2	19 1/2	21 1/2	
6,00,000	76,411	Nil	30,72,417	Bengal Timber Trading P.	6	128	6,43,164	1,19,103				100	41	41	43	
50,00,000	19,53,822	Nil	19,59,589	Bharat Airways Ltd.	6	22	3,19,589	3,19,229				10	5 1/2	5 1/2	4 1/2	
20,00,000		7,95,435	62,81,006	Birds Investments P.	9	160	5,89,372	1,15,707	12 1/2	12 1/2		10	17 1/2	17 1/2	20 1/2	
45,97,020	76,85,083	31,11,814	2,09,476	Britannia Biscuit P.	3	50	8,14,261	1,79,277	10	10	10	10	15	15	15 1/2	
22,50,000	13,98,796	43,18,775	3,38,973	British Ceylon Corporation P.	12	8	27,75,295	1,85,955				7 1/2	10 1/2	10 1/2	11 1/2	
3,25,00,000	59,89,738	1,18,60,524	2,50,83,630	British India Corporation P.	12	33	30,23,938	27,36,584	11	Nil		5	10 1/2	10 1/2	14 1/2	
32,50,000A	2,16,659	3,24,161	6,46,589	Calcutta Gas Co (Propr.) Ltd. P.	9	235	60,996	1,550	5	6	5	10A	71	71	8 1/2	
32,50,000B																
5,00,000	5,92,780	2,40,684	1,02,576	Calcutta Silk Manufacturing P.	3-9	213	45,711	22,586			Nil	10	4 1/2	4 1/2	5	
90,00,000	17,68,710	67,71,168	2,49,58,018	Duncan Brothers & Co. Ltd.	12	169	48,24,539	4,28,066	12			100	121	121	136	
1,60,00,000	2,94,09,046	3,14,86,174	4,04,79,333	Dunlop Rubber Co. (India) P.	12	96	96,72,154	11,71,685	15	15		10	27 1/2	27 1/2	35 1/2	
51,26,000	5,12,212	1,48,29,323	1,48,29,323	Eastern Investments Ltd P.	12	21	12,83,240	3,06,138	9	9		100	145	140	177	
75,00,000	13,79,357	4,33,826	1,02,21,271	F & C Osler (India) Ltd. P.	3	84	4,26,249	5,26,954	9			10	11 1/2	11 1/2	17 1/2	
30,00,000	12,88,300	21,97,641	86,55,360	French Motor Car	3	51	8,97,594	1,26,757	12 1/2	12 1/2		20	21	21	20 1/2	
14,00,000	14,92,000	10,02,000	11,384	Ganges Rope	3-9	19	89,571	27,194	7 1/2	7 1/2		100	186	186	201	
2,25,000	55,893		5,26,762	General Investments Trust P.	2-8	21	26,644	8,637	2 1/2	2 1/2	3 1/2	75	43	43	43	
65,00,000	34,18,813	42,00,000	1,09,15,528	Gillanders Arbuthnot & Co. Ltd. P.	3	105	29,71,809	1,51,300	7 1/2	7 1/2		10	13 1/2	14 1/2	17 1/2	
20,00,000	27,68,049	5,00,374	12,84,357	Gladstone Lyall & Co. Ltd. P.	12	209	7,02,792	34,255				10	13 1/2	14 1/2	17 1/2	
40,00,000	31,71,333	7,81,000	98,384	Godfrey Phillips (India) Ltd. P.	12	310	19,01,201	11,96,811	10	20		10	25 1/2	25 1/2	20 1/2	
30,00,000	32,90,010	17,22,203	6,22,424	Great Eastern Hotel	3	225	5,30,579	16,373				250	250	250	240	
10,00,000	17,38,764	1,61,173	9,221	Hindusthan Ice & Cold Storage	9		43,377	24,274				5	11	11	1	
35,20,000	31,95,729	19,00,000	19,72,453	Hoare Miller & Co. Ltd.	12	294	91,339	67,868	Nil			10	6 1/2	6 1/2	7 1/2	
15,16,00,000	7,42,66,399	1,88,86,788	5,50,32,187	Imperial Tobacco	3	325	3,66,59,515	24,94,274	6	8	8	10	14 1/2	14 1/2	15 1/2	
1,60,00,000	2,41,97,583	53,33,999	10,13,114	Indian Aluminium Co., Ltd. P.	12	293	26,79,662	14,18,074				10	16 1/2	16 1/2	15 1/2	
1,52,99,220	98,54,740	1,62,50,000	3,90,322	Indian Cable P.	3	34	77,23,781	28,98,462	10	12 1/2		10	33	33 1/2	31 1/2	
5,00,000												10PO	81	81	61 1/2	
83,75,000	22,07,260	2,21,280	11,69,467	Indian National Airways	12	93	36,302	12,62,971				100	61	61	61	
1,25,00,000												1Dd				
2,27,970	7,44,398	5,38,000	17,67,876	Indian Rubber Manufacturers P.	3	173	1,79,618	32,616				10	18 1/2	18 1/2	12 1/2	
20,00,000	4,64,735	18,15,487	10,03,705	Indian Wood Products	9	88	17,28,038	2,76,619	27 1/2	30		10	44 1/2	44 1/2	45 1/2	
5,00,000		2,16,228	12,78,049	Investments and Finance P.	2-8	21	57,456	9,746	2 1/2	2 1/2	3 1/2	100	65	65	65	
2,40,000	15,362	4,46,244	3,20,757	Ivan Jones Ltd.	9	194	1,39,321	36,496				2	3 1/2	3 1/2	3 1/2	
5,87,500																
1,17,50,000D	2,16,659	3,24,161	64,65,89	James Wright P.	12	281	60,996	1,550	5	5		50	41	41	41	
2,00,00,000	51,37,813	57,00,000	4,02,27,618	Jardine Henderson Ltd. P.	3	39	31,24,445	5,11,852	7 1/2	7 1/2		100	86 1/2	86 1/2	112	
6,34,000																
66,000D	3,17,363	6,02,958	3,21,617	Macfarlane & Co.	3	133	14,078	4,849				50	3	3	2 1/2	
1,50,00,000	88,50,000	63,33,428	2,57,13,417	Macneill & Barry Ltd. P.	3	334	52,06,340	6,31,124	7 1/2	7 1/2		100	25	24 1/2	29 1/2	
1,37,53,000	36,41,510	54,56,063	1,85,74,341	Martin Burn Ltd. P.	9	309	71,18,708	2,03,456	13 1/2	18 1/2		10	25	24 1/2	29 1/2	
40,00,000																
5,00,000D	37,19,459	72,01,904	2,34,00,554	McLeod & Co. P.	12	282	25,04,502	1,87,834	17			100C	240	240	240	
1,15,00,000	1,10,37,201	69,74,249	7,33,589	Metal Box Co. of India Ltd. P.												

BOMBAY MISCELLANEOUS COMPANIES

O P o F D d G and R indicate Ordinary Preferred Ordinary Founders' Deferred Guarantee and Rebate Shares respectively P next to the names of the company indicates that the company also has Preference Shares Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	20-11-56	13-11-56	01-11-56
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954	1955	1956	Rs.	Rs.	Rs.
CEMENT														
12,67,59,333	16,16,27,689	6,15,51,096	3,92,26,918	Associated Cement	7	53	4,71,77,960	5,62,770	8 1/2	10	..	100	165	194
ELECTRIC LTG POWER														
6,99,95,600	11,08,94,307	69,91,218	20,82,140	Ahmedabad Electricity	9	146	35,75,580	188	6 1/2	5	..	100	92 1/2	91 1/2
2,92,83,500	4,18,62,358	52,34,507	65,30,599	Andhra Valley Power Supply F	6	467	46,19,171	25,735	7 1/2	7 1/2	..	1,000	1,200	1,205
1,74,99,700	2,14,85,121	39,32,48	5,79,834	Bombay Suburban Elec Sup	3	146	19,21,739	45	7	7	..	100	110 1/2	110
39,08,200	17,49,053	4,75,323	14,87,557	Poona Electric Supply P	12	229	3,86,015	..	..	..	..	100	146	146
2,34,45,225	3,37,65,356	63,82,045	58,39,975	Tata Hydro Elec Power sup P	6	267	37,75,587	21,171	7 1/2	7 1/2	..	100	125 1/2	125 1/2
5,02,78,750	3,93,37,405	1,41,56,578	1,29,22,349	Tata Power P.	6	267	77,32,961	27,952	7 1/2	7 1/2	..	1,000	1,257 1/2	1,262 1/2
ENGINEERING & METAL														
33,42,200	17,06,292	44,16,374	1,54,08,311	Alcock Anddown	12	268	8,79,656	1,35,820	12 1/2	..	..	100	325	322 1/2
5,00,000	29,341	4,43,904	59,338	Just's Engineering	3	115	62,291	1,508	15	5	5	50	96	96
40,00,000	11,26,513	16,00,000	9,74,664	Larsen & Toubro P.	3	351	14,80,736	28,740	10	10	10	10	19	19
40,95,100	81,25,753	2,02,500	49,333	Machinery Mfgs Corp Ltd P	3	330	2,02,006	64,676	NU	NU	..	100A	96 1/2	96 1/2
1,10,00,000	15,00,978	16,66,194	7,06,260	McKenzie	7	283	1,49,085	64,938	..	..	..	100	96 1/2	96 1/2
2,50,000	..	..	..	Premier Construction P	12	284	3,35,178	59,102	25 5/6	28 1/3	..	300	210	202 1/2
1,31,250	5,834	1,00,53,082	1,79,52,042	Tata Locomotive & Eng. P.	3	69	3,303	50,350	NU	NU	..	100	169	168
4,18,72,400	4,80,59,980	16,78,352	44,49,499	Tata Iron & Steel P.	3	269	9,26,44,872	4,04,945	14	14	14	750	192 1/2	191
9,63,75,000	32,44,07,755	16,63,05,536	12,34,83,510											
INSURANCE COMPANIES														
20,00,000	..	23,84,913	95,96,033	British India General	12	297	4,24,629	1,18,606	..	..	..	10	13 1/2	13 1/2
5,15,000	..	1,04,94,687	4,35,48,481	Empire of India Life	12	253	..	..	..	..	..	100	675	675
8,45,122	..	36,33,899	9,74,664	Indiar Mercantile	12	75	..	1,13,109	..	..	..	20	45 1/2	45 1/2
18,74,940	25,01,134	2,83,61,155	4,61,49,442	Juniper General P.	12	35	..	4,65,316	..	..	..	15	9 1/2	9 1/2
1,06,81,590	..	1,68,81,793	17,25,18,952	New India	12	179	43,58,653	71,250	16 2/3	..	..	15	45	45
6,00,000	..	37,83,74,430	53,46,53,426	Oriental Life	12	298	..	..	..	..	..	200	3,650	3,650
15,99,270	..	29,41,860	59,86,789	Vulcan	12	255	6,05,803	2,81,242	10	..	..	100	15 1/2	15 1/2
MISCELLANEOUS														
90,79,085	31,95,468	3,97,409	12,61,996	Air Service of India	6	336	-15,61,405	-37,22,790	..	..	..	15	..	..
47,97,250	21,34,989	35,75,182	78,89,034	Belapur Sugar	9	42	33,89,000	61,389	..	..	..	50	251 1/2	249 1/2
50,00,000	2,20,64,392	4,12,86,155	2,67,27,639	Bombay Burmah Trading	5	265	47,93,172	61,990	10	21	..	125	690 1/2	682 1/2
42,00,000	..	..	..	Bombay Steam Navigation P.	6	256	4,54,215	30,135	..	..	..	50	256 1/2	247 1/2
45,00,000	1,21,04,053	31,74,431	3,14,908	Industrial Investment Trust	12	299	5,81,909	2,83,136	..	..	..	100	72	72
99,99,250	..	..	..	Kemur (Chemists)	3	87	68,232	16,942	6	..	..	200	215	215
11,99,900	13,62,957	7,34,142	1,39,342	National Rayon Corp.	12	352	53,19,604	4,72,076	10	..	..	100	213 1/2	213 1/2
1,57,71,400	3,74,35,779	1,81,13,445	1,10,18,957	Scindia Steam Navigation	6	198	32,72,555	22,75,555	2 1/2	2 1/2	..	20	19 1/2	19 1/2
9,39,98,069	18,36,03,413	12,46,31,877	1,10,18,957	Shivrajpur Synd (Manganese)	11	146	33,49,059	37,597	NU	NU	..	10	80 1/2	85 1/2
1,00,000	27,45,055	37,30,000	11,27,080	Tata Chemicals P.	6	269	3,00,461	11,453	9	8	12	25	51 1/2	50 1/2
1,39,95,990	1,96,71,944	13,51,214	22,83,813	Tata Oil P.	3	269	3,00,461	11,453	9	8	12	25	51 1/2	50 1/2
70,07,475	75,25,791	34,08,586	1,50,49,201	Western India Match	12	274	74,05,281	5,61,984	11	11	..	100	176 1/2	175 1/2
2,75,00,000	1,46,49,903	2,43,20,936	1,50,49,201											

*1956

†Liquid Assets

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Block Account	Reserve & other Funds	NAMES	Accounts closed	Managing Agents	Net Profit	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	21-11-56	14-11-56	A year ago
Rs.	Rs.	Rs.				Rs.	Rs.	1954	1955	1956	Rs.	Rs.	Rs.
CALCUTTA													
17,24,000	20,62,356	2,00,804	Ahmedpur Kutwa S.S.G.	3	165	-29,367	..	2 1/2	2 1/2	2 1/2	100	60	60
21,99,300	33,40,889	6,00,702	Arrah Sasaram D.B.G.	3-9	32	2,57,676	33,735	3-3	3-3	3-3	100	71 1/2	75
34,00,000	41,30,202	3,11,048	Bankura Damodar River S.S.G.	3	165	46,607	..	2 1/2	2 1/2	2 1/2	100	59	59 1/2
19,00,000	29,09,643	4,91,171	Baraset Basirhat D.B.G.	3-9	331	18,844	1,18,863	..	..	..	100	10	10
17,80,000	21,78,786	2,20,877	Burdwan Cutwa S.S.G.	3	165	78,839	..	2 1/2	2 1/2	2 1/2	100	59	59 1/2
31,00,000	35,46,011	..	Chhaparmukh Silghat S.S.G.	3-9	32	62,834	10,849	129-129	13-13	13-13	100	52 1/2	52 1/2
4,75,000	3,20,040	4,75,000	Cherra Chhatat Ropeway	3	88	7,071	9,917	12 1/2	5-5	Nil	6	7 1/2	7 1/2
2,47,850	2,75,015	63,226	Darjeeling Ropeway	3	101	18,097	4,549	11	2 1/2	2 1/2	100	78	78
22,50,000	62,20,813	13,52,000	Jehri-Rontas	3	335	6,42,311	37,814	6 1/2	7 1/2	10-12 1/2	10	13 1/2	13 1/2
11,49,700	20,10,843	1,68,143	Futwah Islampur S.S.G.	3-9	32	-33,016	5,917	98-98	99-1	1-1	100	63 1/2	63 1/2
16,00,000	50,82,188	17,87,954	Kowrah Amta D.B.G. (P)	3-9	32	1,18,351	90,009	3-3	3-3	3-3	100	62 1/2	62 1/2
5,00,000	13,87,136	4,43,410	Kowrah Shekhala D.B.G.	3-9	32	28,627	20,122	3-3	3-3	3-3	100	65	65
19,50,000	27,95,689	2,47,135	Kalighat Falls S.S.G.	3	165	-1,99,473	..	2 1/2	2 1/2	2 1/2	100	60 1/2	60 1/2
8,91,100	15,16,175	10,551	Katakhal-Lala Bazar S.S.G.	3	165	31,257	..	4 1/2	5	..	100	72	75
15,00,000	62,56,920	28,77,041	Shahdara Deih Sabaranpur	3-9	32	6,26,073	17,25,546	6-6	6-6	6-6	100	129 1/2	129 1/2
1,75,000	5,41,779	2,04,841	Tezpara Balipara Tramway P	3-9	165	-43,574	5,944	..	..	..	100	..	..

Managing Agents, Managing Directors and Secretaries with their respective address—(Contd.)

320. F. W. J. Penn—United Breweries Ltd., Bangalore-1.	329. Sri G. D. Bhagat—15, Shib Thakur Lane, Calcutta.	338. M. G. Investment Corp., Ltd.—127, Mahatma Gandhi Road, Fort, Bombay.	348. Sahu Jain, Ltd.—11, Clive Row, Calcutta.
321. F. O. Williams—14, Old Court House St., Calcutta.	330. Mahindra & Mahindra, Ltd.—Gateway Building, Apollo Bunder, Bombay.	340. K. O. Cheriyan—Travancore, K. S. Finlay & Co., Ltd.—2, Netaji Subhas Road, Calcutta.	349. Chandmull Batia—7, Canning Street, Calcutta.
322. Messrs. Tata Sons, Ltd.—New India Assurance Buildings, Mahatma Gandhi Rd., Fort, Bombay-1.	331. N. L. Roy & Sons—Canning St., Calcutta.	341. U. N. Chatterjee—2, Royal Exchange Place, Calcutta.	350. K. E. Agarwal—Empire House, Hornby Road, Fort, Bombay.
323. Anderson Wright & Co.—7, Wellesley Place, Calcutta.	332. M. Paspatti—21, Ravelin Street, Fort, Bombay.	342. V. J. Pilani—Victoria Bunder, Colaba, Ltd.—10, Clive Row, Calcutta.	351. L. & T. (Management) Private Ltd.—J. K. Building, Douglall Road, Ballard Estate, Bombay.
324. Bathgate & Co.—17/19, Old Court House St., Calcutta.	333. Jalpuria Bros., Ltd.—33, Netaji Subhas Road, Calcutta.	343. Eastern Smelting & Refining Co., Ltd.—10, Clive Row, Calcutta.	352. C. G. Mahant—Ewart House, Bruce Street, Fort, Bombay.
325. John Rutherford Blair—Virginia House, 37, Chowringhee, Calcutta.	334. B. Latimer—2, Fairlie Place, Calcutta.	344. V. J. Pilani—Victoria Bunder, Colaba, Ltd.—10, Clive Row, Calcutta.	353. N. K. Jhajarharia—14, Netaji Subhas Road, Calcutta.
326. Beriwalla Bros.—53, Netaji Subhas Rd., Calcutta.	335. Sahu Jain Ltd.—Daimanagar, Tulsidas Kilachand—Scindia House, Douglall Road, Bombay.	345. The National Tea Corporation—130, Cotton Street, Calcutta.	354. G. C. Kanoji—P-8, Mission Row Extension, Calcutta.
327. Marwar Textiles (Agency), Ltd.—Waudby Road, Fort, Bombay-1.	336. Berwalla & Co.—63, Netaji Subhas Road, Calcutta.	346. Seethasayee Brothers (Travancore), Ltd.—Elor Factory Always, Ltd.—101/L, Harrison Road, Calcutta.	355. G. G. Robertson—16, Strand Road, Calcutta.
328. John Taylor & Sons (India) Ltd.—Mysore, Oorgram, South India.	337. B. R. Sons, Ltd.—Hornby Road, Fort, Bombay.		

WORLD'S BEST

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CAPITAL

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INDIA'S BEST

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THE RIDDLE OF CHINESE AGRICULTURE

LESSON IN TOTALITARIAN METHOD

THE report that Mr. P. N. Thapar, Secretary to the Ministry of Food and Agriculture, wrote on agricultural organisation and planning in China when he returned from Peking this autumn, did not succeed in throwing much light on why the Chinese Communists have pushed ahead so quickly with their collectivisation of the peasantry. Nor for that matter has any of the discussion that has centred on this point since. The volume of the discussion has been considerable, especially since the eighth congress of the Chinese Communist Party and since Mr. Chou En-lai outlined his country's next five year plan. Indeed, economists the world over have been puzzling about what has come to be known as the "collectivisation mystery". Needless to say, they have received precious little enlightenment from the Peking regime, most of whose statements on agriculture and on planning are a mixture of fantasy, boldness, secrecy and vagueness. Nevertheless, the matter is of immediate interest to us because India and China are supposed to be engaged in a competition in planned progress, and agriculture is the basis of economic advance in both countries. Moreover, there are not wanting in India advocates of collectivisation in particular and of imitation of Chinese methods in general—and they are not all Communists. Even Mr. Thapar, although lukewarm about Chinese agricultural policy, ventured to suggest that India adopt a pale and limited copy of Chinese collectivisation "as an experiment." In any case, the question concerns this country if only because it is embarrassing to be witness to one of the greatest agricultural revolutions in history without being able to see any point or use in it.

The mystery, briefly, is this. Chinese agriculture, even before the coming of the Communists, was much more efficient than India's. In 1951 the Communists put through a vast redistribution of lands, roughly parallel to India's *zamindari* abolition in that, without limiting private property, it nevertheless arranged it more equitably. Then the industrialisation programmes and the need to keep sustenance in pace with rapidly rising population called for a considerable increase in agricultural output. A so-called plan, which was really little more than a string of targets, was then brought forward. To us who are familiar with the difficulties of Indian agriculture, this Chinese plan seemed grotesquely optimistic, especially in relation to the amount of capital it was proposed to invest. At this point, when the question arose of how these high targets were to be attained, the Communist regime put its land policy in reverse gear and dictated the virtual abolition of private peasant property in favour of collectivisation first in co-operatives and then in Russian-style *kolkhozes*. This process was later speeded up and is now largely complete. But collectivisation has never been claimed, even by its keenest advocates, to bring any advantages unless accompanied by mechanisation of farming and the use of scientific techniques. Now China quite lacks the machinery and chemicals to implement such a programme, and is not likely to have them in the next ten years. So Peking has sacrificed the psychological utility of private peasant farming for an administrative reorganisation that is quite useless without the industrial equipment needed for large-scale farming. In short, millions of peasants have been herded into collective farms where their principal agricultural aid is still what it has been for thousands of years—their own nightsoil. Why?

That there is a mystery here is sufficiently indicated by the curious way these important policy decisions were taken. It is now known that the collectivisation programme was decided on in Peking in 1951, that is while the redistribution of private properties was still in full swing, but it was not made public until two years later, in 1953. Even then, Communist organisers were instructed to go slowly and to show consideration for the traditional unwillingness of the peasants to co-operate. But in July 1955 Mr. Mao Tse-tung sud-

denly denounced just this slowness as "bourgeois and capitalist" and decreed that greater haste be made. Again this important speech was kept secret until mid-October 1955, but since that date organisation of the peasants first into co-operatives and then into *kolkhozes* has gone on at gathering speed, until now it is claimed that out of 120 million farmers only 10 million are unorganised. This unpopular programme has been rushed through during the period of destalinisation, although forced collectivisation is associated exactly with the name of Stalin. That the results achieved are largely merely administrative is suggested by the fact that China now has one

foremost political regimentation. The collective farms are not businesses or little firms of farmers; they are squadrons that are being collected by the administration to be put to whatever use is judged best later.

One of the advantages of this form of organisation was mentioned by an official at the recent Party conference when he said: "It is easier to buy wheat from a collective than from innumerable individual peasants." This is rubbish. If suitable prices are offered the peasantry will, as they have done throughout human history, centralise supplies at marketing centres, and recent Indian experience confirms how much more efficient free marketing is than official procurement. But this is not rubbish if we read "extort" for "buy" in the above remark. If suitable prices are not offered, then grain can no doubt be more easily "obtained" from a few hundred thousand collectives, run by Communist organisers, than from millions of reluctant peasants. It is in this prospect, finally, that we see the fundamental significance of the Chinese collectivisation. It is a preparation for the relentless screwing down of consumption standards among the peasantry necessary, on the Communist plan, to provide the national surplus needed for industrialisation. The mass of the Chinese people (60 percent of whom are peasants) have been banded together in Communist-run collectives, not with a view to increasing output in the near future, but solely with the intention of extracting from them the forced limitation of consumption, the forced savings and the forced transfer of surpluses needed for ambitious industrialisation.

Those people in this country, and especially enthusiastic delegations returning from Peking full of praise for Chinese organisation and discipline, who suggest that India has something to learn from Chinese agricultural practice should realise that collectivisation without tractors or fertilisers has nothing to do with agricultural economics at all. It is a form of political regimentation designed to extort from the majority of the people the price in want and suffering that must be paid for too rapid industrialisation in the cities. When China and India are producing or importing in sufficient quantities fertilisers, tractors and other farming machinery, then we shall be able to discuss the economics of collectivisation. Until that time, no economic question arises. There is only the political question of how much millions of people should be made to suffer now in order that their grandchildren shall, thanks to industrialisation, possess sufficient tanks and guns to murder their free neighbours as Russia has just murdered Hungary.

THOUGHTS FOR ELECTION CANDIDATES

PRICES AND POLITICS

WHILE the argument continues whether the world has, or has not, taken too harsh a view of the Government of India's interpretation of recent happenings in Poland and Hungary, a primary cause of the trouble in those countries appears to have received little attention. Poland and Hungary wanted to be free, they hate the Russian troops stationed in their countries, and once the Stalin myth had been exploded by Mr. Khrushchev, explosions in the satellite countries were only to be expected. All this is true; but politics are the preoccupation of a few in every country, and the revolts would not have been so widespread if there were not something else which touches everyone—economic hardship. Among the many corpses the correspondent of the *Daily Worker* of London found on the streets of Budapest was that of an old man with a loaf of bread in his hand. That is just what could not be seen in the hands of many living Poles and Hungarians, and so came about the most serious challenge Russian Communism has known so far. After everything has been said for the inextinguishable flame of freedom which burns in every human heart, the fact is that political repression by itself is tolerated far longer than idealists are ready to concede. What cracks a system quicker than anything else is a lack of the essentials of existence. There is no doubt at all that the economies of the satellite countries had for years been geared to suit the Soviet economy, that agriculture had been sadly neglected under the impact of Communism's famous enthusiasm for heavy industry, and between them was created a condition in which the Poles and Hungarians came to see very little material difference between death by starvation and death under tanks. This is a point governments forget only at their peril.

It would be absurd to argue that the trend of rising prices in India is in the foreseeable future capable of producing conditions remotely comparable to those in Poland or Hungary. But one of the lessons the revolutions in Russia and China should teach us all is that no country is permanently insulated against the possibility of upheavals. It should not be a matter of less concern to those in power today in India that the Indian people

have in their hands the power to throw out their rulers through less violent means. Although no firm date has yet been announced for the next general election, it has already begun to inform the behaviour and pronouncements of many politicians. That the question of commodity prices, which have been rising steadily for some months now and Suez has come as a devil-send to the less scrupulous, figures only rarely in the speeches of Ministers is unlikely to encourage similar reticence among either the public or the politicians in opposition.

What had until recently been reflected chiefly in the cost of living indices published in this journal is beginning to draw wider attention. The daily Press in Calcutta, for instance, has in the past week given considerable importance to the hardship now being experienced in the middle class homes, and the administration would be unwise to ignore it longer. If it is true, and it is, that the price of mustard oil has gone up by as much as six annas a seer in the past three weeks, clearly there is something the Government has failed to do. There have been similar increases in the prices of many other commodities men need for their existence, and efforts to improve the position by opening fair price shops, which are in any case too few, have so far failed dismally. Cloth, rice, vegetables and dal—all these items have recorded increases in recent months, and the tendency continues unchecked. It should be a matter of concern to the Government that its failure to check prices is not invariably attributed to administrative incompetence; there are offences electorates excuse less easily.

Ministers have been known to harbour scepticism regarding the reliability of official statistics, and public disbelief in them is well known, but there seems to be reason to think that there is no absolute shortage of the commodities referred to above. Demand in some of them has probably increased, and inflationary trends have been there for over a decade, but indications are that it is at

Contents

Rourkela Steel Changes	731
Prices and the Election	714
U. K. and the Middle East	733
Development of Rayon Industry	734
Food Production Programme	735
October Cloth Output	738
Indo-British Air Agreement	739
Bigger Indian Coffee Crop	736
Without Prejudice 716	Plantation Topics 736
Ditcher's Diary 717	Jute 737
Money 725	Commodity Markets 738
Stocks and Shares 727	Engineering 739
City Cable 730	Calcutta Markets 739

the retail stage of a commodity's journey from the field or the factory to the consumer that prices lose all relation to cost. Retail trade is notoriously difficult to organise, more so when the country is as large as India and the number of traders involved runs into millions. And it is retail trade which must be ordered better if there is going to be an improvement obvious to the consumer. That the recent increase in the price of coal, for instance, was entirely justified cannot be accepted with enthusiasm by the consumer when he has to pay more than what he had been told by the organised industry. In the event, business itself gets a bad name in the country at large which cannot be expected to explore all the subtleties and ramifications of commerce for an accurate apportionment of blame.

Mr. Nehru has threatened with dire consequences such business men as might be tempted to take advantage of the international crisis following the nationalisation of the Suez Canal. The threat may not even reach that part of business which causes the greatest hardship to consumers, and it is unlikely to have been forgotten by all unscrupulous retailers that some of Mr. Nehru's previous threats led to little punishment and less reduction in crime. In West Bengal at any rate, the tortuous story of Government trading in mustard oil suggests that there can be losses to the State without commensurate profit to the consumer. In rice and wheat some improvement is to be expected when imports arrive, and these will be delayed only slightly by the trouble in Suez, but it is distribution to which the Government must then devote its energies. Fair price shops may well be the answer, but they must be opened in larger numbers—and before avoidable hardship has been caused. There is also something for organised industry to do. Greater scrutiny before the selection of retailers may be one way, a continuous check on their behaviour after selection another. When trade itself is in disgrace because of the conduct of a few retailers, punishment first visits—not the Government, as in Communist countries, but—trade and industry. The problem

is rendered the more urgent by the fact that not everyone in the Government itself can be considered an unfailing friend of free enterprise.

CURRENT COIN

Tea Prices and Export Quota.—Tea prices have shown an impressive rise over the past month, plain broken pekoe having increased from Rs. 1-13-6 to Rs. 2-6 a lb. in the export auctions in Calcutta, and from 3s 9½d to 5s 8½d a lb. in London. There has been strong buying, especially on U.K. account, induced mainly by fears that delays are likely to occur in replenishing stocks now that ships have to make the longer haul via the Cape of Good Hope instead of going through the Suez Canal. The re-routing of vessels has already brought an increase in freight rates, and some forecast a further increase if, for political or other reasons, the Suez cannot be reopened to free traffic within the next two or three months. The purchase of Indian teas has been boosted by two special factors. One was the threat of a dock strike, which seemed likely to bring port working to a complete standstill and which could conceivably have done lasting damage to the Hooghly's already difficult navigational channels. This threat has now fortunately been withdrawn. The other is the prevailing uncertainty about the export duty; under the slab system, this was due to be raised at the beginning of November, but for good reasons was not. Whether buyers and the industry will escape the heavier impost again, will not be known until later this week. Considering the large amounts of tea that have had to be sold below their production costs during the current season, and many gardens' struggle for financial accommodation from a tight money market, an extension of the relief seems necessary. One curious aspect of official policy this year has been the tardiness in releasing sufficient proportions of the export quota. The stage has now been reached where, with the heavy export demand of recent weeks, an acute shortage of quota rights is developing. This is reflected by the sharp jump in the price of these rights from 28 pices to 93 pices a lb. over the past month. It is strange that although north India has produced a much bigger crop this season than last, the quota release has actually been smaller. The official explanation presumably is that the domestic market should not be allowed to run short of supplies. But it is difficult to see how it can run short, considering that north India's crop until the end of October, at 486.6 million lbs, was running 27½ million lbs. ahead of the corresponding period of last year, and there is no evidence that internal consumption has increased by a corresponding amount. The lead will admittedly be reduced by the crop regulation scheme, which has already become effective on a number of gardens. But the scope for further export quota releases is still large enough to justify the immediate announcement of a substantial one.

Compensation for Life Insurers.—Considerable anxiety prevails among life insurance shareholders about the compensation it is intended to pay them for the nationalisation of their companies. Mr. Lakshminipat Singhania's address at the annual general meeting of the National Insurance Co. Ltd. (a fuller report of which appears on a later page) reflected this anxiety and said that the compensation proposed was not "worth the name," it amounted he declared, to hardly 1 percent of the life fund the Government had taken over. Banking and insurance, according to Mr. Singhania, were "practically the same business." When the Imperial Bank was nationalised, the compensation paid was considered inadequate, but it amounted to 8 percent of the total assets. Life insurance shareholders, however, were to get not even 1 percent of the total life fund. Moreover, the sum involved was not an investment to be made by the Government, but only a pre-payment of the surpluses the insurance companies had earned by right over decades of successful working. Mr. Singhania pointed out that even this sum had not been paid, although it was nearly 11 months since life insurance had been nationalised. He urged that the compensation be paid quickly so as to help rehabilitate general insurance and to assist those who had put all their investments in life companies. The Government's decision to take over the foreign life business of Indian companies had been particularly disappointing to National Insurance since it was among the major operators in this field. Mr. Singhania complained that the decision was a reversal of an earlier one, and would hamper the general business done abroad. National Insurance, he declared, had "suffered the most" as a result of nationalisation. Not only had life business been nationalised, but a subsidiary, the National Fire and General Insurance Company, had also been taken over. The process of rehabilitation would be a difficult one, but "I am sure that in course of time we would again build up the company." The results of National Insurance's general departments show a rise of Rs. 4.17 lakhs to Rs. 19.25 lakhs in total net premium income—a rise to which the fire, marine and miscellaneous departments have all contributed. Some loss has been suffered

with the devaluation of the Pakistani currency, and bigger reserves have been provided for unexpired business. A tax-free dividend of 6 percent is proposed.

New Mill for Titaghar Paper.—Further details are now available of the new pulp and paper mill which the Titaghar Paper Mills Co. Ltd. proposes to set up in Choudwar, Orissa. The limited space at the site of the company's present two mills is so fully occupied that any appreciable expansion there is physically impossible. Since they are situated in an extremely congested industrial area, there is little possibility of securing adjoining land for expansion purposes either. The directors explain in a circular to shareholders that there is no alternative but to set up a new mill elsewhere, and Choudwar is the most suitable place. The Orissa Government is helping in acquiring the land, and the site has the advantage of being close to the bamboo forest areas leased by the State Government. A licence has been granted by the Central Government for a mill with an initial production of 12,000 tons a year. In the first instance the mill has been planned as a two-machine unit, with the possibility of further extension later. The first phase will cover the installation of one paper-making machine and auxiliary equipment, together with the requisite chemical and preparatory plant to provide the pulp required. This phase is estimated to cost Rs. 1.75 crores. When it is completed and production begins, the second phase will start, covering the installation of a second paper-making machine, together with the auxiliary equipment. This phase is estimated to cost a further Rs. 65 lakhs. The cost of the first and second phases of the new mill will be financed to some extent from the company's own resources, the balance being provided by the Industrial Credit and Investment Corporation, which has agreed to make a loan of Rs. 1 crore with interest at 5½ percent, repayable after 15 years. The new mill is expected to make a favourable start. Some important items of machinery and plant will be available from the existing mills, the value of which is not included in the estimates given above. The directors state that a satisfactory future is expected for the new mill. It will have the advantage of cheaper raw materials, and will be conveniently situated for water, road and rail communications.

Expanding Pondicherry Port.—Pondicherry's importance as a port on the east coast may soon increase now that a pier is to be constructed, at a cost of Rs. 36 lakhs and within two years. The recent visit of Mr. Shastri, Railway Minister, to Pondicherry, where the administration has been assured of all help for the second plan, has led to an account of what is to be done to improve the port so as to handle 200,000 tons of cargo a year. It is expected that the new port will reduce congestion in Madras, since iron ore from Mysore could move to Pondicherry via Guntakal when the railway track is doubled up to Villupuram. Another object is to increase imports through Pondicherry where trade has languished in recent years, in spite of a 5 percent concession in tariff. Supplies of coal for the south of India could be shipped to Pondicherry. A metre-gauge line will link the port with the Southern Railway and trolleys will be drawn by a diesel locomotive along the 1,200-foot pier. Electric cranes will help loading operations and large stacking sheds are to be set up along new railway sidings in the port. Mr. Mathrani declared that when the pier is in commission, sea-going vessels can discharge imports for the south. The new structure of reinforced concrete will be designed to stand up to Bay disturbances.

Evasion with Automobiles.—India's automobile "manufacturers" have still to learn that prices and quality are the first, not the last, of the factors customers consider before buying their products. The Tariff Commission has recently been considering pleas for an increase in motor-car prices, which, if granted, may alone be sufficient to ensure that such inadequate expansion as has taken place in the market will not be maintained. To some, it has seemed slightly odd that higher prices have been asked during a period when authorised dealers have actually been offering discounts—discounts that have varied from time to time, from place to place and from person to person. Puzzled buyers may therefore be justifiably forgiven for wondering whose margins have been sufficient to support such discounts—the dealers' or the manufacturers? The more discerning may be inclined further to wonder whether the entire move for higher prices is not fundamentally a subterfuge to get competitors' prices up, while keeping one's own down through bigger discounts later. This may seem a rather smart way of capturing the market, or a larger part of it, except that competitors too can inflate their discounts and bring the whole trade to roughly the same basis as it is on now. In the circumstances it may be worth while for the Government to reflect, as it considers the Tariff Commission's report on automobile prices, what purpose is served by learned enquiries which lead merely to higher list prices but little change on the-road selling prices. Few deny that the work-

ing of automobile concerns has been less economic than their shareholders would have wished. But the latter owe serious thought to the question whether an industry with huge surplus capacity is best advised to cork down sales by steadily raising prices, or whether it should make a bold attempt to expand its market by holding prices down. Merely holding down prices, in itself, may not even be enough. A new emphasis on quality is needed, and this is especially the view of those who have had the doubtful pleasure of being obliged to get gear-boxes, for one thing, replaced in their new cars two or three times within the first few months of the warranty period. In this context, buyers will be interested to hear that a Press note was issued by the Heavy Industries Ministry last week containing information which, although nearly 1½ years old, will nevertheless be news to many. According to the note, automobile manufacturers were instructed in June 1955 to see that their dealers and sub-dealers "prominently displayed and properly maintained" complaint books in their service stations, in which buyers could say just what was wrong with their vehicles. It was also suggested to the manufacturers that "whenever a vehicle was sold by the dealers and sub-dealers, a blank vehicle defects report card should be supplied free of charge to the purchaser"; the buyer would then be expected to list the defects on this card and send it to the Ministry of Heavy Industries "for further action." It would be interesting to know how many defects cards have been received by the Heavy Industries Ministry, and how many times "further action" has been taken. It would probably be still more interesting to know how many dealers and sub-dealers supply such cards to customers, or even inform them of their existence. A random survey suggests that quite often the dealers' pleasure over having sold a car at all understandably reaches such a pitch that the mere formality of supplying a defects card is easily forgotten. As such, administrative measures may be necessary to make the provision of the card compulsory; after all, if customers sign for the receipt of the smallest spanner in their tool-kits, there can be no inconvenience in asking them to sign also for the defects card.

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We acknowledge, with thanks, the receipt of the following donations:

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Previously acknowledged Rs. 2,444-7-3.
Grand total Rs. 2,712-7-3.

INSANITARY CALCUTTA

THE report of Doctors Vaughan, Deare, Peck, Dawes and Jagannadham on the sanitary conditions of Calcutta is indeed most appalling. Of the conservancy establishment, which is the most important, they say: "Regarding working, it is our opinion that inspection is neither sufficiently frequent nor sufficiently thorough; the condition of private latrines and gullies and the testimony and complaints of people and bustees appear to us to be sufficient evidence on this point." The Medical Board says that the reports "indicate a complete failure on the part of the Health Department of the Corporation to carry out the ordinary operations of town conservancy." This bears out all we have written on the subject. We have a highly paid executive Chairman on Rs. 2,500, Engineer Rs. 2,000, Health Officer Rs. 1,500, Vice-Chairman Rs. 1,200, Secretary Rs. 800 a month; besides a host of Superintendents, Overseers, Inspectors and the like, drawing salaries ranging from Rs. 600 downwards, and we are entitled to ask cut bone? The state of the town is appalling; the neglect a matter of years, dating before the electric system. As we have before observed, we are not enamoured of the 72 Bumbles of Calcutta, but let us not hang them without a trial; and let us remember that they are not all elected. What have the nominees of the Government, the Chamber of Commerce, the Trades Association been doing? They have made no representations on minority report which would have carried the day with the Government. If the Commissioners are to be blamed, these men must be blamed also.

FROM
CAPITAL

2nd December, 1896

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COMPENSATION FOR DEATH IN AN ACCIDENT

CONSIDERATIONS ON WHICH IT SHOULD BE BASED

(FROM OUR LEGAL CORRESPONDENT)

"EVERY human benefit and enjoyment, every virtue and every prudent act is founded on compromise." We chanced on this apothegm of dubious truth, perpetrated by the great Edmund Burke in an effort to seduce the worthy electors of Bristol from their loyal allegiance to the slave trade, just prior to considering a claim for damages in a running down case wherein the main and simple question was, "How much?" And, slightly amended, it struck us as an excellent slogan for those whose daily task is to investigate such claims and fight or settle them. "Every successful accident assurance company is founded on compromise." "Compromise", not "appeasement". Often faced with exorbitant demands, one may have to stand and fight on the question of quantum alone. But, generally speaking, with the ultimate issue doubtful if contested, and a reasonable lawyer on the other side, the prudent act—compromise—pays dividends. The trouble is, especially in a fatal accident case with which we are mainly concerned in this note, on what principle and basis are you going to work out your maximum monetary offer in default of the acceptance of which you will fight the case and, if you lose on the question of liability, will leave the amount to be affixed by the court. Fortunately, you are not in so difficult a plight as you would be in England, where if the case comes before a jury, the 12 good men and true, knowing, as well they know, that an assurance company is behind the scenes, may mulct the nominally liable defendant in punitive damages. In India, these cases come before a judge alone. No jury. And though even judges sometimes run berserk, generally speaking an experienced and

trained one will take pains to affix the amount of his award on certain specific principles; wherefore it is of importance that you should know what these principles are. Remember that a "dependant", so-called, may not be a loser at all financially as the result of a death by fatal accident. He may be actually a gainer by it, e.g., he may succeed to an estate or be entitled to the proceeds of a life assurance policy.

But let us take an ordinary typical case. A man is travelling as a passenger in a bus. He is of middle age and of the middle class, working on his own account, earning, say, Rs. 300 a month or thereabouts. He has a wife, a minor daughter and dependent parents, though only partially so; the father has a commuted pension of Rs. 70 a month. The bus collides with a motor lorry and the man is killed through the alleged negligence of the lorry driver. Your company is the insurance company concerned and will have to pay any damages awarded. A suit is filed. You have investigated the facts of the accident and the evidence, and your opinion is that the chances of successfully defending the suit are extremely remote. You would like to compromise by an agreed lump sum payment. What will your maximum offer be, and how are you going to work it out?

The writer's idea would be. Right away strike out "extremely remote" chance of winning and substitute "impossible". You then have the right mental approach. Then estimate what a judge would award—a judge with a sentimental leaning, to be on the safe side. Start with an offer, say, Rs. 10,000 below that, and then work up to your estimate of the judge's award. If that maximum is declined, fight it out on the facts, the law and the amount.

We will now consider the principles upon which the judge would be guided. Of course, there are judges and judges; and occasionally the compensation is worked out judicially on an eccentric basis; or the amount may be estimated by the judge on a basis which, while it is in principle unassailable, is unduly generous. For example, the trial judge

in the case of the fatal collision referred to above, between the bus and the lorry, in estimating the probable gross income of the victim of the accident, proceeded to do so on the remarkable assumption that "the deceased was a Congressman, and after the Congress had come into power he would have obtained a better chance of 'business facilities' and to make larger profits than previously", without an atom of evidence to support such a proposition. True it is that the amount awarded was very substantially reduced on appeal, but the point is that in considering the amount in working compromise offer, you have to bear in mind the factor that the judge may go wrong in his law and have to be put right at the expense of an appeal, as well as the fact of the existence of some sentimental judges who, sound in their law, are nevertheless in cases of real hardship inclined to be over-generous in estimating the pecuniary solatium. Such exercises of judicial discretion as the latter in affixing the amount of compensation, unless the amount is flagrantly and on the face of it excessive and not merely generous and liberal, are unlikely to be substantially modified if at all on appeal, and the fact has to be remembered in working compromise settlement offer. But although it is hardly ever possible to arrive at a mathematically accurate figure such as would satisfy an actuary, the judges make their estimates on certain broad principles which have stood the test of time and which are useful guides in considering what the damages are likely to be if a weak case is contested and lost.

Nearly 80 years ago, Lord Blackburn gave us the general principle: The court should "as nearly as possible get at that sum of money which would put the party who has been injured or who has suffered in the same position as he would have been if he had not sustained the wrong for which he is now getting the compensation or reparation". Applying the principle, the court is required to take into consideration the benefits which might accrue and the loss which is incurred by the claimants on the ground of the death as a result of the accident. If the person claiming damages gets into possession of an estate because of the death of his relative who is killed by an accident, there is no loss. The claimant is really a gainer by the event. Whenever a person gets into possession of properties by reason of the death in question, that fact has to be taken into consideration. Some five years ago, the Privy Council took into consideration for calculating the amount of damages: (1) expectation of the life of the deceased, regard being had to the age, bodily health and the possibility of premature death; (2) what sums during such expectation of life he would probably have applied to support his wife and children; (3) the present worth of such recurring payments, to be calculated as a lump sum compensation to be awarded instead of being spread over a number of years; (4) further deduction of benefit accruing because of accretion of interest due to death; (5) possibility of the wife dying before the husband; and (6) possibility of accumulation of savings.

But such detailed considerations are seldom made in India in calculating the amount of compensation payable. More often than not, it is not possible for the judge in this country to take into account all, or substantially all, the details mentioned above for the simple and sufficient reason that such particulars are rarely brought out in the evidence. So the judge is forced back to the broad general principles based upon Lord Blackburn's venerable dictum, plus his own practical commonsense. The main criterion is the loss of the reasonably expected pecuniary benefit. The court has to consider the probable earnings and future prospects of the deceased, because on that it would depend to ascertain the benefit which the beneficiaries might have reasonably expected if the life of the deceased had not been cut short by the accident.

R. P. Mookerjee J., in a very informative and interesting judgment, indicated the considerations which should weigh with the court in determining the compensation payable: (1) what was the average net stable annual income of the deceased, as also what could be expected to be the future prospects of the deceased so far as his earning capacity was concerned? (2) what are the benefits which the claimants have lost by reason of the death of the person concerned? And for determining the nature of such benefits an attempt is to be made to find out how many members there were in the household, the earnings and income from such members and the amount which was contributed by the different persons as also whether the claimants have gained financially by the death; (3) the estimated amount of maintenance of the deceased; and (4) considering the age of the deceased and other conditions, what would be the present worth of the estimated recurring amount lost to the claimants which is to be compensated?

It is the exception rather than the rule for the whole of the above information to be available to the judge who tries these cases. He generally has to work out a just solatium, on very flimsy details, as best he can, on a claim which is often preposterous as to its amount. But where a compromise out of court is the object in view, the patience and hard spade-work involved in obtaining the information is well worth while; and if the compromise effort fails, the judge will be grateful for the details and act upon them.

*Bir Singh v Sm. Hashi Rashi. 1956. A.I.R. (November). Calcutta. 555.

*Livingstone v Rawyards Coal Co. 1880. 5 A.C. 25.

*Per R. P. Mookerjee J. in (1) supra.

*Nanee v British Columbia Electric Railway. 1951. A.C. 601.

A DITCHER'S DIARY

Bhutan and Sikkim are now being persuaded to look to India the way they should. That the methods employed in the process bear some resemblance to those seen before August, 1947, should cause nobody the slightest embarrassment. Plus ça change, plus c'est la même chose.

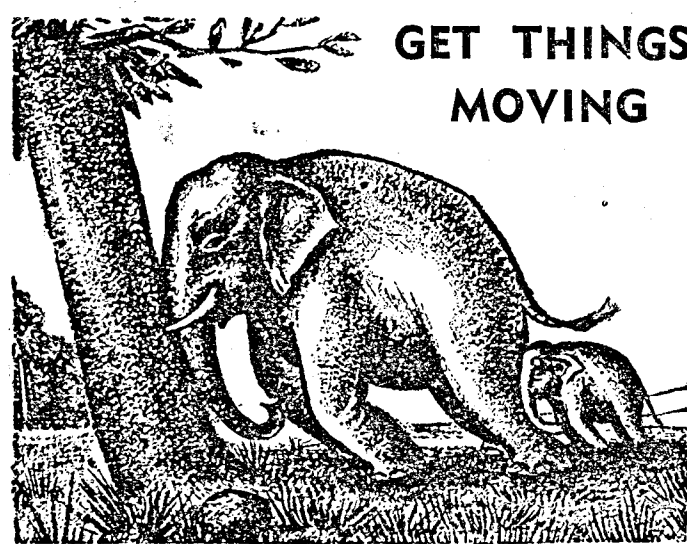
I can think of nothing more conducive to error and confusion than classifying one occupation as dignified and another as less so. On such judgments is the whole basis of class distinction, and therefore, conflict, based. The other day, an industrial labour tribunal was so rash as to accept the contention of the Madras Union of Journalists that the post of sub-editor is "a more dignified one" than that of reporter. I could not disagree more. Because reporters who are tired of the rough and tumble of a life dictated by the diary like to spend their declining years swinging in a sub-editor's chair, does not mean that they are graduating to a more dignified existence. While energy, initiative and originality are considered virtues in human beings, it can be said with safety that they are not. To my mind, the reporter has an altogether more dignified and worthy calling. On him the reputation of the paper for objectivity, adequate coverage and lively interest chiefly depends. And what does the sub-editor do: well, to quote a scribe whose name I do not remember: "He marks the type and ticks the caps for far better men." I read this some time ago in a British weekly journal which was attempting to review the changes in Fleet Street during the past twenty years or so. It did add that this had ceased to be true of sub-editors there; these have now developed into "bossy re-write men" whose task it is to dish up readers with "pre-digested pap"—hardly, I should say, a dignified occupation in spite of its status on present-day Fleet Street. Fortunately, that depressing state of affairs is still largely restricted to London journalism; it is unknown in the United States, for instance, where the reporter is by far the better paid, more respected character and sub-editors are exceedingly hard to come by. It is not my aim to demote the "sub". His job is an expert and vital one and we would be in a sorry state without him. What I am trying to do is to state that the reporter gets a fair trial at the bar of public opinion. Both callings tend to be as dignified as the ability and sense of responsibility of the incumbents contrive to make them. But to rank reporters permanently lower in the journalistic hierarchy is to confuse dignity with regular hours and shiny trousers.

There is nothing so valuable, or these days so rare, as good plain speaking. Statesmen cannot be relied on for it, and too many business men are apt to confuse the need for responsibility with their natural tendency to keep their own counsel and mind their own affairs. As for the journalists: Well, if a gold medal were awarded to every one who has written what he really feels about events in the past two months, it is unlikely there would be so much as a ripple on the world's bullion markets. Strangely enough, the London staff of the Daily Worker would probably be the best represented at the investiture. But one business man has just unburdened himself on the Suez crisis and seems to me to have talked more sense than most statesmen can claim. He is Sir William Currie, chairman of the P. & O., the group with the largest number of ships, after tankers, using the Canal. If others put sentiment before self-interest when judging President Nasser, Sir William does not. The dictator of Egypt has acted as dictators

will, without rhyme or reason, and has destroyed, temporarily, one of the world's arteries of commerce. He has seized the Suez Canal from its rightful owners and then blocked it in defiance of treaties and agreements. So says Sir William. One does not have to agree wholeheartedly with what he says to applaud his courage in saying it. There is so much conscience these days about colonialism, although Sir William is puzzled why there should be, that the world seems eager to forget that it was a piece of sheer brigandage that set the whole Suez business off. And although I do remember that Britain and France came in for much condemnation at the beginning when their action sank one ship in the Canal, the sinking of umpteen ships by the Egyptians has been accepted without comment. Sir William has an answer for those who say this had to be done because Egypt was attacked. The sinking, besides, of the Canal Company's ships and the wrecking of its workshops, he says, shows that spite was the real reason. It seems to me that whatever Egypt's grievances, she has no need to take it out on the rest of the world by objecting to the Canal being cleared. The way it was nationalised was, as Sir William put it, "armed robbery." To keep it closed now the fighting has stopped, cannot be justified on any grounds, certainly not defiance of colonialism. In the words of a recent Times editorial which Sir William quoted "It is all a matter of water. Let Russia or China or any other Power overrun, capture, dictate to, or even destroy any of its neighbouring countries and apparently all is well." Personally I am wondering how long this conscience about colonialism which, let us make no mistake about it, has played a major part in making the world a better place to live in, will long survive biased judgment of this kind.

I note that the Government has decided to ban the production and sale of horror comics. This has my entire approval. Such juvenile reading is known to have caused much teenage nuisance and even crime in the country of its origin, America, and has not been wholly without evil consequences in the U.K. In my boyhood, I did not read any horror comics for the simple reason there were none; so I can only wonder what effect they might have produced on my character and career if, like today's teddy-boys, I had been surfeited with them. But it is idle to speculate and, as it happens, I am quite content to clatter away on my typewriter week after week, instead of going out to cosh some luckless citizen or join a gang of house-breakers. One thing, however, strikes me. If by reading the ghost stories and fairy tales which were our staple literary fare as children, we have not grown, as I am perhaps justified in stating, into abnormally-terrified or ultra-romantic adults, why should today's children develop into delinquents and criminals? It makes me think that domestic training and social environment might have more to answer for than we in fact suspect. The modern father and mother are often both bread-winners, subject to the stresses of present-day industrial life: consequently children nowadays rarely get the attention at home that was once customary. Hence, the evil effects of horror comics which, I am afraid, are scarcely counteracted by the well-meaning, moralising comic strips published by the average newspaper in this country. Why do I say this? Because, I find that most of these are done with such conspicuous incompetence, artistic as well as literary, that they usually repel instead of attract children's interest. Now that horror comics are banned, it is to be hoped that some of the skill that has hitherto gone into them will find its way into the comic strips.

THE DITCHER.



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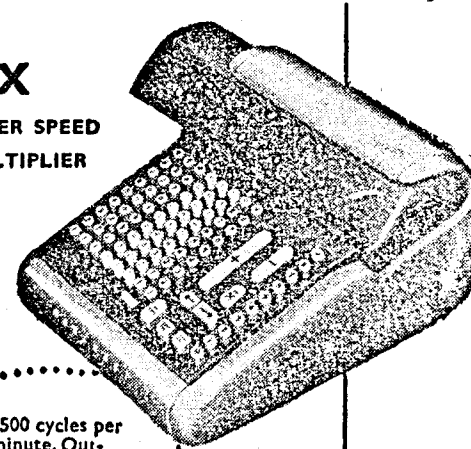
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A copy of this Offer for Sale, having attached to it the documents required by Section 60 of the Companies Act, 1956, and specified below, has been delivered for registration to the Registrar of Companies, Bombay.

Consent of the Government of India has been obtained to this Offer by an Order, of which a complete copy is open to inspection at the Registered Office of the Company. It must be distinctly understood that in giving this consent the Government of India do not take responsibility for the financial soundness of any schemes or for the correctness of any of the statements made or opinions expressed with regard to them.

The Application List for the ordinary shares now offered for sale (including the shares preferentially offered to the employees of Hindustan Lever Limited as mentioned below) will open at 10-30 a.m. on the 3rd day of December, 1956, and will close at 3 p.m. on the 5th day of December, 1956, or later, at the discretion of the Offeror.

HINDUSTAN LEVER LIMITED

(FORMERLY LEVER BROTHERS (INDIA) PRIVATE LIMITED)

(Incorporated on 17th October, 1933, under The Indian Companies Act, 1913)

SHARE CAPITAL

Authorised:

Rs. 5,57,00,000 in 55,70,000 Ordinary Shares of Rs. 10 each Rs. 5,57,00,000

Issued and fully paid:

Unilever Limited, London (sometimes referred to in this Offer for Sale also as "the Offeror") is the beneficial owner of the whole of the issued capital of the Company which, with the exception of seven shares, is registered in their name.

LOAN CAPITAL

The Company has created no mortgage or debentures and has no other loan capital.

The Company has bank overdraft facilities secured by guarantee by Unilever Limited or by hypothecation of stock in trade, but on 31st October, 1956, no amount was outstanding. The Company has a current account with Unilever Limited and from time to time is indebted for goods and services supplied in the normal course of the Company's business. On 31st October, 1956, this account showed an amount due by the Company to Unilever Limited of Rs. 21,19,922.

OFFER FOR SALE

OF

5,57,000 ORDINARY SHARES OF Rs. 10 each fully paid

at Rs. 16-8-0 per share (including a premium of Rs. 6-8-0) payable in full on application.

Unilever Limited invite applications for the purchase from them of the above shares.

In addition to paying the purchase price to Unilever Limited the purchaser (or transferee) will have to bear the stamp duty on the transfer of the shares from Unilever Limited.

Applications must be made on the official form and in the case of applications from the public must be forwarded to the brokers to the Offer named below or to any of the branches of the National Bank of India Limited at the addresses stated on the application form.

It is intended to reserve a maximum of 55,700 (i.e. 10%) of the above 5,57,000 shares for offer in the first instance to the employees of Hindustan Lever Limited at the above price of Rs. 16-8-0 per share (including a premium of Rs. 6-8-0) payable in full on application. Applications from employees for these shares must be made on BLUE application forms and must be for 25 or 50 shares only.

Applications for the shares offered for sale to the public must be made on WHITE application forms and must be for 50 shares or a multiple thereof.

Any of the shares reserved for the employees of Hindustan Lever Limited which are not purchased by them will be available to meet applications from the public.

The shares offered for sale will rank for any dividends which may hereafter be declared.

DIRECTORS

ANDREW JOHN CHANDOS HOSKYN-ABRAHALL, Gold Croft, Bhulabhai Desai Road, Bombay, Company Director (Chairman).

STEPHEN HENRY TURNER, Everest House, Carmichael Road, Bombay, Technical Director (Vice-Chairman).

KALYAN SUNDAR BASU, Revills, Cuffe Parade, Bombay, Personnel Director.

KANIANTHRA THOMAS CHANDY, 10-A, Mount Mary Road, Bandra, Bombay, Company Director (Secretary).

DAVID ALEXANDER ORR, Javeri Mansions, Little Gibbs Road, Bombay, Marketing Director (Soaps).

PRAKASH LAL TANDON, Dakshin Pali, D'Monte Park, Bandra, Bombay, Co-ordinating Director.

REGINALD JAMES WHEELER, Kamani House, Pedder Road, Bombay, Financial Director.

MAURICE ZINKIN, Revills, Cuffe Parade, Bombay, Marketing Director (Foods).

BANKERS

Bankers to the Company

STATE BANK OF INDIA, Apollo Street, Bombay.

NATIONAL BANK OF INDIA LIMITED, Mahatma Gandhi Road, Bombay.

BANKERS TO THE OFFER

NATIONAL BANK OF INDIA LIMITED, Mahatma Gandhi Road, Bombay.

SOLICITORS

To the Company and the Offer

CRAWFORD BAYLEY & COMPANY, State Bank Buildings, Bank Street, Bombay.

AUDITORS

A. F. FERGUSON & COMPANY, Chartered Accountants, Allahabad Bank Building, Apollo Street, Bombay.

BROKERS TO THE OFFER

Managing Brokers

BATLIVALA & KARANI, Union Bank Building, Dalal Street, Bombay-1.

PREMCHAND ROYCHAND & SONS, 63, Apollo Street, Bombay-1.

Calcutta Brokers

PLACE, SIDDON & GOUGH, 6, Lyons Range, Calcutta.

Madras Brokers

KOTHARI & SONS, Oriental Buildings, Armenian Street, Madras.

REGISTERED OFFICE

Scindia House, Dougall Road, Ballard Estate, Bombay.

HISTORY

The Company was incorporated in India as a private company on 17th October, 1933, under The Indian Companies Act, 1913, with the name Lever Brothers (India) Limited. Shortly after incorporation the Company took over the Lever soap business established in India in the nineteenth century by Lever Brothers of Port Sunlight, Cheshire, since when the Company has carried on business continuously.

On 8th October, 1956, but with effect from the close of business on 31st December, 1955, by virtue of Orders of the Bombay High Court the Company was amalgamated under Sections 391 and 394 of the Companies Act, 1956, with the undenoted Companies whose assets thereby vested in the Company subject to their liabilities, duties and covenants:—

- (1) THE HINDUSTAN VANASPATI MANUFACTURING COMPANY PRIVATE LIMITED (Sometimes referred to in this Offer for Sale also as "HVM")
- (2) WILLIAM GOSSAGE & SONS (INDIA) PRIVATE LIMITED
- (3) JOSEPH CROSFIELD & SONS (INDIA) PRIVATE LIMITED

These companies (hereinafter collectively referred to as "the merged companies") have now ceased to exist. Previously they were closely associated with the Company all being wholly owned subsidiaries of Unilever Limited. Since the amalgamation the Company has been carrying on the combined business comprising the manufacture and sale of soaps, detergents, toilet preparations and glycerine, together with vanaspati, margarine, edible oils and oil cake, formerly products of HVM which since 1932 has been the largest producer of its kind in India.

Following the amalgamation, the Company was converted to a public company on 27th October, 1956 and changed its name to Hindustan Lever Limited on 1st November, 1956.

BUSINESS

The Company's main aim has always been to sell good quality products at fair prices. Its products now include SUNLIGHT and LIFEBOUY soaps, LUX toilet soap, LUX soap flakes, RINSO soap powder, VIM scouring powder, DALDA and LOTUS brands of vanaspati, BLUE BAND and other margarines, and MARVO cooking medium. The rights in India to all the trade marks applied to these products are the property of the Company. The Company has arrangements with companies of the Unilever Group outside India by which it manufactures and sells their products in India for its own account; these products include PEARS transparent soap and talcum powder, REXONA toilet soap, BREEZE toilet soap, ERASMIC shaving stick, and shaving cup soap, HIMALAYA BOUQUET toilet and talcum powder, PEPSODENT and GIBBS S.R. toothpastes and GIBBS dentifrice, CALIFORNIAN POPPY hair oil and ERASMIC coconut hair oil. The Company also produces industrial and B.P. quality glycerine which it sells under its trade marks PYRAMID and WHEEL. The Company also sells the soapless detergent powder SURF; supplies of this product are at present imported from the United Kingdom, but local manufacture is planned.

The Company's products are distributed throughout India. The Company's sales offices in Bombay, Calcutta, Delhi and Madras and its depots at Gauhati, Cochin and Bangalore deal directly with over 13,000 wholesalers and stockists in over 3,000

HINDUSTAN LEVER LIMITED—Cont'd.

towns. The Company's 375 salesmen are in touch with about 2,00,000 shops that deal in the Company's products.

As a member of the Unilever Group, the Company has access to Unilever's international knowledge and experience of the manufacture and marketing of detergents, edible fats and toilet preparations. To a great extent because of its membership of the Group, the Company has made a valuable contribution to the development of the soap and vanaspati industries in India and continues to do so.

The basic raw material of the Company's soap and vanaspati manufacturing businesses is vegetable oil. The quantities (to the nearest thousand tons) of such oil processed by the Company and by HVM whose business is now amalgamated with the Company, during each of the five years ended 31st December, 1955, are given below; a predomi-

nant part—about 88% in 1955—is purchased within India.

	1951	1952
81,000 tons	81,000 tons	91,000 tons
89,000 tons	89,000 tons	97,000 tons
1,04,000 tons	1,04,000 tons	1,04,000 tons

PERSONNEL

For many years the training of Indian employees for higher posts, whether technical or commercial, has been an important part of the Company's policy and selected personnel are sent overseas for special courses of instruction and for observation of advanced practices. More than 85% of the managerial staff are Indians.

In recent years during which relations between employers and workers in all industries have been subjected to many strains and stresses the Company has been loyally served by its workers and has on

its part endeavoured to think and act progressively in all matters pertaining to wages, conditions of work, retirement provisions and welfare. The wages and salaries paid by the Company have been acknowledged on several occasions by Labour Tribunals as the highest in the industry.

The number of people employed by the Company exceeds 6,000.

SUBSIDIARIES

The Company has four wholly owned subsidiaries. They are:—

United Traders Private Limited and Van der Berghs (India) Private Limited, neither of which are trading at present, and

Lever's Associated Trust Private Limited and Levindra Trust Private Limited, both of which are trust companies managing the Provident Fund of the Company's employees.

FACTORIES

Situation and Address	Approximate Area Acres	Nature of Tenure	Main Products
Haji Bunder, Sewri, Bombay.	24.0	Leasehold To 1983 with option for renewal to 2032	Soap, toilet preparations, glycerine vanaspati, margarine and oil cake.
Garden Reach, Calcutta.	3.4	Leasehold To 2008	Soap, toilet preparations and glycerine.
Athpur, Sharnagar, W. Bengal.	9.0	Freehold	Vanaspati.
Grand Trunk Road, Ghaziabad, U.P.	15.2	Freehold	Vanaspati.
Edamalaipatti Pudur, Tiruchirappalli, S. India.	19.7	Freehold	Vanaspati.
	39.5	Freehold	Vanaspati.

The Factories are well situated for the purposes of securing regular supplies of raw materials and ensuring efficient distribution of manufactured products to all parts of the country. They are equipped with modern plant and machinery, adequately provided with railway sidings, water and power and are maintained in good working condition.

Negotiations have been completed for acquiring a lease from the Government of Bombay of a site of about 0.9 of an acre in the area known as Back Bay Reclamation on which the Company proposes to erect a Head Office building to house members of its staff at present dispersed over five buildings in Bombay City.

AUDITORS' REPORT

The following is a copy of the Report received from the Company's Auditors, Messrs. A. F. Ferguson & Company:—

The Directors,
Unilever Limited,
Blackfriars,
London, E. C. 4, England.
Gentlemen,

Bombay, 12th November, 1956.

We have examined the audited accounts for the five years to 31st December, 1955, of Hindustan Lever Limited (formerly Lever Brothers (India) Private Limited) and those of its subsidiary companies at that date, all of which were wholly owned, namely:—

United Traders Private Limited
Lever's Associated Trust Private Limited
Levindra Trust Private Limited

and those of the following companies (hereinafter collectively referred to as "the merged companies"), whose assets and liabilities were on 8th October, 1956, transferred to Hindustan Lever Limited, namely:—

The Hindustan Vanaspati Manufacturing Company Private Limited (hereinafter referred to as "HVM")
Joseph Crosfield & Sons (India) Private Limited
William Gossage & Sons (India) Private Limited

We have also examined the audited accounts of Van den Berghs (India) Private Limited which was wholly owned subsidiary of HVM but which, on 8th October, 1956, on the abovementioned transfer of assets and liabilities, became a wholly owned subsidiary of Hindustan Lever Limited.

We have also examined the audited accounts of the following companies (hereinafter referred to as "the liquidated companies"), for the four years to 31st December, 1954, and the period to 27th July, 1955, namely:—

The North West Soap Company Private Limited
The Premier Soap Company of India Private Limited

which, as wholly owned subsidiaries of Hindustan Lever Limited, went into voluntary liquidation on 28th July, 1955, and held their final meetings in the liquidations on 23rd October, 1956.

Throughout the years under review we have acted as auditors of all the above companies.

No audited accounts of any of the above companies have been made up since 31st December, 1955.

1. PROFITS

We report that the combined profits of Hindustan Lever Limited, its subsidiary companies as at 31st December, 1955, and the liquidated companies, and the profits of each of the merged companies, (in the case of HVM, combined with those of its former subsidiary company), all arrived at on the basis set out below, were as follows:—

Year ended 31st December	Hindustan Lever Limited and its subsidiary companies	HVM and its subsidiary company	Joseph Crosfield & Sons (India) Private Limited	William Gossage & Sons (India) Private Limited	AGGREGATE		
	Profits before taxation	Profits before taxation	Profits before taxation	Profits before taxation	Profit before taxation	Taxation as defined in (ii) below	Profit after taxation
Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1951	1,28,85,262	11,67,798	35,228	37,766	1,41,26,054	61,36,005	79,90,049
1952	1,80,39,423	4,52,080	36,087	39,961	1,85,67,551	80,65,280	1,05,02,271
1953	1,64,71,799	82,80,750	35,753	39,170	2,48,27,472	1,07,84,433	1,40,43,039
1954	1,71,65,259	(53,31,230) Loss	35,758	38,052	1,19,07,839	51,72,468	67,35,371
1955	1,90,86,815	57,34,820	36,569	39,509	2,48,97,713	1,08,14,944	1,40,82,769

(i) The profits shown in columns 2 to 6 inclusive have been arrived at after charging all expenses of working and management, interest, and depreciation and after making such adjustments as are in our opinion necessary. Depreciation has been charged throughout the five years on a consistent basis and, in aggregate, exceeds the total income-tax allowances exclusive of initial allowances and development rebates.

(ii) The taxation shown in column 7 has been calculated on the profits shown in column 6 at the rate of 6.95% as in the rupee. This is the combined rate of income-tax and super-tax applicable to the profits of the companies for each of the years under review before taking into account the effect of dividend distributions out of such profits. In respect of 1955 the Finance Act 1956, imposed on companies taxation additional to the basic rate of 6.95% as to the extent that dividends declared during 1955 exceeded 6% of issued capital. On the basis of the Finance Act, 1956, and the present issued capital, the additional taxation payable by Hindustan Lever Limited in future years will be as follows:—

On the first Rs. 33,42,000 of dividends	Nil
On the next Rs. 22,28,000 of dividends	2 as in the rupee
On the balance of dividends over Rs. 55,70,000	3 as in the rupee

HINDUSTAN LEVER LIMITED—Cont'd.

The aggregate actual taxation paid or calculated as payable by Hindustan Lever Limited, its subsidiaries and the merged companies is as follows:—

Year ended 31st December	Rs.
1951	60,74,497
1952	75,94,460
1953	90,12,026
1954	80,44,480
1955	1,38,42,031

2. DIVIDENDS

The following rates of dividend were paid in respect of the five years to 31st December, 1955, by Hindustan Lever Limited and the merged companies:—

The capital of each company consisted wholly of fully paid ordinary shares of Rs. 10 each								
Year ended 31st December	Hindustan Lever Limited		HVM		Joseph Crosfield & Sons (India) Private Limited		William Gossage & Sons (India) Private Limited	
	Paid up Cap. Rs. Lakhs	Rate %	Paid up Cap. Rs. Lakhs	Rate %	Paid up Cap. Rs. Lakhs	Rate %	Paid up Cap. Rs. Lakhs	Rate %
1951	138	Nil	133	Nil	0.8	Nil	3.2	Nil
1952	200	Nil	133	Nil	0.8	Nil	3.2	Nil
1953	200	25	133	Nil	0.8	200	3.2	50
1954	200	55	133	30.075	0.8	Nil	3.2	Nil
1955	200	37.5	133	50	0.8	56.25	3.2	18.75

3. NET ASSETS

The net assets, based on the audited balance sheets as at 31st December, 1955, of Hindustan Lever Limited, its subsidiary companies at that date, each of the merged companies, and Van den Berghs (India) Private Limited at that date a subsidiary company of HVM, after making such adjustments as we consider necessary, were as follows:—

	Hindustan Lever Limited	The subsidiary companies of Hindustan Lever Limited	HVM	Van den Berghs (India) Private Limited, a subsidiary company of HVM	Joseph Crosfield & Sons (India) Private Limited	William Gossage & Sons (India) Private Limited	AGGREGATE
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Trade Marks & Goodwill	3,00,316			1,900	71,048	2,50,000	6,23,264
Fixed Assets							
At original cost plus increase on revaluation as at 1st January, 1950, less depreciation to 31st December, 1955	2,76,17,667		72,89,600				3,49,07,267
Current Assets							
Stock and stores	2,25,85,023	27,46,880	1,20,28,888				3,73,60,791
Debtors and advances	65,77,204	10,03,853	58,22,745				1,34,03,802
Cash and bank balances	58,11,379		2,23,536				60,34,915
	3,49,73,606	37,50,733	1,80,75,169				5,67,99,508
Current Liabilities							
Creditors	(74,30,359)	(5,20,974)	(71,72,627)	(285)	(125)	(775)	(1,51,25,145)
Taxation	(46,18,985)		(26,16,036)	(351)	(7,792)	(8,994)	(72,52,158)
Bank overdrafts	(863)	(2,52,453)	(9,78,841)				(12,32,157)
	(1,20,50,207)	(7,73,427)	(1,07,67,504)	(636)	(7,917)	(9,769)	(2,36,09,460)
Net Current Assets	2,29,23,399	29,77,306	73,07,665	(636)	(7,917)	(9,769)	3,31,90,048
Subsidiary and Associated Companies							
Investments in subsidiary companies are represented by the net assets of—	Col. 2		Col. 4				
Intercompany indebtedness: Parent/subsidiaries	(5,89,297)	5,89,297	(591)	591			
Hindustan Lever Ltd/merged companies	(99,49,826)		98,53,188		16,869	79,769	
Unilever Limited	91,15,396		*(48,18,432)				
	(14,23,727)	5,89,297	50,34,165	591	16,869	79,769	42,96,964
Total Net Assets	Rs. 4,94,17,655	Rs. 25,66,603	Rs. 1,96,31,430	Rs. 1,855	Rs. 80,000	Rs. 3,20,000	Rs. 7,30,17,543

Figures in brackets represent liabilities.

*This represents a net dividend declared on 22nd February 1956 in respect of 1955.

We are, gentlemen,

Yours faithfully,
A. F. FERGUSON & CO.,
Chartered Accountants.

PROSPECTS

The consumption of products of the types manufactured by the Company is likely to increase as the standard of living is raised. The Company expects to win a fair share of any increased prosperity that may accrue to the industries concerned.

Assuming a continuance of present rates of taxation the Directors estimate that the consolidated net profit of the Company and its subsidiaries for the year ending 31st December, 1956 (after taking into account taxation of Rs. 108 lakhs of which Rs. 19½ lakhs is in respect of the capitalisation of

Rs. 157 lakhs of profits on 11th October, 1956) will not be less than Rs. 90,00,000. On the 1st November, 1956 the Company paid an interim dividend of 8 annas per share absorbing Rs. 27,85,000. If the estimated net profit is realised and there is no substantial change in trading conditions the Directors would expect to recommend that a final dividend for the year 1956 of 6 annas per share, free of income tax, be paid before the end of May 1957.

For the future it is the intention of the Directors (in the absence of unforeseen circumstances) to recommend the distribution of a large part of the Company's profits by way of dividend. For

example, if the estimated level of profit for 1956 is maintained and there is no substantial change in rates of taxation or trading conditions, the Directors would expect to recommend for the year ending 31st December, 1957 a total dividend of not less than Rs. 1-6-0 per share free of income tax. On the sale of the shares now offered the Company will become a Company to which Section 23A of The Income Tax Act, 1922 applies.

As will be seen from the Auditors' Report one of the merged companies (HVM), the business of which is now carried on by the Company and is primarily concerned with the manufacture and sale

HINDUSTAN LEVER LIMITED—Cont'd.

of vanaspati, incurred a loss in 1954. In that year the price of Indian groundnut oil fell heavily. The profits of this particular business—as indeed of the Vanaspati industry as a whole—are governed to a great extent by price fluctuations in the Indian groundnut oil market. These fluctuations in recent years have been very wide.

STATUTORY AND OTHER INFORMATION

The Offeror was the promoter of the Company but no sum was paid to the Offeror for its services as promoter.

During the two years preceding the date hereof the Company issued 20,00,000 Ordinary Shares of Rs. 10 each credited as fully paid to Unilever Limited in consideration of the vesting in the Company of the assets of the merged companies and it also issued during this period 15,70,000 Ordinary Shares of Rs. 10 each credited as fully paid to Unilever Limited by capitalising Rs. 1,57,00,000 of profits standing to the credit of general reserve.

No amount has been paid to the Company by way of premium on any shares within the two years preceding the date hereof.

Apart from the dividends referred to in the report of the auditors, the shares above referred to, the sum of Rs. 5,22,590 being remuneration paid to the directors and secretary of the Company and the sum of Rs. 2,84,43,747 being payments made to or to be made to Unilever Limited for goods and services in the ordinary course of the Company's business, no amount or benefit has been paid or given within the two years preceding the date hereof to the promoter or any officer of the Company. It is not intended that the Company should pay or give to the promoter any amount or benefit other than such amounts as may become payable to the promoter in the ordinary course of the Company's business. It is not intended to pay or give any amount or benefit to any officer of the Company other than normal remuneration.

Except as beneficial owner of the whole of the Company's issued share capital and as a creditor of the Company from time to time in the normal course of the Company's business, the Offeror has no interest in the profits or property of the Company. The other members of the Company have no beneficial interest in the profits or property of the Company.

Since incorporation the Company has capitalised profits standing to the credit of general reserve (including the Rs. 1,57,00,000 referred to above) as follows: 20th March, 1937 Rupees Six Lakhs; 29th December, 1937 Rupees Eleven Lakhs; 22nd July, 1939 Rupees Three Lakhs; 20th August, 1940 Rupees Two Lakhs; 17th November, 1942 Rupees One Lakh; 6th September, 1943 Rupees Six Lakhs; 10th February, 1945 Rupees Thirteen Lakhs; 7th September, 1945 Rupees Twelve Lakhs; 24th December, 1946 Rupees Six Lakhs; 31st December, 1951 Rupees Fifty Lakhs; 22nd August, 1952 Rupees Sixty-two Lakhs; 11th October, 1956 Rupees One Hundred and Fifty Seven Lakhs. The Company applied the amounts capitalised in paying up in full ordinary shares of the Company of Rs. 10 each of a nominal amount equal to the profits capitalised. All the shares were allotted to the Offeror or its nominees, or subsidiaries of the Offeror incorporated in the United Kingdom or their nominees.

The Company has not issued any redeemable preference shares and does not at the present time intend to do so.

The premium receivable on the shares now offered for sale will be retained by the Offeror. No part of the proceeds of this Offer for Sale is receivable by the Company. The Offeror will pay all the expenses in connection with this Offer for Sale except the stamp duty on the transfers from the Offeror to the persons in whose names the shares are registered which will be payable by those persons. The Offeror will also pay brokerage as indicated below. The total expenses, including brokerage, payable, by the Offeror are estimated to be Rs. 3,50,000.

No commission (except brokerage as hereinafter mentioned) was paid during the two years preceding the date hereof or is payable to any person in consideration of his subscribing or agreeing to subscribe or procuring or agreeing to procure subscriptions for shares in the Company.

All the directors are whole-time directors and are not required to hold any qualification shares.

No director had any interest in the promotion of the Company and neither the promoter nor any director has any interest in any property acquired by the Company within the two years preceding the date hereof or proposed to be acquired by it other than the promoter's interest as a member of the Company and beneficial owner of the whole of its share capital.

No sums have been paid or agreed to be paid to any director in cash or shares or otherwise by any person to induce him to become or to qualify him as a director or otherwise or for any other purpose whatsoever for services rendered by him in connection with the promotion of or formation of the Company.

Mr. A. J. C. Hoskyns-Abraham is the beneficial owner of £200 Unilever Limited 8% Cumulative 'A' Preference Stock.

The Articles of Association of the Company contain provisions to the following effect:—

- The profits of the Company which shall from time to time be determined to be divided shall be divisible among the members in proportion to the capital paid up on the shares held by them respectively.
- Unless otherwise determined by a general meeting the number of directors shall not be less than three and not more than eleven.
- The directors including the Managing Director, if any, shall be paid out of the funds of the Company by way of remuneration for their services such sums as the Company in general meeting may from time to time determine, and such remuneration shall be divided among them in such proportions and manner as the Directors may determine, and, in default of such determination within the year by the Chairman, if any Director shall be called upon to perform extra services or make special exertions or efforts the Board may arrange with such Director for such special remuneration for such extra services or special exertions or efforts either by a fixed sum or otherwise as may be determined by the Board and such remuneration may be either in addition to or in substitution for his normal remuneration. A Director who is not a resident of Bombay City may be paid such sum as the Board may consider fair compensation for travelling, boarding, lodging and other expenses incurred in attending meetings of the Board in that City. If any Director is called upon to go or reside out of Bombay City on the Company's business, he shall be entitled to be repaid any travelling or other expenses incurred by him in connection with the business of the Company.

(d) Save as required by the Companies Act, 1956, no restrictions are imposed by the Articles of Association on the Directors' powers of management and the control of the Company's affairs is vested by the Articles of Association in the Directors.

(e) Subject to the provisions of the Companies Act 1956, the Board may appoint from time to time any one of its number as Managing Director of the Company for a fixed term not exceeding five years at a time upon such conditions as it thinks fit and may vest in such Managing Director such of its powers as it thinks fit and such powers may be made exercisable for such period or periods, and upon such conditions and subject to such restrictions as it may determine. The remuneration of the Managing Director shall be determined in the same manner as that of a Director.

The Board has not appointed a Managing Director and it is not its present intention to do so.

(f) The Directors may from time to time at their discretion raise or borrow or secure

the payment of any sum or sums of money for the purposes of the Company. Provided, however, where the moneys to be borrowed together with the moneys already borrowed (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) exceed the aggregate of the paid up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) the Board shall not borrow such moneys without the consent of the Company in General Meeting. The provisions of the Articles of Association relating to borrowing are qualified by the relevant provisions of the Companies Act, 1956.

(g) Every Officer or agent of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application under Section 693 of the Companies Act, 1956, in which relief is granted to him by the Court.

(h) Save as hereinafter mentioned in regard to joint-holders, on a show of hands every member who (being an individual), is present in person or (being a corporation) is present by a representative, shall have one vote. Upon a poll every member who (being an individual) is present in person or by proxy or (being a corporation) is present by a representative or proxy shall be entitled to one vote for each share held by him. No person may vote in person or by proxy if there remains unpaid any call or other sum due on any of his shares.

(i) If there be joint registered holders of any shares, any one of such persons may vote at any meeting either personally or by proxy in respect of such shares, as if he were solely entitled thereto, provided that if more than one of such joint-holders be present at any meeting either personally or by proxy, that one of the said persons so present whose name stands higher on the Register of Members shall alone be entitled to vote in respect of such shares, but the other or others of the joint-holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name shares stand shall for the purpose of the Articles be deemed joint-holders thereof.

(j) The Articles of Association contain no restriction on the transfer of fully paid up shares. The Directors may decline to register a transfer of any partly paid shares to a person of whom they do not approve and may also decline to register a transfer of partly paid shares on which the Company has a lien.

(k) The special rights attaching to any class of shares may be varied, modified, commuted, affected, abrogated or dealt with by any agreement between the Company and any person purporting to contract on behalf of that class provided that such an agreement is ratified in writing by the holders of at least three-fourths in nominal value of the issued shares of that class or is confirmed by a resolution passed at a separate General Meeting of the holders of shares of the class and supported by the votes of the holders of at least three-fourths of the shares of that class.

MAIN OBJECTS

The main objects of the Company include the manufacture and sale of soap, soap powders, detergents, toilet requisites, vanaspati, margarine, edible oils, cattle food and foods of all kinds.

All the objects of the Company are in law main objects and therefore a copy of the objects clause of the Company's Memorandum of Association is annexed hereto and forms part of this Offer for Sale.

CONTRACTS

The following contracts, not being contracts entered into in the ordinary course of business, which are or may be material have been entered into by the Company during the two years preceding the date hereof:—

No.	Date	Particulars
1	2nd May, 1955	Assignment of the Trade Mark "Breeze" registered in India under No. 128300 to Erasmic Company Limited of Unilever House, London.
2	1st February, 1956	Assignment of the Trade Mark "Bris" registered in India under No. 163139 to Erasmic Company Limited of Unilever House, London.
3	12th November, 1955 to 18th September, 1956	Correspondence between the Company and the Government of Bombay by which the latter has accorded sanction to the grant of a lease of a site at Backbay Reclamation, Bombay of approximately 4258 sq. yards for a period of 99 years at a ground rent of Rs. 12 As. 8 per sq. yd. on condition that the Company erects thereon an Office Building of not less than Rs. 12 lakhs in value within the first four years of the said lease.
4	27th September, 1956	Agreement between the Company and its workmen employed in its factories at Sewri, Bombay, represented by Lever Brothers Employees' Union, Bombay, fixing generally the terms and conditions of employment for the years 1955 to 1960 both inclusive, and in particular fixing pay-scales, dearness allowance, grading of hourly-rated jobs, provident fund, gratuity and incentive payment and bonus.
5	10th October, 1956	Resolution passed by the Company in general meeting on 10th October, 1956, voting as the annual remuneration of all the Directors collectively a sum not exceeding Rs. 8 lakhs to be apportioned among them as they may determine.

UNDERWRITING

This Offer is not being underwritten.

APPLICATIONS FROM THE PUBLIC, which must be for 50 shares or a multiple thereof must be made on the official WHITE application form and will be declined if not so made. WHITE application forms, together with a remittance for the full amount payable on application, should be sent to any of the branches of the National Bank of India Limited, or to the Brokers to the Offer, at the addresses as given on the application form. A separate remittance must accompany each form.

APPLICATIONS FROM THE STAFF OF HINDUSTAN LEVER LIMITED for the shares reserved in the first instance for them, and which must be for either 25 or 50 shares, must be made on the official BLUE application form and will be declined if not so made. These forms are obtainable only from the offices of Hindustan Lever Limited.

HINDUSTAN LEVER LIMITED—Cont'd.

mentioned in the last paragraph of this Offer for Sale. BLUE application forms, together with a remittance for the full amount payable on application, should be sent to the Secretary of Hindustan Lever Limited at Scindia House, Dougall Road, Ballard Estate, Bombay. A separate remittance must accompany each form.

All remittances should be made by cheque or draft drawn on a bank in any one of the following towns, Bombay, Calcutta, Madras, Bangalore, Amritsar, Cawnpore, Delhi, New Delhi, Tuticorin, Cochin. Application forms sent with cheques or drafts drawn on banks in towns other than those stated above may be refused.

Cheques or drafts should be made payable to "National Bank of India Limited A/c Unilever" and should, for the applicant's protection, be crossed "A/c Payee only".

The Offeror reserves the full and uncontrolled right of accepting or rejecting any application in whole or in part. Where an application is rejected or not accepted in full, the whole or the balance of the applicant's remittance will be returned, in which event bank commission, if any, will be payable by the applicant.

Acceptance will be notified by the despatch of a definitive share certificate in the name of Unilever Limited together with a blank transfer executed by that company or on its behalf as transferor. These documents will be sent by registered post at the risk of the applicant. The Company has agreed to waive the transfer fee for the registration of such transfers from the Offeror.

A brokerage of 4 annas per share will be paid by the Offeror to the Managing Brokers in respect of all acceptances. The Managing Brokers will pay 2 annas per share to Certified Brokers of any recognised stock exchange and to the National Bank of India Limited on the basis of acceptances of applications received and bearing their stamp in addition to the 2 annas per share, the Managing

Dated at Bombay this seventeenth day of November, 1956.

A. J. C. HOSKYN-ABRAHALL
S. H. TURNER
K. S. BASU
K. T. CHANDY
D. A. ORR

For A. M. KNOX
(Director of Unilever Limited)
S. H. TURNER
Constituted Attorney

R. J. WHEELER
M. ZINKIN
For P. L. TANDON
K. T. CHANDY
Constituted Attorney

For UNILEVER LIMITED
A. J. C. HOSKYN-ABRAHALL
Constituted Attorney

Brokers will pay to Messrs. Place, Siddons & Gough, Messrs. Kothari & Sons and the National Bank of India Ltd. remuneration for any additional services rendered by any of them to and at the request of the Managing Brokers.

The consent in writing of the above-mentioned Bankers, Solicitors and Brokers to act in their respective capacities has been obtained and none of them has withdrawn their consent to the issue of this Offer for Sale. Messrs. A. F. Ferguson & Co. have also given and have not withdrawn their written consent to the issue of this Offer for Sale with their Report included in the form and context in which it is included.

The foregoing written consents, copies of the contracts numbered one to five above and the written statement of the adjustments made by the Auditors in arriving at the figures shown in their Report and giving the reasons therefor have been attached to the copy of the Offer for Sale, which has been delivered to the Registrar of Companies, Bombay, for registration.

The documents mentioned below may be inspected at the Registered Office of the Company, Scindia House, Dougall Road, Ballard Estate, Bombay, during usual business hours (excluding Saturdays) until the Application List has been closed.

- (1) The Memorandum and Articles of Association of the Company.
- (2) Copies of the Contracts numbered one to five above.
- (3) Copy of the order of the Central Government giving consent to the Offer for Sale.
- (4) Copy of the order dated 8th October, 1956, of the High Court of Judicature at Bombay under Sections 391 and 394 of the Companies Act, 1956, vesting the assets (subject to the liabilities, duties and covenants)

of The Hindustan Vanaspathi Manufacturing Company Private Limited, in the Company.

- (5) Copy of the order dated 8th October, 1956, of the High Court of Judicature at Bombay under Sections 391 and 394 of the Companies Act, 1956, vesting the assets (subject to the liabilities, duties and covenants) of Joseph Crosfield & Sons (India) Private Limited, in the Company.
- (6) Copy of the order dated 8th October, 1956, of the High Court of Judicature at Bombay under Sections 391 and 394 of the Companies Act, 1956, vesting the assets (subject to the liabilities, duties and covenants) of William Gossage & Sons (India) Private Limited, in the Company.
- (7) The original Report of Messrs. A. F. Ferguson & Co., as set out herein and a copy of their statement as to the adjustments made by them in arriving at the figures shown in their Report and giving the reasons therefor.
- (8) Copies of the balance sheets and profit and loss accounts upon which the Report of Messrs. A. F. Ferguson & Co., Bombay, is based for the 5 years ended 31st December, 1955.

Copies of the Offer for Sale and WHITE application forms may be obtained by the public from all Indian branches of the National Bank of India Limited and from the Brokers. Copies of the Offer and BLUE application forms may be obtained by the staff from the Registered Office of the Company at Scindia House, Dougall Road, Ballard Estate, Bombay, and from the Company's offices at 4, Lyons Range, Calcutta; 12/1 Delhi-Aimeri Gate Scheme, Delhi; 11/14 Armenian Street, Madras; Mattancherry Main Road, Cochin; 2 Central Street, Bangalore; Athgaoon Road, Gauhati; Grand Trunk Road, Ghaziabad; Edamalaipatti, Pudur, Tiruchirappalli.

For THE LORD HEYWORTH
(Director of Unilever Limited)
A. J. C. HOSKYN-ABRAHALL
Constituted Attorney

NATIONAL INSURANCE COMPANY LIMITED

MR. LAKSHMIPAT SINGHANIA ON THE FUTURE OF INDIAN INSURANCE

LIFE INSURANCE PLAYING A GREAT PART IN COLLECTION OF SMALL SAVINGS AND UTILISING THE SAME IN NATION BUILDING

Addressing the Forty-ninth Annual General Meeting of the National Insurance Company Limited, on 27th November, 1956, the Chairman, Mr. Lakshmi Pat Singhania, said:—

Gentlemen,

I welcome you to this meeting with a mixed feeling. This year embarks a new era in your company's future on account of the rational changes brought about by the nationalisation of life insurance which has been conducted for the last 50 years. Actually, the company had completed its half a century's public service when it handed over the life business to the State this year. The nationalisation of Insurance has opened a new chapter in the history of insurance in India which will now be carried by the State Sector. Your company will henceforth confine its activities only to general business like, fire, marine, accident, guarantee, motor accident, etc.

Events happening in the world today are beyond the expectations of all peace loving nations, specially India, which has worked so hard during the last 10 years, ever since becoming free to bring about world peace. So much so that neutrality itself is being questioned on account of invasion and interference of liberty in Egypt and Hungary. The world of today which till recently was preaching the gospel of peace has all of a sudden taken recourse to the law of jungle where might was right and mutual distrust the order of the day. Co-existence has yielded ground to co-destruction and the United Nations has become a place for debates and arguments between the power blocs. Military pacts are replacing trade agreements and science which could have been utilised in the service of humanity is without the least hesitation occupied in destroying it. I simply fail to understand what man has made of men. This is all due to an unlimited desire for power based on force and subordination rather than on mutual goodwill and understanding and if this continues we may not be far away from a third World War which will be a war of destruction of humanity. Our peace loving Prime Minister is working hard and making all attempts even today and I am sure he will continue upto the last to guide the world towards peace.

Under such unsettled circumstances, it is not unnatural that the economic life of our country has been disrupted and fear about the fulfilment of our ambitions crept in. The country has recently completed its First Five Year Plan and embarked on the Second Five Year Plan. This type of planning, the biggest experiment in democratic planning in the living world, has increased the national product by 18% and per capita income by 11% over 1950-51. The Plan has recorded a sharp rise in industrial production, even more than the plan targets, and the index of industrial production has gone up from 100.0% in 1951 to 130.0% in 1955. Similarly, the index of agricultural output has gone up from 100.0% to 120.0% during the same period. But more than anything else, it has made the people plan-conscious and created a momentum which is expected to gather greater and greater force in course of time.

The Second Plan which estimates to spend Rs. 7200 crores that is, Rs. 4800 crores in the public sector and Rs. 2400 crores in the private sector of national economy is expected to increase national product by 25% and per capita income by 18% over 1955-1956 level. The most important feature of the Second Plan is a greater emphasis on industrial production, specially of heavy and basic industries.

Second Plan

The Second Plan is ambitious, but the greatest handicap is the shortage of Rs. 900 crores in foreign exchange requirements which will have to be met from foreign borrowings. The world events and the closure of Suez Canal will increase our this gap to a further extent and thus hamper our Second Five Year Plan. During the first four months of the current year our adverse trade balance has shown an unprecedented rise and has reduced our sterling reserves to the extent of about Rs. 130 crores.

The private sector is, in my opinion, a misnomer as most of the production in the country until now has been carried by this sector and even a tiller of the soil or a small shop keeper in the farthest corner of the country is a private entrepreneur. The public sector, which again I feel in the present contrast of things is a misnomer, should be called only a State Sector. The so-called private sector is a more representative sector than any other sector although it cannot be called a free sector not being free in its functions and may be termed as "people's sector".

The country has adopted the socialist pattern of society as its ultimate objective. The term "socialist society" in my opinion is quite wide. Therefore, any sector which deals as a people's sector should cover in the pattern of socialist society. However, the adoption of the practice in the present contrast is to encourage more of state sector which unfortunately may lead to concentration of power in few hands than public at large. This is a very doubtful question whether in doing so, the country is going to be benefited by way of increased production and lower cost as otherwise the very object of decentralisation of economic power is hit at the root. The people of a free nation in a democratic set up should be allowed to have equal opportunities to work and live instead of being compelled by statutory laws because in that case it leads to totalitarian system of working rather than to

democratic methods. We want our people to be independent rather than dependant and thus a burden on the State.

Public Finance

Of late, the public finance has been squeezed to a much greater extent. According to the two Plans the disbursements are not keeping pace due to the delayed fulfilment of the planned objective whereas the system of collections are continuing on the same footing. The result is that the money supply with the public has been reduced to Rs. 204.82 crores from Rs. 197.49 crores in 1950-51 to Rs. 218.43 crores in 1955-56 during the First Five Year Plan which means an increase of 10.4% against an increase of 18% in the national income. By the end of August, 1956 the total money supply registered a decline and came down to Rs. 149 crores. At the same time, money disbursement goes to such areas and people who have no habit of investment or banking and has created a problem before the country and the scarcity of finance in the market has been evident in recent months. The only remedy in my opinion is unhampered production and distribution of consumer goods in India to help better circulation of money. This would also help raising the standard of living of the people and maintain price at a low level as other methods adopted for collection of small savings would not or rather cannot keep pace in present circumstances.

The Government in its zeal to take up a built up industry nationalised the Life Insurance business on the 19th January, 1956 and took over the activities of all companies carrying on life business in India. It is not necessary for me to go in detail at this moment into the merits and de-merits of nationalisation. It is a fait accompli. The question is whether such nationalisation is going to benefit the country as a whole, more than what has been done in the hands of the people. The progressive figures of last few years of this business reveal that insurance industry was playing its part with the economic growth of the country. If you take new insurance business of the first plan period, the total business jumped from Rs. 139.5 crores in 1950 to Rs. 229.5 crores in 1954. That means a rise of 65% in four years whereas the national income has risen by 18% only. It was expected that within few years Indian insurance would reach a new business of Rs. 1000 crores. Since during the Second Plan national income is expected to rise more than during the First Plan, achievement of this target was more than certain. I wish that Government should not lose sight of this important factor as life insurance was playing a great part in collection of small savings from door to door and utilising the same in nation building by investing in Government securities, housing and industries. I wish that this important source should flourish greater and greater and we should have place in parity with the world insurance according to the economic condition of our country. It is difficult to visualise what is going to be at the moment but I wish to emphasise with all force at my command that if the figures are not rising to our expectations we would be doing a great dis-service to the Nation for interfering with an industry which was serving the country so well.

It was also expected at the time of nationalisation that foreign life business of the Indian companies, here I take pride in saying that the National was one of the leading companies doing foreign life business, would be returned back to the Indian companies. But unfortunately, Government has changed its mind and it seems that they are going to carry the same themselves. I do not know what is going to be the future

of this business. As I have said on so many previous occasions, I wish that our country should do their utmost to increase this business which is an invisible export and a foreign exchange earner. With the taking over of foreign life business, our foreign general business will also be hampered and building of that organisation in foreign countries by Indian insurers will be another uphill task.

Compensation

Coming to compensation, I feel that we cannot call the compensation proposed to be paid worth the name. It is hardly one percent of the life fund Government has taken over. Banking and Insurance is practically the same business. While nationalising the Imperial Bank of India Government paid certain compensation which was considered to be inadequate and worked out at 8% of total Assets. But in case of insurance companies compensation is not even 1% of the total Life Fund. Moreover, that is not an investment to be made by the Government but only a pre-payment of the surpluses which the Insurance Companies had rightfully earned during decades of successful working of this industry. Even that has not been paid upto now although it is about 11 months since Insurance was nationalised. I hope the authorities would do their best to pay off this compensation which would help a long way at least in rehabilitating the general business and also helping the people who have investments in insurance companies and lost all income due to nationalisation.

The utilisation of the life fund in nation building activities is of no less importance. I will only deal with the investment in the private sector which at the time of nationalisation was of the order of about 16 per cent. It was emphasised and re-emphasised by the Government that this percentage in the private sector would be maintained, which was helping the investment market to a great extent. But since nationalisation nothing or very little money has been invested in private industry with the consequence that the investment market has been deprived of a great support. I hope that the Government would keep up to the assurances given at the time of nationalisation and maintain the tempo by investing in private industries, thus augmenting speedy economic growth of the country.

Now coming to your company, as I have said earlier, we have suffered the most. Not only the life business has been nationalised by the Government but the company's subsidiary, namely the National Fire & General Insurance Co., has also been taken over and your company has to rebuild completely both at the head office as well as the various branches where the business so far was run as a combined business. I am confident that in course of time we would again build up the company and serve the nation in the same way as we have been traditionally doing for the last 50 years.

You must have noticed that in the present balance sheet only the results of the general departments have been shown. This is because the accounts of the life department have been published by the Custodian and which I understand have already been circulated to the shareholders. Henceforth, only the accounts of the general departments would be submitted.

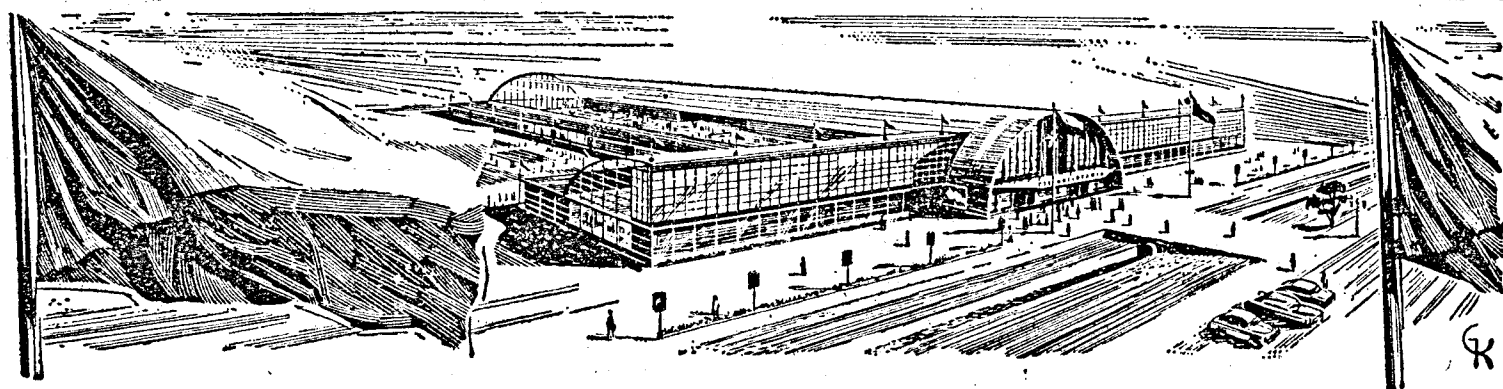
Premium Income

The total net premium income of all the departments was Rs. 19,24,761/- comprising Rs. 4,59,753/- of Fire, Rs. 6,40,214/- of Marine and Rs. 8,24,794/- of Miscellaneous. Against this, previous year's total business was Rs. 15,07,617/- composed of Rs. 4,23,855/- of Fire, Rs. 5,26,642/- of Marine and Rs. 5,57,120/- of Miscellaneous. Therefore, there is an overall increase of Rs. 4,17,144/-. Though the net result shows a loss in the balance sheet, it is mainly due to the loss in devaluation of Pakistan currency amounting to Rs. 96,555/- and provision for the increased reserve of unexpired business in all the departments, that is from 60% to 100% in case of Marine and 40% to 50% in case of Fire and Miscellaneous Departments. The loss during the year has been set off against the brought forward balance of the last year and the company is still in a position to pay a dividend of 6 percent free of income tax during the year absorbing Rs. 90,000/- which has been recommended for your consideration and the balance is to be carried over to the next year.

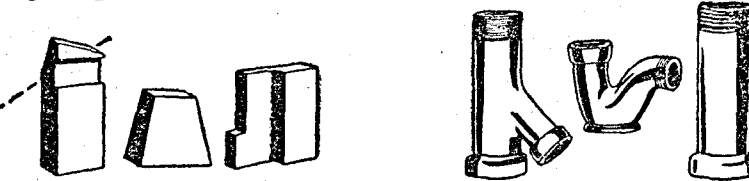
In the end, I solicit the good wishes and co-operation of you all in the great task of rebuilding this renowned institution of 'National', and bringing the same on the forefront.

With these few words, I propose that the Directors' Report and the Audited Accounts for the year 1955 be adopted.

CZECHOSLOVAK

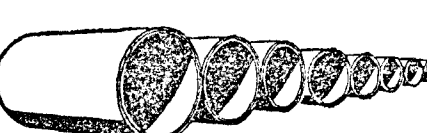
INDUSTRIAL
EXHIBITION
CALCUTTA

Behind St. Paul's Cathedral, Lower Circular Road,
December 2nd-30th. 1956, Between 3-9' p.m. Daily

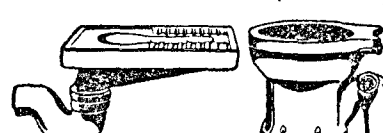
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DA-18-95-63

KILLICK INDUSTRIES LIMITED

CHAIRMAN MR. E. D. SHEPPARD'S REVIEW

Speech of Mr. E. D. Sheppard, Chairman of Killick Industries Ltd., at the Company's Ninth Ordinary General Meeting on 27th November, 1956.

Gentlemen,

You will recall that during the course of the speech which I made last year at this Meeting, I attempted an analysis of the political and social thinking prevailing in the country in so far as it affects the formation of economic policy. As a conclusion from this analysis I suggested that there was no alternative to the co-ordinated efforts of both the State and of Free Enterprise, and that in order to achieve as quickly as possible a better life for all in India, the fullest advantage must be taken of the contributions which each system is capable of making. In effect this implied the application of "Mixed Economy" or as I would prefer to call it of "Joint Endeavour".

Since then the Avadi Session of the Congress Party has decided that the economic development of the country is to be directed towards the achievement of "A Socialistic Pattern of Society." Various policy pronouncements and Acts of Parliament which have followed in the wake of this decision have given the impression that it is to be implemented by a process of establishing uniformity and an official discouragement of incentives or individual gain. Indeed the thoughtful mind cannot help but feel the strongest misgivings that, if it is along these lines that the Socialistic Pattern is to be pursued, it will eventually lead to frustration, and the belying of the hopes for a fuller life which so many millions of people have pinned on it.

In a recent article entitled "The Dynamic Society," a leading economist has dubbed "the philosophy which forms the basis of this type of economic thinking as being 'like a dog in a barn-yard.' It cannot lay eggs itself and it will not let the hens do so." This writer points out that when men are not allowed to strive for their dreams and to enjoy the fruits of their strivings, they consume everything they produce from day to day and so make it necessary for the State to force them to abstain, in order to save and build tools for the future.

The same economist points out that there are two methods by which the economic donkey can be propelled forward. One is to offer him a carrot and the other is to beat him. In both the cases the result is forward movement. Similarly there are two dynamic economic systems prevailing in the world today. One is that of Free Enterprise, or development through individual incentive, and the other that of the authoritarian State and its methods of compulsion.

Stick and Carrot

We in India have rejected the stick theory and the concept of the authoritarian State as being alien to the traditional Indian way of life. Can we not therefore accept as a nation the logical corollary of the carrot in its stead? We are not prepared to accept interference with our political freedom, or with such matters as the freedom of speech, and of the Press; why then should we take a completely different stance in relation to economic freedom? In this sphere people who would resist to the utmost limitations being imposed on their social and political rights, accept without murmur controls over such matters as production, profits, wages, and prices, and feel that it is perfectly reasonable for Government to regulate them. In my view this is an inconsistency which could lead to a frustration of the National Economy.

The terms "Capital" and "Capitalist" have over a period of years been misinterpreted and distorted so much that in the public mind they are now associated with systems which are completely at variance to their real activities. "Capital" is widely identified with an undesirable concentration of power and the accumulation of personal wealth, rather than what it in fact is, namely the savings of people which have been created by hard work and self-discipline and which are thus available to start more good things growing. Now a similar process of distortion is in being which seeks to identify the term "Private Sector" with something that is anti-social and anti-national. "Private Sector" is a term which is at variance with the system which it purports to describe. There is nothing "private" about the finances and accounts of the major industrial units existing within the so-called "Private Sector." These units of Free Enterprise are as public as they can be. They are subjected to continuous and close audit, and are available for scrutiny to a wide range of people. The goods which these industries produce and the products which they market are sold only because there is public requirement for them and at a price which this public is prepared to pay. Shareholders of these so-called "Private Sector" units in fact represent a wide cross section of public society. The recent passage of the new Companies Act into law has stripped the last vestige of even legitimate privacy from these Joint Stock companies.

Furthermore, the tendency to associate the "Private Sector" with the relatively few major corporate industries is itself quite wrong. The truth of the matter is that the so-called "Private Sector" consists of all business activity and commercial endeavour except those few units which are operated and owned by the State. The vast range of these business and commercial interests varies from the largest industrial concerns on the one hand to the small shopkeepers carrying out their day to day trade in the bazaar on the other, and it is all these who are denoted by the misused term "Private Sector".

The Two Sectors

If it is necessary, as it apparently is, to differentiate within the mixed economy between those activities which are State controlled and State regulated on the one hand, and those which operate through the initiative of individuals on the other, then I would suggest that a more accurate way of describing the two sectors would be to rename what is today called the Private Sector as the "People's Sector" and the Public Sector as the "State Sector." Such renaming would, I feel, go a long way towards removing the unfortunate and erroneous association of ideas in the minds of the public regarding the structure of Free Enterprise.

We hear also a good deal of talk these days by socialistic planners of the desirability for increasing co-operative societies. I submit that a Joint Stock Company is nothing but a co-operative society in the fullest sense of the term. Its capital is created by co-operative faith in its venture, its direction is provided by those who reflect in their persons co-operative choice, its factories are worked by co-operative endeavour and finally its products are sold only if there is co-operation from the consuming public. The doctrinaire socialist, who suppresses or distorts facts that do not fit in with the theories that he has imbibed during his student days, tends to brush this argument aside with the remark that a handful of shareholders cannot be described as a co-operative society. To meet this contention I think it will interest you to know that in the major industries in India the ratio of shareholders to workers employed is approximately as follows:—

Steel	...	1 shareholder	to 1 worker.
Cement	...	1 shareholder	to 1 worker.
Textiles	...	1 shareholder	to 2 workers.
Electricity	...	10 shareholders	to 1 worker.

Surely the logical result of a dispassionate appraisal of all the facts is that the existing policy, namely that of a constantly increasing State Sector, and by implication a proportionately smaller People's Sector should be exactly reversed and the best interests of India would be served by the State doing only those things which the people cannot do by the exercise of their own initiative and judgment in the arena of the world market place. Can any Government truthfully say that it knows this market place better than its people know it?

Classless Society

On the subject of the use of terms which come to have a meaning foreign to their purpose, one must also comment on the "Classless Society" so much in current vogue. Inasmuch as this term denotes a society from which have been removed all hereditary privilege and unwarranted opportunity, and means the creation of a social organisation to which each one is entitled to contribute on merit alone, its implication can only be welcomed. Unhappily this is not the concept that is meant by those who so constantly refer to it as a type of "Classless Society" which these people appear to have in mind is one in which all men are dragged down to a level of uniform poverty.

Such a society must of necessity be a third class society. Any deliberate attempt to abolish a class by taxation or any other legislative means will never succeed in abolishing "Class." For in the vacuum so created an official bureaucratic aristocracy would emerge at once. What it would achieve would be to abolish variety, character, and those inspirational gifts which alone save a country from colourless uniformity. It is the personal vision and the difference between people that count and help towards the making of a nation. This difference of outlook must inevitably express itself in a search after varying environments. "Class" is not a matter of money and still less is it one of social ambition. It comes from the free exercise of choice in culture, environment, and the differences which life has to offer, it cannot be "ironed out" for the human soul does not lend itself to the process of laundry.

It is interesting to note the revulsion which has appeared in England against the dose of doctrinaire socialism that was injected into the economic system of that country for the five years immediately after the last war. In practice Socialism has meant the creation of huge irresponsible public corporations and the extension of bureaucracy. Nationalisation has not succeeded in changing the lives of the workers but has only added to the steady concentration of power in the hands of official classes. Trade Unions have become the strongholds of restrictive practices, limiting not merely industrial output but also the important liberties of individuals and those of minorities. It has become very clear to me that what people want is, as far as possible, to be allowed to choose from a bigger selection of things—material and spiritual. The way to satisfy them is not to cut down to a common size everyone else's choice. That is precisely the way to deprive the community of the flexibility, the diversity, and the incentives upon which the policy of plenty and a dynamic society must depend. The right way is to create incentives that lead to an increase in the total national product and thereby level upwards and not downwards.

Middle Class

I would like, during the course of my talk this afternoon, to deal especially with the plight of the middle class of our country and the constantly increasing bleakness of the future which faces it.

That the middle classes are depressed, that they are being destroyed by taxation and the high cost of living, that some Finance Minister of the Government of India must do something about it—and that none ever does; these are the truisms which have been with us ever since 1947.

What is this middle class and whom does it comprise? I would suggest that it embraces all those people who work with their brains and derive their income from salaries and professional fees or from the active management of property, those who do most of the organising and creative and inventive work of the nation gain its vitality. The spread of this class stretches from the clerk and salesman at one end to business executives, and professional men at the other. The thread which unites them is social rather than financial. The contributions which these people make come from intelligence, character and example. For the most part they do not clock in and clock out for eight hours a day, but are always on duty. They are compelled to keep up a standard of living not merely for the sake of appearances but in order to play their part in the social life which they guide and nurture.

Universal adult franchise in our country encourages politicians to look solely to the masses and to ignore the middle class as though it were negligible. Since

independence the well-being of the industrial working class has been the special care of the Central and State Governments, as also that of the majority of parliamentarians. As has recently been stated by the Labour Minister of the Government of India, there has been a rise in the real wages of this class. Not only can no one object to this, but indeed if the raising of the standard of life of all people in the country is to be achieved, then we must regard the betterment of the living conditions of this particular class as a matter of great satisfaction and unstinted pleasure. At the same time one hears that the agricultural class, which of course constitutes the great majority of the Indian people, has also taken a few albeit faltering steps forward, on the path to a better life. It is the hope of all people that this trend will be emphasised and speeded as rapidly as possible.

But what of the middle class? When attention is focussed on their betterment there appears to be a curious lack of interest in it. No political champions come forward to safeguard their interests. As has been suggested earlier, the reason for this may well be purely one of numbers—in a population of 360 millions they do not appear to warrant the interest and attention of those standing for parliament and whose political future is decided by the counting of heads. Consequently the middle class is left friendless and unsupported. Unless this process of deterioration in its standard of life, and therefore in the morale of the people constituting this class, is arrested, an irreplaceable component of the industrial and commercial structure of the country will be dangerously weakened, and no amount of planning or legislation will be able to replace it or revive it.

But are the numbers of the middle classes really so negligible? The figures I gave you earlier of the relative numbers of workers and shareholders in various industries show that the number of shareholders—about 90% of whom belong to the middle class—is by no means inconsiderable. They represent an integral and vital part of the social structure of all countries and can wield an influence out of all proportion to their numbers. I would liken them to the leaven of the mass and without leaven the mass cannot rise. In India today too much time and attention is devoted to the mass and far too little to the leaven of the mass.

It is true to say that over the past years there has been an erosion of incentives in the case of most salaried people, whether serving in public life or in a private capacity. The general standard of living of salaried workers has been considerably reduced. This has been brought about principally by means of taxation. To the plethora of already existing taxes which have hit the middle class hard the last budget added even more. It was a measure of the extent to which tax-payers have been demoralised in the country over the past few years that after the last budget, which in real terms made India—still in a relatively early stage of industrial development—the highest taxed nation in the world, there was a feeling of relief that it had not been even more penal on individual earnings. This matter of taxation has been written and spoken about at such length and in so much detail that there is nothing new which can be said about it. All the arguments of disincentives, of inequity, and of the frustration which will result, have been put forward time and time again. I feel however that the time has now come when the inroads of taxation upon the earnings and on the standard of life of the middle class must be faced up to if there is not to be a collapse in the morale of that class which will be irreparable.

Lower Profit

Turning now to the affairs of your own Company, you will doubtless have observed that the profit is lower than that of the previous year. This is accounted for by the reduced profits of the Koinoor Mills Co. Ltd., and the Ahmedabad Electricity Co. Ltd. for the period reflected in the accounts, and the reasons for which are well known to most of you. There was also, as anticipated, a loss on the first year's working of John Baker & Sons Steel Pipe Factory, though this was fortunately considerably less than was estimated when this undertaking was planned.

I am glad to say that both the Koinoor and Ahmedabad companies are now working at a normal rate of profit and that the steel pipe factory should—barring unforeseen eventualities—return a satisfactory profit for the current year.

Another factor which also contributed to the reduced profits is less easy to remedy. I refer to your Company's share in the Managing Agency commission of the Associated Cement Companies Limited which is received in the form of a dividend from Cement Agencies Limited. This became subject to the tax on dividends over 6% introduced in the 1956 Budget which had the effect of reducing the amount received by Rs. 1.25 lakhs. It is difficult to see what can be done about this so long as this inequitable tax remains on the Statute Book.

The expansion and diversification of your Company's activities continue to receive the closest attention of your Directors. As you will have seen from the Report permission has been received from Government to increase the production of the steel files factory and a licence has been granted for the manufacture of nuts and bolts, dogspikes and coach screws. In addition several other projects both large and small are in process of detailed examination.

Also your Directors have recently come to an agreement with the shareholders of Messrs. Killick Nixon & Co. Ltd. to purchase all the shares of that company and the matter is expected to be finalised early in the New Year. Killick Nixon & Co. Ltd., will then become a wholly owned subsidiary of this Company. Among their assets is this Building in which we are now meeting. Their Shipping and Trading interests will lend a healthy balance to the predominantly industrial activities which have hitherto represented the bulk of your Company's business.

Taking everything into consideration therefore I feel we can face the future with confidence and I have little doubt that when we meet here again next year the picture which I shall then be able to lay before you will be a happier one, though it may well be that the figure in the accounts which will show the most significant increase will be that under the heading "Provision for Taxation".

Note: This does not purport to be a record of the proceedings of the Annual General Meeting which will be sent separately to shareholders.

Finance in India and Abroad

THE CALCUTTA MONEY MARKET

INTERBANK FUNDS EASIER

Wednesday, 28th November

THE slow expansion of seasonal demand for advances has continued during the past week. Money is required for the holding of cotton stocks, and the needs of the sugar industry are expanding. Demand on account of holding of jute is unchanged. Funds are reported to be considerably easier in the Calcutta interbank market, and there are lenders over at the unchanged call rate of 3½ per cent.

There has been a better showing of bills this week. A fair number of tea documents have passed and a reasonable quantity of gunny bills have also been seen. Remittance has been good. Sterling remains at the spot levels and the forward position has weakened considerably in the past few days. It is, however, reported that the strength of sterling in terms of Continental currencies has improved slightly due to bear-covering following the selling which took place at the beginning of the month.

* * * * *

Bullion reacted on profit-taking. Silver declined from the previous week's level of Rs. 172-12 to Rs. 172-4, quoted today. The rate for ready was quoted at Rs. 172-12. The London price has remained unchanged at 80½d. and the price of foreign silver in New York was the same at 91½ cents.

In sympathy with silver, gold was quiet. The prices of gold and coin were unchanged at Rs. 105-8 and Rs. 70 respectively.

* * * * *

During the week ended 23rd November, Government of India Treasury Bills for Rs. 5,50,00,000 were sold in favour of the Reserve Bank.

* * * * *

A decline of Rs. 4.05 crores in active notes to Rs. 1,439.61 crores was the notable feature of the return of the Reserve Bank of India for the week ended 23rd November, 1956. The total note issue was Rs. 99 lakhs higher at Rs. 1,462.79 crores. Foreign securities have been cut by Rs. 4.97 crores to Rs. 457.24 crores, and rupee securities have been increased by an equivalent amount to Rs. 765.47 crores. In the Banking Department, deposits of the Government of India and other Government accounts have increased by Rs. 3.27 crores and Rs. 54 lakhs to Rs. 54.69 crores and Rs. 12.72 crores, respectively. Balances of commercial banks, at Rs. 52.04 crores, were Rs. 1.17 crores lower. Balances held abroad declined by Rs. 6.83 crores to Rs. 84.63 crores, while investments, at Rs. 61.13 crores, showed a rise of Rs. 1.91 crores. Other loans and advances increased from Rs. 82.76 crores to Rs. 83.48 crores, of which advances to scheduled banks against usance bills amounted to Rs. 45.34 crores (Rs. 40.80 crores). These advances totalled Rs. 372.17 crores since 1st January, 1956. Ways and means advances stood at Rs. 1.80 crores (Rs. 1.46 crores).

* * * * *

The return of the State Bank of India for the week ended 16th November, 1956, shows a rise of Rs. 2.93 crores in investments to Rs. 230.65 crores. Investments in Government securities and other authorised investments have decreased by Rs. 7 lakhs and Rs. 27 lakhs to Rs. 95.57 crores and Rs. 11.03 crores, respectively. Advances, including loans, cash credits and overdrafts, and bills discounted and purchased, have increased by Rs. 26 lakhs to Rs. 128.37 crores. Cash and balances are, in consequence, shown at Rs. 17.54 crores, or Rs. 53 lakhs higher.

* * * * *

The statement of the position of scheduled banks for the week ended 16th November, 1956, shows Demand and Time liabilities at Rs. 650.80 crores (Rs. 12.63 crores on account of borrowings from banks) and Rs. 457.79 crores (Rs. 2.11 crores), compared with Rs. 641.54 crores (Rs. 13.33 crores) and Rs. 454.63 crores (Rs. 2.07 crores), respectively, in the previous week. Cash has decreased by Rs. 1.69 crores to Rs. 37.12 crores, while balances with the Reserve Bank have increased by Rs. 2.15 crores to Rs. 50.97 crores. There is a drop of Rs. 41 lakhs in investments to Rs. 365.52 crores. Advances and bills discounted, at Rs. 761.27 crores, show a decline of Rs. 1.03 crores. The ratios to total liabilities of cash and balances, and of advances and discounts, are, in consequence, shown at 7.9 percent and 68.7 percent, against 8.0 percent and 69.5 percent.

* * * * *

According to the returns received in the Department of Commercial Intelligence and Statistics, the total gross sea and land customs revenue collected in the Indian Union during September, 1956, amounted to Rs. 1,517 lakhs compared with Rs. 1,418 lakhs in the corresponding month of the previous year. The comparison in the following should be taken to refer to that of the current figures with those of the corresponding period of the preceding year. Of the total customs revenue collections, import duties accounted for Rs. 1,238 lakhs as against Rs. 1,031 lakhs, export duties for Rs. 260 lakhs as against Rs. 377 lakhs, and land customs and miscellaneous for Rs. 39 lakhs as against Rs. 10 lakhs. The total gross collection of Union excise duties amounted to Rs. 1,542 lakhs,

compared with Rs. 1,238 lakhs. During the six months, April to September 1956, the grand total of gross customs and Union excise revenue realised was Rs. 16,618 lakhs, compared with Rs. 15,396 lakhs during the corresponding period of the preceding year. Of this amount, import duties accounted for Rs. 6,646 lakhs as against Rs. 6,062 lakhs, export duties for Rs. 1,211 lakhs as against Rs. 1,809 lakhs, land customs and miscellaneous for Rs. 163 lakhs as against Rs. 80 lakhs and Union excise duties for Rs. 8,598 lakhs as against Rs. 7,445 lakhs.

NEW HEAVY ENGINEERING COMPANY FORMED

The Associated Cement Co. Ltd. of Bombay, Vickers Ltd. of London and Babcock and Wilcox Ltd. of London, announce that they have concluded their arrangements for the formation of a company to be known as A.C.C.-Vickers-Babcock (Private) Ltd. The new company plans to build a heavy engineering works in the vicinity of Durgapur, West Bengal. The products to be manufactured will include cement making machinery, mining machinery, large pumps, heavy gears, steam generating plant of all types, pressure vessels, cranes and mechanical handling equipment. The construction of the proposed works will commence as soon as the Government of India's approval has been obtained.

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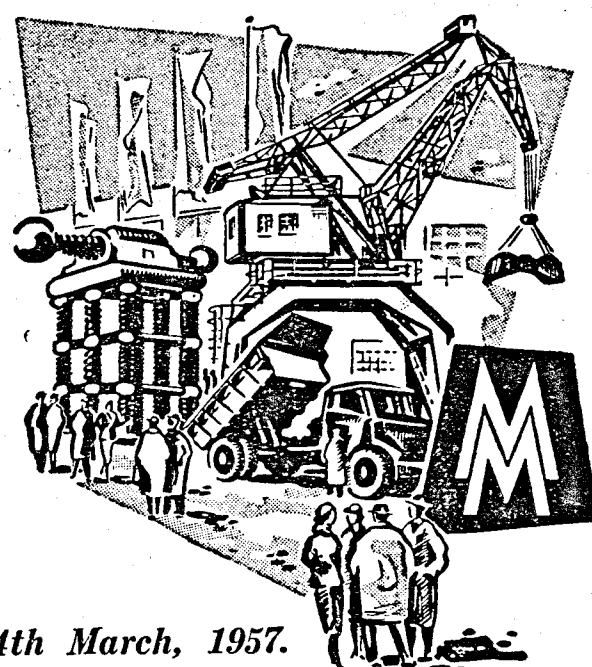
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3rd-14th March, 1957.

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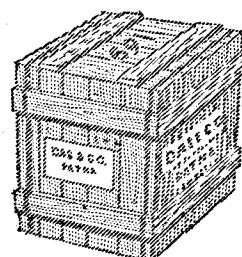
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RESERVE BANK**ISSUE DEPARTMENT**

(In 100's of Rupees)

	Week ended 23-11-56	16-11-56	25-11-55
Liabilities—			
Notes in Banking Dept	23,18.74	18,14.49	21,63.88
Notes in Circulation	14,39,60.56	14,43,65.77	13,23,75.68
Total Notes issued	14,62,79.30	14,61,80.26	13,45,39.56
Assets—			
A Gold Coin and Bullion	1,17,76.03	1,17,76.03	40,01.71
Foreign Securities	4,57,23.78	4,62,20.66	6,47,06.60
Total of A	5,74,99.81	5,79,96.69	6,87,08.31
B Rupee Coin	1,22,32.30	1,23,33.26	1,09,70.18
Rupee Securities	7,65,47.19	7,60,50.31	5,49,61.07
Total	14,62,79.30	14,61,80.26	13,45,39.56

BANKING DEPARTMENT

Liabilities—			
Capital Paid-up	5,00.00	5,00.00	5,00.00
Reserve Fund	5,00.00	5,00.00	5,00.00
National Agricultural Credit (Long-term) Fund	15,00.00	15,00.00	—
National Agricultural Credit (Stabilisation) Fund	1,00.00	1,00.00	—
Deposits—			
(a) Central Govt.	54,69.48	51,41.73	55,13.13
(b) Other Govts.	12,71.80	12,17.81	12,42.70
(c) Banks	12,71.80	12,17.81	12,42.70
(d) Others	13,65.89	12,57.11	15,48.22
Bills Payable	12,06.97	12,34.26	6,10.42
Other Liabilities	1,00,70.87	1,01,41.58	23,96.54
Total	2,71,89.38	2,69,53.47	1,87,01.26
Assets—			
Notes	23,18.74	18,14.49	21,63.88
Rupee Coin	8.71	11.38	7.98
Subsidiary Coin	12.42	—	6.99
Bills Discounted Int.	—	—	56.80
Govt. of India Treasury Bills	5,32.61	4,16.78	5,19.67
Balances held abroad	84,62.94	91,46.07	72,62.72
Loans to Govt.	1,80.35	1,46.35	1,89.00
Other Loans etc.	83,48.01	82,75.77	22,67.42
Investments	61,13.25	59,21.76	50,04.70
Other Assets	12,12.35	12,11.81	12,22.20
Total	2,71,89.38	2,69,53.47	1,87,01.26

SCHEDULED BANKS

(In 100's of Rupees)

	16-11-56	9-11-56	18-11-55
Liabilities—			
(a) Borrowings from Banks	12,02.69	13,33.21	12,98.73
(b) Others	6,38,17.45	6,28,20.50	5,99,76.51
Time Liabilities—			
(a) Borrowings from Banks	2,11.00	2,07.00	6,75.80
(b) Others	4,55,67.70	4,52,55.88	4,16,44.69
Borrowings from State bank Demand Liabilities	10,74.35	11,04.23	6,31.30
Time Liabilities	37,11.58	38,81.30	37,51.64
Cash	50,97.32	48,81.74	54,48.73
Balances with the Reserve Bank	9,87.60	9,84.41	10,64.65
Money at calls and short notice	19,01.80	17,31.21	21,83.36
Investments in Central and State Govt Securities	3,65,51.65	3,65,92.91	3,93,46.03
Advances	5,98,94.56	6,04,08.90	4,95,47.62
Insurance bills purchased and discounted	1,12,67.88	1,07,84.50	57,27.03
Foreign bills purchased and discounted	49,64.14	50,37.04	45,64.24

CLEARING HOUSE RETURNS

Week ended	Rs. (thousands)	Calcutta	Bombay
23-11-56	67,54.62	65,59.68	—
16-11-56	65,28.36	63,68.88	—
9-11-56	59,02.25	60,95.73	—
2-11-56	62,25.36	55,56.84	—

STATE BANK OF PAKISTAN**ISSUE DEPARTMENT**

(In 100's of Rupees)

	week ended 9-11-56	week ended 2-11-56
Liabilities—		
Notes in Banking Department	10,00.14	10,41.10
Notes in Circulation	2,99,92.07	2,94,73.09
Total Notes issued	3,09,92.21	3,05,14.19
Assets—		
A Gold Coin and Bullion	11,33.41	11,33.41
Sterling Securities	97,70.69	97,70.69
Government of India Securities	16,68.25	16,68.25
India Notes representing assets receivable from the Reserve Bank of India	43,02.28	43,02.28
B Bank of India	5,69.25	5,91.23
B Rupee Coin	1,39,58.27	1,34,58.27
Held with Reserve Bank of India pending transfer to Pakistan	19.02	19.02
Gold Coin and Bullion	4,40.63	4,40.63
Sterling Securities	1,04.90	1,00.90
Govt. of India Securities	29.51	29.51
Rupee Coin	3,09,92.21	3,05,14.19

BANKING DEPARTMENT

Liabilities—			
Capital Paid-up	3,00.00	3,00.00	3,00.00
Reserve Fund	3,00.00	3,00.00	3,00.00
Deposits—			
(a) Central Government	39,30.50	39,96.41	—
(b) Provincial Government	1,60.30	1,60.30	—
(c) Banks	15,42.30	17,56.05	—
(d) Others	3,46.65	3,58.53	—
Bills Payable	22.75	28.84	—
Other Liabilities	10,37.60	9,83.33	—
Total	77,73.33	78,83.45	—
Assets—			
Notes	10,00.14	10,41.10	—
Rupee Coin	—	—	—
(a) Pakistan	10	9	—
Subsidiary Coin	—	—	—
(a) Pakistan	13	11	—
(b) India	—	—	—
Bills Purchased and Discounted—			
(a) Internal	—	—	—
(b) Govt. Treasury Bills	2,36.35	2,06.87	—
Loans and Advances to Govt.	—	—	—
Provincial Govt. Debtor Balances	—	—	—
Other Loans and Advances	6,62.36	5,39.15	—
Investments	49,24.58	51,24.82	—
Other Assets	9,39.16	9,71.31	—
Total	77,73.33	78,83.45	—

Stocks and Shares**MARKET SLIGHTLY BETTER AT THE CLOSE****BOOMLET IN TEA SHARES**

Wednesday Evening.

THE Calcutta stock market has passed another quiet week. Speculative shares, with the exception of Texmaco, which closed a shade better on the week's trading, and Burrakurs, have moved down in price. Burrakurs continued their upward surge induced by interested buying and closed this evening at the record level of Rs. 20-1. Indian Irons opened at Rs. 33-7 and after touching Rs. 32-10, closed at Rs. 33-3. This improvement is thought to be due to short-covering because there is little sign of any improvement in market sentiment. The undertone remains dull now that the international situation appears to have reached a stalemate and there is nothing on the domestic horizon on which operators can base their views for the future.

Investment shares were no better than they have been for some weeks, except for the tea section which enjoyed something of a boomlet. Tea scrip has benefited from the improved auction prices and the general feeling that the prospects before the industry are better. Other sections remained quiet and in the miscellaneous and engineering group, many sound investment counters have fallen in price, apparently because of complete lack of buying interest. The Gilt-edged market remains dull.

It is reported that the Guest, Keen, Williams issue of 589,400 ordinary shares, which opened on 7th November and closed the same day, has been subscribed almost three times over. Altogether, more than 17,000 applications for over 1,650,000 shares were received. This is an excellent response considering the current stringency in the money market and the difficulties of the international situation. It is understood that the response for the minimum subscription of 50 shares, in itself, well over-subscribed the issue and that of the applications received from the public, 90 percent were for quantities of 500 shares and under.

Allotments have been made on the following basis:

Number of shares applied for	Number of shares allotted
50	20
100	30
150	40
200	50

and higher applications in a gradually reducing ratio.

Details of the week's trading follow.

Trading in the Gilt-edged market was of a mixed nature. The enquiry for short-dated issues was fully maintained, but once again long-dated issues came under selling pressure and prices in some cases dropped sharply. Three percent Conversion Loan was marked down from Rs. 73-9 to Rs. 73-4 with scarcely any business passing. In short-dated loans, 3% 1957 was taken at Rs. 99-12 and 3% 1958 at Rs. 99-9. In medium-dated issues, 3% 1959-61 was offered at Rs. 97-15, but 3% 1963-65 was taken at Rs. 94-6 and 5% 1964 was asked for at Rs. 94-5. Among National Plan issues, 3% 1961 improved to Rs. 99-6 buyers but the enquiry was purely for voucher considerations (interest due on 1st December, 1956); 3% 1964 was slightly better at Rs. 98-5 but 3% 1965 was offered at Rs. 98-7 as was 3% 1967 at Rs. 98-6. In the long-dated group, 3% 1966-68 appeared to have stabilised at Rs. 92-6 but 3% 1970-75 recorded a loss of almost Re. 1 at Rs. 86-13, but with the appearance of the Reserve Bank as a buyer today, the price recovered to Rs. 86-15; 3% 1974 was unchanged at Rs. 98-8 with sellers rather than buyers.

Once again the market for State loans was easier and sellers predominated. Four percent U.P. and Madras 1968 were marked back to Rs. 97-14, and 4% Orissa 1968 was offered at Rs. 97-11. Four percent West Bengal 1968 was quoted down to Rs. 99-2 and 4% Bombay 1970 had sellers at Rs. 99-10. Among other issues, 1% U.P. 1963 changed hands at Rs. 99-6 and 3% Bombay 1960 was traded at Rs. 96-4.

Business in preference shares was once again on a reduced scale. In the miscellaneous group, Aluminium Corporation 5% were done at Rs. 98 and the 6% at Rs. 114. A small lot of Bharat Collieries was crossed at Rs. 56. Burrakur First changed hands at around Rs. 114 and there was a small enquiry for British India Corporation at Rs. 121-8. A small lot of Cawnpore Sugar changed hands at Rs. 128 and Calcutta Electric Supply Corporation were crossed at Rs. 11. Duncan Brothers were depressed at Rs. 60-8 and Dalmia Cement Rs. 40 paid-up were done at Rs. 39-8. Gilanders Arbutnot were offered at Rs. 61. Indian Iron & Steel were slightly better at Rs. 101 while Indo-Burma were quoted at Rs. 104. Kumardhubi Engineering were crossed at Rs. 101 and Pussimbin Tea changed hands at Rs. 85. New Victoria Cotton were crossed at Rs. 5-4 and Textile Machinery at Rs. 95-3. Jute preference shares were extremely difficult to sell and in cases where business took place, prices had to be reduced by Re. 1 to Rs. 2 a share in order to attract buyers. Hooghly were crossed at Rs. 13-12 and Fort Gloster Second were marked at Rs. 74-8 as were Gourepore at Rs. 86-8.

Bank shares were more or less unchanged with Punjab National quoted at Rs. 50 and United Commercial at Rs. 54-8. Hindusthan Commercial were reported at Rs. 10-2 and United Bank of India "D" shares at Rs. 4-8.

In the railway section, Bukhtiarpur-Bihar came to business after a considerable period at Rs. 10 (small odd lot) while Dehri-Rohas were marked at Rs. 13-3.

In cotton, Dunbar were marked down from Rs. 248 to Rs. 240 and Elgins were slightly easier at Rs. 28-12. Cawnpore Textiles were crossed at Rs. 9-3 and Kesoram were easier at Rs. 16-8. Jayshree fluctuated narrowly around Rs. 6-8 and New Victoria were depressed at Rs. 2-5.

In the coal section Burrakur continued to be active with the price improving further from Rs. 18-9 to Rs. 20-1. Bengal were lower at Rs. 483 while Bharat Collieries were unchanged at Rs. 6-14 ex-dividend, as were Western Bengal at Rs. 6-4. Raneegunge were subdued at Rs. 10-13 while Rewa were better at Rs. 23-2. There was a good enquiry for Seebpore at Rs. 30 and Katras-Jherriah at Rs. 63-8 but there were no declared sellers. South Karanpura were slightly better at Rs. 9-8.

Jute shares continued to wallow in the mire and in the absence of support prices tended to lower levels as will be seen from the following table:

	Opening 22-11-55	Closing 27-11-55
Rs.	Rs.	Rs.
Agarpara	10 12	10 7
Anglo India	164 0	155 0
Bally	175 0	165 0
Barnagore	128 0	120 0
Birla	18 8	16 4
Cheviot	175 0	170 0
Howrah	22 6	21 8
National	24 0	23 10
Northbrook	22 8	21 15

Electric supply shares were unchanged and a minimum amount of business was put through. Calcutta were shaded at Rs. 13-2 and Cuttack were

a better life for all

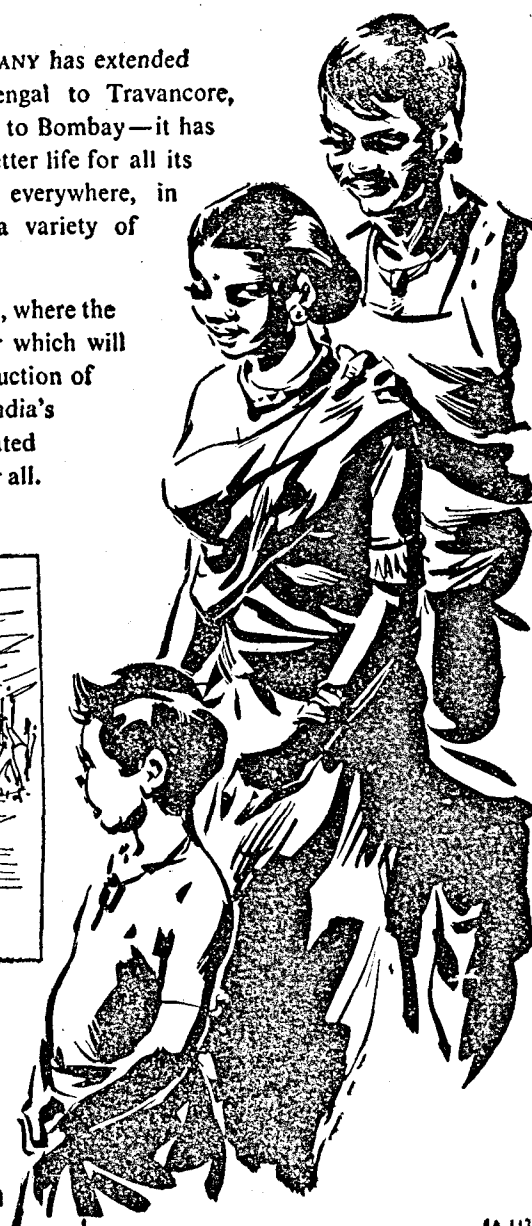
WHEREVER INDIAN ALUMINIUM COMPANY has extended its production operations—from Bengal to Travancore, from Travancore to Bihar, from Bihar to Bombay—it has continuously sought to provide a better life for all its employees, and for its customers everywhere, in the shape of better products for a variety of new applications.

And now the industry moves to Orissa, where the Company is installing a new smelter which will more than double the country's production of aluminium. As in other phases of India's national effort, this smelter is dedicated to an era of plenty and a better life for all.



Indian Aluminium
Company Limited

A Canadian-Indian Enterprise



In shipping, India General Navigation were unchanged at Rs. 90 while India Steamship, after being done up to Rs. 10-4 ex-dividend, closed easier at Rs. 10.

The week witnessed a revival of interest in tea shares with prices showing handsome gains on substantial turnover. Of the Assam shares, Baghmari advanced to Rs. 27 as did Bateli to Rs. 27.8, Bishnauth Old to Rs. 25.9 and Bormah Jan to Rs. 21. Brahmaputra had buyers at Rs. 8-12 and Brooke Bond advanced from Rs. 20 to Rs. 21.8. Delhakhat improved to Rs. 23-12 and Dibrugarh and East India had buyers at Rs. 26-8 and Rs. 26-12 respectively. Gopnur Old and New changed hands at Rs. 25-8 and Rs. 22-8 whilst Grob "A" and Grob

the paper-making machines. This has been reflected in the production of saleable paper for the year ended 31st March, 1956, having been the highest in the history of the company. The Orissa Government has permitted the company to operate the new bamboo areas during the half-year under report, pending the signing of the leases which are now being prepared. Towards the end of the half-year under review, the Government of Orissa acquired and delivered the land for the railway siding and

* SMITH, STANISTREET and CO. LTD. has increased its profits from Rs. 4.26 lakhs to Rs. 7.15 lakhs. Providing Rs. 3.30 lakhs (Rs. 1.85 lakhs) for taxation and transferring Rs. 1 lakh (same) to general reserve, there is a balance of Rs. 3,68,395, including Rs. 83,868 brought in. The ordinary dividend is the same at 20 percent, but the ordinary capital has meanwhile been doubled by a rights issue at par. The carry-forward is Rs. 1,18,395. The proceeds of the new issue will be utilised to finance expansion, the directors say.

COALS

Bharat—Rs. 6-14—6-15 x.d.—6-12—6-12 x.d.—(8-10).
BurraKurr—Rs. 18-12—20-2—18-6—20-1—(16-11).
Do. (Pref.)—Rs. 114-18—114-18—114-18—114-8—(127).
Bhalgor—Rs. 6-2—6-2—6-1—6-1—(6-9)
Bhulanbararee—Rs. 13-14—14-8—13-14—14-6—(14-11).
Central India—Rs. 7-2—7-2—6-4—14-15—(8-12).
Central Kurkend—Rs. 12-6—12-8—12-8—12-8—(10-12).
East Indian—Rs. 31-9—31-9—30-15—31-1—(31-9).
Raneegunge—Rs. 10-13—10-13—10-13—10-13—(12-2).
Rewa—Rs. 25-12—25-12—23-12—23-12—(19-10).
Sankarapura—Rs. 9-4—9-10—9-4—9-8—(12-10).
Sendra—Rs. 8-15—9—8-15—9—(11-10).
Talcher—Rs. 3—3—3—3—(3-12).
Western Bengal—Rs. 6-6—6-6—6-6—6-4—(7-5).

(21-24).
 National Tobacco—Rs. 11-12-11-12-11-12—(12-11)
 National Rolling—Rs. 10-7-10-10-7-10-8—(11-2).
 Oils Electric—Rs. 4-2-4-2-4-2-4-2
 Rallis India—Rs. 41-12-42-4-41-41-8—(37).
 Rohitas Industries—Rs. 21-4-21-5-20-9-20-15—(15-11).
 Sodepur Glass Works—Rs. 2-13-2-13-2-13-2-13.
 Shaw Wallace—Rs. 13-13-13-13—(15-11).
 Walford Transport—Rs. 2-4-2-7-2-4-2-7—(2-7).
 W. (P.O.)—Rs. 1-15-1-15-1-15-1-15—(2-1).
 Western Stockholder's Investment—As. 12-12-12-12.

REAL PROPERTIES

Bengal Bonded Warehouse ("C" Share)—Rs 162-162-
162-162—(174-8).

Midnapore Zemindary—Rs 29-29-28-8-29—(41-8).

SHIPPINGS

Calcutta Landing—Rs 15-4-15-4-15-4-15-4.

India Steamship—Rs. 10-8-10-11-9-14-9-15—(8-3).

TEA SHARES
Banarhat—Rs. 318—318—318—318—(379).
Bateli—Rs. 26-12—27-8—26-12—27-8—(29-12).
Bishnauth—Rs. 25—26—25—25-14—(42-5).
Do. (New)—Rs. 22-12—23-4—22-8—23-4.
Brooke Bond—Rs. 20-11—21-6—20-8—21-6—(22-14).
Brahmapootra—Rs. 8-10—9—8-10—8-13.

Baghmati-Rs. 27-29-27-28-27-(27-12).
Bhatkwa-Rs 29-12-30-28-29-10-30-38-(42).
Bormahjan-Rs. 20-15-24-26-28-20-21-(22)
Choonabhatti-Rs. 312-417-312-317
Chandynor-Rs. 68-69-68-69-(116).
Central Cachar-Rs. 67-67-67-67-(136).
Dheklakhat-Rs 23-12-24-1-23-10-23-14-(19-14).
Dibrughur-Rs. 25-10-26-10-15-20-26-10-(24-8).
Dauchacherra-Rs. 14-2-15-14-2-14-15-8-(16-2).
Dimakusi-Rs 30-31-30-30-31-8-(60-4).
East India-Rs 26-12-26-12-26-12-26-12-(24-8).
Engo-Rs. 300-300-300-300.
Gohpur-Rs. 25-4-25-4-25-4-25-10-(15).
Do. (New)-Rs. 22-8-22-10-22-6-22-6.
Groß ("A")-Rs. 34-12-36-34-12-36-(40-8).
Do. ("B")-Rs. 17-13-18-13-17-12-18-10-(22-6).

Gangaram—Rs. 202—207—202—207—(365).
Hantapara—Rs. 220—242—220—237—(330).
Hattikhira—Rs. 20—20—20—18—14—19—2—(25-10).
Huldbibari—Rs. 28—10—28—14—28—10—28—14—(39-11).
Hansqua—Rs. 23—28—23—14—23—8—23—14—(27-14).
Hasimara—Rs. 32—38—34—2—32—8—34—2—(41-14).
Jullibari—Rs. 29—4—29—10—29—3—29—5—(30-9).
Jayshree—Rs. 11—9—11—12—11—9—11—12.
Kaliti—Rs. 8—8—8—8—(8-12).
Killicoit—Rs. 20—22—60—20—22—6—(26).
Kanchanpur—Rs. 10—2—10—10—2—10—2.
Lackatoorah—Rs. 36—36—10—36—36—10—(23).
Lakshmi—Rs. 23—23—23—23—23—23—(28-8).

Ledo-Rs. 23-23-23-8-23-23-8 (28-8).
 Methoni-Rs. 22-2-23-12-21-10-23-12-(23-7).
 Mothola-Rs. 380-380-380-380.
 Mim-Rs. 274-280-274-276-(377).
 Nagaisuree-Rs. 213-215-213-215.
 New Chumta-Rs. 45-2-46-2-45-46-2-(45 x.).
 New Dooras-Rs. 306-318-306-315-(285).
 New Cinnatollah-Rs. 111-119-111-119-(265).
 New Samanbagh-Rs. 21-24-23-12-21-3-23-12-(22-2).
 Oodaleah-Rs. 13-15-13-15-(16).

Oodlabari—Rs. 25-14—25-14—25-14—25-14—(98).
 Patrakola—Rs. 231—232—231—232—(185-8).
 Poobong—Rs. 10-2—10-4—10—10—(15).
 Pussimbing—Rs. 10-5—10-8—10-5—10-8—(16).
 Do. (Pref.)—Rs. 85—85—85—85—(1,2-8).
 Pashok—Rs. 14-4—14-4—14-4—14-4—(24-12).
 Pathemara—Rs. 12—12—11-10—11-10—(19-5).
 Rajnabhat—Rs. 23-2—23-8—23-2—23-8—(38).

Rajgarh—Rs 41-2-41-5-41-2-41-5—(55-4).
Ranicherra—Rs 20-4-21-5-20-4-21-4—(22-13).
Rangamattee—Rs. 112-112-112-112.
Sungma—Rs 11-4-11-9-11-1-11-9—(11-10).
Seeyok—Rs 17-12-17-12-17-12-17-12—(20).
Tezpore—24-6-25-12-24-25-2—(34).
Teen Ali—Rs 26-4-26-8-26-4-26-8—(39-8).
Teliapara—Rs. 204-220-204-219—(203).

DEBENTURES

4 % (1956-86) Calcutta Port Trust—Rs. 97-12—97-12—
97-12—97-12.

51% Caltex Refinery—Rs. 99-12—99-12—99-12—99-12.

51% Burmah-Shell Refinery—Rs. 101-4—101-4—101-4—
101-4.

51% Standard Vacuum Refinery—Rs. 101-12—101-12—
101-12—101-12.

Taxes on Income,	Increased from Rs. 62 lakhs in
Royalties and	1945-46 to Rs. 316 lakhs
Excise Duty	in 1954-55
to Government	

THE ASSOCIATED CEMENT COMPANIES LTD.

The Cement Marketing Co. of India Private Ltd.

CML 4379

BUYING INTEREST SUBSIDES TAXATION FEARS HELP DEPRESS PRICES

DULL conditions prevailed on the Bombay stock market last week and trading was slow. Despite some good corporate news, there was complete apathy of investors towards the fresh buying. Even speculative transactions shrank to a mere trickle as operators were unable to take a view either way. Fears of fresh taxation in the coming budget seem to have cast their shadows on the market. It is generally believed that it will be hard for any worthwhile recovery to take place for the time being in view of the extreme stringency of funds. These apart, new industrial issues are expected to absorb a considerable amount of available resources.

As a result, equity prices touched new bottoms even on small offering in the absence of buying support. Tata Steels declined to Rs. 192, as did Indian Iron to Rs. 34 on continued selling pressure from Calcutta interests. Other engineering shares were mixed. Alcock Ashdown were lower at Rs. 317-8, while Premier Construction were supported around Rs. 210-8 on buying from knowledgeable quarters. In the expectation of an ordinary dividend of Rs. 6 a share Tata Locomotive improved to Rs. 170-8.

Mill shares showed an all-round decline and considerable bulk liquidation was seen. Bombay Dyeing were lowered to Rs. 628-12, as were Century to Rs. 347. Kohinoors were available at 346 and Simplex were bought at Rs. 195. Apollo lost at Rs. 2-11 and India United Ordinary came to hand at Rs. 12-2. Svadeshi met with scattered interest around Rs. 254-8.

Miscellaneous issues eased in sympathy with the general pattern. Automobile shares weakened further, with Hindusthan Motors declining to Rs. 9.5. Premier Automobiles lost at Rs. 113. Cement shares showed losses on balance, except for Asoka Cement which were supported around Rs. 12.8.

Associated Cement were transacted at Rs. 194-8. Shipping shares were relatively steady on prospects of increased freight earnings. Great Eastern Shipping were a shade better at Rs. 17-0-6 x.r. Scindia were done at Rs. 19-3½ and India Steamship were maintained around Rs. 9-15. Short-covering induced by prospects of drastic cuts in imports helped to reinstate a portion of losses in National Rayon, which closed around Rs. 263. Gwalior Rayon, however, were freely offered at Rs. 15-10-2. Chemicals slipped back to Rs. 19-9 and Tata Oil were done at Rs. 50. Sugar shares were about steady, with Belapur making Rs. 252-8. Mining shares were quiet on predominance of sellers. Indian Copper declined to Rs. 4-3 and B. B. Petro were lower at Rs. 3-2. Bombay Burmah were quiet around Rs. 690.

Banking shares received scattered support in the belief that earnings would make a good showing. Central Bank of India were taken at Rs. 55- and Bank of India came to hand at Rs. 142-8. There was little interest in the insurance sector, with British India General declining to Rs. 13-10, while New India Assurance gained fractionally at Rs. 45-12.

Routine turnover was registered in electricity supply undertakings, and Ahmedabad were transacted at Rs. 91-4. Tata Hydro realised Rs. 123-8

JUTES

Agarpara—Rs 10-9-10-9-10-7-10-8—(13-8).
Alliance—Rs 112-112-106-107—(170).
Anglo-India—Rs 154-154-154-154—(228).
Do. (Pref.)—Rs 100-103-103-100-8—(119).
Budge Budge—Rs 121-121-121-121—(192).
Calcutta—Rs 14-14-13-15-13-15—(16-4).
Deliveries—Rs 90-9-90-9-90-9—(130-8).
Delta—Rs 154-154-155—(260).
Fort Gloster (2nd Pref.)—Rs 74-74-74-74-74-74-8.
Fort William—Rs 19-15-20-1-19-12-19-12.
Gourepore (Pref.)—Rs 87-87-86-8-86-8—(105).
Ganges (Pref.)—Rs 112-112-112-112—(134).
Do. (Ord.)—Rs 58-53-58-58—58.
Hooghly—Rs 24-21-21-21-21-22—(42-8).
Hugli—Rs 112-112-112-112-112-112—(14-13).

[illegible]

MININGS

Burma Mines—Rs. 13-12-13-2-11—2-11—(2-7).
 Chrestien Mica—Rs. 15-11—15-11—15-11—15-11—(21).
 Indian Copper—Rs. 4-5-4-5-4-2-4-3—(7-9).
 Metal Corp'n. (Defd.)—Rs. 2-15-3-1-2-15—3-1—(3).
 Sutna Stone Lime—Rs. 18—18—18—18.
 Tavoy Tin—As. 12-12-11—11—(11).

CEMENTS

Ashoka—Rs. 12-5—12-5—12-5—12-5.
 Assam Bengal—Rs. 7-3—7-4—7-3—7-4—(7-11).
 Bengal Potteries—Rs. 3-9—3-10—3-8—3-10—(3-12).
 Dalmia (Bharat)—Rs. 14-2—14-2—14-2—14-2—(16).
 Do. (Rs. 2-8 Paid)—Rs. 3-2—3-3 x.r.—3-2—3-3 x.d.—
 (4).
 Orissa—Rs. 12-5—12-5—12-5—12-5.

Orissa—Rs. 13-5-13-5-13-5-13-5.
Sone Valley—Rs. 8-15-8-15-8-13-8-13-(8-14).

CHEMICALS

Alkali & Chemical (Ord.)—Rs. 20-10-21-14-20-10-
20-12-(23-14).
Bengal Chemical—Rs. 102-102-102-102-(106-8).
Do. (2nd Pref.)—Rs. 83-83-83-83-(80).
Smith Stanistreet—Rs. 9-12-9-12-9-9-9-10 x.d.-(23).

ELECTRICS

Calcutta—Rs 13-4 13-5-13-3—(15-2).
Do (Pref.)—Rs 10-14-11-10-12-10-12—(12-11).
Cuttack—Rs 8-11-8-11-8-8-8-11—(9-2).
Jhansi—Rs 8-8-8-8-8-8-8—(9-12).
Shahjahanpur—Rs 7-4-7-4-7-4-7-4—(8-4).

[illegible]

Do. (Pref.)—Rs. 124-124-123-8-123-8-(141).
 Jessop & Co.—Rs. 35-8-35-10-34-7-34-11-(67).
 Kumardhubi—Rs. 9-6-9-6-9-6-9-6.
 Do. (Pref.)—Rs. 101-101-101-101-(108).
 Marshalls—Rs. 5-11-5-13-5-11-5-13-(8).

Our City Cable

WIDESPREAD LOSSES IN STOCK MARKETS

HEAVY SELLING IN OILS

London, 28th November.

FURTHER widespread losses were recorded in the stock markets during the past week, although prices ended above the worst after a modest rally. Oils particularly suffered from heavy selling and were substantially lower, but all equity shares and most other groups fell. The grave international situation continued to dominate the markets, but there were a number of other adverse influences also. The more noteworthy of these included the serious oil shortage, the activity in the new issue market, the continued weakness of Wall Street and concern about Sir Anthony Eden's health. In addition, there was talk at one time of the possibility of a general election, although this was quickly forgotten. During the week, the 3½ percent War Loan equalled its recently established all-time low and the Financial Times Industrial Ordinary index reached its lowest point for over two years. A recovery subsequently lifted prices. Gilt-edged lost ground on persistent small selling, and although a modest rally developed later, prices were at or not far short of their lowest levels. Falls generally ranged to about a point. All-round declines were recorded in the industrial markets, and despite a modest rally, losses extended to several shillings in some shares. Steels particularly were affected by election talk, although a fair proportion of the losses were subsequently recovered. Shipping shares eased on profit-taking after their recent advance, while Imperial Chemicals fell back on issue talk. Heavy selling, some of it reported to be forced, was responsible for substantial losses in oil shares, among which British Petroleum was the chief sufferer with a fall of over 10 shillings. Golds receded on a broad front, partly on forced selling, while coppers also lost ground following the copper belt companies' annual reports. Rubber shares were easier in quiet conditions, but tea shares showed useful gains.

The Money Market

Stringent credit conditions have persisted in the London money market during the past week. To maintain the credit squeeze, the authorities had been operating previously and that deprived the banks of necessary maturities to keep their cash balances at a reasonable level. Only on Wednesday was the money supply comfortable, but during the rest of the week, 4½ percent had to be paid for day-to-day loans, with 5 percent for money lent by the authorities. Business in bills was held in check by a stringent cash position and under pressure, 4½ percent was the general rate for January and February maturities. The continued poor monetary situation led to a slight hardening of bill rates at the week's tender. Applications for £210 million worth of 91-day Treasury bills totalled £354,595,000 and were allotted at an average rate of 100s 3.34d percent against 100s percent in the previous week. Applications for £80 million worth of 63-day bills totalled £85,990,000, and were allotted at an average rate of 100s 10.83d percent against 100s 10.30d percent in the previous week. This week £290 million worth of bills are on offer comprising £220 million worth of 91-day bills and £70 million worth of 63-day bills. The Bank of England return for the week ended 21st November showed that notes in circulation were about £2 million higher at around £1,694 million, while bankers' deposits were about £1 million higher at around £239 million.

U.S. Federal Reserve Return

The U.S. Federal Reserve return for the week ended 21st November shows that the gold stock was unchanged at \$21,910 million. Foreign deposits fell by \$42 million to \$300 million and foreign investments by \$59 million to \$3,566 million. The Federal Reserve bought \$165 million worth of bills and sold \$1 million worth of certificates. It also bought \$34 million worth of bills under repurchase agreements. Total discounts and advances rose by \$22 million to \$595 million, while the aggregate of excess reserves of member banks rose by \$442 million to \$581 million. Daily average excess reserves of member banks rose by \$48 million to \$691 million, while their daily average borrowings fell by \$282 million to \$660 million. Business loans of the New York city banks fell by \$54 million compared with a rise of \$15 million in the corresponding period a year ago.

Rubber Market Uncertain

Uncertainty was the keynote of trading in the rubber market during the week ended 22nd November. An easier tendency at the outset was reversed by renewed demand for nearby rubber on U.K. Continental and Russian account, but business later was spasmodic. Prices fluctuated in thin trading and in line with the Singapore market. In a dull phase relieved by a little profit-taking, softness occurred and the market was disturbed by the news of petrol rationing. Towards the close, the list was marked up sharply on an unexpected advance in Singapore. A few orders were put through at a higher level and traders reported good offtake of No.1 RSS, on the spot, but there was not enough general interest to sustain the advance. Prices again eased and finally were about 1d a lb higher on the week. In the virtual absence of spot supplies, small quantities of sole crepe were quickly absorbed at up to 47d a lb. for No. 1 smooth 4th inch on the spot.

New Delhi

KRUPPS-DEMAG DIRECTORS TO RESIGN FROM ROURKELA STEEL PLANT BOARD

GERMAN CONSORTIUM RELEASED FROM OBLIGATION TO INVEST MONEY IN PROJECT

(FROM OUR NEW DELHI CORRESPONDENT)

THE directors representing Krupps-Demag will submit their resignations from the board of Hindustan Steel Ltd. at a meeting due to be held in Calcutta on 30th November. This will mark the termination of the shareholding of their principals in the undertaking set up to establish the one million ton steel plant in Rourkela. The German consortium, however, will continue to collaborate with the Government in setting up the plant. The equipment for it is now on order. Under the agreement, Krupps-Demag was to invest about Rs. 10 crores in the project, the sum being repayable by 1963. As Krupps-Demag is not a financier, the amount of money to be so invested affected the prices for the equipment and plant. The Bhoothalingam mission, which went to Western Germany to finalise the details of the agreement, was able to secure a price reduction by releasing Krupps-Demag from its obligation to invest money. This, incidentally, has also eliminated foreign participation in the management of a key enterprise. A further price reduction was secured when India agreed to make most of the payments in the first 18 months of the erection of the plant, instead of spreading them over the entire period of commissioning. For India, the advantages claimed are a reduction in prices over those originally quoted, and a strengthening of the public sector by the total elimination of foreign interests from the management of a State undertaking. It may be added that these amendments in the agreement were made possible by the willing co-operation of Krupps-Demag. The articles of association of Hindustan Steel Ltd. are being amended, particularly so as to enable the company to undertake the processing and management of all the three plants in the public sector.

I.N.T.U.C. Demands Wage Rises

Two important developments are worth reporting. Following a conference which was attended by the Irrigation Minister, Mr. Gulzarilal Nanda, and the Labour Minister, Mr. Khandubhai Desai, the Indian National Trade Union Congress has announced its decision to demand a general wage increase of 25 percent for workers. The President of the I.N.T.U.C., Mr. S. R. Vasavada, speaking in Ahmedabad, said that his organisation would serve notices "for equitable wage increases in seven industries in the private sector, namely, textiles, cement, coal, steel, sugar, jute and engineering." (Why not also in the khadi industry?) These seven industries, he said, employed 2.2 million workers. In the public sector, the railways would be the first to be approached. A demand, which incidentally has already been conceded by the Labour Minister, for setting up Wage Boards would also be made. Mr. Vasavada concluded: "There would be no further demands during the second plan. Another demand for wage increases would be after the completion of the second plan." The other development is the demand for wage increases from employees of port trusts.

The demand of the I.N.T.U.C. is based on the assumption that there has been a great increase in prosperity during the first plan, as is evident from the Planning Commission's claim of a rise in the national income and the per capita income. Some questions arise. Firstly, what is the contribution of industrial labour to the increase in prosperity? One yardstick is the per capita productivity of workers. In the coal industry, output per man has gone up from 0.34 tons in 1951 to 0.38 tons in June 1956. The average weekly hours of work during the same period have similarly increased from 46.63 to 47.58, and total cash earnings have risen from Rs. 10-15-5 to Rs. 12-14-1 a week. The question is whether similar figures are available for the other six industries in which a rise of 25 percent has been demanded.

The second question relates to the contribution of industrial labour in general, and the labour of the seven industries in particular, to India's recent prosperity. It is worth considering whether this prosperity will continue if there are no favourable monsoons for a number of years. Also worth considering is the contribution to this prosperity of agricultural labour, for which no minimum wages have been fixed on all-India basis.

The influence of the coming general elections on the demand for higher wages is clear. It seems contradictory that Congressmen sitting at the annual session of their party demand austerity from everyone, but sitting in their sectional organisation demand wage rises of 25 percent. This is happening at a time when the Finance Minister is emphasising the importance of price stability for orderly development. A broad outline of the effects is needed. A rise of 25 percent in coal wages would increase railway freights. A 25 percent rise in the wages of railwaymen would increase freights further. A rise of 25 percent in the wages of textile workers would increase the price of cloth. The combined effect of these three increases would be

to reduce the competitive strength of Indian textiles and other goods in the world market, and to that extent the earnings of foreign exchange would also be reduced. A reduction in foreign exchange earnings would affect the development programme, and to that extent reduce the scope for new employment.

A rise in transport charges, plus an increase in the price of cement, plus an increase in the price of gunny bags for cement, plus an increase in the prices of engineering goods, plus an increase in the wages of labour following an increase in the price of sugar and textiles, would increase the total outlay on every project in the second plan. As resources are not unlimited, this would reduce the number of development projects, which in turn would reduce the employment potential. In the ultimate analysis, the fight is with the Communists, and the demand for a 25 percent wage rise is a bid against them. But will even such a large wage rise help root out Communist influence? The case of bank employees gives some idea of what often happens. After the full implementation of the Bank award, they went on strike in spite of the Prime Minister's appeal. In order to win over the non-Communist elements, the Government gave certain concessions. In the end, it was a triumph for the Communists, because the bank employees got everything that the Communists had demanded. There is also the case of insurance employees, who have been accused of indiscipline by the Finance Minister. What assistance is Mr. Vasavada's organisation rendering to the authorities in this dispute, the responsibility for which has been laid on the Communists? The effects of the welfare State ideology in Britain should be studied before it is adopted wholesale in India. Because of this ideology, workers in Britain are losing pride in their work and competitive efficiency is suffering.

Discipline among Insurance Employees

The question of maintaining discipline among the employees of the Life Insurance Corporation featured in the Lok Sabha last week. The Finance Minister, Mr. T. T. Krishnamachari, told the House that "lack of discipline" was something which had

been reflected in the efficiency of the Corporation and that the latter was "certainly not what it ought to be". Mr. Sadhan Gupta asked whether it was indiscipline if the employees agitated for the retention of their previous system of bonus and against cuts in scales of pay. The Finance Minister replied that lack of discipline and the question of making representations for better pay scales were entirely different. Representations could be made and deputations could be sent. Even some mild agitation could go on, but lack of discipline was totally different. He quoted an instance in Madras when he visited the office of the Insurance Corporation recently. At 11-45 a.m., over 200 employees there had barricaded the staircase and stayed away from work until 1-15 p.m. shouting slogans. What happened to their work? He added that the Communist Party to which Mr. Sadhan Gupta belonged was responsible for keeping this agitation going. Mr. Gupta rose to say: "Prove it, it is a lie." But the Finance Minister retorted: "To my friend these facts appear to be lies."

Indo-Japanese Iron Ore Pact

An Indo-Japanese agreement has been reached for the supply of iron ore on a long-term basis. Under it, India has contracted to supply 1½ million tons of iron ore a year to Japan over a period of five years. Negotiations are afoot for Japanese collaboration in the development of transport, particularly of certain ports on the west coast, such as Karwar, Redi and Honewar. A visit by a Japanese mission is expected.

Foreign Exchange and Official Purchases

The foreign exchange squeeze will be reflected in the January-June import policy, it was indicated last week. The issue is a complicated one. The shortage of foreign exchange cannot be attributed solely to heavy imports or to the fall in exports. The policy of drift and indecision has also contributed to it. It may be interesting if the Government were to appraise the extra cost of delayed decisions about purchases from abroad. The buying of Viscount aircraft illustrates the point. The delay in implementing the recommendation of the Airlines Corporation has cost a considerable sum of money, and to that extent involved a larger outlay of foreign exchange.

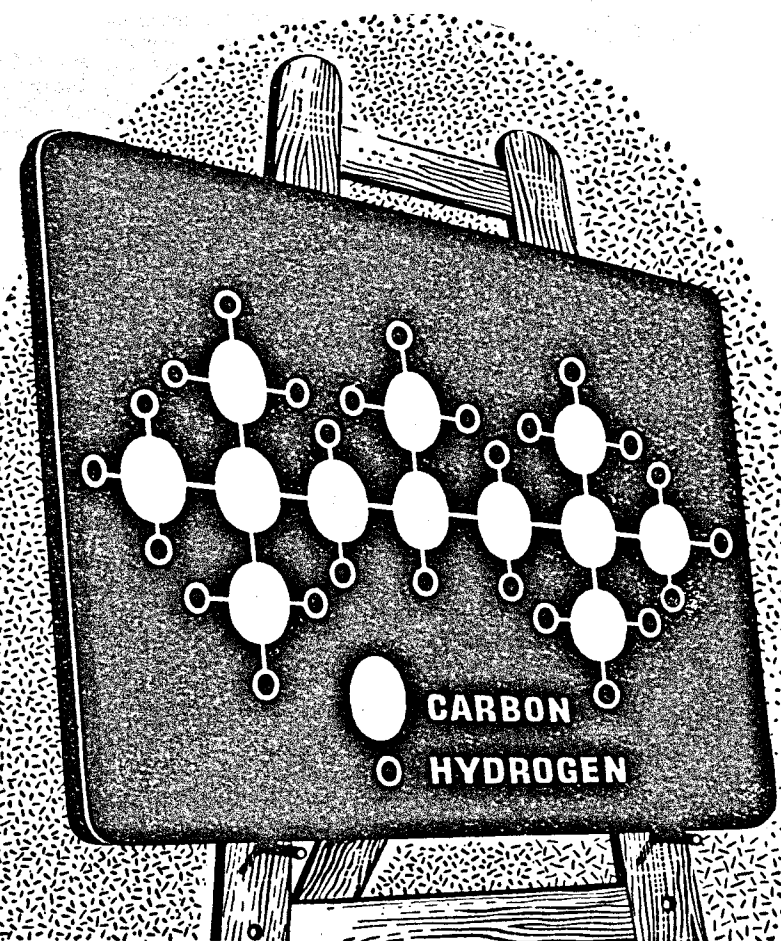
Newsprint Factory in Andhra

As already reported, a decision has been reached to set up a newsprint factory near the Nizam Sugar Mills in Hyderabad (now Andhra). Bagasse will be the raw material. A team of German consultants is now on its way to India to negotiate an agreement for collaboration in the project, which is expected to go into production by 1961, raising India's output of newsprint to 140,000 tons.

The Napanagar newsprint factory in Madhya Pradesh is producing 60 tons of newsprint a day and will shortly raise its production to 100 tons a day. Newsprint imports at present cost about Rs. 6.65 crores a year.

Manufacture of Synthetic Rubber

A number of units to manufacture synthetic rubber are planned. This follows the project report



AN EDUCATION IN Oil

This is not an abstract design in an Art Class. It is one of the chemist's symbols for the structure of hydrocarbons. And hydrocarbons are the most important ingredients in oil—that vital fluid on which India depends so much for the progress of industry, transport and agriculture.

In the Assam Oil Company, chemists, physicists and geologists are engaged all the time on research, helping to find new sources of oil, devising more efficient and more economical methods of refining oil and discovering new uses for oil.

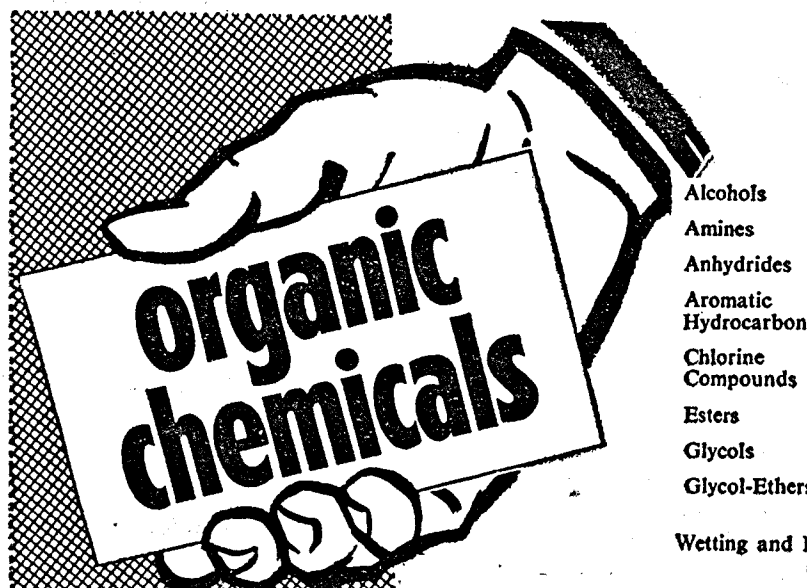
The results of such research mean that more and more of the oil and oil products which are needed for our expanding economy come direct from India's own oilfields.



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NATIONAL CARBON COMPANY (INDIA) LTD.
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TURNING A NEW ROLL

We have turned a new roll; and it has cost us three and a half crores of rupees.

To what purpose, pray?

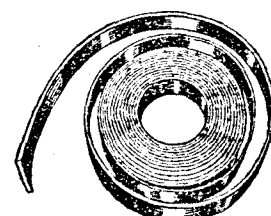
At the end of the rolling, we get coils of flat, steel strip—skelp, as the steel man calls it. The skelp is passed on to the Indian Tube Company, which welds it into tubes.

So what?

Merely that steel tubes pipe up water from deep inside the earth to parched fields, helping to grow a rich harvest. In the cities, countless homes receive a protected supply of water through these pipes.

Soon, a new plant will turn out the kind of steel tubes that go into the making of bicycles. Remember also that the locomotive speeding along the track is kept going by steel tubes which hold the steam.

Tata Steel's new Skelp Mill, the first of its kind in India, has a capacity of 200,000 tons. When there is enough steel, this mill will roll all the skelp and strip the country needs.



TATA STEEL
SERVES THE NATION

of an American team which came to India earlier this year. At least three American firms are interested in the project. The location of the units will be Uttar Pradesh, where power alcohol from sugar factories is available, and Rourkela, where coke oven gases will provide the base. A fertiliser factory is also being set up in Rourkela. The synthetic rubber units will be in the public sector.

Orders for Ships

Orders for ships worth over Rs. 23 crores have been placed with several countries during the recent visit of India's Director-General of Shipping to the U.K., Germany, Italy and other places. The Transport Minister, Mr. L. B. Shastri, told the Lok Sabha that within six months of the inauguration of the second plan, shipping companies in the public and private sectors had been able to place orders for ships worth over Rs. 36 crores—almost the total sum allotted for shipping in the second plan period. Asked whether the Government had taken any steps to purchase second-hand ships, Mr. Shastri said that the purchase of ten-year-old second-hand ships could be considered. But it was not easy to get such ships, and only ships which were 15 or 20 years old were available. Asked whether any steps had been taken to get ships from the U.S. reserve fleet, he replied that India did approach the U.S.A. in this connection before the recent Presidential election. She was told that legislation by the U.S. Congress would be necessary for the transfer of the ships, and such legislation could not be undertaken in view of the Presidential election then. When asked whether India had been able to send as many ships to Russian ports as she had undertaken under the recent Indo-Russian shipping agreement, the Minister replied that at present India did not have enough ships. The Government had asked private shipping companies to divert some of their ships to Russian ports, if possible. They had not been able to do that. As soon as there were more ships, the number going to Russian ports would be increased.

U.K. Assistance for New Shipyard

The Production Minister told Parliament that the U.K. Government has offered assistance in establishing a second shipyard. Its proposal to send a small expert mission under the technical co-operation scheme of the Colombo Plan is being considered. It has been suggested that the mission, after visiting possible sites and studying the data available, may prepare a preliminary project report on the lay-out of the new shipyard and the equipment required to establish it, together with estimates of the capital costs and the construction costs of the types of ships to be built in the yard.

Shoes for Russia

An agreement has been reached by the State Trading Corporation with Russia for the export

of shoes worth Rs. 118,05,000. Deliveries are to be completed by the end of February 1957. Most of the supplies will pass through the National Small Industries Corporation, which will execute orders through co-operative societies, small shoe-making establishments as well as individual shoe-makers. The Government has given the Corporation a loan of Rs. 25 lakhs to help it to organise production.

Using Russian Loan to India

Proposals are being examined here to utilise the long-term credit of 500 million roubles, which Russia has offered to import equipment, including equipment for an oil refinery and fertiliser plants.

Foundry for Hindustan Machine Tools

A proposal to set up a foundry in the Hindustan Machine Tool factory is being examined here. The capacity of foundry will be 2,000 tons of net castings, all of which will be required for the factory. Its cost is placed at Rs. 60 lakhs. German collaboration in the project is expected.

Training Steel Technicians

The Russian Government has agreed to train in Russia 686 engineers and technicians for the Bhilai steel works. Eighty young engineers are now there getting training in three modern steel works. The expenditure on them will be borne by the U.N. Technical Assistance Fund. Another 109 engineers and 497 supervisory staff will be sent for training during 1957 and 1958.

I.S.C.O.N., the British consortium, has agreed to provide training facilities for approximately 300 engineers and technicians of the Durgapur steel plant in U.K. steelworks. The U.K. Government has agreed to underwrite the cost of the training under the Colombo Plan.

Approximately 16,000 operatives and skilled workers for the three State steel plants will have to be trained in India. A technical committee was appointed to assess the existing training facilities in India for skilled workers required by the steelworks. It recommended:

1. The Government should recruit skilled technicians from the training centres run by the Ministry of Labour and the State Governments, existing steelworks and the open market.
2. Special metallurgical courses should be arranged at the Indian Institute of Science, Bangalore, the Engineering College, Poona, the College of Mining and Metallurgy, Banaras, the Bengal Engineering College, Calcutta, and the Indian Institute of Technology, Kharagpur.

The committee also made a list of suitable engi-

neering works, with an assessment of the likely number of persons who could be given practical training in them. At present, 22 supervisory trainees, nine graduate trainees and 492 trade trainees are being trained in Indian steelworks and other engineering workshops. As part of the overall programme, the training of about 3,500 technicians of different categories in a number of engineering and metallurgical works spread all over the country has been agreed to in principle by the engineering association, the Bengal Chamber of Commerce and the Ministry of Iron and Steel. The Indian Government has made arrangements with some leading American steel manufacturers for the training of Indian technicians for employment in its steel plants. A feature of the scheme is that the Ford Foundation will defray the expenditure of the Indian personnel during their training period, while the American companies will employ them as soon as their training has been completed. The Government of India's liability will be confined to the passage money to and from the U.S.A. It will thus have a group of trained men who will be kept in employment, ready to be brought back to India when their services are needed, at the lowest possible cost.

Consultant on Railway Electrification

A French railway engineer, M. Bouloungne, has been appointed consulting engineer to the Indian railways for their electrification schemes. M. Bouloungne was a member of the French railway mission which recently submitted a report to the Government of India on certain technical issues connected with railway electrification. According to the present proposals it is expected that the electrified route mileage on the Indian railways will be more than trebled by the end of the second five year plan. A provision of Rs. 80 crores has been made for this purpose.

Purchase of Boeings by A.I.I.

The Air India International Corporation signed a letter of intent on 30th August, 1956, for the purchase of three Boeing 707 jet aircraft. The contract with the Boeing Airlines Company is still being negotiated. It is hoped that the aircraft will be delivered between January and March, 1960.

Indian Trade with South Viet-Nam

The Governments of South Viet-Nam and India have agreed to accord each other "most favoured nation" treatment on tariffs. The market for Indian goods in South Viet-Nam was explored in discussions with the South Viet-Nam trade delegation which came here last August. As a result of these discussions, the lists of commodities available for export from either country have been drawn up and publicised. The question of granting import licences for goods from India is being discussed by India's representative in South Viet-Nam.

Yugoslav Iron and Steel Delegation

A delegation consisting of the representatives of some iron and steel works in Yugoslavia is at present in India. It has not been sponsored by the Yugoslav Government. The members of the delegation have had exploratory talks with the State Trading Corporation and the Ministry of Railways for the supply of steel, rails, etcetera, and also with the Iron and Steel Controller, Calcutta. No business has so far materialised.

Zonal Industrial Cells

It has been decided to establish four Zonal Industrial Cells to study the economic geography of each Zone, assist in the collection of data, and give technical advice and guidance. Steps are being taken to recruit the technical staff.

Licences for Sugar Mills

The broad principles followed in granting licences for establishing new sugar mills, or for expanding existing ones, are the availability of adequate supplies of sugarcane around the proposed site and the capacity of the applicant to execute the project. This was mentioned last week in a statement laid on the table of the Lok Sabha by Mr. A. P. Jain, Union Minister for Food and Agriculture in a written reply to a question. The statement added that, as for the available capacity to be licensed, the matter has recently been reviewed and it has been decided to grant licences in the following order:

1. For expanding existing factories so that the capacity after expansion might be up to 1,000 tons of cane a day.
2. For balancing the plants of existing factories up to a crushing capacity of 2,000 tons of cane a day. This would be applicable to factories whose mill and boiling houses are not balanced at present.
3. For the expansion of sugar mills having some special features, such as where large supplies of bagasse are required to sustain a paper mill.
4. For establishing co-operative factories where sugarcane sufficient for an 800-1,000 ton factory is already grown and the promoters have collected a substantial amount by way of share capital.
5. For establishing new factories at sites where sugarcane cannot be utilised for any purpose other than the manufacture of sugar, such as the Terai areas of U.P.
6. For establishing new factories by private and joint-stock concerns. These applications will be considered on their merits as hitherto.

The additional capacity required during the first and second plan periods has been assessed at one

London

BUSINESS TAKES A LONGER VIEW OF SUEZ SITUATION

SHIPPING POSITION AND FUEL OIL RATIONING RESPONSIBLE

(FROM OUR LONDON CORRESPONDENT)

AS anticipated in recent despatches from this part of the world, the "wait and see" attitude which appeared to govern the reactions of the business community to developments in the Middle East has at last had to be abandoned in favour of taking a long-term view. Two factors in particular have been responsible for this change—the rationing of fuel oil supplies so as to make an overall saving of 10 percent in consumption, and the increasing evidence of a shortage of shipping space. The full consequences, of course, will depend on how long the shortages will last and the measure of improvisation that will be possible in the interim, but it seems to be generally accepted in the many assessments which have so far been attempted that we must expect some lowering of production and of the volume of international trade, and certainly short-term working over a wider section of industry, if not indeed substantial unemployment, should the crisis drag on for any length of time. These are the more doleful prospects, and it is particularly unfortunate that they should have impinged on the economy at the time when—and this is also widely accepted—the Chancellor of the Exchequer's anti-inflationary measures were being initiated to get the situation under control. There are apparently some more encouraging possibilities. The fuel problem might well be tackled successfully on a co-operative basis, both nationally and internationally, and that of shipping at least minimised by the release of requisitioned shipping by the Government and the reactivation of ships from the American "mothball" fleet. Costs and prices will rise, but industry will be concerned more with maintaining activity rather than profits and dividends, with the result that there may well be some interruption of the wage spiral. Consumer demand will be reduced, with at least an opportunity for essential materials going to the export industries. If sterling can withstand the pressure to which it is being subjected, the economy could emerge from the crisis it is now facing with a renewed vitality.

Shipping Difficulties

Most markets in the City are busy discounting, or attempting to discount, the worst possibilities. Stock Exchange prices have been written down substantially, whereas shipping freights have been raised to new peak levels. The unfortunate consequences of the latter are widespread, much more so, surely, than Colonel Nasser realised when he embarked on his Guy Fawkes celebrations in the Suez Canal. They will be particularly severe on Western Europe, as of course he anticipated, but also on India and the Levantine countries as a whole. On the basis of a round voyage via the Cape, in ballast and laden, it now costs about 343s. a ton to ship oil from the Persian Gulf to Britain, against about 105s. via the Canal, and the trip takes almost twice as long. As the Manchester Guardian points out, in dealing with this question: "Manganese ore from India to the Continent, which was paying around 132s. 6d., now offers over 200s. without finding ships. The rate for fertilisers from Baltimore to Karachi has jumped \$5 a ton to \$30.50. Sharp though these increases have been there is no finality about them. An ordinary tramp ship of the Liberty type and worth some £600,000 second-hand can today earn £800 a day clear profit in the Atlantic coal trade. To get a similar profit in the Far Eastern or Indian trades the rates prevailing before the canal was closed would have to be doubled." Colonel Nasser hardly did his Afro-Asian "friends" or his Arab associates much of a good turn, and it makes things worse the longer the clearing of the canal is delayed.

October Trade Details

Faced with the rationing of fuel oil supplies, it is not very encouraging to learn from the detailed overseas trade figures for October that exports of petroleum products in that month were no less than 32 percent higher than the average for the previous nine months. It is true that imports of petroleum were also higher, but only by 10 percent. It turns out that the general increase in British exports in October was largely due to two special factors. October this year had the unusual number of 27 working days; and some goods which had been held up by the requisitioning of ships in August and September were despatched in October. Even after allowing for these factors, however, the October figure was still an improvement on the third quarter exports. The "underlying" rate of increase in the value of exports is only a little less than the rate of over 10 percent achieved in the first half of the year. Heavy increases were recorded in the exports of non-ferrous metals and steel. Shipments of cotton yarns and fabrics were 18 percent above the nine months' average. It is clear that the shipping shortage which has now begun to affect exports had not yet made its impact. October is usually no more than an average month for imports, and much of last month's sharp rise of £59 million in imports was in foodstuffs. Among industrial materials imports of non-ferrous metals were considerably larger than the average monthly rate for the third quarter of this year.

Trade Terms Worse

A disagreeable foretaste of the impact of high freight rates on the balance of trade is also to be found in the October trade returns. In that month

the index of our export prices was constant at 107, while the index of import prices rose by two points to 106, causing the terms of trade to move two points against us, from 97 to 99. The rise in import prices was due to a seven point jump to 115 in the index for imported fuels, largely due to a higher oil tanker freight rates. There was also a sharp increase in tea prices. Since October, freights, and particularly tanker freights, have been rising faster, so that the terms of trade must be expected to worsen further.

Commodity Prices Steady

A notable aspect of the present crisis has been the relative steadiness of basic material prices. The Board of Trade's index (based on monthly averages) fell by 1.1 percent in October to a level only 0.8 percent above that of July, when the crisis began. Since then events have taken another twist and there has been a further flurry in the markets, but once again prices seem to be settling down quickly. Thus tin, which rose by £100 a ton between mid-October and the beginning of November, reaching a peak of around £890 a ton, has now lost nearly half the increase. Copper rose during the same period from £285 a ton to £300 a ton but has now come back to £282 a ton. Rubber has held its gains and is still 4d. a pound higher than a month ago. The general trend makes it seem unlikely that basic material prices will cause much deterioration in the terms of trade in November.

Hire-Purchase Debt Falling

Hire-purchase sales by household goods shops rose during September. While partly seasonal, the increase also reflects a slight rise in the proportion of goods sold on credit terms from 28 percent in August to 29 percent in September. The index number of the value of goods sold on hire-purchase each week by retailers on the basis of December, 1955=100, rose from 67 in August to 77 in September. It is estimated that the total hire-purchase debt at the end of September of at least £374 million was about 17 percent below the level at the end of last year. Of the total, about £222 million was owing to retailers, of which furniture and furnishings accounted for £125 million.

P & O. Subsidiary for Bermuda

The tax fight of shipping companies to Bermuda continues. The giant P. & O. shipping group is about to register a subsidiary in Bermuda "in case it should be decided in the near future that an investment in this company would be desirable." Only last week, Court Line announced that it was seeking Treasury consent to form a subsidiary in Bermuda, where profits are practically free of tax.

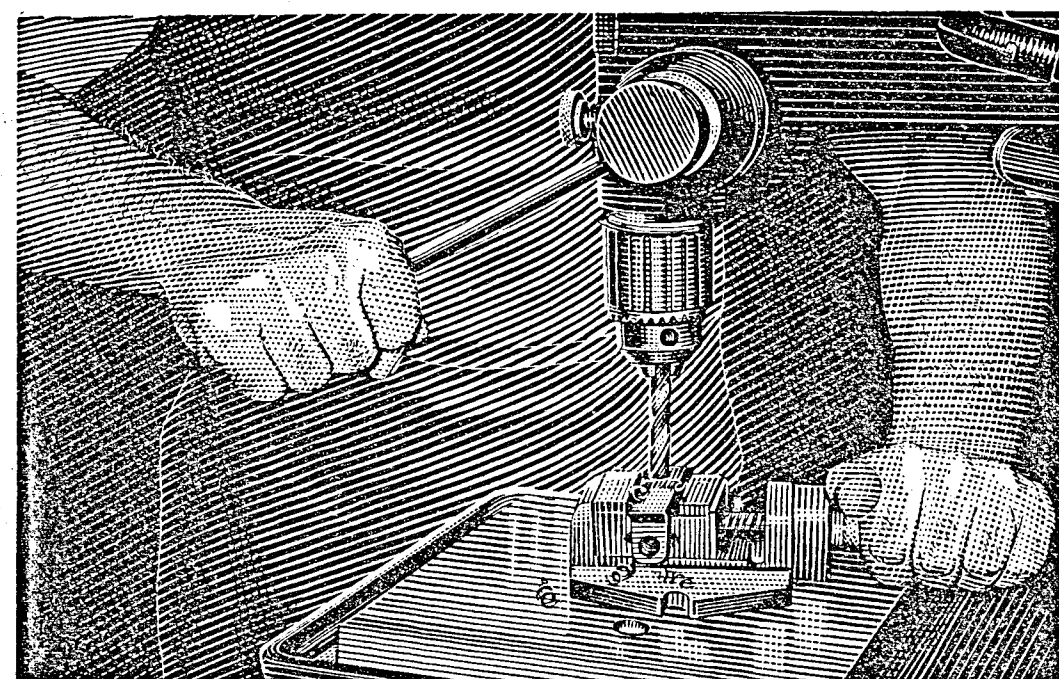
Other shipping companies have already embarked on similar plans. Discussing the question of "flags of convenience" at the P. & O. meeting in May, Sir William Currie, the chairman, said that while the advantage for an established British company is not at first sight very obvious, the position was being carefully studied. It is thought that P. & O.'s plans for Bermuda are largely connected with the group's £37 million tanker programme. Earliest deliveries of new tanker tonnage are not expected before the middle of 1958.

Developing Northern Ireland

As a result of the joint efforts of the Northern Ireland Development Council and the Northern Ireland Ministry of Commerce, six firms—including one from the United States—have decided to establish new factories there, with a total initial employment target of 1,200, of whom 1,000 will be men. Giving these figures in his first annual report to the Prime Minister, Lord Brookeborough, the chairman of the Council, Lord Chandos, adds that a further 500 jobs will be provided from two schemes for the expansion of existing industry, and the other negotiations are nearing their final stages. Lord Chandos points out that, apart from the year 1953, when his own concern, the British Thomson-Houston Company, announced its decision to build a plant at Larne with an employment target of 3,200, the figure of 1,200 was the largest announced by new firms for any year since 1948. The Council considers it urgent that a decision on the timetable for establishing an atomic power station in Northern Ireland should be taken and announced. The exemption of Northern Ireland from certain aspects of the credit squeeze should prove an advantage, the report says, but plans for industrial expansion had suffered through uncertainty regarding future markets. The Council has taken up only £2,500 of the £20,000 granted for the establishment of its administrative organisation.

Cost of Living Rises

The cost of living rose last month for the first time since Mr. Macmillan launched his campaign to achieve a "plateau" of economic stability. Announcing this, the Ministry of Labour stated that the official index of retail prices on 16th October was 103, one point higher than in September. The index had remained at 102—Mr. Macmillan's "plateau"—for four months. This summer has been one of the most stable periods the index has seen since the war. Last year, and in 1954, it rose two points between the months of June and September. During the last ten months the cost of living has risen by three points on the present index, although on the old or "interim" index the rise has been five points.



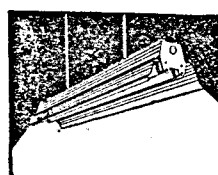
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Bombay

DEVELOPMENT PROBLEMS OF THE RAYON INDUSTRY

CAPITAL SHORTAGE AND HIGH PRODUCTION COSTS

(FROM OUR BOMBAY CORRESPONDENT)

SPEAKING to the local branch in Surat, Mr. Dhirajlal Shroff, president of the Bombay Silk and Art Silk Mills Association, said that a delegation would soon visit African territories with the object of promoting the export of Indian rayon fabrics there. It would be sponsored by the Export Promotion Council for Art Silk and the final details would be discussed at a meeting called by the Government of India in New Delhi. Mr. Shroff appealed to Indian manufacturers to help the export drive and added: "Indian producers should take advantage of the atmosphere created by the recent visit of Mr. Nehru to the Arab countries and promote the export of art silk cloth to these countries." But it seems that Mr. Shroff himself was somewhat doubtful about the success of this delegation when he informed his listeners that a similar mission which recently visited the Persian Gulf countries had found it extremely difficult to interest importers there in Indian rayon fabrics. "There merchants were wary about the quality of our cloth," he said. Mr. Shroff must also have realised, despite his appeal, that it takes more than mere goodwill and a friendly atmosphere to create an export market.

Based as it is on the results of the delegation to the Persian Gulf, Mr. Shroff's apparent scepticism

appears to be well founded, but his subsequent remarks confuse the issue. He said: "The further improvement of the art silk industry depends to a good extent on the industry promoting exports and earning foreign exchange," and in furtherance of this objective, he suggested that Indian producers consider the possibility of selling certain quantities of cloth without profit in foreign countries in order to create a market. It is difficult to see how the future development of the industry depends on exports. The converse would seem to be the case, considering that Indian mills cannot compete in foreign markets in terms of quality and price. The Indian industry's output is but a drop in the ocean, compared with the mass production of the Japanese industry, and its manufacturing techniques are relatively primitive. In these circumstances, Indian exports will continue to be negligible and the quantum of foreign exchange earned equally insignificant. The suggestion of selling at cost price is surprising. Unless the industry has an investible surplus, it obviously cannot expand. On the other hand, there is a tremendous internal market which needs to be exploited. Despite prohibitive import tariffs, Japan offers keen competition to the domestic industry, and it is significant that Indian mills find it difficult to work to full capacity. This extraordinary situation would seem to indicate that some drastic changes are necessary within the industry.

Two Requirements

There are two vital requirements which must be met before the Indian industry can run on an economic basis. The first is that a programme of rationalisation should be undertaken. Most of the present equipment was installed as far back as 1937 when the industry first came into existence and it was even then not new. There has been little rehabilitation since then, so the industry has been deprived of modern technological advances which make for economic and efficient production. The problem of foreign exchange expenditure in importing the latest type of machinery will have to be faced. It is true that some equipment is being manufactured within the country, but mill-owners complain that locally manufactured products do not conform to international standards. It is also necessary to differentiate between spare parts for the existing machinery and the modern type of equipment which is not produced in India. The second condition relates to a satisfactory supply of yarn. Indian mills consume nearly 60 million lbs. each year and a very considerable percentage of this quantity is imported. The position is complicated by the fact that in addition to the manufacturers, import licences are also issued to merchants. Supplies restricted by an overall ceiling are, therefore, divided between two distinct groups whose interests are not in harmony. The merchants are frankly concerned to get the maximum possible profits and are quick to take advantage of any temporary shortage that may occur with the mills. Speculative activity has led to large variations in prices, to the detriment of the mills who are the ultimate consumers. The entire supply system needs to be reorganised in the larger interests of the industry. If it is not possible to eliminate the middleman entirely, it should be possible to evolve a compromise formula which would ensure a reasonable margin of profit for the merchant importer without taxing the mills to unreasonable limits.

The import duty of 36½ percent on yarn is another crippling factor. The procedure of levying import duty in Bombay Port is somewhat unusual. For some unknown reason, the import duty in Bombay Port is not calculated on the invoiced value, but on the market value prevailing in the city at the time of the arrival of the consignment. This means that if the market price stands at a particularly high level because of speculative activity or temporary scarcity, the mills have to pay excessive import duty which bears no relation to the actual cost of the material. It has happened that they have had to pay duty on an exaggerated market value which has worked out to an *ad valorem* rate of 50 percent to 60 percent. Moreover, market value is a factor which varies beyond normal limits and it is impossible to forecast what it will be on the day any particular consignment arrives. This means that the mills can never compute their cost of production in advance and the normal procedure of forward sales becomes a hazardous venture. No industry can flourish if the supply and price of its essential raw material are subject to violent fluctuations at short intervals and often without warning.

Need for Raising Yarn Production

The ultimate solution, of course, is for the country to develop its own yarn industry. A start has already been made, but the present output is inadequate, and there is an urgent need for further units. The rayon piecegoods industry did attempt to solve this problem on its own account by entering into a deal with Snia Viscosa of Italy for setting up a rayon and staple fibre yarn factory, but finance proved a serious handicap. The main difficulty is that the mills are small units and find it hard to contribute their quotas of the investment for a co-operative venture of this type. The biggest unit controls 600 looms and the smallest has 25 looms. Their approximate turnover amounts to a little over Rs. 1 crore and Rs. 6 lakhs, respectively, which is inadequate to finance a project, the initial cost of which is estimated at about Rs. 6 crores. Nevertheless, the industry has shown initiative and deserves to be encouraged. It may be worthwhile for the Government to consider whether financial assistance could be given to set up a yarn producing unit on a co-operative basis. Unless the existing plant is replaced and adequate supplies of yarn made available at world prices, the Indian mill industry will not be able to hold its own either in the domestic or in foreign markets.

Uttar Pradesh

METHODS OF RAISING FOOD OUTPUT

U.P. CHIEF MINISTER OPPOSED TO CO-OPERATIVE FARMING

(FROM OUR LUCKNOW CORRESPONDENT)

WAYS of securing a 40 percent increase in agricultural production in the second plan period were discussed at a four-day inter-State regional seminar on development in Hardwar early last week. Besides Uttar Pradesh, delegates from eight other States including Kashmir, Orissa, West Bengal and Delhi attended. The most noteworthy speech was that of U.P.'s Chief Minister, Dr. Sampurnanand, who warned the planners against being over-enthusiastic in their approach to the Indian farmer. The Japanese method of paddy cultivation, according to him, did not evoke the same interest now as at the beginning, because it was found that the practice had nothing revolutionary in it and was only as good or as bad as the indigenous methods. Dr. Sampurnanand was also not in favour of co-operative farming, unless certain pre-requisites were fulfilled. For co-operative farming to prove successful, State guarantees for both prices and markets had to be introduced such as in China. But under a democratic set-up, it would not, he said, be easy in any case to switch over from individual farming to collective farming. The Government of U.P. does not favour co-operative farming and instead will go ahead with its programme of the consolidation of holdings. Scepticism about the immediate success of the community development programmes was also expressed by the State's Planning Minister, Mr. C. B. Gupta. He expressed his doubts because he felt the co-operatives, the *panchayats* and other peoples' organisations had not taken root in the country, one proof of which was the conspicuous absence of local leadership. "We must confess," he said, "that the community development programme has not been able to touch more than a fringe of the problem."

Views of a Congress Minister

The State Transport Minister, Mr. Vichitra Narain Sharma, who is also a member of the All-India Khadi and Village Industries Board, has accused the Centre of being biased in favour of big business. Addressing a Press conference in Lucknow last week, Mr. Sharma said he was unhappy to find that a propaganda campaign was going on against Government subsidy to the khadi and handloom industries. The Union Government spent, by way of subsidy to mills, a sum of Rs. 1,176 crores in the last 25 years, which worked out to Rs. 56 crores a year. It was the same beneficiaries of this subsidy, Mr. Sharma alleged, who were conducting the campaign against the subsidy to khadi. He said that political parties which took financial help from others would be naturally influenced by them. "The business magnates," he added, "are increasing their influence on political parties by financing them and confusing and hoodwinking the public by controlling the press." Questioned if his views on this point were also shared by the Cabinet, Mr. Sharma replied that no one could be blind to these facts. Mr. Sharma's outspoken comments have created some sensation in local political circles, which are at the moment busy with the distribution of a little over 500 Congress tickets to much more than 1,000 applicants.

New Service Terms for Insurance Workers

The Insurance Corporation of India which two months ago, opened its Northern Zone office in Kanpur, has begun enforcing restrictions on agency holders. Members of the staff who were earning from the old insurance companies agency commissions apart from their emoluments, will henceforth be given only a fixed monthly remuneration. They will, however, have the option of continuing to serve either on a fixed salary basis or commission basis. The list of agency-holders is also being revised. Under the new scheme, only such persons will be retained as agency-holders who can guarantee a minimum life business of Rs. 40,000 a year. An interesting fact that has come to light in the course of the revision of the agency lists is that 90 percent of the agents are women. This preponderance of female agents can be explained by the well-known practice of Government servants and others, proxying for the female members of their families. The Corporation's northern zone has also announced plans to recruit 250 new hands in subordinate posts. The decision is apparently unwise since it is proposed to make fresh recruitments without making provision for the old employees. According to one interpretation, the recruitment programme is official counter-action against the threatened strike from 5th December which some of the existing employees propose to resort to in resentment against the new service terms.

Kota Coalfield

The State Government has made a representation to the Centre for the provision of transport facilities to exploit the Kota coalfield in Mirzapur district. This coalfield where the preliminary survey has already been carried out by the Government of India's Geological Survey Department has an estimated reserve of 2 million tons. It can be worked as a second class colliery with a production of 100 tons a day and thus last for well over 35 years with a recovery of 65 percent of the reserve. Its commercial working, however, will be as hampered as it is far away from the rail-head.

The Central Government has been considering a proposal to connect the Pipri-Garhwal road by railway. If this is implemented, Pipri will be the rail-head for the coalfield as it is situated about 25 miles away from there.

New Chemical Factory

The Government of India has granted a licence to a Calcutta firm to set up a soda ash-cum-ammonium chloride factory in Moghalsera. The U.P. Government has already sanctioned a loan of Rs. 1.45 crores to this firm for setting up the factory. Land has already been acquired, and Government appraisers have been appointed to carry out the evaluation work. The total investment needed for the industry is about Rs. 2.9 crores. The rated capacity of the factory will be 120 tons of soda ash, and 120 tons of ammonium chloride a day. The factory will employ over 300 skilled and 350 unskilled workmen on a permanent basis, in addition to other supervisory staff.

The chairman of the Tata Iron and Steel Co., Ltd., Mr. J. R. D. Tata, recently said in Jamshedpur that the loan of \$75 million (about Rs. 36 crores) granted by the World Bank to the company for its expansion programme, designed to raise output to 2 million tons by mid-1958, became effective from 20th November, following the completion of legal formalities and an inspection of the company's documents by World Bank officials.

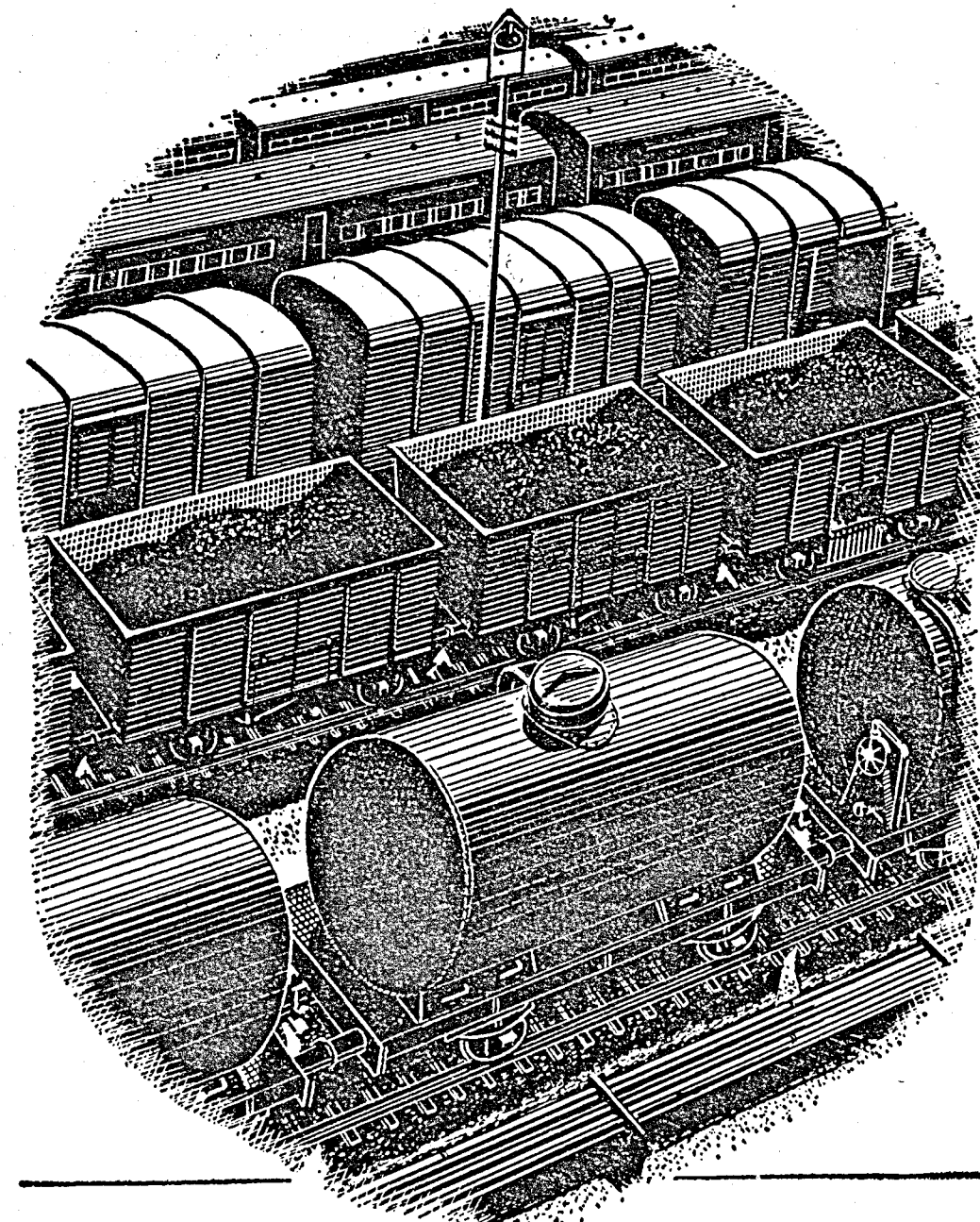


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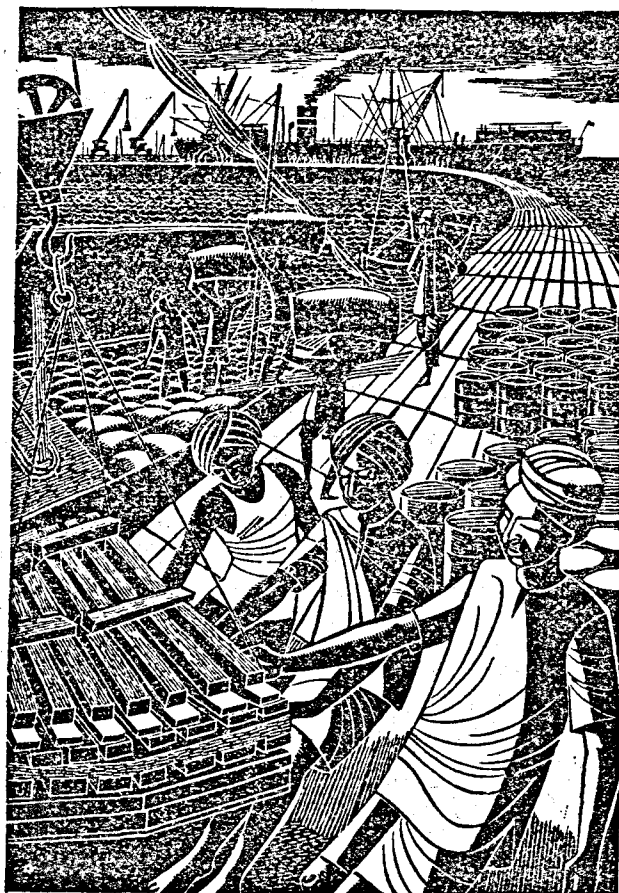
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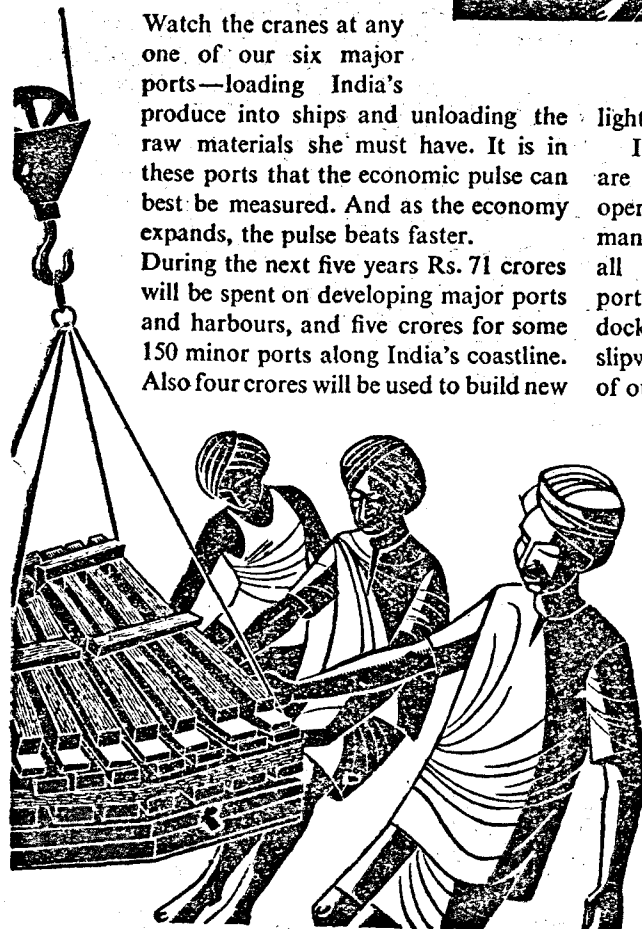
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Plantation Topics

ESTIMATE OF NEW COFFEE CROP
RAISEDBIGGER EXPORTABLE SURPLUS
EXPECTED THIS YEAR

(FROM A SOUTH INDIAN CORRESPONDENT)

ALTHOUGH the Marketing Committee of the Coffee Board has raised its estimate of the coming crop to 35,800 tons from 34,000 tons, the planters think that it is still on the conservative side. In their opinion, the crop will be about 40,000 tons. The carry-over from the previous season, which is estimated at about 5,000 tons. Such a large amount may create serious problems for the Coffee Board, which is even now having difficulties over the handling, warehousing, financing and marketing of coffee, the production of which has gone up from 24,000 tons to 34,000 tons during the past four years. Home consumption is not increasing to the same extent as production, so it is expected that a larger volume will be available for export in 1957. According to certain estimates, at least 12,000 tons can be exported out of the 1956-57 crop, against the Marketing Committee's estimate of about 8,000 tons. The Board officials expect that 1957 will be another bright year for Indian coffee, and they stress the necessity for the entry of the Coffee Board into the export field. In the world market, prices are ruling at a fairly high level, mainly on account of the fear that supplies will be adversely affected by the untimely rains reported from the coffee producing countries of Latin America. The latest estimate of world production is about 42 million bags, of which 36 million bags will be available for export.

U.S. Offtake of Pepper Falls

According to a trade report, arrivals of pepper in the terminal markets along the west coast amounted to 400 tons during October, against exports of 700 tons. Shipments to European countries amounted to 550 tons. A disquieting feature was the very low offtake of the United States, the actual figure being 40 tons. Arrivals of the new crop have started in small quantities and they are now being sold at prices ranging from Rs. 350 to Rs. 575 according to quality. India's new pepper crop is estimated by the trade at over 24,000 tons, and that of Sarawak at 18,000 tons, against her 1955 crop of about 15,000 tons.

High Price for Lemon-Grass Oil

Lemon-grass oil prices remain at the fairly high level of over Rs. 100 a dozen bottles, in spite of a larger output. There are roughly two months

more for the season to close in Kerala. India's production of lemon-grass oil during the current season is estimated at about 1,200 tons to 1,400 tons, compared with last season's 1,000 tons, which in itself was a record. Exports have been fairly high this year and about 125 tons were shipped from Cochin during October.

Coconut Oil Shoots Up

Coconut oil prices are sky-rocketing; within the past one month, Alleppey, which is the chief oil market on the west coast, registered an increase of Rs. 70 a candy to Rs. 490 in the price of spot delivery coconut oil. This is largely a reflection of the Middle East crisis and is in keeping with the increases in the prices of other edible oils. Other contributory factors are a keen demand from up-country markets and the low stock. The Oil Millers and Merchants Association in Alleppey, which controls futures trading, has fixed ceilings for forward contracts to save the heavily committed bears. Coconut growers, who have been complaining against the low price of oil, should feel happy but it is doubtful whether the boom will last long.

Cardamom Crop

South India's cardamom crop has been affected by the heavy rains this year. During the last financial year, 18,774 cwt. of cardamom worth Rs. 1,53,74,220 were exported from India. Cochin is becoming an important market. The auctions started there on 17th October.

Internal Tea Propaganda

Sir Percival Griffiths discussed the problems of internal propaganda with tea distributors when he visited Madras on 23rd November. He met representatives of the United Planters Association also. Mr. Stephen Mukerjee, Director of Propaganda, Tea Board, accompanied him.

NORTH INDIAN TEA CROP REPORTS

The following summary of crop and weather telegrams has been received for the month of October, 1956:

Upper Assam: Weather generally seasonable; the monsoon has practically ceased in Sonari and an early cold weather is imminent; rainfall below normal in Sonari and Naharkatiya and dry weather is interfering with outturn in Naharkatiya; cold weather has set in at Dibrugarh; immediate prospects generally fair; outturn last month normal to good; outturn to date slightly over last year in Sonari.

Central Assam: Unusual rain in Jorhat; weather otherwise generally seasonable; crop prospects slightly poorer in Jorhat; immediate prospects fair; outturn last month about normal.

Lower Assam: Weather generally seasonable; the cold weather has set in in certain districts; early closing of season anticipated in Bishnauth and Borsola; immediate prospects fair; outturn last month about

normal; outturn to date slightly over last year in Nowgong.

North Cachar: Weather generally seasonable; immediate prospects fair; outturn last month normal to good; helopeltis prevalent in some districts.

South Cachar: Weather generally seasonable; the cold weather has set in in Hallakandi and Longai; immediate prospects fair to good; outturn last month normal to good; outturn to date above last year in Chullabheel and Chargola; helopeltis prevalent throughout the district; black rot prevalent in Longai; blight severe and is checking leaf in Hallakandi.

Eastern Doorgas: Cold weather has set in; immediate prospects good; outturn last month good; outturn to date considerably over last year in Kalchini; blight has disappeared from Kalchini.

Central Assam: Cold weather has set in in Binnaguri and an early cold weather is imminent in Dalgong; weather too cold for the time of year in Binnaguri and is checking leaf; immediate prospects fair; outturn last month about normal; helopeltis and blight blight prevalent in some districts.

Western Doorgas: Weather generally seasonable; cold weather has set in in some districts; immediate prospects fair to good; outturn last month normal to good; black rot, helopeltis and blight blight prevalent in some districts; black rot lifting in Oodlabari.

Darjeeling: Outturn last month poor; cold weather has set in and the season has practically closed.

Teral: Weather normal; cold weather setting in; crop prospects fair; outturn normal; helopeltis and blight blight in evidence.

LONDON TEA SALES

AT last week's London tea sales, the 52,732 packages on offer realised an average price of 6s 1.15d a lb., against 6s 1.96d in the previous sale and 4s 10.56d a year ago. Plain broken pekoe was quoted at 5s 1d a lb., against 4s 7d in the previous sale. Prices obtained by some of the companies are given below:

	No. of packages	Average a lb.
Amalgamated	1,048	5/9 1/2
Amgoorie	120	7/6
Anglo-American	774	5/8 1/2
Assam Frontier	251	7/2 1/2
Attaree Khatri	504	6/3 1/2
Bordubi	716	7/8 1/2
Budla Beta	312	7/0 1/2
Euxa Dooras	1,008	5/11 1/2
Chulwa	348	6/11
Chulsa	336	5/7 1/2
Cons. Tea and Lands	3,270	5/9
Deamoolie	341	5/6 1/2
Doom Dooma	1,029	7/3 1/2
Eastern Assam	757	6/9 1/2
Eastern Produce	402	6/11
Itakhooli	245	7/2 1/2
Jatinga Valley	150	5/2 1/2
Jhanzie	761	6/5 1/2
Jokai	2,094	6/6
Jorehaut	1,517	6/11
Kanan Devan	1,121	6/0 1/2
Lungla	852	5/10 1/2
Lunuvu	414	6/5
Majuli	545	6/4 1/2
Makum	726	6/4 1/2
Namdang	726	7/0 1/2
Pabbojan	252	7/4
Rajawella	390	6/7 1/2
Rupai	234	7/6 1/2
Scottish Assam	348	5/10 1/2
Singlo	243	5/6
Standard	522	7/7 1/2

U.K. Tea Stocks

U.K. stocks of tea on 16th November amounted to 110.3 million lbs. against 102.0 million lbs a year ago (converted at 110 lbs a package).

COCHIN TEA SALES

At Sale No. 31, 1,400,000 lbs of tea were on offer. There was a very strong and general demand, particularly for Medium sorts which were 2 to 3 annas dearer. Best sorts were rather easier following quality. Whole leaf grades were much dearer.

COLOMBO RUBBER PRICES

The following prices have been issued by the Rubber Board of India from the weekly market report published by the Colombo Brokers Association:

	Closing prices on 16-11-1956 (Rupees a lb.)	Average for the period (Rupees a lb.)
Sheet:		
No. 1	1.41	1.41
No. 2	1.38	1.38
No. 3	1.35	1.35
No. 4	1.11	1.11
No. 5	1.06	1.06
Crepe:		
Water White	1.67	1.62 1/2
R.M.A. No. 1X	1.62/65	1.60 1/2
R.M.A. No. 1	1.58/61	1.57 1/2
Crepe No. 2	1.50 1/2	1.50 1/2
Crepe No. 3	1.35	1.35
Scrap Crepe:		
Sc. Crepe No. 1	1.05	1.05
Sc. Crepe No. 2	.98/104	1.01 1/2
Sc. Crepe No. 3	.86/95	.91 1/2
Flat Bark	.80/85	.83 1/2
Sc. Crepe 3X	.96 1/2	.96 1/2

To arrive at f.o.b. Colombo prices, add 53.45 cents a lb. for crepe other than scrap crepe and 31.45 cents for scrap crepe to the above market prices.

Jute

MILD RECOVERY IN GUNNY PRICES AFTER
EARLY FALL

STEADY TREND IN RAW JUTE

LAST Thursday, the Calcutta jute goods market suffered one of those sudden reversals to which it is often prone. Until Wednesday evening, sentiment had been bullish. It was thought that the Middle Eastern crisis would bring still higher prices, because delays in the arrival of goods at their destinations would encourage consumer stockpiling on an extensive scale just in case the area of conflict spread. Overseas buyers had paid more for both gunnies and jute, U.S. burlap consumption in October had been the highest for a long time, strong overseas demand for raw jute had caused a sharp rise in prices in Pakistan, and Indian gunny shippers had been busy covering their short positions. Then, on Thursday morning, the gunny fatka markets suddenly became easier. The first reason given was that a large operator had been selling heavily. Then it was stated that the change had occurred because of the probability of a dock strike in Calcutta. The first reason was probably the more correct, though the selling was not confined to one operator. After the rise which had taken place a few days earlier, it was only to be expected that there would be profit-taking. Besides, overseas consumers had bought heavily and it was not reasonable to assume that they would continue to purchase on the same scale at rising prices.

During the week-end, the weakness in manufactured goods continued but raw jute did not ease to the same extent. In fact, raw jute has shown considerable resistance to any lowering of prices. That is partly because rates in the growing districts are unusually higher than Calcutta parity and there has been a seasonal drop in imports. To some extent, it is due to the belief of dealers, in both Calcutta and the mofussil, that there is not enough jute in India to carry the mills into the new season. But the most influential factor was probably the sharp rise in the price of jute in Pakistan, which increased the disparity between Indian and Pakistani fibre. This rise in the Pakistani prices is explained by the anxiety of foreign consumers to make sure of supplies for early shipment, though, considering the heavy arrears of early contracts awaiting shipment from Pakistan, it is not apparent how fresh buying at higher prices is going to help unless it is expected that the dearer jute of the new contracts will be given precedence for transport.

THE JUTE MARKETS

Manufactured Goods: There was less business in the market during the past week. The drop in the speculative section caused overseas buyers and local shippers to pause. Previously, mills had been able to dispose of considerable quantities of hessian and smaller quantities of sacking. But now there has been less enquiry from abroad and shippers have been inclined to delay their covering in the hope of a further fall in prices. On Tuesday, some enquiries were received and the news that the dock strike would not take place improved rates. On Wednesday morning, the market opened steady and quotations were as under:

	Nov.	Dec.	Jan.-Mar.	April-June
40in. 8oz.	36-14	36-8	36	35-8
40in. 10oz.	46-6	46-1	45-2	44-6
B Twills	120-12	120-14	120-10	119-8
Heavy Ceas (plain)	121-4	121	120-10	119-8
A Twills	120-12	120-14	120-10	119-8
Liverpools	132-6	141-12	142-8	..
Cornsocks	121-4	121-8	121-8	120-4

Raw Jute: While the market for manufactured goods was firm and mills were able to sell substantial quantities, there was good demand for raw jute and a fairly large turnover took place. When the gunny fatka dropped and buyers withdrew, mills showed less interest in jute, but some of them continued to make enquiries at lower prices. In spite of the easier feeling in the goods market, jute sellers were unwilling to reduce their prices, because of the firmness of upcountry markets, so mills found difficulty in making purchases at any substantially lower rates. After a pause of a day or two, when very little business was done, mills again showed more interest on Tuesday and put out enquiries at about Rs. 1-3 a maund below the highest paid. The response from sellers was very meagre and buyers were not able to secure much, unless they were prepared to take delivery from the local bazars. Business was reported during the week in Assam jute at Rs. 32-8 to Rs. 31-8 a maund basis Bottoms, Northern ex agency at Rs. 32 to Rs. 31, and Northern ex Calcutta at Rs. 31-8 to Rs. 31. Kishanganj and Agartala were sold at Rs. 31 basis Bottoms. Murshidabad Tossa was done at Rs. 34 and Rs. 33-12 for Middles only, and at Rs. 32 for Bottoms. Other transactions included Daissee Mesta at Rs. 30-8 to Rs. 29-8 basis Bottoms, Northern Tops at Rs. 37 to Rs. 36, and Bimil at Rs. 29-8 to Rs. 28-8 F.A.Q. Pakistan Export Firsts were taken at Rs. 235 and Rs. 240 a bale, and Pakistan N. C. Cuttings at Rs. 138 a bale.

Opening quotations on Wednesday morning were as under:

Indian Jute:	Landed at Mills Rs. a md. basis Bottoms.	Shipment.
Lower Assam	31-8	Dec.-Jan.
Northern	31-8	"
Murshidabad Tossa	31-8	"
Daissee	32	"
Daissee Mesta	29	"
Local Northern	31	"
Bimil	29-8 F.A.Q.	"
Pakistani Jute (Pucca):	Rs. a bale.	Shipment.
Export Firsts	250	Dec.-Jan.
Export Lightnings	230	"
Mill Firsts	265	"

Tossa is quoted at 8 annas to Re. 1 a maund above the price of white jute.

THE FOREIGN JUTE MARKETS

UPWARD TREND IN PRICES

(FROM OUR DUNDEE CORRESPONDENT)

MATTERS have recently been moving rapidly. From 17th November, prices for jute yarns and cloth were advanced by £5 a ton and then again on 20th November the trade awoke to find that another £5 a ton had been granted to spinners and manufacturers on their production. Of course they needed it because of the big rise in values of raw jute in Pakistan. The higher prices have brought out buyers in all sections of the market and spinners and manufacturers are now well booked up with orders for yarns and cloth for the first quarter of the year. Any consumer who has still to buy yarns or cloth for delivery this year has simply missed his market. Mill Firsts have been raised to £130 a ton, though a secured lot or two might be had at less. Mill Lightnings are lowest at £112 and sellers are usually asking £2 to £3 more, while Mill Hearts are from £107 to £110 and grade Hearts from £103 to £105, November-December, c.i.f. U.K. Daissee is very sparingly offered, but current quotation is £111 for good marks, while grade Tossa-2/3 is from £121 and grade four from £111, same shipment. Spinners here have been buying where they have seen a favourable buy and it is remarkable how many parcels are available at something less than the generally quoted rates for shipment.

The Calcutta goods market has weakened slightly and the "break" is surprising considering the strength of the raw material. Hessians are under their best at 71s 9d for 40in. 10oz. and 53s 3d for 71oz., November, 71s and 53s 3d for December, 69s 9d and 62s 6d January-March, with B Twills offered at from 135s 9d (a cheap price) to 187s 9d, 185s 9d and 185s 3d for the respective periods of shipment all f.o.b. Calcutta. Common 8lb. cops were raised to 15.92d and then to 16.50d a lb., and 8lb. spools to 16.50d and 17.64d a lb., with 3-ply 8lb. twist now up to 18.71d lb., and 24lb. sacking weft jumped from 12.93d to 14.09d a lb. Rove is now at £104 15s for 48 lbs. and £86 5s for 200 lbs. Cloth prices are up to 14.72d a yard for 104oz. 40in. hessians, 13.96d for 102z. and 11.42d for 80z. a yard. Tarpaulin 14 por. 36in. 18oz. is 26.89d a yard.

U.S. BURLAP CONSUMPTION AND STOCKS

U.S. burlap consumption reached the highest figure for four years in October. At an estimated 86 million yards, it is the best month's performance since October, 1952. For the first ten months this year, there has been a gain of 6.3 percent in burlap use over the same period last year. Undoubtedly the expansion in returnable burlap bag programmes, the effects of which appeared to be first reflected in August, is continuing. Increased industrial use of burlap (piecegoods)—some improvement in which was noted in October as a result of the introduction of the coming year's models of automobiles—has also continued. U.S. burlap stocks increased 4 million yards during the month. At an estimated 262 million yards, at the end of October, 134 million yards were spots and 128 million yards were floats. Appearing below are two tables which include the October figures—(1) based on member reports to the Textile Bag Manufacturers Association and the Burlap and Jute Association and (2) projected to represent the

estimated consumption and stocks for the entire industry:

U.S. Burlap Consumption (as reported to T.B.M.A.) (Million Yds.)	1956	1955	U.S. Burlap Consumption (estimated industry total) (Million Yds.)	1956	1955
Jan.	68	58	Jan.	72	62
Feb.	64	61	Feb.	68	65
Mar.	67	68	Mar.	71	71
Apr.	65	60	Apr.	69	63
May	69	69	May	73	73
June	59	71	June	62	75
July	59	53	July	61	56
Aug.	79	69	Aug.	83	73
Sept.	77	68	Sept.	80	70
Oct.	79	70	Oct.	86	74
Total	686	647	Total	725	682
Mo. Av.	69	65	Mo. Av.	73	68
Nov.	67		Nov.	70	
Dec.	70		Dec.	74	
Total	784		Total	826	
Mo. Av.	65		Mo. Av.	69	

U.S. Burlap Stocks (As reported to T.B.M.A.) (Million Yds.)	1956	1955	U.S. Burlap Stocks (estimated industry total) (Million Yds.)	1956	1955
Jan.	213	217	Jan.	243	245
Feb.	214	227	Feb.	245	256
Mar.	224	224	Mar.	253	254
Apr.	224	232	Apr.	255	258
May	216	230	May	247	261
June	216	221	June	240	252
July	219	223	July	244	245
Aug.	228	209	Aug.	259	237
Sept.	229	211	Sept.	258	235
Oct.	225	210	Oct.	262	240
Nov.	211	211	Nov.	239	247
Dec.	215	215	Dec.	247	247

GUNNY SHIPMENT STATISTICS

The following figures include coastal shipment relating to manufactured jute goods for shipment from the port of Calcutta. These are gross figures based on shipping bills presented:

	Hessian Bags (Tons)	Cloth (Tons)	Total (Tons)
1st to 20th November 1956	3,767.5	22,973.6	26,741.1
1st to 20th October 1956	3,466.4	19,605.0	23,071.4
1st to 20th September 1956	1,160.2	19,101.2	20,261.4
1st to 20th November 1956	26,297.7	1,116.3	27,414.0
1st to 20th October 1956	24,947.8	958.9	25,906.7
1st to 20th September 1956	13,907.5	1,450.7	15,358.2

GUNNY SHIPMENTS DURING OCTOBER

The following are the total net figures of manufactured jute goods shipped from Calcutta during the month of October, 1956, after providing for short shipments. These figures include shipments to coastal ports.

	Hessian Bags (Tons)	Cloth (Tons)	Total (Tons)
Gross	4,782.8	31,516.9	36,299.7
Short shipped	85.4	1,096.0	1,181.4
October 1956 (Net)	4,697.4	30,420.9	35,118.3
September 1956 (Net)	2,219.2	29,109.3	31,328.5
August 1956 (Net)	3,330.9	37,120.5	40,451.4
Gross	41,911.5	1,265.6	43,177.1
Short shipped	3,062.9	Nil	3,062.9
October 1956 (Net)	38,848.6	1,265.6	40,114.2
September 1956 (Net)	26,388.8	1,500.6	27,889.4
August 1956 (Net)	42,945.2	2,709.6	45,654.8

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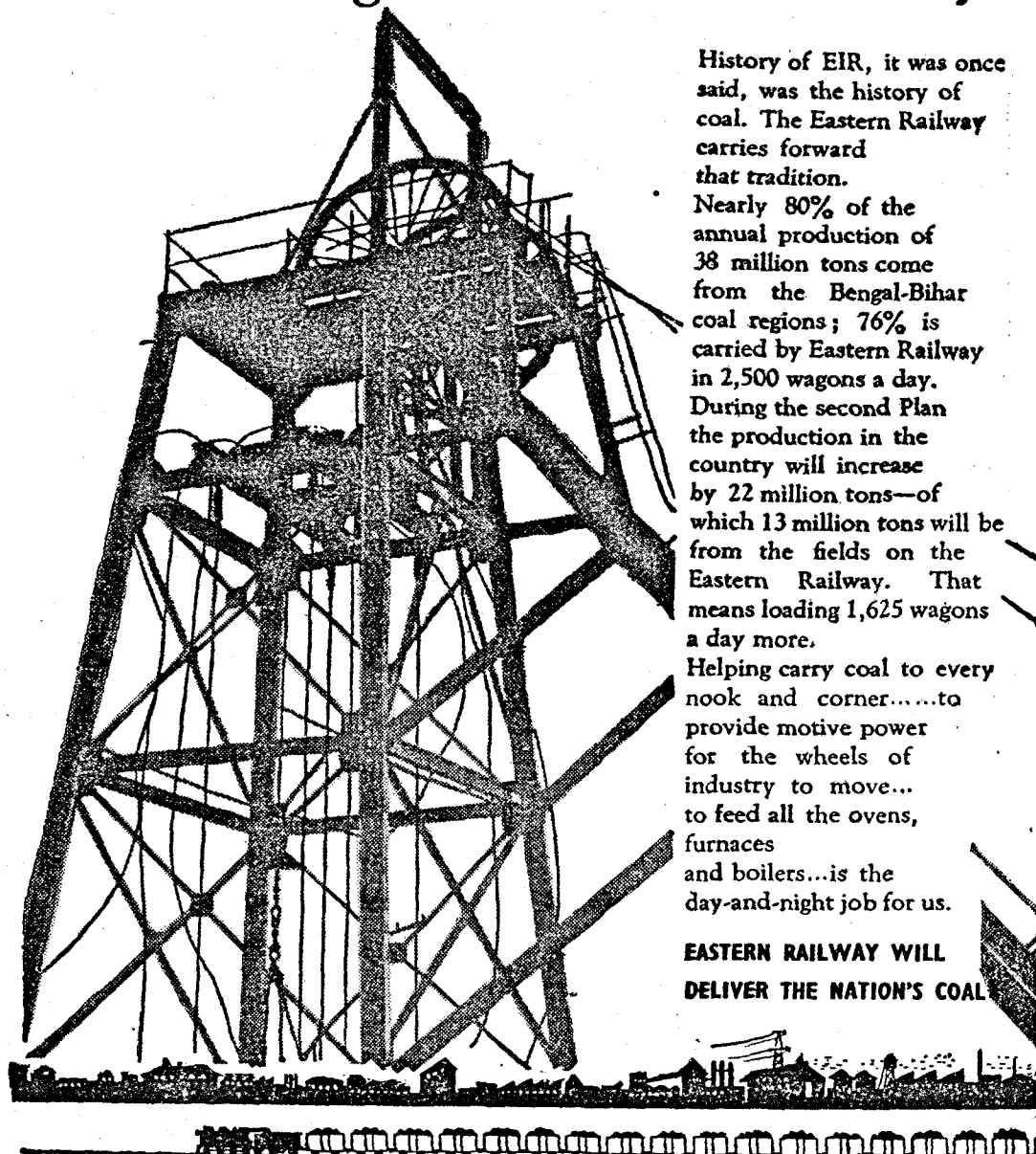
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History of E

Commodity Markets

OCTOBER CLOTH OUTPUT FALLS
DISTURBING EFFECT OF EXTRA
EXCISE LEVY

(BY A SPECIAL CORRESPONDENT)

WITH the recent domestic shortage of cloth and the fall in exports, the cotton mill industry was able to show better output in September at 463 million yards, but the production in October fell to 420,300,000 yards. This is smaller than the October, 1955 output of 437 million yards, but the overall total for the first ten months of the year is higher at 4,381,300,000 yards, against 4,241,000,000 yards in January-October, 1955. High profits made by the industry in recent months, it was said, prompted the Government to raise the excise duty on mill cloth, which was calculated to raise revenue from Rs. 44 crores to Rs. 79 crores. The official directive that the extra amount of the levy should not be passed on to the consumer has obviously disturbed the industry, because despite the rebate of 6 pias a yard on all cloth produced in excess of the January-August, 1956 average, allowed on output till March, 1957, the performance has been below normal. The industry's plea for permission to raise capacity has, to some extent, been granted. The policy announced in July has sanctioned the installation of 14,500 additional automatic looms and 2,100,000 spindles for producing export cloth. This additional capacity is based on a per capita consumption which, it is calculated, will rise to 18.5 yards by 1961.

Informed sources indicate that of these 14,500 looms, the Government has finalised allocations for 12,500 looms and such additional spindleage as will be sufficient to meet the needs of these new looms. The remaining 2,000 looms will be allotted later, presumably in the light of how the looms now allotted are installed and put to work. Mills had sought permission to instal 30,000 looms, indicating that the industry is prepared to invest still further, despite the higher levies and other factors. These additional looms are to begin production within 12 months, and will give 262,300,000 yards of more cloth each year. It has been specified that each additional loom should report a production of 21,000 yards a year from the time of normal working. A period of grace of two months is allowed for initial experiments in the first year for the purpose of calculating the annual production figures. The output from these looms is to be utilised exclusively for export. The amount of penal duty on the quantity of cloth "short-exported" and the manner in which it is to be levied, are yet to be decided. Originally, the Government stipulated a penal levy of 3 annas a yard of cloth "short-exported," over and above the excise levy. The time limit for the operation of the export condition relating to the automatic looms has been put at four years, against the millowners' request that this be reduced to three years.

Domestic Machinery

Constant opposition from the advocate of the handloom has been standing in the way of the Government allowing the expansion of the mill industry, and the import of foreign machinery and plant. As a compromise, the Government has now decided to liberalise the grant of licences for the manufacture of textile machinery in the country as part of a drive to produce as soon as possible the new equipment, such as spindles, ring-frames, looms and the like which the mills require. Already, the value of textile machinery manufactured in India has gone up from Rs. 1.52 crores in 1951 to Rs. 4.1 crores in 1955. The value of imported machinery has declined from Rs. 16.4 crores in 1952-53 to Rs. 6.58 crores in the nine months to September, 1956. Fresh plans for the production of textile machinery with an overall turnover of

Rs. 17 crores a year are being worked out by several units and these are expected to be in their full production stage by 1960.

If the production did not rise of late, it was because the equipment in the industry was working under heavy strain. According to sources close to the industry, about 20 percent of the mill machinery now functioning should be considered to be already in a "run down" condition. The preparatory machinery in the different departments, from the blow room to the weaving shed, is outmoded. According to official sources, during June this year, nearly 170 composite mills in India were working three shifts, 98 mills two shifts and nine units only one shift. Among spinning units, 54 were working three shifts, 51 two shifts and 10 one shift. The normal production for the purpose of the 6 pie rebate is to be reckoned on the basis of the average two-shift output, and therefore, those mills which were working partially will not be entitled to the rebate.

Excise Duty Burden

The incision as to who should bear the additional excise levy—whether the millowners or the wholesalers, or both—affected the domestic offtake of cloth for some time, but conditions have now slightly improved. Although the rebate for larger output was supposed to raise production by at least 5 percent, the performance in October was below expectations. A survey of the conditions of the industry shows that most mills will not be able to bear this additional levy alone. Due to cost factors, most of them are severely handicapped, and even prosperous units will find it difficult to scrape up enough money for meeting heavy rehabilitation costs, after paying the heavy excise duty, and their expansion plans will suffer a setback. The case of marginal and uneconomic units will be precarious.

Rising Consumption

The present allocation of automatic spindles is based on the quantity allotted to the mill sector under the July textile policy which assumes the per capita consumption to rise to 18.5 yards in 1961. But from a study of the increase in expenditure on cloth and the yardage of cloth at a given average price, it appears that the consumption of cloth will rise from 15.2 yards a head in 1955-56 to 22.5 yards a head in 1960-61. Per capita consumption has already been showing a steady rise over the past five years, increasing from 11.7 yards in 1951 to 14.4 yards in 1952, 15 yards in 1953 and 1954, and 15.9 yards in 1955. This improvement has been maintained in the first seven months of this year and the figure has moved up to 16.8 yards. It is widely recognised that in view of the development programmes under way, and the expected rise in the per capita income, there will be a relative rise in consumption expenditure of the individual. It has been computed that this expenditure increase during the second plan period will be of the order of Rs. 40. It is estimated that nearly one-sixth of any increase in consumption expenditure is generally used in the purchase of cloth in the country.

Exports Broaden

Export demand for Indian textiles is slowly recovering, and the quantity of cotton goods passed for shipment in October is higher at 63,930,000 yards, against 55,040,000 yards shipped in September, and 49,990,000 yards in August. But the total quantity shipped in the first ten months of the year has been lower at 627,310,000 yards, against 749,710,000 yards in the corresponding period of last year. On this basis, even on a very conservative estimate, India's cloth exports this year may not exceed 800 million yards, against the target of 1,000 million yards. The setback in India's cloth exports has been due to the general recession in world textile trade—arising out of the changed trading pattern in several countries, revision of import policies by many, emergence of former cloth importing countries as manufacturing exporters, and increased world trade in rayon and other

man-made textiles. India had a privileged position in Asian and African markets. But keen competition from Japan, China, Russia, Britain, Poland, Czechoslovakia and Hungary has affected India's exports to these destinations. Russia which did not supply even a yard of cloth to Iran five years ago, is now Iran's largest supplier of cloth—a position which India enjoyed several years back. India's cloth exports to Asian countries in the first nine months of the year have suffered a sharp decline to 181,800,000 yards from 244,200,000 yards in the corresponding period in 1955, while those to Africa and Europe at 192,500,000 yards and 78,900,000 yards showed a fall of 10 million yards and 2,100,000 yards, respectively. Shipments to the United States during the period dropped to 22,500,000 yards, against 24 million yards shipped in January-September, 1955, while shipments to the Oceanic zone dropped from 42,100,000 yards to 39 million yards.

In recent weeks, however, there have been increasing enquiries for Indian cloth. Burma which has agreed to lift 6 million yards of Indian cloth under the Indo-Burmese agreement, the shipping period for which quantity has been extended to March 1957, is buying another 36 million yards and has received world tenders for this quantity. Recent shipments of printed goods, mulls, voiles etcetera to Burma appear to have been much liked there, and India is likely to obtain a reasonable share of the new order. India and Indonesia are negotiating an arrangement to exchange Indonesia's U.S. aid cotton with Indian cloth, and should this succeed, Indonesia will authorise the import of Indian textiles soon. There have been enquiries from Hongkong for medium greys, while Singapore has evinced interest in the usual styles. Modest business has been concluded with West Africa in grey bafts and coatings. Enquiries from Dar-es-Salaam were negligible, while Mombasa bought some quantities of grey sheetings, drills, leopards and coatings. Ethiopia also accounted for some business, as did the Sudan and Aden. Iraq has recently bought some bleached cloth, and Saudi Arabia has booked some negligible quantities. The closure of the Suez Canal for normal traffic and the consequent diversion of traffic from the Continent and Britain via the Cape has delayed supplies to many Asian and Far Eastern destinations, so much so that many countries, which were not importing cloth from India as much as they did in the distant past, have rushed with enquiries for Indian textiles. With a reasonable amount of care and precaution, India can easily regain a portion of the lost ground in the world textile trade in this situation.

Poor Record

Quite apart from the keen competition Indian textiles have to encounter, the shippers have a poor performance record in these markets. A survey of the trading pattern of the countries which buy Indian textiles reveals that the Indian exporters' inability to supply cloth with consistency in quality and price has been an important factor compelling some of the countries to look to other sources of supply. Nor are these people inclined to supply goods in foldings, assortments and packings to the specifications of the buyers. The Cotton Textiles Export Promotion Council recently sponsored a delegation to study the textile markets in the Middle East, and it received several complaints from importers there against packings and the lack of conformity to standards and samples. Another complaint is that the appearance and finish of Indian cloth is not as bright and attractive as that of other countries. It appears that materials sold as "fast colour" do not retain their colour after first washes, and Indian shippers and mills are insisting on unreasonably large quantities for export in each colour, size, design and width when specifically sought by importers—whereas other countries do not insist on any such huge minimum.

ESTIMATED DECLINE IN SESAMUM AREA

The all-India second estimate of sesamum, 1956-57, puts the current year's area at 4,011,000 acres, against the corresponding adjusted estimate of 4,222,000 acres for 1955-56, according to the Directorate of Economics and Statistics, Union Ministry of Agriculture. This shows a decline of 271,000 acres or 6.3 percent in area during the current year, compared with that of last year. The decrease in acreage under sesamum during the current year has been shared mainly by Madhya Bharat, Madhya Pradesh, Rajasthan and Bombay and to a lesser extent, by Uttar Pradesh, Bhopal, Madras and Vindhya Pradesh, and has been generally attributed to unfavourable weather conditions at the sowing time and continuous and heavy rains, especially in Bombay, Rajasthan and Bhopal. The decrease has, however, been offset to some extent by increases reported mainly by Hyderabad, Saurashtra, Andhra and Kutch. The information given in this estimate covers the period generally up to the end of September, 1956. Till then, the condition of the crop was reported to be generally satisfactory in all the States except Bombay, Rajasthan and Bhopal. In many parts of Bhopal and the Gujarat division of Bombay, the crop was reported to have been damaged on account of floods caused by heavy rains. In parts of Rajasthan, the crop was also reported to have been affected by drought in the month of September, 1956. This estimate does not cover the entire area sown with the crop during 1956-57. Past experience has shown that the area at the second estimate stage forms roughly 70 percent of the area under the crop finally reported. The information given in this estimate relates to the set-up of the States before their re-organisation.

Engineering and Transport

THE NEW INDO-BRITISH AIR
AGREEMENT

DELAY OVER RATIFICATION

(FROM OUR NEW DELHI CORRESPONDENT)

THE Indo-British Air Agreement has not been ratified by the Government of India, although it was concluded in London last year and was to come into force from 1st April, 1956. The main feature of the Agreement, which is subject to ratification by the two contracting parties; is that the carriage of traffic under the Fifth Freedom was limited to 40 percent. B.O.A.C. operates its services both to the west and to the east of India, although they originate from London. Under the existing Agreement, the quantum of these services is calculated separately. B.O.A.C. is not permitted to carry more than 40 percent of its total traffic to the west or to the east of India, both services being regarded as distinct from each other, and the calculation of traffic being made for each side separately. In the nature of things, this provision operates to the disadvantage of B.O.A.C. in so far as its east-of-India services are concerned. It was, therefore, agreed to merge the two services for the purpose of calculating traffic under the Fifth Freedom and limit the carriage of traffic to 40 percent of the total of both the services. It may be added that any U.K. territory, whether to the east of India or to the west of India, is not regarded as a third country. Self-governing dominions are, however, not U.K. territories. Looking at it from that angle and in the light of coming changes in the constitutional status of Malaya and Singapore the new agreement has provided that the categories of traffic will not be affected for the duration of the Agreement. In other words, for the purposes of the Agreement, Malaya and Singapore will not become "third countries" despite prospective change in their constitutional status.

Points of Difference

The Government of India, it is gathered, objects to both these provisions in the new Agreement. It wants to continue the percentage of Fifth Freedom traffic separately for B.O.A.C. services operating to the west and east of India, and to regard Malaya and Singapore as countries outside U.K. territory as soon as they become self-governing dominions. For this purpose, it wishes to curtail the duration of the Agreement from three years (1st April, 1956 to 31st March, 1959) to two years (1st April, 1956, to 31st March, 1958). Eight months of the period have already expired.

With Singapore and Malaya becoming self-governing dominions, there will be almost no U.K. territory east of India. The total traffic of B.O.A.C. east of India, in that event, if the Government of India's contention is accepted, will be limited to 40 percent of its total traffic on that route. This operates both ways. India is also planning to extend its India-U.K. services to the American continent from April 1957. Having no territory west of the U.K. she will have her traffic limited to 40 percent of the total.

Traffic Rights

Under other provisions of the Agreement, India has secured traffic rights between India, Prague and London, between India and Kuala Lumpur (Malaya), between India and Singapore and Colombo, and between India and Indonesia. She has also secured calling rights in the same flight in Switzerland and Germany and in Syria and the Lebanon. B.O.A.C., similarly, has secured traffic rights between India and Istanbul, India and Kuala Lumpur, India and Kandahar and calling rights in the same flight in Switzerland and Germany. As for the frequencies, India has secured an increase from five services a week to seven services a week between India and the U.K., and will have the right to extend these services west of the U.K. and increase the frequencies to 14 a week. B.O.A.C. has so far two services a week through Bombay. It will be permitted to increase the frequency to three a week. India has two services a week to Australia via Singapore. These can be increased to three. The India-Tokyo service, which has a frequency of two a week, can be increased to four a week during the pendency of the Agreement. Both the contracting parties are permitted to operate freighter services twice a week between India and the U.K. and India and Singapore. B.O.A.C. is operating this service already.

International Airport for Delhi

The Indian Minister for Communications told Parliament last week that the question of an international airport for Delhi is still under consideration. The question has been under consideration for at least five years. The issue is whether Palam airport should continue with the Indian Air Force or whether it should become an international airport for civilian traffic. Palam was originally developed by the Indian Air Force. The Willingdon aerodrome was built for civilian use. As the aircraft industry developed, bringing in bigger and bigger aircraft which needed longer and longer runways, the Willingdon aerodrome could not serve the growing needs of international air traffic. Instead of looking round and building a new one, the Civil Aviation authorities have been using Palam and now refuse to get out of it. They want the Air Force to get out instead. In the ultimate analysis, it is the same tax-payer who will have to pay for a new airport, whether it is built by the Civil Aviation Directorate or the Indian Air Force. The new jet aircraft, Boeing, is expected to be in service by 1960. It will need a very long runway. Plans costing over Rs. 5 crores are already under examination to modernise the Bombay and

Calcutta airports to bring them up to international standards. The question is whether Delhi should have an international airport of the requisite standard, and if so, where should that airport be? That Delhi should have an international airport is not in dispute. What is in dispute is its location. The Government of India must soon make up its mind and choose which it will develop into an international airport. In its makeshift condition, Palam lacks some of the necessary facilities needed for international traffic. It has inadequate medical facilities, say, for the fumigation of planes. It has only a land customs post and no facilities for warehousing to keep goods in bond. Prohibition laws have been slightly relaxed at this airport. A bar is now provided in the "transit" enclosure where passengers in transit or even those starting from Delhi can buy drinks, provided they go to an aircraft from their enclosure and do not come back to "non-transit" areas.

A NEW TUBE COMPANY IN INDIA

PRODUCTION LIKELY TO BEGIN
NEXT YEAR

THE annual report of the chairman of Tube Investments Ltd., Sir Ivan Stedeford, mentions that good progress has been made towards the establishment of a new tube company in India, and "we have high hopes of commencing production in the spring of next year." Sir Ivan's report adds that the new venture is to be called Tube Products of India Ltd., and is being formed in association with Messrs. Murrugappa and Sons. So satisfactory has the progress been that Sir Ivan is looking forward to attending the opening ceremony in Avadi, near Madras, early in 1957. He describes it as a most promising new enterprise. In the chairman's report—which notes that the year under review has been one of considerable activity for the Steel Tube Division and shows a record volume of output—it is stated that the progress made in research and development has strengthened the conviction of the directors that the long-range programme of scientific research, designed to advance the organisation's technological developments, will be of great value to Tube Investments Ltd.'s operating companies. To this end, the various technological sections are being grouped at one centre in premises near Walsall airport (Staffordshire). Four of these sections—control engineering, nuclear engineering, plastics development, and data handling—are already installed in Walsall. Another development on the technical side is the appointment to the Tube Investments board of Sir Ben Lockspeiser, one of Britain's most distinguished scientists, who is to guide the concern's research and development activities.

TRANSFORMER PRODUCTION BY

C. A. PARSONS

Two orders just completed by C. A. Parsons and Company, Ltd., England, indicate the wide range of transformers produced at the company's works in Heaton. C. A. Parsons, who are one of the largest British manufacturers of mining type transformers, have recently completed several units which are to be installed underground in a colliery in Nova Scotia, Canada. The transformers are rated at 400 kVA 6,600/2,200-550 volts 3-phase 60 cycles. The alternative voltages on the low tension side are obtained by means of a linking arrangement accessible through inspection openings in the tank cover. A circuit breaker, incorporating overload and earth fault protection and equipped with flit plug is mounted on the 6,600 volt end of the transformer and, due to the large current when operating on 550 volts, the L.V. air-filled chamber is provided with two flit plugs. At the other end of the scale, Parsons also manufacture high voltage power transformers and have just delivered the largest 3-phase unit to be connected to the British Central Electricity Authority's super grid. The transformer (one of two similar units being supplied by Parsons) is rated at 120,000 kVA 275/66/33 kV, is equipped with ON/OFF type cooling and, due to the three windings, the equivalent frame rating approaches 150,000 kVA. The transport weight was 165 tons and the total weight on site, complete with oil, was 234 tons. The transformer was fully tested at their Heaton Works before delivery to site, the tests including an impulse test. Parsons have also just received an order for an even larger 3-phase generator transformer, rated at 210,000 kVA 13.8/295 kV and equipped for OFW type cooling.

LONDON AIRPORT CUTS DOWN ON
CUSTOMS DELAYS

London airport is now virtually free of customs restrictions for goods arriving for transhipment to other parts of the world, according to the statement of Air Chief Marshal Sir George Pirie, chairman of the Air League of the British Empire, made in London on 20th November. The League had been pressing for three years, he said, that every facility should exist for the rapid handling of transhipment cargo—which, in turn, depends more than anything else on the utmost possible freedom from customs formalities. Customs routine has now, with the co-operation of the authorities, been reduced by successive stages to a point where, so far as any restrictions on speedy transhipment of goods is concerned, it can be regarded as non-existent.

Calcutta Markets

GOOD GENERAL DEMAND AT
TEA EXPORT SALE

MIXED TREND IN DUSTS

AT Sale No. 23, held on 26th, 27th and 28th November, offerings at the Export auction consisted of 64,804 packages. There was a good general demand. Commons and teas for price, which were the strongest feature, were 2 annas and sometimes up to 4 annas dearer, especially the Fannings grades. Non-wither Doosars were also a strong feature and were up to 4 annas dearer, while Medium Assams with good liquors were from 1 anna to 2 annas dearer. Low-priced C.T.C.'s, which consisted mainly of fibrous grades, were in strong demand, but the higher priced C.T.C.'s were virtually neglected. The cheaper Whole leaf grades advanced by 2 annas to 3 annas, but the more stylish kinds were only fully firm. B.P.S. were very well supported and were 3 annas to 4 annas dearer, and there was a fair demand for Darjeeling teas.

Quotations

	1956 Rs.	1955 Rs.
Clean Black Pekoe	2 6 0 to 2 7 0	2 8 0 to 2 9 0
Plain B.P.	2 5 0 to 2 6 0	1 13 0
Medium Assam B.B.	2 8 0	1 14 6 to 1 15 0
Best CTC Assam B.P.	3 0 0 to 3 2 0	3 0 0

At the Internal Sale, offerings amounted to 24,291 chests for which there was a good general demand and the market opened at firm to dearer rates, but this eased as the Sale progressed. The very best C.T.C. Assams were the strongest feature of the Sale and were firm, while the remaining C.T.C. teas were irregular and closed at easier rates. Medium Assams and Commons were 1 to 1½ annas dearer at the beginning of the Sale, but at the close, all were a full 2 annas lower. There was much less support for the poor residue teas, while Darjeelings, although receiving fair demand, were irregular.

Quotations

	1956 Rs.	1955
Medium Doosars Dust	2 0 0	
Medium Assam Grainy Dust	2 1 6	
Medium Assam C.T.C. Dust	2 7 0 to 2 8 0	Not available.
Best Assam C.T.C. Dust	2 12 0	

Leaf offerings amounted to 1,445 chests for which there was a good demand at about firm rates. Once again the green teas on offer met with improved demand.

FIRM UNDERTONE IN FREIGHT
MARKETS

ALTHOUGH further large rate improvements have not taken place during the past week, the undertone of the market is very firm. Grain fixtures have been prominent with five different importing countries competing for available tonnage from U.S.-Gulf with the result that Antwerp-Hamburg range discharge has paid 130s compared with 84s in November 1955, and 137s 6d to U.K. ports. American coal to the Continent rose again to 95s and Indian fixtures noted were 80s to Colombo and 85s 9d to Singapore with charterers open again for this destination and for Hongkong. Ore from Vizagapatam to Antwerp was done at 215s and to Northern Range at \$(U.S.)29 while scrap was arranged at \$(U.S.)202,500 f.o.s. from California to Japan for 9,400 tons. In the time charter section, a 10,000-ton motorship was fixed at 52s 6d for the round trip, delivery India via Northern Range while a Scindia vessel obtained 62s 6d for the trip out to Persian Gulf with delivery the U.K.

SUGAR MARKET IMPROVES

During the week ended 28th November, sugar sales in the Calcutta market averaged 4,500 bags daily. Arrivals a day were 1,500 bags and stocks totalled 100,000 bags. Rates for ready sugar ex-Kantapur delivery were Rs. 31-8 to Rs. 31-12 for ordinary grain and Rs. 31-11 to Rs. 33 for big grain. The market tended to rise after being quiet early in the week.

LINSEED RISES

A further advance in prices has been noted during the past week and the undertone has remained steady. Arrivals have been very poor and crushers have been keen buyers. A fair daily turnover has been recorded, chiefly for November-December deliveries, at progressively higher prices. In the oil section, values have increased with the higher trend prevailing in the U.K., and keen enquiries from shippers and crushers have resulted in a fairly active week despite business being reserved: some fresh export business has been possible due to better overseas demand.

MIDDLE CLASS COST OF LIVING INDEX NUMBER FOR CALCUTTA

(Base: August, 1939)

THE Middle Class Cost of Living Indices, by groups, have now been brought up to October, 1956. As compared with September, the October Index for Food shows a rise of 2 points, while those for Clothing, Fuel and Lighting, and Miscellaneous

cellaneous remain unchanged at 546, 268 and 283 points, respectively.

Correlating all the factors, the Middle Class Cost of Living Index for Calcutta shows that the cost of living increased by 2 points during October.

Middle Class Cost of Living Index Number for Calcutta. Prices in August, 1939=100

Groups	Weights	GROUP INDICES											
		Nov. 1955	Dec. 1955	Jan. 1956	Feb. 1956	March 1956	April 1956	May 1956	June 1956	July 1956	Aug. 1956	Sep. 1956	Oct. 1956
Food	53.6	455	455	446	442	453	461	470	475	480	484	484	486
Fuel and Lighting	4.4	239	239	239	239	235	239	239	239	259	268	268	268
Clothing	12.4	503	503	507	507	520	520	526	526	534	534	546	546
Miscellaneous	29.6	282	282	282	282	283	283	283	283	283	283	283	283
Combined Index	100.0	401	401	396	394	402	406	411	414	418	421	422	424

Compiled and constructed by the Statistical Department of "Capital".

Latest quotations were as follows: November-December Rs. 26-8 a maund and April-May Rs. 22-10 a maund.

HIDES AND SKINS QUIET

The market in skins ruled quiet. Stocks were higher than in the previous week.

Bazaar Sales

(Between 20th November and 26th November, 1956)
Cowhides: Wet salted (Ord.) 12,600 pcs. on the basis of Rs. 7 to Rs. 9; Wet salted (Slaughtered) 18,700 pcs. on the basis of Rs. 12-8 to Rs. 21-8.

Goatskins: Wet salted (Daissee, Killed) 52,400 pcs. on the basis of Rs. 280 to Rs. 310 and Rs. 370 to Rs. 385; Assam-Dinajpur 15,600 pcs. on the basis of Rs. 200 to Rs. 310; Patna-Pakur (Ord.) 19,200 pcs. on the basis of Rs. 201-8 to Rs. 245; Purneah-Kissenganj 3,300 pcs. on the basis of Rs. 285 to Rs. 310; Darbhanga-Muzafferpore 20,300 pcs. on the basis of Rs. 290 to Rs. 310.

Bazaar Stocks

(26th November, 1956)

Cowhides: Wet salted 1,42,500 pcs.
Goatskins: Wet salted (Daissee, Killed) 42,000 pcs.; Assam-Dinajpur-Jalpaiguri 96,000 pcs.; Muzafferpore - Patna - Purneah - Kissenganj 367,500 pcs.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	Hour I.S.T.
Jardine Henderson, Ltd.	29-11-56	11 a.m.
Megna Mills Co., Ltd. (Jute)	30-11-56	11 a.m.
Indian Iron & Steel Co., Ltd.	30-11-56	11 a.m.
India Jute Co., Ltd.	30-11-56	11-15 a.m.
Muttra Electric Supply Co., Ltd.	30-11-56	4-30 p.m.
Investment & Finance Co., Ltd.	4-12-56	11 a.m.
General Investment & Trust Co., Ltd.	4-12-56	11-5 a.m.
Hoare, Miller & Co., Ltd.	5-12-56	11 a.m.
Burn & Co., Ltd.	7-12-56	11 a.m.
Tea Planters Benevolent Institution	7-12-56	11 a.m.
Bokakhat Tea Co., Ltd.	7-12-56	3-30 p.m.
Bhagalpore Electric Supply Co. Ltd.	7-12-56	3-40 p.m.
Bharat Collieries, Ltd.	8-12-56	Noon.
India Steamship Co., Ltd.	12-12-56	10-30 a.m.
Jubbulpore Electric Supply Co., Ltd.	13-12-56	11 a.m.
Hasimara Tea Co., Ltd.	14-12-56	12-15 p.m.
Octavious Steel & Co., Ltd.	14-12-56	Noon.
Amluckie Tea Co., Ltd.	15-12-56	10-30 a.m.
Duncan Brothers & Co., Ltd.	15-12-56	11 a.m.
Titaghur Paper Mills Co., Ltd.	19-12-56	3 p.m.
Indian Cable Co., Ltd.	21-12-56	11 a.m.
Mozufferpore Electric Supply Co., Ltd.	21-12-56	11 a.m.
Kingsley Golaghat Assam Tea Co., Ltd.	22-12-56	1 p.m.
McLeod & Co., Ltd.	24-12-56	4 p.m.
Agra Electric Supply Co., Ltd.	26-12-56	11 a.m.
Anglo-India Jute Mills Co., Ltd.	28-12-56	Noon.
National Rolling & Steel Ropes, Ltd.	29-12-56	11 a.m.
National Insulated Cable Co. of India, Ltd.	29-12-56	11-30 a.m.

DIVIDENDS DECLARED OR PROPOSED—Orient Jute Mills Co. Ltd.—1 p.c. (o); Titaghur Paper Mills Co. Ltd.—Rs. 1-2 per share (o) including a bonus of 4 annas; and 5 p.c. (P.O.); Baradighi Tea Co. Ltd.—30 p.c.; Central Cachar Tea Co. Ltd.—Nil; Chandypore Tea Co. Ltd.—4 p.c.; Rydak Tea Syndicate, Ltd.—50 p.c.; Amluckie Tea Co. Ltd.—19 p.c. (o); Bengal Fine Spinning & Weaving Mills Ltd.—6 p.c. (o); Teen Ali Tea Co. Ltd.—20 p.c. Sapoi Tea Co. Ltd.—25 p.c. (o).

O.—Ordinary Dividend. In.—Interim Dividend.
P.—Preference Dividend. L.—Less income tax.
P.O.—Preferred Ordinary Dividend. F.—Final Dividend.
D.—Deferred Dividend. Cm.—Cumulative.
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S. T. SADASIVAN GENERAL MANAGER

COMPANY AND PUBLIC NOTICES

THE NATIONAL ROLLING & STEEL ROPES LIMITED. NOTICE.

NOTICE is hereby given that the 14th Annual General Meeting of the shareholders of The National Rolling & Steel Ropes Limited will be held at the Registered Office of the Company, Stephen House, 4, Dalhousie Square East, Calcutta, on Saturday, the 29th December, 1956, at 11 A.M. to transact the following business:—

- (1) To receive and adopt the Directors' Report and the audited Balance Sheet and Profit & Loss Account for the year ended 30th June, 1956.
- (2) To declare Dividend on the Preference and Ordinary shares.
- (3) To appoint a Director in place of Mr. George Morgan, C.I.E., who retires by rotation and is eligible for re-appointment subject to section 281 of the Companies Act, 1956 and in this connection to consider and if thought fit to pass the following resolution of which a special notice as required by section 281 of the Companies Act has been received by the Company.

"RESOLVED that pursuant to the provisions of Section 281 of the Companies Act, 1956, Mr. George Morgan, C.I.E., who has attained the age of 89 years and who retires by rotation be and is hereby re-appointed a Director of the Company and it is hereby specifically declared that the age limit for Directors prescribed under Section 280 of the said Act shall not apply to him."

- (4) To appoint a Director in place of Mr. S. C. Roy, who retires by rotation and is eligible for re-appointment and in this connection to consider and if thought fit to pass the following resolution as a SPECIAL RESOLUTION in respect of which a special notice has been received by the Company as required by Section 261 of the Companies Act, 1956:—

"RESOLVED that pursuant to the provisions of Section 261 of the Companies Act, 1956, Mr. S. C. Roy, a Director of the Company who is also a Director of Messrs. Associated Industrial Development Co. (Private) Ltd., the Managing Agents of the Company and thereby an associate of the Managing Agents and who retires by rotation be and is hereby re-appointed a Director of the Company".

- (5) To appoint Auditors and fix their remuneration.
- (6) As SPECIAL BUSINESS to consider and if thought fit to pass the following resolution with or without modification which will be proposed as a SPECIAL RESOLUTION:—

"RESOLVED that the Company hereby consents to Mr. T. S. Sitapati being employed for the several Managed Companies under the Managing Agents—Messrs. Associated Industrial Development Co. (Private) Ltd., including this Company on and from 1st November, 1956, under the designation—Technical & Commercial Manager of the Managing Agents and to his being in the Pay Roll of the Managing Agents for administrative convenience and to this company contributing such proportion of his remuneration as may be considered fair and reasonable by the Board of Directors of the Company from time to time".

- (7) To transact any other business that may be brought forward.

The Share Transfer Books of the Company will remain closed from 15th December to 29th December, 1956, both days inclusive.

A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself and that a proxy need not be a Member.

The Dividend if declared will be paid on or after 22nd January, 1957, only to those members whose names appear in the register of the Company on 15th December, 1956, or to their mandates.

By Order of the Board,

For THE NATIONAL ROLLING & STEEL ROPES LIMITED

P. P. ASSOCIATED INDUSTRIAL DEVELOPMENT CO. (PRIVATE) LTD.

K. M. NAIK,
General Manager,
Managing Agents.

Stephen House,
4, Dalhousie Sq. East,
Calcutta-1.
20th November, 1956.

EXPLANATORY STATEMENT AS REQUIRED BY SECTION 173 OF THE COMPANIES ACT, 1956:

Item No. 3:—Mr. George Morgan, C.I.E., who retires by rotation and is eligible for re-appointment has attained the age of 89 years and hence his re-appointment needs your approval by a resolution in respect of which special notice has been received from a shareholder in accordance with the requirements of Sections 190 and 281 of the Companies Act, 1956. Mr. George Morgan joined the Board of Directors of the Company in the year 1945. During the long period of association with the Company he has rendered valuable services to the Company and it is in the interest of the Company that the Board should avail of his valuable advice by retaining him as a Director of the Company.

Item No. 4:—Mr. S. C. Roy, a Director of the Company retires by rotation and a Special Notice has been received from a shareholder of the Company as required by Section 261 of the Companies Act, 1956 proposing that the appointment of Mr. S. C. Roy as a Director be made in accordance with the provisions of the said Act. The Managing Agents of the Company—Messrs. Associated Industrial Development Co. (Private) Ltd., have the right to appoint one Director as an Ex-officio Director of the Company. Mr. G. K. Khemka has been appointed as an Ex-officio Director of the Company by the Managing Agents. Mr. S. C. Roy has been a Director of the Company since the year 1951 and has for some years past been associated as one of the Directors of the Managing Agents who are entrusted with the management of the affairs of the Company. As it is in the interest of the Company that it should continue to receive the benefit of his valuable advice as a Member of the Board, it is desirable that he be re-appointed as a Director by a Special Resolution in accordance with the provisions of Section 261 of the Companies Act, 1956.

Item No. 6:—It was felt that in the interest of all the managed Companies of Associated Industrial Development Co. (Private) Ltd., the Managing Agents this Company it would be desirable to avail of the services of Mr. T. S. Sitapati, a technically qualified Engineer and experienced Commercial Personnel by all the managed companies. Accordingly Mr. T. S. Sitapati has been employed for all the managed Companies under the Managing Agents and has been designated as Technical & Commercial Manager of the Managing Agents. For administrative convenience he will be in the Pay Roll of the Managing Agents. He will do the work of all the managed companies and his remuneration will be shared by all the managed Companies. This Company will bear such proportion of his remuneration as may be considered fair and reasonable by the Board of Directors of the Company from time to time. Consent of the shareholders is being sought for the arrangement by a Special Resolution.

To All Shareholders:
And in particular to:

R. R. Bhandary Esq., Kaviraj Shrivath Rimal, H. H. Lt. Genl. Shanker Shum Shere J. B. R., Grihya Kumari and Rani Raj Kumari Devi.

DALMIA CEMENT (BHARAT) LIMITED

Registered Office: Dalmiapuram (Madras State) NOTICE.

THE last date for receipt of acceptances against the Letters of Right in connection with the fresh issue of Capital by the Company has been changed from 30th January, 1957 to 28th February, 1957, thus extending by one month the time allowed for acceptance of the Rights.

By Order of the Board of Directors,

For DALMIA CEMENT (BHARAT) LIMITED,
For HARI BROTHERS PRIVATE LIMITED,

J. DALMIA,
Director,
Managing Agents.

Dated: 20th November, 1956.

THE NATIONAL INSULATED CABLE CO. OF INDIA LIMITED. NOTICE.

NOTICE is hereby given that the 14th Annual General Meeting of the Shareholders of The National Insulated Cable Co. of India Ltd. will be held at the Registered Office of the Company, Stephen House, 4, Dalhousie Square East, Calcutta, on Saturday the 29th December, 1956 at 11-30 A.M. to transact the following business:—

- (1) To receive and adopt the Directors' Report and the audited Balance Sheet and Profit & Loss Account for the year ended 31st March, 1956.
- (2) To declare a Dividend.
- (3) To elect a Director in place of Mr. B. P. Khaitan, who retires by rotation and is eligible for re-election.
- (4) To elect a Director in place of Mr. R. R. Bhandary, who retires by rotation and is eligible for re-election.
- (5) To approve pursuant to Section 261 of the Companies Act, 1956 the continuance as a Director of Mr. S. C. Roy, who was re-elected a Director at the Ordinary General Meeting held on 29th December, 1954 and if thought fit to pass the following resolution as a SPECIAL RESOLUTION in respect of which a special notice as required by Section 261 of the said Act has been received by the Company:—

"RESOLVED that pursuant to the provisions of Section 261 of the Companies Act, 1956, Mr. S. C. Roy, a Director of the Company who is also a Director of Messrs. Associated Industrial Development Co. (Private) Ltd., the Managing Agents of the Company and thereby an associate of the Managing Agents do continue his appointment as a Director of the Company."

- (6) To appoint Auditors and fix their remuneration.
- (7) As SPECIAL BUSINESS to consider and if thought fit to pass the following resolution with or without modification which will be proposed as a SPECIAL RESOLUTION:—

"RESOLVED that the Company hereby consents to Mr. T. S. Sitapati being employed for the several managed Companies under the Managing Agents—Messrs. Associated Industrial Development Co. (Private) Ltd., including this Company on and from 1st November, 1956 under the designation—Technical & Commercial Manager of the Managing Agents and to his being in the Pay Roll of the Managing Agents for administrative convenience and to this Company contributing such proportion of his remuneration as may be considered fair and reasonable by the Board of Directors of the Company from time to time."

- (8) To transact any other business that may be brought forward.

The Share Transfer Books of the Company will remain closed from 15th December to 29th December, 1956 both days inclusive.

A Member entitled to attend and vote at the Meeting is entitled to appoint a Proxy to attend and vote instead of himself and that a Proxy need not be a Member.

The Dividend if declared will be paid on or after 22nd January, 1957, only to those members whose names appear in the register of the Company on 15th December, 1956 or to their mandates.

By Order of the Board,
For THE NATIONAL INSULATED CABLE CO. OF INDIA LIMITED,

P. P. ASSOCIATED INDUSTRIAL DEVELOPMENT CO. (PRIVATE) LTD.,

K. M. NAIK,
General Manager,
Managing Agents.

Stephen House,
4, Dalhousie Square East,
Calcutta-1
20th November, 1956.

EXPLANATORY STATEMENT AS REQUIRED BY SECTION 173 OF THE COMPANIES ACT, 1956:

Item No. 5:—A Special Notice has been received from a Shareholder of the Company as required by Section 261 of the Companies Act, 1956 proposing that the continuance of Mr. S. C. Roy as a Director of the Company be approved in accordance with the provisions of the said Act. Although Mr. S. C. Roy does not retire by rotation it is felt that his continuance as a Director requires approval of the Shareholders. The Managing Agents of the Company—Messrs. Associated Industrial Development Co. (Private) Ltd. have the right to appoint under the present Articles of Association of the Company one Director as an Ex-officio Director of the Company. Mr. G. K. Khemka has been appointed as an Ex-officio Director of the Company by the Managing Agents. Mr. S. C. Roy has been a Director of the Company since April, 1942 and has for some years past been associated as one of the Directors of the Managing Agents who are entrusted with the Management of the

affairs of the Company. As it is in the interest of the Company that it should continue to receive the benefit of his valuable advice as a Member of the Board, it is desirable that his continuance as a Director be approved by a Special Resolution in accordance with the provisions of Section 261 of the Act.

Item No. 7:—It was felt that in the interest of all the Managed Companies of Associated Industrial Development Co. (Private) Ltd. the Managing Agents of this Company it would be desirable to avail of the services of Mr. T. S. Sitapati, a technically qualified Engineer and experienced Commercial Personnel by all the Managed Companies. Accordingly, Mr. T. S. Sitapati has been employed for all the Managed Companies under the Managing Agents and has been designated as Technical & Commercial Manager of the Managing Agents. For administrative convenience he will be in the Pay Roll of the Managing Agents. He will do the work of all the Managed Companies and his remuneration will be shared by all the Managed Companies. This Company will bear such proportion of his remuneration as may be considered fair and reasonable by the Board of Directors of the Company from time to time. Consent of the Shareholders is being sought for the arrangement by a Special Resolution.

To All Shareholders:
And in particular to:

Basakhi Ram, Raja Ram, Mr. R. R. Bhandary, H. H. Princess Abida Sultan, Mrs. Allu F. Dastur, Mrs. Dinbai Minocher Kotwal, Mr. P. R. Kavashji, Mrs. Lucy Campos Serrao, Commdg. Genl. Sir Baber Shum Shere J. B. R., Mrs. Banoo Bai Framroz Pavri, Miss Ana Maria Pais, Miss Maria Ascenza C. D'Souza, Mrs. Angela De Sa and Narendra Shum Shere J.B.R.

"That Mr. K. P. Goenka, be and is hereby appointed a Director of the Company whose period of office is liable to determination of directors by rotation."

As Special Business.

To consider and, if thought fit, to pass with or without modification, the following resolution which will be proposed as a Special Resolution:—

(i) That the requirements of Articles 85, 86, 90, 125, 177, 181 & 182 of the Articles of Association of the Company be not complied with in respect of the half-year ended the 30th September, 1956.

(ii) That the Articles of Association of the Company be altered in manner following:—

(a) That Articles 85 and 86 shall be deleted and the following new Article 85 substituted therefor:—

"85. In addition to any other meetings, General meetings of the Company shall be held within such intervals as are specified by Section

166(1) of the Companies Act, 1956, and subject to the provisions of Section 166(2) of that Act at such times and places as may be determined by the Board. Such general meetings shall be styled Annual General Meetings and shall be specified as such in the notices convening the meetings."

(b) That Article 90 be deleted and the following new Article substituted therefor:—

"90. The ordinary business of an Annual General Meeting shall be to receive and consider the Profit and Loss Account, the Balance Sheet and the Reports of the Directors and of the Auditors, to elect Directors in the place of those retiring by rotation, to appoint Auditors and to fix their remuneration and to declare dividends. All other business transacted at an Annual General Meeting and all business transacted at an Extraordinary Meeting shall be deemed special business."

(c) That in Article 125—Line 1, the words "Second Ordinary" shall be deleted and the words "Annual General" substituted therefor.

(d) That Article 177 shall be deleted and the following new Article substituted therefor:—

"177. At every Annual General Meeting the Board shall lay before the Company a Profit and Loss Account made up to the 31st March immediately preceding and a Balance Sheet as at that date and such Profit and Loss Account and Balance Sheet shall comply with the requirements of Sections 210, 211, 212, 215 and 216 and of schedule VI to the Companies Act, 1956, so far as they are applicable to the Company but save as aforesaid the Board shall not be bound to disclose greater details of the results or extent of the trading and transactions of the Company than they may deem expedient."

(e) That in Article 181—Line 1, the word "Twice" shall be deleted and the word "Once" substituted therefor.

(f) That in Article 182—Lines 1 and 3, the words "Second Ordinary" shall be deleted and the words "Annual General" substituted therefor. In sub-para 3, the word "Ordinary" where it appears shall be deleted and the words "Annual General" substituted therefor.

The Share Transfer Books of the Company will be closed from 14th to 28th December, 1956, both days inclusive.

By Order of the Board,
DUNCAN BROTHERS & CO., LD.,
Managing Agents.

Calcutta, 26th November, 1956.

NOTE: (a) Warrants for dividends, when declared, will be forwarded in accordance with registered instructions, or if no such instructions have been received, to the registered address of all shareholders whose names appear on the Company's Register at the date of declaration. No application is necessary for payment of dividend.

(b) A member of the Company who is entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself. A proxy need not be a member of the Company.

THE MOZUFFERPORE ELECTRIC SUPPLY COMPANY, LIMITED.

NOTICE is hereby given that the Annual Ordinary General Meeting of the Shareholders will be held at the Registered Office of the Company, No. 14, Old Court House Street, Calcutta, on Friday the 21st day of December, 1956 at 11 A.M. for the following purposes:—

- (1) To receive and pass the Directors' Report and the audited Accounts for the year ended 31st December, 1955.
- (2) To elect a Director in place of the retiring Director.
- (3) To elect Auditors for the ensuing year, and to fix their remuneration.

The Share Register of the Company will be closed from 14th December, 1956 to 21st December, 1956, both days inclusive.

By Order of the Board,
OCTAVIUS STEEL & CO., LTD.,
A. H. GALLOWAY,
Managing Director,
Managing Agents.

Calcutta, 22nd November, 1956.

NOTE:—A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and, on a poll, to vote instead of himself and the proxy need not be a member.

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FLAG DAY

(DECEMBER 7)

FOR THE WELFARE OF EX-SERVICEMEN AND THEIR FAMILIES

JOINT STOCK COMPANIES PREFERENCE SHARES

Dividends are cumulative and shares carry a preferential claim on the property for the payment of capital and on the profits for dividend except in case of companies marked otherwise. Months against names of companies indicate approximately times of payment of dividends.

Year of Issue	NAMES	Amount Issued in 000's	Rate per cent	Paid-up per Share	Market Quotations		Year of Issue	NAMES	Amount Issued in 000's	Rate per cent	Paid-up per Share	Market Quotations	
					28-11-56	A year ago						28-11-56	A year ago
		Rs.		Rs.	Rs.	Rs.			Rs.		Rs.	Rs.	Rs.
BANK.													
1901	Allahabad Bank (May Nov.)	15.00	6	100	113	135	1920	Birds' Investments (Dec.)	24.00	5 1/2	100	76 1/2	80
COAL.													
1905	Bengal Nagpur (Feb. Aug.)	11.25	7	100	105	118	1918	Bombay Steam Navigation (July)	15.00	6 1/2	250	115	115
1896-97	Borra (June Dec.)	4.00	5 1/2	100	103	110	1920	Britannia Biscuit (Feb. Aug.)	15	6	10	152	15
1901-22	Burrakur (June Dec.)	22.98	7	100	114 1/2	127	1895-99	British Ceylon Corporation (Apr. Mar.)	7.50	8	5	92	11 1/2
1946	Burrakur (June Dec.)	4.50	6 1/2	100	8 1/2	8 1/2	1935-39	British India Corporation (Feb.)	81.00	8	100	122	138
1905	Equitable (May Nov.)	4.00	6	100	104	117	1920-21	Burn Eng (1st & 2nd) (Feb. Aug.)	13.00	7	100	137	141
1931	Khas Kajora (Mar. Sept.)	1.93	5	10	5	2	1901-11	Burn Engineering (Feb. Aug.)	15.00	6	100	115	124
1920	New Beahroom (Jan. July)	2.00	7	10	12	13 1/2	1937	Calcutta Electric Supply (Mar. Sept.)	21.900	5	21	101	12 1/2
1898-99	Ondal (June Dec.)	2.00	6 1/2	100	110	115	1906	Calcutta Silk Manufacturing (July Jan.)	2.00	6	100	55	60
COTTON MILLS.													
1906	Ahmedabad Advance (Apr. Oct.)	10.00	5	100	110	110	1938	Calcutta Tramways (Jan. July)	22.50	5 1/2	21	83	8 1/2
1884	Bangalore (Jan. July)	6.00	6	100	125	128 1/2	1905-24	Carew & Co (January)	8.00	6 1/2	100	101	106
1938	Basanti (Oct.)	3.00	6 1/2	100	9	8	1946	Cawnpore Sugar Works (Feb. Aug.)	10.00	8	100	127	143
1896	Bennal-Nagpur (Apr. Oct.)	3.00	7	100	116	116	1940	Chettiar Mica Industries Ltd.	30.00	5 1/2	100	57 1/2	66
1930	Bowreah "A" (Apr. Oct.)	6.00	8	100	140	135	1937	Dacca Electric Supply (July)	6.00	6	10	10	10
1930	Bowreah "B" (6) (1) (Apr. Oct.)	6.00	7	100	70	71 1/2	1937	Dalmia Cement (Bharat)	3.500	6	100	100	101 1/2
1919	Bradbury "B" (Jan. Dec.)	14.75	7	250	324 1/2	324 1/2	1945	Dalmia Cement (Bharat)	2.372	6	40	39 1/2	36
1920	Buckingham & Carnatic (Jan. July)	21.30	7 1/2	100	144	133 1/2	1916	Delhi Flour Mills (Oct.)	90	7 1/2	100	133	133
1928	Cambodia (July)	1.00	7	100	122 1/2	125	1945	Deshergarh Power Supply "A" (Jan.)	12.00	5	100	102	107
1912	Central India (Apr. Oct.)	50.00	5	500	53 1/2	53 1/2	1935	Deshergarh Power Supply "B" (Jan.)	16.00	4 1/2	100	93	91 1/2
	Delhi Cloth & General (Oct.)	20.00	4 1/2	25	20	20	1940	Duncan Brothers & Co Ltd.	45.00	4	100	60 1/2	72
							1948	Dunlop Rubber "First" (Jan. July)	30.00	6	100	124	126
							1926	Dunlop Rubber "Second" (Apr.)	40.00	6 1/2	100	93 1/2	72
							1928-29	East India Distilleries (Jan. July)	22.00	7 1/2	17 1/2	17 1/2	17 1/2
							1897	Eastern Investments Ltd (Apr.)	2.500	5 1/2	100	100	100
							1928	General Investment & Trust (Feb. Aug.)	1.00	5	100	75	77 1/2
							1947	General Investment & Trust (Feb. Aug.)	1.00	6 1/2	100	65	70
							1946	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	61	72 1/2
							1947	Gladstone Lyall & Co Ltd.	15.00	6 1/2	100	60	64 1/2
							1938	Gladstone Lyall & Co Ltd.	30.00	5 1/2	100	68 1/2	64 1/2
							1946	Gwalior Sugar (Redeemable) (Dec.)	6.75	7	100	68	65 1/2
							1940	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
							1940	Humayan Properties Ltd (Nov.)	12.00	6	10	9 1/2	10 1/2
							1936	Indian Aluminium (Mar. Sept.)	40.00	5 1/2	100	80	75 1/2
							1945	Indo Burma Petroleum (Jan. July)	50.00	7 1/2	100	104	108 1/2
							1927	Indian General Nav & Railways	22.44	6	210	85	80
							1899	Indian Cable Co (Nov.)	12.88	6	10	33 1/2	27
							1923	Indian Standard Wagon (Aug. or Sept.)	2.69 1/2	7	100	123 1/2	141
							1936	Indian Iron & Steel	2.00	5	100	101	110
							1946	Investment and Finance (Feb. Aug.)	2.00	5	100	75	77 1/2
							1935	Investment and Finance (Feb. Aug.)	2.00	6 1/2	100	65	70
							1945	James Wright (Jan. July)	1.30	6	50	41	39
							1937	Jardine Henderson Ltd.	50.00	5 1/2	100	64	79 1/2
							1946	Jessop & Co	10.00	5	100	101	105 1/2
							1915	Jupiter General Insurance (Sept.)	4.99	6 1/2	10	10	10
							1916	Kumardhubi Engineering (June)	12.00	5	100	101	108
							1915	Do Fireclay & Silica (June)	2.00	7	100	116	116
							1915	Martin Burn Ltd.	30.00	5	100	101	105
							1946	McLeod & Co.	10.00	5 1/2	100	69	73
							1930	McLeod & Co.	40.00	5	100	75	83
							1936	Mettur Chemical & Industrial (Sept.)	20.00	6	100	99	88 1/2
							1949	Mettur Chemical & Industrial (Sept.)	30.00	6 1/2	100	96	97
							1938	Midnapore Zeminari (Feb.)	8.76	5	100	92	92
							1938	Mysore Chemical Mfg (Sept.)	2.00	5	10	9 1/2	8 1/2
							1930	National Insulated Cable	10.00	5 1/2	100	74	80
							1942	National Tobacco (Jan. Dec.)	25.00	5	100	67 1/2	71
							1944	National Tobacco (Jan. Dec.)	20.00	4 1/2	100	74	71
							1946	Northern India Oil (Jan. July)	2.00	6	100	48	56
							1936	Poona Electric Supply Co. Ltd. (June Dec.)	4.00	7	100	103 1/2	103 1/2
							1935	Premier Construction "First" (Apr.)	10.00	6 1/2	100	104	104
							1936	Premier Construction "Second" (Apr.)	15.00	6 1/2	100	99 1/2	99 1/2
							1922	Purtalpoore (Sugar) (Oct.)	4.00	10	10	103	103
							1936	Ramnagar Cane & Sugar (Aug.)	6.00	6	100	100 1/2	105 1/2
							1936-38	Robtas Industries (April)	20.00	7	100	127	134
							1936	Robtas Industries "B" (Apr.)	86.00	4 1/2	100	65	68 1/2
							1944-46	Shaw Wallace & Co Ltd.	75.00	6 1/2	100	78 1/2	85 1/2
							1946	Shree Gopal Paper	7.50	6	100	119	126 1/2
							1937	Shree Krishna Gyanodaya Sugar "A" (Oct.)	6.00	6	100	100	102
							1936-38	Shree Krishna Gyanodaya Sugar "B" (Oct.)	12.00	5	100	75	80
							1906	Smith Stanistreet (Chemists) (Nov.)	5.00	10	50	64	66 1/2
							1935	South Behar Sugar (Oct.)	5.00	7	100	161 1/2	161 1/2
							1936	Spencer & Co "A" (Provisions) (Jan. July)	23.20	6 1/2	10	101	101
							1923	Spencer & Co "B" (Provisions) (Jan. July)	36.80	8 1/2	100	82	82
							1936	Star Paper (Apr. Oct.)	10.00	5	100	101	101
							1937	Surat Electricity (Apr.)	5.00	6 1/2	100	131	131
							1925	Tata Chemicals (Nov.)	60.00	5	100	117 1/2	117 1/2
							1939	Tata Hydro Electric Power (Sept. Mar.)	69.28	7 1/2	100	121 1/2	121 1/2
							1910	Tata Iron & Steel (First) (Nov.)	75.00	6 1/2	150	160	160 1/2
							1912	Tata Iron & Steel (Second) (May)	69.28	7 1/2	100	119 1/2	119 1/2
							1906	Tata Iron & Steel (May Nov.)	69.28	7 1/2	100	125	125
							1918	Tezpur-Balpara Tram (I) (June Dec.)	2.25	6	100	140	150 1/2
							1919	Titagarh Paper Mills (Mar. Sept.)	15.00	4 1/2	100	89	92
							1937	Titagarh Paper Mills "2nd" (Mar. Sept.)	1.25	6	10	8	8
							1936	Vellore Electric (Sept. Mar.)	1.00	6 1/2	100	82 1/2	82 1/2
							1934	Vizagapatnam Electric Supply (July)	1.00	6 1/2	100	82 1/2	82 1/2
TEA													
								Amlukie (May Nov.)	75	7	100	465	700
							1903	Banarhat (Jan.)	4.00	6 1/2	100	124	116
							1901	Birpara (Jan.)	1.00	6 1/2	100	120	114
							1900	Brooke Bond Estate India Ltd.	35.00	6 1/2	100	83 1/2	85
							1947	Choonabhatti (Jan.)	2.00	6 1/2	100	125	117 1/2
							1914	Dimakusi (June Dec.)	7	8	10	12	12
							1901	Dhunseri	119	8	3	33	33
								Ghelle (Sept.)	2.00	8	3	87 1/2	84
							1894	Hanpara (Jan.)	6	8	100	140	140
							1901	Hanspara (Jan.)	6	8	100	128	136
							1904	Kingsley Golahat (Dec.)	3.20	6	100	108	110
							1897-99	Moehema (May Nov.)	2.40	6	100	125	125

COAL COMPANIES

O. Po. F. and Dd. Indicate Ordinary Preferred Ordinary Founders' and Deferred shares respectively. P. next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	A year ago
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954 1955 1956	Rs.	28-11-56 21-11-56 A year ago	Rs.
25,50,000	26,43,478	24,50,000	6,60,570	Amalgamated	3-9	236	6,83,393	26,953	31-5 61-71	10	201 201 241	
1,00,00,000	1,96,15,288	1,40,49,723	18,85,659	Bengal P	4-10	2	26,18,986	7,31,563	71-71 81-83	200	484 484 543	
4,49,350	3,08,193	2,24,303	2,24,303	Bengal Bhatdee	6-12	2	15,149	4,951	11-11	10	61 61 61	
2,25,000	1,41,668	3,04,574	3,04,574	Bengal Nagpur P	6-12	2	50,568	1,07,984	NH-NH	10	16 16 10 1/2	
15,97,000	14,16,668	8,91,475	12,32,074	Bhalorah	9	152	1,81,809	39,978		10	61 61 61	
40,00,000	68,01,474	20,23,235	32,65,320	Bharat Collieries P	6	6	2,52,221	27,433		10	14 14 14	
7,15,000	15,63,291	14,29,045	68,704	Bhulanbararee	6-12	106	20,810	1,87,446	NH-NH	10	14 14 14	
16,00,000	38,87,275	16,18,636	7,185	Bokare & Ramgur	6-12	315	1,21,936	79,196		10	14 14 14	
7,50,000	18,36,889	24,29,026	11,60,066	Borra P	6-12	106	2,14,682	84,207	10-10	10	24 24 24	
9,92,480	2,38,29,968	1,75,17,502	25,32,132	Burrakur P	6-12	21	11,90,330	15,376	24-31	10	20 20 16 1/2	
49,97,000	34,53,430	750	3,65,960	Central India	3	166	2,45,759	9,927	21	10	61 7 1/2	
8,00,000	16,67,573	13,30,519	15,752	Central Kurkud P	6-12	123	34,743	82,768		10	12 12 12	
6,00,000	1,43,676	7,32,538	1,43,676	Churulia	6-12	106	6,374	2,129		10	2 2 2	
16,00,000	24,00,428	50,309	50,309	Dharm Main	6-12	19	60,039	1,83,318	NH-NH	10	7 7 7	
2,240,000	NH	2,380,033	2,372,456	East Indian	4	128	2,37,640	59,767	181	21	31 31 31	
29,63,760	1,15,25,712	83,29,049	24,17,320	Equitable P	6-12	19	8,87,453	82,379	71-71	10	28 28 33 1/2	
10,00,000	6,74,708	2,07,487	3,32,972	Ghustek & Muslia	3	307	12,979	24,844		10	15 15 15	
6,50,000	5,06,856	33,155	4,95,544	Guzdar Kajora	6-12	20	24,150	2,401		10	2 2 2	
3,17,780	7,25,000	7,92,425	Hurridadih	6-12	18	20	2,70,524	45,985	71-10	10	23 23 23 1/2	
3,50,000	6,31,200	5,66,816	1,407	Kalapanhari	2-8	2	1,38,130	2,21,237	NH-NH	10	20 20 20	
15,00,000	31,71,936	24,32,396	25,61,314	Karanpura Development	6-12	21	49,116	17,839	NH-NH	100	18 18 22 1/2	
30,00,000	24,00,896	1,77,175	26,967	Karanpura Collieries P	2	21	2,26,982	6,965	NH	100	119 119 125	
5,00,000	10,29,548	16,80,000	11,25,332	Katras Jherriah	1-7	2	5,92,347	1,33,475	28-28	100	62 62 62	
1,38,400	6,75,000	95,000	11,80,294	Khas Kajora P	6-12	326	49,776	1,918		10	9 9 9	
5,65,750	10,84,977	85,000	9,599	Mundulpur	6-12	326	79,868	79,868	NH	10	2 2 2	
7,48,240	3,46,939	2,00,000	10,14,303	Nazra	12	347	92,517	31,201	5	10	7 7 7	
7,00,000	5,13,418	26,617	61,641	New Bansdeopur	3-9	5	59,011	6,071	31-71	10	10 10 10	
17,76,230	31,15,787	20,01,763	3,78,538	New Beerbhoom P	4-10	7	2,64,716	94,383	31-31	10	15 15 21 1/2	
6,00,000	11,17,307	75,000	40,447	New Manbhoom	3-9	202	25,330	2,233	NH-NH	10	11 11 12 1/2	
2,50,000	7,69,622	1,75,500	10,12,916	North Damuda	1-7	306	7,954	32,184		10	2 2 2	
15,10,000	4,42,488	2,85,193	1,53,246	North West	3-9	2	51,420	15,950	NH-NH	10	17 17 17 1/2	
7,50,000	1,20,000	12,19,987	23,26,757	Ondal P	6-12	106	22,197	56,646	5-5	10	15 15 18 1/2	
8,54,000	8,21,542	10,822	1,30,011	Paras P	6-12	207	1,08,075	8,018	31-31	10	14 14 14	
15,15,000	12,40,000	16,00,000	12,61,540	Panch Valley	3-8	236	4,18,450	33,343	81-71	10	18 18 24 1/2	
2,50,000	1,62,405	7,500	11,531	Pure Shalpur	6-12	5	2,009	18,581		10	6 6 6	
23,99,500	37,59,038	18,17,105	39,196	Raneegunge	3-9	79	1,83,614	18,846	21-21	10	10 10 13 1/2	
13,50,000	7,98,001	9,28,385	14,29,648	Rewa	6-12	236	4,96,775	26,029	71-61	10	23 23 23 1/2	
20,00,000	23,74,251	7,62,027	1,01,427	Samia	12	48	1,80,660	31,543	71	10	14 14 12	
2,50,000	1,56,194	1,34,374	1,34,374	Sarsole	1	353	88,009	11,078	25	10	5 5 5	
2,80,000	10,92,193	8,36,598	7,87,728	Seepore P.	6-12	106	2,42,112	49,299	14 1/2-14 1/2	10	29 29 29 1/2	
8,00,000	3,62,24	5,29,306	6,32,757	Sendra	6-12	106	1,02,112	49,299	14 1/2-14 1/2	10	29 29 29 1/2	
17,50,000	22,81,985	10,75,016	63,554	South Karanpura	2-8	21	59,079	51,533	NH-NH	10	11 11 11 1/2	
8,00,000	1,43,000	13,69,397	21,89,890	Standard	6-12	106	47,444	17,347	71-71	10	23 23 23 1/2	
10,00,000	15,58,085	15,075	4,919	Falcher	9	277	22,689	3,85,056	NH	10	3 3 3 1/2	
1,50,000	4,66,000	3,53,000	8,176	Union	6-12	278	4,033	44,167	5-21	10	14 14 15	
49,98,000	33,66,560	50,000	2,17,164	Western Bengal	156	166	4,09,408	7,262	81	10	6 6 6 1/2	
7,00,000	32,65,173	21,569	61,480	West Jamuria	6-12	19	2,72,772	1,46,650	NH-NH	10	11 11 14 1/2	

N = Nominal

COTTON MILLS

Paid-up Capital Ordinary	Number of		Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up per share	Latest Market Quotations as available until		
	Spindles	Looms									1953	1954	1955		28-11-56	21-11-56	A year ago
Rs.			Rs.	Rs.	Rs.				Rs.	Rs.	Rs.		Rs.	Rs.	Rs.		
15,00,000	14,108	356	14,62,919	1,73,478	11,90,008	Basant P	12	49	1,97,268	41,227	21	10	61	61	51		
32,72,340	22,197	505	27,69,676	23,18,909	24,551	Benares P	3-9	120	1,27,187	4,79,347	..	10	11	11	11		
7,11,280	36,000	932	17,17,120	2,20,369	30,842	Bengal Luxmi	9	27	3,66,176	47,818	..	10	40	40	36		
27,00,000	31,476	624	23,53,000	15,50,000	3,84,224	Bengal Nagpur P	6-12	236	5,23,389	18,199	21-NH	10	10	91	91		
15,00,000	38,764	992	31,35,500	10,84,251	21,32,642	Birla Cotton	3	22	5,28,332	4,25,221	30	30	10	30	30		
6,00,000	42,872	641	37,54,142	22,72,588	1,44,948	Bowser P	6-12	138	84,028	23,47,373	NH-NH	100	139	139	373		
30,00,000	22,900	510	8,43,453	29,51,420	1,00,393	Cawnpore Textiles	3	25	6,73,253	36,767	11 1/2	10	9	9	11 1/2		
3,27,02,900	1,01,808	2,762	9,94,63,168	2,74,48,393	2,94,83,803	Delhi Cloth & Genl P	6	238	1,81,41,278	82,759	9	9	25	40 1/2	40 1/2	38 1/2	
1,00,000	12,944	318	34,12,181	37,11,925	1,53,884	Dunbar	6-12	138	9,92,376	1,37,951	NH-NH	100	248	274	320		
63,00,000	54,000	1,200	22,44,751	65,33,360	43,06,593	Elgin P	9	25	32,80,464	83,386	15	10	10	28	28	28 1/2	
1,20,00,000	39,250	1,872	2,38,99,575	1,60,53,992	47,29,268	Kesoram P	3	22	37,41,719	2,45,435	11 1/2	8 1/2	20	16 1/2	16 1/2	17 1/2	
33,96,288	35,864	864	17,48,143	9,78,679	74,08,655	Mohini P	12	45	9,53,316	5,158	..	..	25	..	..	..	
30,00,000	38,000	1,825	47,44,546	52,19,601	32,65,055	Muir P	12	208	18,77,941	7,77,290	..	..	10	85	85	118	
22,89,982	18,848	1,367	43,25,577	28,00,968	1,45,701	New Victoria P	12	237	18,83,371	13,76,473	NH	..	21 1/2	21 1/2	21 1/2	11 1/2	
5,07,099	23,196	795	22,57,946	18,38,739	2,02,179	Rampoor Cotton	6	6	6,18,936	1,094	61	10	15 1/2	15 1/2	15 1/2	12	
17,91,000	1,14,836	2,077	2,83,77,688	2,65,04,931	32,30,412	Swadeshi (Cawnpore) P	12	333	43,71,838	7,09,029	6	11 1/2	100	12 1/2	12 1/2	10 1/2	
1,57,50,000	48,754	1,310	91,31,708	1,89,73,217	43,89,979	Bangalore W C Silk P	12	26	56,34,938	2,38,649	25	30	100	575	566 1/2	582 1/2	
1,78,47,000	1,20,012	2,770	1,20,71,600	1,87,39,278	23,89,514	Bukingham Carnatic P	12	26	1,01,66,075	2,38,445	10	10	100	196	200	181	
20,00,000	28,000	603	18,03,003	20,32,074	11,29,239	Cambodia P	12	210	1,96,274	27,593	7 1/2	10	15	15	14		
12,00,000	23,864	407	8,41,058	16,53,892	10,00,000	Coimbatore Cotton	12	188	6,53,750	61,404	..	..	100	413	405	351	
20,76,900	72,832	200	47,91,212	79,90,681	22,227	Coimbatore Spg & Wvg	6	46	7,52,342	10,23,340	NH	..	50	95	97	81 1/2	
6,50,000	30,640	295	12,25,505	17,90,000	38,77,431	Kaleeswarar	6	139	2,05,760	1,777	..	..	100	335	335	290	
24,00,000	30,512	200	32,38,868	16,25,000	7,43,757	Kothari Textile P	6	141	3,32,924	29,382	5	5	10	18	18	18 1/2	
23,84,000	48,756	..	15,01,051	21,70,200	78,390	Lakshmi	12	186	31,41,248	2,209	..	..	50	285	275	180	
1,75,02,480	4,65,324	..	2,15,02,107	4,13,81,878	10,04,681	Madura	12	108	77,86,509	18,86,813	20	20	100	49 1/2	49 1/2	52 1/2	
12,00,000	1,85,566	..	8,43,189	3,36,363	10,32,898	Malabar Spg & Wvg	12	240	1,01,66,075	2,38,445	20	20	200	113	113	112	
60,00,000	34,252	603	20,49,893	69,00,000	11,29,239	Mettur Industries	12	29	48,44,863	45,835	22 1/2	35	100	462	460	406 1/2	
13,61,780	6,000	..	14,15,992	8,90,279	1,34,663	Mysore Spun Silk	3	142	1,763	3,968	NH	100	10	7 1/2	7 1/2	33	
4,00,000	20,137	416	8,36,608	3,00,000	24,24,908	Palani Andavar P	12	30	7,39,437	2,687	..	..	50	172	172	140	
7,79,700	15,540	..	5,42,118	2,43,421	2,65,911	Sitaram Spg & Wvg	3	164	87,724	3,083	..	..	60	340	340	263	
7,00,000	28,104	270	12,98,563	18,23,501	11,71,924	Vasanta P	12	47	16,37,459	..	..	..	100	140	140	114 1/2	

TEA COMPANIES

O. Po and Dd indicate Ordinary Preferred Ordinary and Deferred Shares, respectively. P next to the name of the company indicates that the Company also has Preference Shares. Figures in 'accounts closed' column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Accrue under Tax	Turnover and Average Price per lb realised for				1956	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Dividends per cent			Paid-up Capital Ordinary	Latest Market Quotations as available until				
				1954		1955							1955	1956	1955		28-11-56	21-11-56	1-12-56		
Rs.	Rs.	Rs.	Rs.	Lbs.	As.	P.	Lbs.	As.	P.	Lbs.	As.	P.	Rs.	1955	1956	1955	Rs.	Rs.	Rs.		
CACHAR																					
3,00,000	4,40,887	1,75,600	862	2,89,040	39-11	..	..	..	..	Arcuttipore	12	38	1,72,877	Nil	Nil	..	10	12	12	11	
4,00,000	4,26,269	49,878	465	..	..	..	..	..	..	Baitakhal	12	35	43,307	..	..	..	10	10	10	14	
10,00,000	7,71,459	1,13,800	1,486	4,90,262	40-10	..	..	..	..	Central Cachar	12	128	5,98,904	Nil	7	..	100	67	73	136	
2,50,000	3,77,763	Nil	794	1,00,455	4-2-2	..	..	..	..	Chandipur	12	128	66,346	Nil	Nil	..	100	69	89	116	
12,00,000	17,92,487	11,000	949	3,91,522	38-6	3,91,440	28-6	4,40,000	..	Eastern Cachar	12	202	33,600	Nil	Nil	Nil	10	9	9	9	
4,50,000	7,07,190	1,50,000	2,153	17,92,487	35-0	16,36,400	24-1	16,00,000	..	Kalinugur Khoreal	12	313	1,10,771	Nil	15	..	100	102	102	130	
3,00,000	4,24,000	2,51,794	399	4,24,000	16-8	..	..	..	..	Kunchunpore	12	33	3,31,327	Nil	20	..	10	19	17	25	
7,00,000	1,25,000	5,50,000	1,368	1,25,000	47-6	7,86,038	26-7	8,00,000	..	North Western Cachar	12	33	3,68,196	Nil	15	..	100	264	264	264	
2,50,000	3,18,000	Nil	500	3,68,960	38-0	4,86,080	23-11	4,80,000	..	Pathemara P.	12	202	2,49,494	Nil	Nil	Nil	10	11	15	19	
2,50,000	4,90,357	4,16,292	616	4,90,357	36-4	..	..	..	..	Roodcherra	12	165	4,33,780	Nil	10	..	10	22	22	23	
5,25,000	8,87,291	10,42,956	688	8,87,291	41-11	7,25,980	29-3	6,00,000	..	Rungamatie	12	33	2,98,825	20	35	20	50	112	104	144	
4,00,000	6,88,316	5,52,313	662	6,88,316	36-7-1	..	..	..	..	Sonai River P.	12	74	3,73,877	Nil	12	..	10	19	19	22	
7,75,000	5,02,307	4,31,250	1,050	5,02,307	..	..	..	..	..	Tilkhah	12	95	5,22,670	Nil	20	..	10	12	12	10	
DARJEELING																					
3,99,750	7,05,059	6,936	562	1,14,311	29-11	1,31,680	30-11	..	..	Bloomfield	12	101	99,904	Nil	Nil	Nil	10	21	21	4	
2,79,900	4,72,561	1,25,000	407	1,41,174	62-0	..	..	..	..	Chamong	12	279	1,34,409	Nil	20	..	10	15	15	17	
3,75,900	3,75,900	1,11,928	991	..	..	..	..	..	..	Darj Tea Chinchona	12	139	1,15,698	Nil	7	40	..	100	175	175	290
2,00,000	1,84,414	1,62,639	488	1,35,760	32-5	1,27,760	38-9	1,28,000	..	Jilaram	12	200	27,865	Nil	21	Nil	100	190	190	315	
2,00,000	5,08,900	3,44,549	500	5,84,204	39-1	2,35,761	33-9	2,64,000	..	Jielle P.	12	74	62,814	Nil	25	Nil	10	29	29	42	
7,00,000	6,25,000	4,10,770	1,049	6,25,000	38-3	..	..	..	..	Lingla P.	12	279	8,25,171	20	50	..	10	30	30	31	
10,32,000	1,57,576	1,11	761	1,28,515	18-8	..	..	..	..	Longview	12	95	5,04,822	10	30	..	10	16	16	14	
4,50,000	3,02,081	4,00,225	816	3,39,040	57-11	3,53,520	36-7	3,68,000	..	Margaret's Hope	12	165	36,658	7	30	Nil	10	16	16	22	
1,50,000	2,16,770	3,50,239	463	1,82,080	62-4	1,65,440	50-6	..	..	Mim	12	139	62,269	10	40	15	100	276	296	377	
2,99,300	1,40,000	1,00,000	689	4,35,016	33-4	..	..	..	..	Nagri Farm	12	7	55,958	Nil	37	Nil	100	600	600	560	
1,00,000	2,23,710	97,647	505	1,81,153	55-3	1,68,126	38-4	1,80,000	..	Kayati P.	12	53	55,958	Nil	37	Nil	100	600	600	560	
3,30,000	5,02,688	4,61,118	778	..	..	..	..	..	..	Pashok	12	139	852	10	30	..	10	14	14	24	
3,00,000	3,83,007	4,09,567	500	1,68,697	50-8	1,64,824	37-11	1,76,000	..	Poobong	12	63	69,622	2	15	Nil	10	10	10	15	
2,05,000	4,30,000	2,07,813	570	1,58,740	58-8	1,27,541	35-11	1,60,000	..	Pusimpong P.	12	74	15,935	Nil	10	Nil	10	10	10	15	
1,40,000	1,69,062	4,65,653	341	1,80,720	58-0	1,67,340	41-4	1,76,000	..	Laanleee Runghot	12	63	33,455	17	50	20	100	408	408	450	
3,00,000	3,33,822	1,86,462	389	1,77,704	53-3	1,59,385	35-0	1,68,000	..	Seeyok	12	113	45,941	Nil	Nil	..	100	381	381	49	
6,25,000	9,98,413	1,45,947	747	2,05,033	47-4	..	..	..	..	Singlet	12	101	2,87,270	Nil	5	..	10	6	6	6	
9,30,000	2,27,323	1,46,857	693	2,26,906	40-4	..	..	..	..	Singtom P.	12	101	4,43,350	Nil	30	70	..	10	30	30	
3,00,000	8,89,000	4,90,000	594	2,39,738	50-3	..	..	..	..	Sonuma	12	165	57,883	Nil	7	..	10	11	11	11	
6,25,000	12,36,873	5,74,585	382	3,76,300	54-5	3,74,800	39-3	3,84,000	..	Teesta Valley	12	74	90,088	15	40	15	10	38	38	44	
3,20,000	4,70,000	10,86,284	718	4,40,947	48-3	3,70,473	41-11	3,70,473	..	Tukvar	12	279	3,99,993	Nil	10	..	10	14	14	16	
8,01,350	10,96,000	2,90,000	1,666	7,11,943	50-6	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	
DUARS																					
27,00,000	19,11,197	24,25,000	4,540	30,81,680	51-2	30,69,360	31-9	33,20,000	..	Banarhat P.	12	2	11,23,892	45	120	25	100	318	316	379	
6,00,000	20,53,552	3,70,000	1,105	13,91,370	43-7	13,91,370	43-7	13,91,370	..	Baradihi	12	128	13,91,370	30	35	..	100	491	491	621	
9,00,000	9,80,500	16,53,306	1,112	14,15,840	41-10	14,18,240	29-8	13,60,000	..	Bhatkwa	12	165	3,78,003	30	65	25	100	304	291	42	
9,00,000	8,40,704	5,50,000	1,343	1,96,383	52-0	..	..	..	..	Birpara P.	12	53	12,07,481	Nil	20	..	100	146	146	205	
6,00,000	6,99,704	7,74,645	802	3,04,104	50-10	6,10,033	29-7	5,60,000	..	Larion	12	53	1,28,962	22	25	7	100	175	175	267	
3,00,000	4,16,471	4,50,000	300	10,68,498	19-4	10,82,693	31-11	11,80,000	..	Chandannathi P.	12	1	3,98,498	25	90	20	100	317	305	513	
1,20,000	1,95,171	2,64,000	265	4,01,294	43-4	..	..	..	..	Ethelbari	12	53	3,28,025	Nil	15	..	100	272	272	272	
3,50,000	5,70,483	3,00,000	441	2,24,800	49-1	2,12,726	26-9	2,40,000	..	Engo	12	63	48,262	Nil	110	Nil	100	300	577	577	
5,00,000	1,38,424	3,50,000	1,233	4,22,727	47-2	..	..	..	..	Gairkhat	12	354	59,765	Nil	50	Nil	10	15	15	34	
10,50,000	17,49,550	22,55,503	1,022	30,88,842	47-11	12,20,160	27-11	..	..	Gopapur	12	38	10,21,911	20	30	12	100	268	268	355	
24,00,000	20,00,000	4,49,782	4,421	30,88,842	47-11	30,88,842	47-11	62,56,000	..	Hanumara P.	12	63	39,77,805	25	24	..	25	231	231	231	
8,25,000	53,65,929	64,68,285	4,236	53,65,929	42-6	17,67,276	36-2	17,20,000	..	Hasimara P.	12	74	5,25,271	25	60	..	100	237	208	330	
7,00,000	10,98,000	17,14,718	1,452	16,07,366	11-11	17,67,246	26-11	17,20,000	..	Hudibari	12	14	2,77,456	22	30	12	100	23	23	39	
2,00,000	3,18,809	3,15,000	607	4,86,414	39-3	4,62,400	28-7	5,60,000	..	Jaybirpara	12	74	2,13,207	25	55	Nil	10	23	23	26	
9,00,000	1,22,000	3,50,000	620	4,73,836	45-1	..	..	..	..	Manabbari	12	53	10,39,752	20	41	..	10	22	19	25	
14,00,000	15,71,067	18,15,032	1,122	16,39,538	44-5	9,78,988	28-1	10,00,000	..	Nagarsurree	12	217	5,69,182	10	65	7	100	793	793	800	
3,00,000	8,81,963	18,45,000	1,163	15,52,400	49-3	16,35,520	31-2	16,00,000	..	New Duars P.	12	74	2,05,071	45	40	25	100	215	215	285	
1,20,000	6,26,920	4,80,000	578	6,29,200	42-0	6,65,680	27-1	6,40,000	..	Ondlabari	12	202	1,29,376	20	75	..	10	25	51	98	
2,50,000	4,30,000	4,79,541	348	2,56,000	42-0	..	..	..	..	Phaskowa	12	165	2,61,201	10	30	..	100	245	245	245	
6,00,000	3,29,491	3,01,334	769	..	..	..	..	..	..	Raibhat	12	165	4,69,156	15	..	..	10	23	21	38	
7,65,000	8,77,189	11,43,550	1,635	10,69,520	47-11	10,14,720	39-11	11,08,000	..	Ranicherra	12	165									

MISCELLANEOUS COMPANIES—Contd.

O, Po, C and Dd indicate Ordinary, Preferred Ordinary, Contributory and Deferred Shares respectively. P, next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954	1955	1956	Rs.	28-11-56	21-11-56	A year ago
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.				Rs.	Rs.	Rs.	Rs.
SUGAR BREWERIES, ETC.															
11.00.000	6,45,722	3,75,000	10,90,564	New Savan Sugar and Gur	5	140	95,437	52,205	..	..	..	10	6 1/2	6 1/2	6 1/2
9.00.000	1,28,559	17,64,369	58,734	Purtabpur Sugar P.	10	25	5,08,340	6,871	7 1/2	7 1/2	..	10	16 1/2	17 1/2	17 1/2
16.59.820	26,52,127	35,00,000	4,84,350	Ramnugger Cane & Sugar P.	3	8	18,11,504	20,350	15	20	..	10	24 1/2	25 1/2	25 1/2
19.99.600	25,62,553	39,88,218	13,92,915	Raza Sugar	10	92	10,78,193	3,144	..	..	..	10	..	..	..
6.30.000	4,42,169	6,54,762	1,85,115	Ryam Sugar P.	6	25	1,43,798	24,340	5	..	..	10	20 1/2	20 1/2	20 1/2
11.99.000	15,94,631	18,37,929	98,312	Samastipur Central Sugar	6	25	79,022	8,477	5	NIL	..	10	13 1/2	13 1/2	14 1/2
20.00.000	12,62,286	36,66,708	1,63,444	Shree Krishna Gyanoday Sugar P.	7	335	12,99,571	34,046	15	17 1/2	..	10	12 1/2	12 1/2	15 1/2
7.94.500	13,54,858	11,65,175	11,16,368	Shree Sitaram Sugar	6	140	1,90,057	7,991	..	..	..	10	15 1/2	15 1/2	15 1/2
9.99.950	14,54,274	1,54,304	1,42,696	Sitalpore Sugar	6	94	1,39,515	1,39,515	NIL	NIL	..	10	15 1/2	15 1/2	15 1/2
16.00.000	6,07,894	7,99,778	4,22,372	United Provinces	3	341	4,23,880	39,061	12 1/2	..	..	10	21 1/2	21 1/2	22 1/2
8.00.000	38,92,308	21,57,557	3,60,236	Upper Ganges Sugar P.	9	227	10,24,525	82,931	25	25	..	10	94 1/2	94 1/2	70 1/2
14.00.000A	14,24,740	23,74,426	10,72,324	Upper India Sugar	1	302	16,80,986	86,393	15	20	..	100AC	280	280	127 1/2
1,00,000B												12 1/2BC	28 1/2	28 1/2	15 1/2
MISCELLANEOUS															
8.00.000	2,20,232	1,56,200	9,53,526	A Firpo (Restaurants)	10	85	84,518	4,475	..	..	..	10	4 1/2	4 1/2	7 1/2
1,20,00,000	1,40,80,594	6,21,715	51,361	Air India Ltd	12	269	6,02,785	14,30,401	..	..	..	100	..	..	..
2,00,00,000	2,58,39,656	68,01,534	50,022	Air India International Ltd.	12	322	10,51,340	30,205	..	..	..	100	..	..	..
47.50.000	1,31,03,534	15,00,000	5,97,941	Aluminium Corp. P.	3	132	12,92,024	32,582	NIL	NIL	..	100	11 1/2	11 1/2	8 1/2
2,50,000D												2 1/2Dd	6 1/2	6 1/2	2 1/2
20.00.000	42,38,502	14,30,000	54,97,530	Anderson Wright, Ltd. P.	12	1	89,042	16,284	7 1/2	7 1/2	..	10	11 1/2	11 1/2	11 1/2
30.00.000	10,11,875	37,83,779	14,41,315	Angelo Bros.	5	268	11,84,131	3,49,961	12 1/2	20	..	10	22 1/2	22 1/2	22 1/2
30.00.000	17,54,434	27,66,285	5,49,634	Assam Match	12	274	8,35,902	12,1395	12 1/2	12 1/2	..	10	20 1/2	20 1/2	19 1/2
13.99.998	21,25,615	28,30,285	64,182	Assam Saw Mills & Timber	3	21	97,045	5,14,537	NIL	NIL	..	3	4 1/2	4 1/2	4 1/2
20.00.000	61,61,507	23,00,000	61,84,607	Associated Hotels of India P.	8	204	8,82,993	32,683	2	4	..	10	10 1/2	10 1/2	10 1/2
80.01.400	33,50,000	1,09,53,000	1,12,08,422	Balmer Lawrie & Co.	12	304	32,12,152	5,03,129	13	12 1/2	..	100	159	157	196
12.00.000	2,65,000	8,24,890	1,80,023	Bararee Coke	3-9	128	2,16,123	22,708	7 1/2	7 1/2	..	10	19 1/2	19 1/2	22
6.00.000	76,414	NIL	30,72,477	Bengal Timber Frading P.	6	128	4,41,164	1,19,103	..	..	..	100	41	41	43
50.00.000	19,53,822	NIL	19,59,589	Bharat Airways Ltd.	4	22	3,19,589	3,19,229	..	..	..	10	5 1/2	5 1/2	4 1/2
45.97.020	76,85,085	31,11,814	62,81,306	Birds Investments P.	3	160	5,89,372	1,15,707	12 1/2	12 1/2	..	10	17 1/2	17 1/2	19 1/2
22.50.000	13,98,796	43,18,775	2,09,476	Britannia Biscuit P.	3	50	1,44,261	1,79,727	10	10	10	10	15	15	15 1/2
3,25,00,000	59,63,738	1,18,60,524	2,50,83,650	British Ceylon Corporation P.	12	8	27,75,295	1,85,955	..	..	..	7 1/2	10 1/2	10 1/2	11 1/2
				British India Corporation P.	12	33	30,23,938	27,36,584	11	NIL	..	5	10 1/2	10 1/2	14 1/2
32.50.000	2,16,659	3,24,161	6,46,589	Calcutta Gas Co (Propr.) Ltd. P.	9	235	60,996	1,550	5	6	5	10A	7 1/2	7 1/2	8 1/2
32.50.000B												10B	..	..	..
5.00.000	5,92,780	2,40,684	1,02,576	Calcutta Silk Manufacturing P.	3-9	213	45,711	22,586	..	..	..	NIL	..	4 1/2	5
90.00.000	17,68,710	67,71,188	24,59,508	Duncan Brothers & Co. Ltd.	12	169	48,24,534	4,28,060	12	..	..	100	121	121	136
1,80,00,000	2,94,69,046	3,14,33,323	4,04,73,323	Dunlop Rubber Co (India) P.	12	96	96,72,154	1,71,685	15	15	..	10	26 1/2	27 1/2	35 1/2
51.26.000	15,21,212	1,48,29,523	1,41,26,212	Easton Investments Ltd. P.	12	21	12,83,240	3,06,133	9	9	..	100	147 1/2	147 1/2	177 1/2
75.00.000	13,79,357	43,83,226	1,02,21,271	F & C Oster (India) Ltd. P.	3	84	4,26,249	6,26,954	..	..	..	10	20 1/2	11 1/2	18 1/2
80.00.000	12,88,300	21,97,641	86,55,360	French Motor Car	3	51	8,97,594	1,26,757	12 1/2	12 1/2	..	20	21	21	20 1/2
14.00.000	14,92,000	10,02,000	11,384	Ganges Rope	3-9	19	89,571	27,194	7 1/2	7 1/2	..	100	186	186	201
3,25,000	31,95,729	19,00,000	5,26,762	General Investments Trust P.	2-8	21	26,644	8,637	2 1/2	3 1/2	..	75	43	43	43
65.00.000	24,18,813	42,80,000	1,00,13,328	Gillanders Arbuthnot & Co. Ltd. P.	3	105	29,71,809	1,51,360	7 1/2	14	..	10	13	13 1/2	18 1/2
20.00.000	27,68,042	5,00,324	12,84,357	Gladstone Lyall & Co. Ltd. P.	12	209	7,02,922	34,255	..	..	..	10	16 1/2	17	17 1/2
40.00.000	31,71,333	7,81,000	98,384	Godfrey Phillips (India) Ltd. P.	12	310	19,01,201	11,96,811	10	20	..	10	25 1/2	25 1/2	20 1/2
30.00.000	32,90,010	17,22,203	6,22,424	Great Eastern Hotel	3	225	5,30,579	16,373	..	..	..	250	250	250	240
10.00.000	17,38,764	1,61,173	9,221	Hindusthan Ice & Cold Storage	9	..	43,377	24,274	..	..	..	5	1 1/2	1 1/2	1
35.20.000	31,95,729	19,00,000	19,72,453	Hoare Miller & Co. Ltd.	12	294	91,339	67,868	NIL	..	..	10	6 1/2	6 1/2	7 1/2
15,16,00,000	7,42,66,399	7,88,86,783	5,50,32,187	Imperial Tobacco	3	325	3,66,59,515	24,94,274	8	8	..	10	14 1/2	14 1/2	15
1,60,00,000	2,41,97,583	53,33,999	10,13,114	Indian Aluminium Co. Ltd. P.	12	293	26,79,662	14,18,074	..	..	..	10	16 1/2	17	17 1/2
1,52,89,220	1,27,87,878	1,37,00,000	11,88,406	Indian Cable P.	3	34	1,21,59,493	32,04,214	10	12 1/2	15	10	32 1/2	33	33 1/2
5,00,000C												10PO	8 1/2	8 1/2	6 1/2
83,75,000D	22,07,260	2,21,280	11,69,467	Indian National Airways	12	93	36,302	12,62,971	..	..	..	100	6 1/2	6 1/2	6 1/2
1,25,00,000												10D	6 1/2	6 1/2	6 1/2
8,27,970	4,44,398	5,38,000	17,67,876	Indian Rubber Manufacturers P.	3	173	1,79,618	32,616	5	5	..	10	18 1/2	18 1/2	12 1/2
20.30.000	4,64,735	10,03,705	18,15,457	Indian Wood Products	9	98	17,28,038	2,76,519	27 1/2	30	..	10	45 1/2	45 1/2	45 1/2
5.00.000	2,16,228	12,78,049	Investments and Finance P.	2-8	31	97,456	9,746	24 1/2	24 1/2	31 1/2	..	100	65	65	65
2,40,000	15,362	4,46,244	3,20,757	Ivan Jones Ltd.	9	194	1,39,321	36,496	..	..	..	2	3 1/2	3 1/2	3 1/2
5,97,500C												50	4 1/2	4 1/2	4 1/2
1,17,50,000D	2,16,659	3,24,161	64,65,89	James Wright P.	12	281	60,996	1,550	5	5	..	100	4 1/2	4 1/2	4 1/2
2,00,00,000	51,37,813	57,00,000	4,02,27,618	Jardine Henderson Ltd. P.	3	39	31,24,445	5,11,852	7 1/2	7 1/2	..	100	87	87	113 1/2
6,34,00,000	3,17,363	6,02,958	3,21,617	Macfarlane & Co.	3	133	14,078	4,499	..	..	..	50	11 1/2	11 1/2	2 1/2
66,700D												10C	11 1/2	11 1/2	2 1/2
1,50,00,000	88,50,000	63,33,428	2,57,13,417	Macneil & Barry Ltd. P.	3	334	52,06,340	6,31,124	7 1/2	11	..	100	25	25	30 1/2
1,37,53,000	36,41,510	54,56,063	1,85,74,341	Martin Burn Ltd. P.	9										

BOMBAY MISCELLANEOUS COMPANIES

O Po F Dd G and R indicate Ordinary Preferred Ordinary Founders' Deferred Guarantee and Rebate Shares respectively P next to the names of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Stock Account	Reserve & other Funds	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	27-11-56	20-11-56	20-11-56
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954	1955	1956	Rs.	Rs.	Rs.
CEMENT														
12,67,59,333	16,16,27,689	6,15,51,096	3,90,26,918	Associated Cement	7	53	4,71,77,960	5,62,770	8	10	..	100	160	165
ELECTRICITY & POWER														
6,99,95,600	11,08,94,307	69,91,218	20,82,140	Ahmedabad Electricity	9	146	35,75,580	188	6	5	..	100	91	92
2,92,83,500	4,18,62,358	52,34,507	63,30,399	Andhra Valley Power Supply F	6	267	46,19,171	25,735	7	7	..	1,000	1,200	1,200
1,74,99,700	2,14,85,121	39,32,48	5,79,834	Bombay Suburban Elec Sup	3	146	19,21,739	45	7	7	..	100	110	110
38,08,200	17,49,053	4,75,323	14,87,557	Poona Electric Supply P	12	229	3,86,015	..	..	..	..	100	146	146
2,34,45,225	58,39,872	63,82,045	38,39,872	Tata Hydro Elec Power sup F	6	267	37,75,587	21,171	..	7	..	100	123	123
5,02,78,750	8,99,37,408	1,41,56,578	1,29,22,349	Tata Power P.	6	267	77,32,961	27,952	7	7	..	1,000	1,245	1,257
ENGINEERING & METAL														
53,42,200	17,06,292	44,16,374	1,54,08,311	Alcock Ashdown	12	268	8,79,666	1,35,820	12	..	..	100	317	325
6,00,000	29,341	4,43,904	99,338	East's Engineering	3	115	62,291	1,598	15	5	..	50	96	96
40,00,000	11,26,513	10,00,000	9,74,904	Larsen & Toubro P.	3	351	14,90,736	28,740	10	10	..	100A	19	19
40,95,100	81,25,753	2,02,500	49,351	Machinery Mfgs. Corp Ltd P	3	300	2,02,006	64,676	10	10	..	100	96	96
1,10,00,000	15,00,978	16,66,194	7,08,297	McKenzie	7	283	1,49,085	64,938	..	..	..	300	210	210
2,50,000	5,834	1,00,53,082	1,79,52,042	Premier Construction P	12	284	3,35,178	59,102	25	1/3	..	32F	170	169
1,31,250F	4,80,59,980	26,78,952	44,49,499	Tata Locomotive & Eng. P	3	69	3,303	50,350	10	10	..	100	170	169
4,18,72,400	4,80,59,980	26,78,952	44,49,499	Tata Locomotive & Eng. P	3	69	3,303	50,350	10	10	..	100	170	169
9,63,75,000	32,44,07,755	16,63,05,536	12,34,83,510	Tata Iron & Steel P.	3	269	9,26,44,872	4,04,945	14	14	14	750	190	192
INSURANCE COMPANIES														
20,00,000	..	23,84,913	95,95,333	British India General	12	297	4,24,629	1,18,606	..	..	..	10	133	133
5,15,000	..	11,04,54,687	3,95,38,481	Empire of India Life	12	253	..	..	..	..	..	100	675	675
8,46,121	..	16,33,999	46,39,962	Indiar Mercantile	12	75	..	1,13,109	..	..	..	20	45	45
18,74,940	25,01,134	2,83,61,155	46,39,962	Jupiter General P.	12	55	38,351	4,65,318	..	..	..	15	91	91
1,06,81,590	..	27,25,18,452	71,25,0	Nex India	12	179	43,58,653	71,250	16	2/3	..	15	45	45
6,00,000	..	37,83,74,436	53,48,53,42	Oriental Life	12	298	..	..	..	..	..	200	3,650	3,650
15,99,270	..	29,41,860	59,86,789	Vulcan	12	255	6,05,803	2,81,242	10	..	..	10	15	15
MISCELLANEOUS														
90,79,065	31,95,468	3,97,409	12,61,996	Air Service of India	6	336	-15,61,405	-37,22,790	..	..	..	15	..	..
47,97,250	21,34,989	35,75,182	78,89,034	Belapur Sugar	9	42	53,89,000	61,389	..	..	..	50	251	251
50,00,000	2,20,64,302	4,12,36,155	2,67,27,639	Bombay Burmah Trading	5	285	47,93,172	61,990	16	21	..	125	683	696
42,00,000	..	3,114,305	30,135	Bombay Steam Navigation P.	6	256	4,54,215	30,135	..	..	..	50	248	250
45,00,000	1,21,04,053	19,47,386	1,28,40,992	Industrial Investment Trust	12	299	5,81,909	2,83,136	..	..	..	100	72	72
99,99,250	13,92,957	1,34,142	14,05,223	Kemur (Chemicals)	3	87	68,232	16,942	6	..	..	200	215	215
1,57,71,400	3,74,05,779	1,81,13,447	2,99,042	National Rayon Corp.	12	352	63,19,604	4,72,076	10	..	..	100	213	213
9,39,98,069	18,36,63,413	12,46,31,677	7,10,16,957	Scindia Steam Navigation	6	198	32,72,555	22,75,555	2	2	..	20	19	19
7,00,000	27,45,085	37,30,000	11,27,080	Shivrajpur Synd (Manganese)	11	146	35,49,059	21,661	80	80	..	10	86	86
1,39,95,990	2,25,39,547	13,22,272	4,37,991	Tata Chemicals P.	6	269	16,84,488	34,425	10	10	..	10	19	19
70,07,475	75,25,791	34,08,586	22,83,813	Tata Oil P.	3	269	3,00,461	11,453	9	9	..	25	50	51
2,75,00,000	1,46,45,903	2,43,20,936	1,50,49,201	Western India Match	12	274	74,95,281	5,61,994	11	11	..	100	174	170

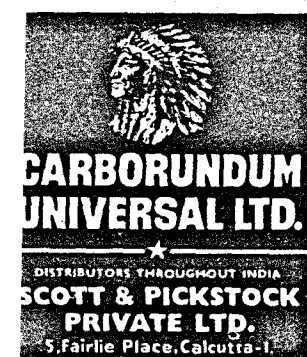
*1956 tLiquid Assets

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Stock Account	Reserve & other Funds	NAMES	Accounts closed	Managing Agents	Net Earning	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	28-11-56	21-11-56	A year ago
Rs.	Rs.	Rs.				Rs.	Rs.	1953	1954	1955	Rs.	Rs.	Rs.
CALCUTTA													
17,24,000	20,82,356	2,00,804	Ahmedpur Kutwa S.S.G.	3	165	-29,367	..	2 1/2	2 1/2	2 1/2	100	60	60
21,69,300	33,40,889	6,00,702	Arrah Saharanpur D.B.G.	3-9	32	2,57,676	33,735	3-3	3-3	3-3	100	71	71
34,00,000	41,30,202	3,11,049	Bankura Damodar River S.S.G.	3	165	46,607	..	2 1/2	2 1/2	2 1/2	100	59	59
19,00,000	29,09,643	4,91,171	Baraset Basirhat D.B.G.	3-9	331	18,844	1,18,863	..	..	..	100	10	10
17,80,000	21,78,786	2,20,877	Burdwan Cutwa S.S.G.	3	165	78,839	..	4	2 1/2	2 1/2	100	59	59
31,00,000	35,46,011	..	Chaparmukh Silghat S.S.G.	3-9	32	62,834	10,849	1 1/2-1 1/2	1 1/2-1 1/2	1 1/2-1 1/2	100	52	52
4,75,000	3,20,040	4,75,000	Cherra Chhak Roadway	3	89	9,917	9,917	12	..	..	100	7	7
2,47,650	2,75,015	65,226	Darjeeling Roadway	3	101	18,097	4,549	1 1/2	2 1/2	2 1/2	100	7	7
22,50,000	62,20,813	13,52,600	Dehri-Rohas	3-9	325	6,42,311	37,814	6	7 1/2	10-12 1/2	100	13 1/2	13 1/2
11,49,700	20,10,843	1,68,143	Futwah Islampur S.S.G.	3-9	32	-33,016	5,917	98-98	99-1	1-1	100	63	63
16,00,000	50,82,188	17,87,954	Howrah Amta D.B.G. (P)	3-9	32	1,18,351	90,009	3-3	3-3	3-3	100	62	62
6,00,000	17,37,138	4,43,410	Howrah Sheekhala D.B.G.	3-9	32	26,627	20,122	3-3	3-3	3-3	100	65	65
19,50,000	27,95,689	2,47,135	Kalighat Falte S.S.G.	3	165	-1,99,473	..	2 1/2	2 1/2	2 1/2	100	60	60
8,91,100	15,16,175	10,551	Katakhal-Lala Bazar S.S.G.	3	165	31,257	..	4	5	..	100	72	72
15,00,000	62,56,929	28,77,041	Shahdara Delhi Saharanpur	3-9	32	6,26,073	17,25,546	6-6	6-6	6-6	100	129	129
1,75,000	5,41,779	2,04,341	Tezpore Balipara Tramway P	3-9	165	-43,574	5,944	..	..	..	100	..	..

Managing Agents, Managing Directors and Secretaries with their respective address—(Contd.)

320. F. W. J. Penn—United Breweries Ltd., Bangalore-1.	329. Sri G. D. Bhagat—15, Shib Thakur Lane, Calcutta.	338. M. G. Investment Corp., Ltd.—127, Mahatma Gandhi Road, Fort, Bombay.
321. P. O. Williams—14, Old Court House St., Calcutta.	330. Mahindra & Mahindra, Ltd.—Gateway Building, Apollo Bunder Bombay.	340. K. O. Cheriyan—Travancore.
322. Messrs. Tata Sons, Ltd.—New India Assurance Buildings, Mahatma Gandhi Rd., Fort, Bombay-1.	331. N. L. Roy & Sons—Canning St., Calcutta.	341. James Finlay & Co., Ltd.—2, Netaji Subhas Road, Calcutta.
323. Anderson Wright & Co.—7, Wellesley Place, Calcutta.	332. M. Paspati—21, Ravelin Street, Fort, Bombay.	342. U. N. Chatterjee—2, Royal Exchange Place, Calcutta.
324. Indo Corporation Private Ltd.—5, Swinhoe St., Calcutta-19.	333. Jaipia Bros., Ltd.—33, Netaji Subhas Road, Calcutta.	343. Eastern Smelting & Refining Co., Ltd.—10, Clive Row, Calcutta.
325. John Rutherford Blackie—Virginia House, Chowringhee, Calcutta.	334. B. Latimer—2, Fairlie Place, Calcutta.	344. V. J. Pitani—Victoria Bunder, Colaba.
326. Beriwalla Bros.—53, Netaji Subhas Rd., Calcutta.	335. Tulsidas Kilachand—Scindia House, Douglas Road, Bombay.	345. The National Tea Corporation—130, Cotton Street, Calcutta.
327. Marwar Textiles (Agency), Ltd.—Waudby Road, Fort, Bombay-1.	336. Beriwalla & Co.—63, Netaji Subhas Road, Calcutta.	346. Sethaswamy Brothers (Travancore), Ltd.—Eloor Factory Alwaye.
328. John Taylor & Sons (India) Ltd.—Mysore, Oorgram, South India.	337. B. R. Sons, Ltd.—Hornby Road, Fort, Bombay.	347. Associated Commercial Co., Ltd.—161/1, Harrison Road, Calcutta.
		348. Sahu Jain, Ltd.—11, Clive Row, Calcutta.
		349. Chandmull Batta—7, Canning Street, Calcutta.
		350. K. E. Agarwal—Empire House, Hornby Road, Fort, Bombay.
		351. L. & T. (Management) Private Ltd.—J. K. Building, Douglas Road, Ballard Estate, Bombay.
		352. C. G. Mahant—Ewart House, Bruce Street, Fort, Bombay.
		353. N. K. Jha—14, Netaji Subhas Road, Calcutta.
		354. L. C. Kanol—P-8, Mission Row Extension, Calcutta.
		355. G. G. Robertson—16, Strand Road, Calcutta.



CAPITAL

A Weekly Journal of Commerce, Industry and Finance

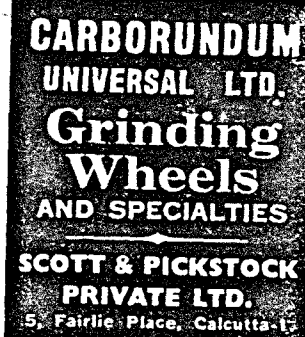
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CALCUTTA, DECEMBER 6, 1956.

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DISINCENTIVE AND CONFUSION FOR THE PRIVATE SECTOR

MR. KRISHNAMACHARI'S "SOAK THE RICH"

BUDGET

FRESH taxes had become almost inevitable considering the rising level of internal prices and the fall in the foreign exchange reserves. Those announced last Friday did not come as a surprise. Nor must they be expected to be the last, although it is unlikely there will be more before the election because the next instalment will probably have to aim at the consumption of the ordinary people. The new Finance Minister has already shown that he will do whatever he considers necessary to meet the situation, even if he has to claim the politician's right to choose the best time for it. Last Friday's tax proposals have some slight economic justification, but a great deal more of the political; there is no denying their popularity with the rank-and-file Congress member who must soon face his constituents. But the country would do well to recognise them as harbingers of much greater indirect taxes to come, and in fields where they will be politically far more dangerous than is the case this time. Those who are alarmed at the obviously severe economic damage which Mr. Krishnamachari's measures must cause, can take the consolation that they are probably indispensable, given the political situation as it is, if the greater necessity of taxing the masses is ever to be seriously approached.

The Finance Minister's proposals can be divided quite simply into the economic and the political; for the latter, the only relevant question is whether they are going to be worth the heavy price which will be paid for them. Increased customs and excise duties are the approved method of mopping up surplus spending power and cutting down the flow of imports. Bearing in mind the seriousness of the internal price situation and the drain on foreign exchange, Mr. Krishnamachari's proposals are reasonable, if not in fact lenient. Only the tax on big cars stands out as a piece of vote-catching strategy at odds with the Government's declared policy of expanding the use of motor vehicles. Apart from this one diversion into bullock-cart thinking, the new indirect taxes can be accepted as the minimum necessary in a situation which, one suspects, is more desperate than Mr. Krishnamachari would care to admit. What is certainly to be welcomed is the open acknowledgment of the need for foreign assistance. Where this is on the official plane, it is likely to depend more on the attitude of the External Affairs Ministry than on that of the Ministry of Finance. But at the private level, there is some evidence here that the importance of the foreign investor, and the problems he has to face in a socialist economy, may soon be better appreciated. It is fast becoming clear that the foreign exchange situation, more than any other single factor, is going to decide the performance of the plan. The announcement that another Rs. 400 crores or so will be required, need cause the taxpayer little anxiety. The chances of his having to raise it during the next five years are slight. If the Finance Minister did not find it easy to explain so near to a general election that it will be the foreign exchange cloth to which the plan's coat will have to be cut, and that this will mean a slower pace of economic development, the fact need not be overlooked. Mr. Krishnamachari has acted wisely by attacking the problem with new indirect impositions, but perhaps even more so by admitting that these alone will not be enough.

* e customs and excise duties exhaust the list of the new taxes which have economic value. The remainder are chiefly political and all damaging, some seriously so. The re-introduction of the capital gains levy, after the fiasco of so few years ago, is a piece of pure socialism. Any attempt to present it as one of Mr. Kaldor's ideas is simply to use this economist's carefully-considered system as a justification for political expediency. It

is to be hoped that this is not simply the first of a series of attempts to take individual Kaldor proposals out of their context and present them as steps towards a just and economically viable tax system. The yield from this measure will be negligible. And the political gain will have to be bought at a prohibitive price administratively and in terms of lost confidence among private investors. It is depressing that such a blow to saving and encouragement to cash transactions should have been introduced when the economy is facing a severe credit shortage traceable chiefly to the reluctance of the average person to abandon his traditional preference for liquidity. Nowhere in the world has a capital gains tax been imposed at these rates and at a level of income-tax such as already exists in India. It cannot be expected to affect any but the small minority of persons who are honest and conscientious in their tax payments. Indeed, it will be the evasions which will make it possible for the measure to exist at all. It is ironic that Mr. Krishnamachari's announcement last Friday should have put huge capital gains into the hands of a few speculators on the Calcutta stock market, if on no other, and that the Finance Minister is unlikely ever to see an anna of it. The opportunities which are now open for further harassment, corruption, arbitrary assessment and administrative muddle are numerous enough. The fact that the new levy is to be coupled with the income-tax can only mean that things will be even worse than they were in 1947 when it was based on a separate assessment. This is a bad measure and the more effective it is the more damage it must do. And its method of introduction has violated one of the most sacred of all taxation precepts—that no personal tax should be retrospective.

* Another imposition which threatens to be seriously damaging for the saving habit at a

more difficult to raise capital and will be forced further into dependence on the Government. These are features which, while regrettable, have long since been accepted as inevitable under socialism. It is the immediate impact on the economy which threatens to be the most serious in its consequences. Given the slow growth of banking habits and the lack of confidence in the stock market, these provisions could send business into a sharp recession which would make the achievement of the plan even less likely in the prescribed five years than it is now. The trend towards tax evasion, cash transactions and a general unwillingness to take risks must be expected to continue. It is interesting to consider whether the Finance Minister took into account the revenue he stands to lose through the many other taxes which depend on the level of economic activity in the private sector when he arrived at his figure of Rs. 64 crores.

One fact which is already apparent is that the country's stock markets have sustained a blow comparable with that of January this year when the life insurance companies were nationalised. Once again, certain large operators were able to get wind of what was in store before it was actually announced and so relieve their fellow gamblers of considerable sums of money. If these are eventually paid, the Calcutta market may be in for a period of sustained disorganisation similar to that which brought its activities to a standstill earlier this year and from which the recovery was so painful and prolonged. Whether the present shock to confidence will be taken without complete collapse, only the future can reveal, but it is clear that the rôle of the stock markets in the Indian economy is going to be a smaller one. In the summer of 1955, the then Finance Minister, Mr. Deshmukh, pointed to the health of the stock exchanges as an index of public confidence in the Government's newly-declared socialistic policy. The price of Indian Irons touched Rs. 43 shortly after; in the Calcutta market last Saturday they were cleared at a nominal quotation of Rs. 31. Since then they have been down to Rs. 29-13.

AN AMERICAN VIEW OF INDIAN ECONOMIC POLICY

VIRTUE IN AMBIGUITY

IT is customary for official spokesmen to claim that the Industrial Policy Resolution presented by the Prime Minister last April is helping the progress of private enterprise in this country. The assertion is made that the Resolution has clearly defined the functions and scope of the private sector; that investors reacted favourably to it, since prices rose on the stock market; and that every entrepreneur now "knows exactly where he stands". A mild subscription to this view, but with many important qualifications, comes from Mr. Harry Robinson, an American research economist who has been assisting the Government of India in analysing the needs and opportunities of private investment in this country. Mr. Robinson says: "The public reaction to the 1956 Resolution was diversified, but in most instances favourable. Prices on the stock exchange recorded a moderate rise. The Tata interests could have been seriously affected by an unfavourable Resolution, especially since they own a large iron and steel plant. However, on the day the Resolution was released, their stock advanced Rs. 6 a share."

Without entering into a controversy about whether share rises reflect a favourable reaction, or whether they reflect that a measure is less damaging than had been feared, there is no denying that merely issuing the Resolution, in itself, has been welcome. Like the one which appeared in 1948, it reflects the Government's line of thinking on industrial matters at a particular, more recent, point of time. But to say that the 1956 Resolution represents "policy" any more than the 1948 one did might, it seems, prove an exaggeration. The latter contained no mention of nationalising the airlines, the Imperial Bank or life insurance—yet all three came under the knife. The latest Resolution, drafted obviously in the light of these major defections from the fundamental provisions of its predecessor, seeks refuge in a mass of ambiguities. It lists 17 industries, the development of which will be the "exclusive responsibility" of the State; but then says that the State may secure the co-operation of private enterprise in establishing new units in these industries, when the national interests so require. It leaves the development of a host of other industries to the private sector; but adds that "it is always open to the State to undertake any type of industrial production," presumably also when the national interests so require. In other words, the Resolution implies that the State can do what it likes with whichever industries it likes at whatever time it likes—"when the national interests so require"; the judge of national interests always being a Government which is subject to varying political pressures from time to time. On 30th April this year, it is certain, the Government thought that 17 industries should be its own responsibility, and 12 more should pro-

gressively become so. What it thought on the 30th of each subsequent month is nearly as certain; but what it will think on the 30th of each of the coming months seems to be much less so. Mr. Robinson mentions the virtues of ambiguity. "In a certain sense, ambiguity may be understandable during this period in which India is developing a socialistic society.... Rather than be forced into definite commitments, it appears that this 'feel-as-you-go' technique is the one which will govern, regardless of the uncertainties such a policy engenders. This procedure permits deviations to be made which politically might not be possible were the Government to commit itself at this time to a well-defined programme." But it would be rash to assert either that a series of ambiguities, however necessary they may be politically, constitute an industrial policy; or that they are sufficient to allay the doubts of investors. Mr. Robinson justly points out that "the Resolution leaves much to be desired by the private investor, particularly a foreign investor, in the way of removing misgivings and uncertainties."

It is often argued that the reason why the Government has vigorously to expand its industrial interests during the second plan is that private enterprise has failed to do what was expected of it. The charge will come as a surprise to those who have examined the statistics, and discovered that whereas the public sector's investment outlay during the first plan fell far short of the targets, the private sector's fully achieved the expected figures. Mr. Robinson mentions two of the reasons generally given for the supposed lethargy of private enterprise: "inadequate national savings, and a general desire for investment in short-term transactions." But he does not examine them more closely to show that the first is the combined result of inflation and taxation, whereas the second is, to some extent at least, a product of the general economic uncertainties. Nor does he emphasise sufficiently the fact

NOTICE

With the weekly issue of CAPITAL dated 20th December, it is proposed to issue a supplement of approximately 148 pages, the Annual Review of Commerce, Trade and Industry. Besides essays on specific industries, e.g., jute, coal, tea, etc., the Review will contain exclusive articles by, among others, the Cambridge economist Mrs. Joan Robinson on unemployment and the second plan; the Oxford economist Dr. T. Balogh on the balance of economic power; Mr. V. T. Krishnamachari on the aims of the second plan; Dr. B. R. Shenoy on the prospects of the second plan; Mr. Neil McInnes on the costs of economic progress; Mr. Geoffrey Tyson on the growing idea of a common European market; Dr. N. Das on managerial autonomy in public enterprises; and Mr. Naval Tata on the jealousies of private and public enterprises. The Review will be distributed free to all registered subscribers. Additional copies at Rs. 5 each may be obtained from the Manager, CAPITAL, at 5, Mission Row, Calcutta-1. Orders for extra copies should be placed early.

that private investors do not put their money in coal or road transport while Governments cheerily debate their nationalisation; they put their money only reluctantly in other industries after they have seen such things as the Imperial Bank and life insurance disappear into the bag without notice. This reluctance, moreover, is liable to grow if no claim is permitted before a judicial authority on the quantum of compensation the Government owes when it takes over assets from a private investor.

India's need for foreign investment is great, and there seems to be a poor prospect that the figures expected by the planners from private sources abroad will be fulfilled. Mr. Robinson is justified in pointing out that the present policy "reflects the old approach of treating foreign investment with suzerainty. The possibility of expanding private foreign investment in India would have been materially enhanced had the Resolution been more specific in defining the nationalisation policy in more general terms, as well as in terms of specific interest to the foreign investor." The reason why this has not been done may be largely political; there is an unusual eagerness to avoid seeming appreciative of the foreign investor, in deference to party diarchs who nurse the notion that capital and technical expertise from abroad are the unchanging symbols of imperialist exploitation. In Mr. Robinson's opinion, "it would appear that the probability of nationalising foreign companies in India has now been reduced to the same risk level that any foreign investor subjects himself when operating abroad." But it would be interesting to know which place abroad he has in mind when making his sweeping comparison. As with Koestlerian yogis and commissars, the "spectrum" of the nationalists too has many gradations. At one end are the Stalins and Nassers of our age; nearer the other end are sometimes the gentlemen of Indoneisa who repudiate debts which do not exist. Somewhere between them perhaps lie India's State and Central Governments, which apply unsophisticated rules of division and subtraction to expert valuations of nationalised assets.

CURRENT COIN

Finance for Industry.—Addressing from the chair the second quarterly general meeting of the Indian Chamber of Commerce last week, Mr. K. P. Goenka discussed private industry's current difficulties in obtaining finance for its day-to-day operations, and also the prospects of the private sector as a whole being able to find the Rs. 2,400 crores that will be needed in the second plan period to fulfil the targets allotted to it. The funds in the investment market, said Mr. Goenka, are limited and "whatever surplus funds have been available they are being used up in the modernisation of plant and equipment and such other schemes, without leaving anything substantial for investment in new industrial undertakings." The resources of the concerns themselves have also been depleted in financing replacement of fixed stock or in modernising and expanding it, and to the extent that they have drawn on bank finances "money has been withdrawn from circulation, thereby adding to the tightness in the money market." Other factors such as the delay in government payment of bills, investment of employees' provident fund moneys in officially-conducted small savings campaign and the difficulty in the rediscounting of import bills, have also contributed to the scarcity of funds. Mr. Goenka stressed that this is "not a healthy climate for new industries to be started and big industrial developments to take place." The Reserve Bank has the direct responsibility of ensuring that more funds are available to the commercial banks for investment and that rediscounting policy is in line with the needs of the day, Mr. Goenka suggested. Speaking about the performances of the various credit institutions which have been created to administer loan aid to private industry, Mr. Goenka said that the Industrial Finance Corporation, the State Finance Corporations and the Industrial Credit and Investment Corporation "had not lived up to the expectations". He pin-pointed the difficulty as being mainly their credit policy, which required suitable revision in the light of private industry's financial needs for expansion. This is also what other critics of these institutions have stated.

Inter-State Sales Tax.—In the course of a communication addressed to the appropriate department of the Union Ministry of Finance, the Federation of Indian Chambers of Commerce and Industry has raised a number of points on the Central Bill on inter-State sales tax now being considered by Parliament. The Federation's suggestions have been backed by arguments well grounded in the legal and economic aspects of the issue. It complains that the Bill does not look at the problem as a whole, and on its enactment, the legislation might well result in hindering the smooth and free flow of inter-State transactions which, it is supposed, is the ultimate objective of the proposed legislation. The system of double or multiple taxation of a commodity when moving from one State to another will still remain. The best solution would be to do away with the tax altogether, but if it is to be levied for collecting taxes which might, in some cases, be evaded, registered dealers who cannot avoid paying the tax should be exempted. On the question of taxing goods which are entering the country's foreign trade, the Federation suggests that the last purchase for export and the first sale after import should be excluded from the scope of the tax, because such transactions are properly "in the course of import and export". Of the goods that have been specified in the Bills as of special importance in inter-State trade or commerce, such as coal, iron and steel, cotton, hides and skins, jute, oil and oilseeds, the Federation says that as suggested by the Taxation Enquiry Commission, these goods, once taxed under the Central law, should not be taxed again by either the importing or the exporting State. Besides, considering the price trends in the country and the Central Government's overall responsibility in this matter, the list should be further expanded, and the Centre should pursue a positive tax policy on the consumption of other goods considered essential for the community. Merging the sales tax with some other levies, such as excise, has also been suggested as a measure that would make for greater administrative convenience.

Jardines and Braithwaites.—At the annual general meeting of the shareholders of Jardine Henderson Ltd. on 29th November, the chairman, Sir George Mackinlay, announced that, subject to the receipt by the vendors of certain necessary consents, Jardine Henderson Ltd. had recently purchased from Braithwaite and Co. Engineers Ltd., London, a substantial block of shares in Braithwaite and Co. (India) Ltd. On completion of the sale, the latter company would cease to be a subsidiary of the London company. It is understood that the management of Braithwaite and Co.

(India) Ltd. will continue on the same lines as hitherto, and Braithwaite and Co. Engineers Ltd. will still retain a large holding in their Indian company. The chief interests of Jardine Henderson Ltd. have so far been confined to the jute, tea and coal industries, and this represents their first incursion into the expanding engineering industry. The company recently relinquished the managing agency of the Bally Jute Co. Ltd.

Development in Andhra Pradesh.—Regretting the poor industrial development in Andhra Pradesh, the Chief Minister, Mr. Neelam Sanjiva Reddy, has appealed to local business men and industrialists to come forward and participate more fully in the development of the newly-formed state. The Chief Minister was speaking at a reception given by the Hyderabad Federation of Commerce and Industries, for him and for other Cabinet Ministers of the new State, and for Mr. B. Ramarishna Rao, Chief Minister of the dismembered Hyderabad State, and Governor-designate of Kerala. Mr. Reddy assured industrialists of the whole-hearted co-operation and assistance of the Government in achieving this object. He pointed out that the development of the country was not a Government monopoly; it was as much the responsibility of the business community. The Chief Minister also deplored the fact that the second five year plan was silent on the question of industrial development of Andhra Pradesh. He surmised that the poor industrial development in this part of the country was due in large measure to the fact that little attention had been paid to the development of power resources in the past. He expressed the hope that the Government, with the full co-operation of all concerned, would be able to provide electricity in the near future. As regards the second plan, Mr. Reddy disclosed that he and his colleague, the Development Minister, had tried to get some of the major industries earmarked for Andhra Pradesh, but unfortunately, the Central Government did not agree to any of their proposals, except for a few cement and sugar factories. Hopes of a fertiliser factory being erected in the State have been disappointed. The Centre thought that the Andhras should be contented with a ship-building yard, but seemed to overlook the fact that the yard had been started decades ago, and the second plan had nothing to do with it. He was aware that the members of the Federation of Commerce and Industries had resources, and called on them to invest a larger percentage in building up industries. Mr. Ramkrishna Rao, who also spoke on the occasion, made mention of some of the uncompleted schemes and projects of the former State Government, including the ambitious plan of converting the Mancherial area into the "Manchester" of Hyderabad by harnessing the resources of the Ghodavari Valley. He hoped that the new Government of Andhra Pradesh would implement these schemes and do everything possible to harness the vast resources of the State.

German Trade Fairs.—Special arrangements for business men from the Near, Middle and Far East to the 1957 German trade fairs are already being organised in anticipation of a record number of visitors and exhibitors from these areas. With the 1956 fairs in Cologne, Frankfurt, Hanover, Munich, Nuremberg and Offenbach recently completed, officials have disclosed that overseas exhibitors increased from 3,003 in 1955 to 3,240, while the number of foreign visitors rose from 175,000 to 190,000. Next year the upward trend will be even stronger, trade fair headquarters in Cologne have predicted. Realising that a visit to a fair in a foreign country, although stimulating and worthwhile, may also be tiring, the German trade fair organisers have attempted to relieve visitors from abroad of all inconvenience. A business man or tourist from India, interested in having more information about the fairs, which cover the whole range of producer and consumer goods, should get in touch with the Consulate of the German Federal Republic in Delhi. In cases where an authorisation to enter Germany is still necessary, the visitor will receive it free of charge from the Consulate. Discounts on travel expenses also facilitate the voyage, which by air takes only 24 hours from Bombay. Busy executives and merchants will appreciate the tight scheduling which permits them to cover several fairs during the short trip. By train, only five hours are required to travel between the two most widely spread fairs. The Offenbach Leather Goods Fair and the international Frankfurt Fair are closest together. Special fair to fair buses make the trip in only 20 minutes, at half-hourly intervals. A directory of buyers and sellers gives a complete, rapid answer to the two basic questions: Who sells what I'm looking for? and Who buys what I'm selling?

Financial Corporation for Andhra.—The Andhra and Hyderabad Financial Corporations have been integrated into the Andhra Pradesh Financial Corporation under the recently passed State Financial Corporation Act. A new board of directors has been set up with Mr. Bakkani Venkatram as chairman. The integrated Corporation was inaugurated last week by Mr. V. B. Raju, Minister

for Industries and Commerce in Andhra Pradesh. Mr. Raju pointed out that caution was important and investments should be regulated. He stressed the need for accelerating the pace of investment and industrial development. Referring to the fact that the integrated Corporation had boards for assisting small and medium industries as well as for cottage and handloom industries, he said that something must be done to canalise the flow of finance. The Corporation's functions should not be confined to providing money for industries, but should extend to giving expert advice to the Government and undertaking industrial surveys. Mr. Kala Venkatrao, Finance Minister, who spoke next, said that the integrated Corporation had substantial funds for expansion, but there was not enough enthusiasm for industrialisation in the Andhra areas. This, he said, was because the people in these areas, being essentially agricultural in character, were interested more in improving agriculture than in industrialisation. But he believed that small and medium industries should still be encouraged. It was necessary to avoid being too conservative in granting loans, for "only risked capital can bring out locked capital." When the Government floated loans, he declared, the response was quick and satisfactory. But this was in large measure due to "the deception practised by brokers, who later threw back Government securities on the market." This, he said, tended to dislocate the economy. The chairman, Mr. Venkatram, stated that the combined resources of the integrated Corporation in paid-up capital and reserves exceeded Rs. 150 lakhs, while the total advances hardly amounted to Rs. 40 lakhs.

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THE STANDARD OF VALUE

THE recent Presidential election, towards which the eyes of the whole world have been for some time somewhat anxiously turned, was fought upon the field of what has been erroneously called the battle of the standards. The real question which was involved was, "Shall America discard the world's standard of value?" The result of the poll has proved that its citizens have answered the question in the negative. Mr. Shipman in the *Sun of New York*, in a very able article upon the question, has treated the matter very fully to prove that bullion is, and can only be, the only true and universal standard of value. What then is the world's standard of value is the question which we intend, if possible, to answer. A standard of value, in the words of Turgot, results "from the nature and force of things." It is not a mere measure of value, as every commodity measures value. It is not a mere medium of exchange, as every more or other commodities is a medium of exchange. A standard of value then is something more than merely a measure of value and a medium of exchange. What then is it? The answer is not far to seek. A standard of any quantity measures every quantity of the same kind. A standard of length measures length, weight, weight, and so on. A standard of value, therefore, measures everything of value, and must not be measured by anything of value, of length must have length or of weight, weight. A standard of value is a universal measure of value. What is not a standard of value everywhere is not a standard of value anywhere. In fine, a standard of value is the standard of value. Every nation adjusts her foreign balances by a universal measure of value or by the commodities it measures, and there cannot, in the natural course of events, be two measures. Every nation that has commercial dealings with any other nation must regulate her standard of value at home with that to which she conforms abroad, unless she wishes to undergo a continual sacrifice in all her transactions being measured by the difference between the market value and full value of her currency.

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(FROM OUR LEGAL CORRESPONDENT)

"I HATE that bastard verdict 'Not proven', the Caledonian medium quid. One who is not proved guilty is innocent in the eyes of the law." This was the pronouncement made almost exactly 150 years ago by a minor Scottish judge, the sheriff-depute and sessions judge of Selkirkshire. But as this particular sheriff-depute was, through the aid of his judicial salary of £1,600 a year, able to convert himself into Scotland's greatest poet (Burns by no means excepted) and novelist, we will make the forthright dictum the text for some reflections on the Indian Industrial Disputes Act. "Innocent in the eyes of the law," said His Honour, Judge Sir Walter Scott, Bart. But what about the eyes of his employer? Can you dispense with the services of an employee to whom the Act applies, who has been tried criminally for dishonesty, theft, let us say, in your employment, but who has been acquitted—not "discharged" mind you which is the equivalent roughly to the Scottish "not proven"—but actually found "not guilty," that is, innocent

and acquitted? Your point of view is: "I had nothing to do with the prosecution of the man; that was a matter for the police. True it is he was acquitted. But I have fully investigated the matter and have obtained evidence which was not available to the court. I have a strong suspicion founded on reasonable grounds that, though innocent in the eyes of the law, he is in actual fact guilty and I shall sack him." Can you lawfully do so.

"Certainly not" would, and did, say Judge Scott, in the far harsher days for labour of 1806, and for the further 25 years during which he continued to administer judicial functions. And "certainly not" says the common law of India today: "To afford a valid ground for dismissal, the conduct held to be dishonest must be brought home to the servant, for there is no valid ground for dismissal where the master is merely in possession of facts or of information leading him to no more than a strong suspicion of dishonest conduct on the part of his servant." "Certainly not," probably also says the reader, relying on his sense of natural justice and fair play. But, remember, we are dealing not with the common law, but with the Industrial Disputes Act; and under that Act, it has been held time and again in unmistakable terms that an industrial tribunal is not fettered by limitations of ordinary law, and its function is not merely to interpret the terms of contract of employment between an employer and an employee. Adjudication by an industrial tribunal does not mean adjudication according to the strict

law of master and servant. The award of the industrial tribunal may contain provisions for the settlement of a dispute which no court could order if it was bound by ordinary law, but the industrial tribunal is not fettered in any way by this limitation.

We all know by this time the truth, for good or ill, of the position as stated in the foregoing sentence. What we are apt to forget is that the removal of the "fetters," as the common law, the laborious work of generations of wise and learned men, is described, may cut both ways. That it does so only occasionally is due to the fact that too many tribunals—not, most certainly, the Appellate Tribunal of India—still seem to work on the timorous principle that they must give something to the allegedly aggrieved workman or workmen concerned. Appeasement in excelsis. Here we have a refreshing instance of the "unfettering" process being used in reverse for once in a way to demonstrate that, whatever the ordinary law may be, it is unreasonable and impracticable to compel an employer to retain in his employment an employee, whether acquitted or not, against whom there is or has been strong suspicion of dishonesty.

These are the relevant facts, about which let us say at once that it is not suggested for one moment that the employee concerned was not totally innocent of the offence with which he was charged. The man was suspected of the theft of 8 lbs of lead types belonging to his employers. On 13th May, he was (we copy under protest the horrible modern so-called word) "charge-sheeted" and called upon to show cause why he should not be dismissed. The police also prosecuted the man for the alleged offence. The lawyers defending the employee wrote to the employers protesting against the disciplinary proceedings while the prosecution was pending before a magistrate. The employers, however, being of the opinion that they were within their rights in proceeding with their disciplinary action notwithstanding any prosecution by the police, did proceed with it. As a result of their subsequent enquiry, which the employee, though invited to be present, and no doubt, acting on legal advice, did not attend, the manager found that the employee "can be reasonably suspected to have committed theft...." and passed orders dismissing the appellant. This was on 7th June, and the order of dismissal was with retrospective effect from 8th May. Meanwhile, the prosecution of the employee, now ex-employee, dragged on, and on 6th September the court acquitted him. So the position then was: 7th June, dismissed on account of being "reasonably suspected" of theft; 6th September, acquitted of the charge of theft.

The Government of West Bengal referred the subsequent dispute for adjudication by the Industrial Tribunal, the two issues being (1) whether the dismissal was justified on the charge of theft; and (2) whether the employee was entitled to reinstatement on being acquitted by the law court, or whether he was entitled to any other relief. Before we come to these two issues we will make passing reference to a finding by the Appellate Tribunal before whom the matter eventually came on another point of some interest. "We are not aware," said the Appellate Tribunal, "of any law which requires disciplinary proceedings to await the result of proceedings in a criminal court. The scope and purpose of the two are entirely different and one need not wait for the other, in our view." That is very useful information, but we pass it on with considerable reserve as regards its general application. "We are not aware of any law...." Quite so. But the Tribunals are not "fettered" by the law. They can act on principles of natural justice and fair play actually inconsistent with the law. They can and they do. And, this particular case apart where no hardship accrued, we can easily visualise circumstances in which real and substantial hardship might accrue if a man against whom a criminal charge is pending, in which he may be reserving his defence in court, is compelled to disclose it before, perhaps, the prosecution is closed, at a prior disciplinary enquiry, to avoid dismissal by his employers. His defence might be seriously prejudiced by its premature disclosure.

The Appellate Tribunal agreed with the Industrial Tribunal that the workman, notwithstanding his acquittal, should not be reinstated. Says the headnote to the report: "Even though the man is acquitted on the charge of theft by the criminal court, and even though the charge of theft was not proved to the hilt by the employer, the concerned workman should not be given the relief of reinstatement. There is no rule of law which prescribes reinstatement as the sole or normal relief when the dismissal is found to be unjustified. It is a matter for judicial discretion of the tribunal, to be exercised with reference to the facts and circumstances of the case. It is a matter of expediency in the interest of peaceful settlement of each industrial dispute, and a decision must be arrived at after taking into consideration the interests both of the employee and the employer. The employer having grave suspicion that the concerned workman committed theft, it would not be conducive to industrial peace or harmonious relationship to order reinstatement of the concerned workman." Nevertheless, while upholding the tribunal in refusing to order reinstatement of the workman, the Appellate Tribunal had regard to his 27 years' service with his employers; and, substituting "discharge" for "dismissal," allowed him one month's wages and D.A. and six months' basic wages for loss of employment.

(L.L.J. 1956, Vol. I. 483).

¹ Barwell and Kar on Master and Servant, Vol. I. p. 376.



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I was not invited to the Czechoslovakian exhibition, but nothing short of a ban on all "representatives of the dirty, reactionary, capitalist Press" would have kept me away. The effort required to push through the crowds of admirers, appraisers, or just gapers, was certainly worth it. The display of machine tools was impressive, although not being an engineer and having to work with them, I just had to take their quality for granted. One or two of the printing machines I seemed to have seen before, with other makers' names on them; and they were by no means up-to-date. But the tractors seemed modern enough, and when I can find out why the wheels, especially the rear ones, of the large "TATRA" truck are set at such an angle, I think I could like that too. It was the display of consumer goods which impressed me most—unfavourably. If Czechoslovakia is indeed the fifth most industrialised country in the world (I should like to know on what basis of assessment) these are little short of pitiful. Apart from the styles being anything up to ten years behind the times, the conception is clumsy and the finish *kutcha*. The Czechs have obviously been isolated from American and west European markets for too long. I liked the glassware and ceramics, but I remember seeing some of the objects for the first time on my grandmother's "what-not" when I was a very small boy. As for some of the furniture and household goods—well the less said about them the better, except that I guarantee one could find articles of the same vintage in most of the lumber rooms and jumble sales of Britain or the United States. What I did approve most about the show was that somebody had gone to the trouble of getting it there at all. Let us make no mistake about it, this is first-class advertising and public relations. It should pay off a hundred-fold. Other nations who claim to be eager to sell to India would do well to note, and to copy. I would back, say, an exhibition of British goods against this one any day. But the point is that no such display is available for comparison, and if last year's Delhi exhibition is anything to go by, we are not likely ever to see one in India.

I read with some surprise the ambulance driver's account of the Hiranya Kanti Ghosh Dastidar incident. It seems the word "incident" is the right one to use now, for this is what it has become. A body had to be left lying in the street because no police photographer was available. What typifies the casual attitude which exists in this city towards death on the road better than that? A fair question would seem to be: why was there no photographer? And why did it take so long to get one, because from all accounts the body had to wait a considerable time before removal? Public indifference to human corpses is nothing unusual in Calcutta, but there is every right to expect more concern on the part of the police. This was not, however, the worst feature of the affair. Although one of the vehicles involved (early reports said there were two) was traced a few days later, neither of the drivers apparently thought it safe to stop and find out what damage had been done. This again is surely the fault of the police. It is well known that a driver can expect short shrift if he stops to help a person he has knocked down outside the city area. There, lynch law prevails and not much can be done about it. But Mr. Ghosh was hit on Calcutta's main and best-lit thoroughfare and the nearest policeman could not have been two hundred yards away. Yet neither car stopped and nobody who has seen a driver being manhandled by a furious crowd will blame them. And the temptation not to report the matter when an escape has

A DITCHER'S DIARY

been made good, is human enough no matter how reprehensible. Until the police can guarantee the safety of any driver who turns back after hitting a pedestrian, few will, and Calcutta must experience re-occurrences of this sort of scandal. I suspect magistrates are no less to blame; although one of them appeared to take the loss of a human life rather casually some short time ago when a minor girl, driving without a licence, knocked a man down and killed him, the usual attitude towards a driver is that he is always to blame. It is my contention that when drivers are treated like other citizens and presumed by public opinion to be innocent until they are proved guilty, they will continue to take what measures experience has taught them to be necessary for their own safety.

The premature death of Manik Bhandopadhyay has removed a notable and, I believe, somewhat controversial figure from the sphere of Bengali letters. He was fortunate to have made a hit, even when at college, with his very first story—a fact which almost immediately decided him, a promising science student, to opt for a literary career. It is generally admitted that his subsequent achievements justified this bold decision on the part of a boy just passed his teens, who could not possibly have been unaware of the risk he was taking in trying to live by literature alone. But—and here comes the controversial point—many feel that his development was sadly restricted by his ideological devotion to communism, and that after his indoctrination his output steadily tapered off in both quantity and quality. His earlier works, especially, the short story *Pragatishahik* (The Primitive), shows a power for conceiving more than life-size characters which at once puts him in the company of the literary giants. It is regrettable that he failed to repeat triumphs like these towards the end. He was still in his middle forties when he died, an age at which a creative artist has usually reached the peak of his powers. But Bhandopadhyay's inspiration had seemingly already run dry. This brings me to the question of the relation between ideology and creation. In Bengal critics complain that servility to a political doctrine has frozen the genial currents of many literary souls, and I believe this true of other countries as well. I would not, of course, say that communist writers have produced no really first-rate work. They undoubtedly have, but only in moments of crisis. What are these? In the first place, the birth of the Soviet régime in Russia, when Gorki and his companions raised a rich literary crop. Then, the second world war, when writers like Ilya Ehrenburg and Wanda Wassilewska were writing *The Fall of Paris* and *The Rainbow*. When the crisis passed, they relapsed into propaganda and the common journalistic rut, where they are apparently still floundering.

Round about this time every year, I usually find myself writing something on Calcutta's concert season. The problems of the School of Music and the Symphony Orchestra, like our own, never appear to get any less, and consequently, I find myself every year searching for a way of dressing the same theme in different garb. I have arrived at the stage where I think it is better to be blunt than boring, so may I say, quite simply—your financial and moral support are needed. The season opened on Tuesday. Mr. Jacob and the orchestra were in good form and Mr. Richard Farrell's

playing of the Grieg A minor concerto was a stimulating aperitif for his recital on Thursday. Other visiting soloists are Miss Vera Benson, Mr. Raffi Petrossian, and Mr. Julius Katchen; Calcutta's own pianist, Miss Liesl Stary, will also play. Those are, of course, first-class attractions and their support can be taken for granted. It is the ordinary concert which needs its patrons, and deserves them no less. I am fully aware that income nowadays requires most careful allocation. But for music lovers, expenditure on this season's concerts seems to me to promise that much sought-after goal of all economists—optimum satisfaction.

I see that the Programme Commission of U.N.E.S.C.O.'s general conference in Delhi has approved an Uruguayan resolution on the publication of a book about Mahatma Gandhi. It sounds a laudable project, but I wonder how it will turn out. "A book" the report says, and no more. A biography? A history? A collection of tributes? A symposium? We are not told, and one can only hope it will not be a biography. Why? Because, official "lives" in several volumes, as is too well-known, tend to be pompous affairs meant to serve no other purpose than to decorate libraries, where they are usually allowed to sleep undisturbed in the dusty silence of lower shelves. An elaborately produced biography, even if it be of Mahatma Gandhi, cannot be expected to escape this fate. How many, I often ask myself, have waded through Dr. Tendulkar's monumental work? His best biographies, to my mind, have already been written by his followers and associates, for they alone were in a position to bring in little revealing anecdotes and touches which rarely find a place in chaste and heavy-going chronicles made to order. Take Mr. Louis Fisher's book, for instance. It is throughout salted with personal reminiscences and stories I would, therefore, humbly suggest that U.N.E.S.C.O. give us a symposium of articles dealing with the many aspects of the life and work of Gandhiji, including a few on the oddities and angularities of which he had such a bagful and which, in fact, made him so human and lovable.

The depressing lesson drawn from last year's contributions to Capital's Christmas Toy Fund was that it is a dying institution. My appeals brought a few more rupees, and therefore a good deal more happiness, but not enough to compare with the year before. I shrugged my shoulders and put it down to the 1955 Budget; that alone was enough to account for a hardening of the usual generosity. But the trend does not appear to have been reversed. The latest figures for this year's donations show an even larger fall on those of 1955 than did that year's on 1954. This is a serious state of affairs, especially when last time the position was relieved by a large gift in kind which may not be repeated. If there is no improvement soon, many poor children will find their Christmas just that much bleaker. I know that asking for money is even less popular now than it used to be. But the trouble is the Welfare State has not yet brought any decrease in needs. The poor are still with us and however inconvenient it may be, the children are like others in wanting a little joy in their lives occasionally. It is not yet too late to help, but there are only two more weeks left. To those who have already sent their donation, I say many thanks. To those who have still to send it, I say please hurry. To those who have no such intention, may I make one last appeal? It only takes a few rupees to give a poor child a day of happiness, and Mr. Krishnamachari must have left you those.

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PROBLEMS OF CO-OPERATIVE FARMING

IMPROVING MANAGEMENT AND CREDIT FACILITIES

(By V. V. R. Sharma)

EXPERIMENTS in co-operative farming have yielded excellent results in many parts of the world. But although they have been tried in several areas in India, they have not always benefited farmers much, and several societies have ended in failure. The All-India Rural Credit Survey Committee, which closely examined the problem, concluded that the co-operative movement in this country had failed. But "co-operation must succeed" was the slogan it issued, saying that no better alternative had been found for the promotion of agricultural credit and development in the villages. The Government was quick to act, and much stress has been laid on co-operation in the second five year plan. Apart from other forms of co-operation, such as the creation of a strong, integrated structure for credit, marketing and warehousing, as recommended by the Rural Credit Survey Committee, co-operative farming has acquired a special significance under official patronage. As such, it has tended to change the very meaning of the term peasant-proprietor, making him a partner and not necessarily the owner of the land he cultivates.

During the first plan, efforts were made to encourage and assist medium and small farmers to form co-operative farming societies, with a view to stepping up agricultural production and adopting better methods. More than 1,000 such societies were formed, but most of them had to encounter practical difficulties for which no ready-made solutions could immediately be found. The field survey conducted by the Programme Evaluation Organisation of the Planning Commission, in 23 co-operative farming societies in 13 different States, offered several reasons why many had ended in confusion and why the people's response to co-operative farming had been poor. Despite this response, however, the planners have decided to give co-operative farming a fair trial, especially since it is reported that it has revolutionised China's agrarian economy. Conditions in China are said to be very similar to those in India, so it is hoped that here too co-operation will yield similar results.

Aims of Economic Policy

It has been accepted that a "socialist pattern of society" and a "co-operative form of association in the villages" will be among the major aims of the Indian economic policy. With this in view, the Government sent a delegation led by Mr. R. K. Patil, a former member of the Planning Commission and a former Food Commissioner of the Central Government, to China, to study the working and progress of the agrarian co-operatives there. The recommendations of the delegation, it is hoped, will be useful in formulating a detailed programme and fixing targets for the number of societies that should be started. The second conference of State Ministers, held in Mussoorie some time ago, welcomed the introduction of co-operative farming as a timely step towards raising the economic status of the villagers. It recommended setting up one such society in each of the National Extension Service blocks during the plan period. Tentatively, the conference has fixed the target of 500 co-operatives to start with, to be completed in the current year in National Extension Service blocks spread all over the country. After the delegation to China submits its recommendations, new targets may be fixed.

Another delegation led by the Union Deputy Food Minister, after visiting China, expressed its opinion on the working of agrarian co-operatives there. Mr. P. N. Thapar, Secretary to the Ministry of Agriculture and a member of the delegation, in an interim report submitted to the Government, warmly praised the Chinese efforts. He, however, urged a rather cautious approach towards the introduction of co-operatives in India on the Chinese model. He suggested setting up such farming societies merely as an "experiment," and going ahead only if the experiments proved a success and the co-operation of the people was spontaneous. Whether or not there is a vast scope for farming on a co-operative basis in India, it should not allow the practical difficulties to be ignored. It is also not desirable to base judgments on the results achieved elsewhere. The objects of co-operative farming have varied in different countries, depending on the conditions prevailing, and it is not feasible to draw easy similarities between the collective farms of, say, Russia and the co-operative farms of, say, Denmark. The advantage which a typical small peasant gets out of a co-operative farming society should be precisely assessed.

Extent of Co-operation

Co-operative farming means co-operation among farmers for the purposes of agricultural production. It may involve their coming together for certain operations, such as pooling cattle, owning common irrigation sources, implements and machinery, or purchasing tractors and fertilisers. This kind of co-operation has been traditionally developed, particularly among the smaller farmers, in Indian villages. It may be compared with what is called a "mutual aid team" in China, where a few farming families get together and pool their cattle, tools, fertilisers, etcetera. There is no pooling of land, which is managed individually by the participating farmers. Chinese land policy was based on the distribution of land among the peasants and the they got from the State. But the land holdings

reforms, which were mainly completed in 1953, enabled the peasants to settle as owners of the land were so small that it became difficult for them to practise intensive methods of cultivation and increase crop yields. So, in their own interest, they had to agree on mutual aid with their neighbours. But a better method was considered necessary, and this led to the evolution of agricultural producers' co-operatives, which constituted the land into bigger units and combined the labour and resources of the participating members. In these, the peasant is technically still the owner of his land. The societies are smaller in size and are made up of say 40 or 50, or at any rate less than 100, farmers. They have common property and they enable the member-peasants to adopt modern methods of cultivation. The earnings are distributed on the basis of the land and labour contributed. It is on the lines of these agricultural producers' societies that the Government of India, is trying to introduce co-operative farming.

This kind of co-operation is not new to India. There are, for instance, certain non-registered co-operative farming societies called *phads* still functioning in Kolhapur, on more or less the same lines as the Chinese co-operatives. Neighbouring farmers pool their lands and under joint management raise sugarcane. Since good irrigation is essential for growing sugarcane, they get together to set up pumps in river beds to obtain water for their lands. Each society has a leader whose job it is to provide facilities for drawing water, raise funds and arrange for the manufacture of jaggery and its sale in the market. The rights of the owners of the land are hardly affected and each member gets his share in the joint farming society, to the extent of the value of the land, labour and other implements he contributes. These societies are a great success and work on the initiative of the farmers themselves. The co-operatives are purely voluntary and they function on the principle of equality and mutual benefit.

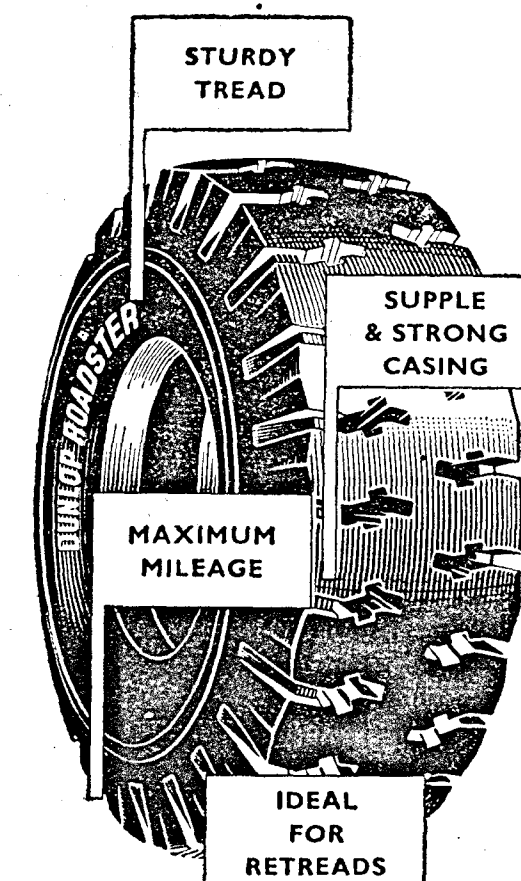
Remarkable Results

The agricultural producers' co-operatives in China, it is claimed, have secured remarkable results. Almost all peasants have been brought within their scope. But the ultimate objective of the Chinese structure of co-operatives is the creation of fully socialist or collective farms, where the land is owned jointly and the individual ceases to exercise any control over it. Chen Han-seng, an

authority on Chinese co-operatives, in a pamphlet entitled *First Unknown Co-operative Farms*, deals with the Chinese method of co-operative farming in its various stages and calculates that by the spring of 1958, immediately after the completion of the first five year plan, semi-socialist co-operative farming will have a dominant position in rural China. In 1960, large-scale transformation to fully socialist farming will commence. By the end of the third five year plan, in 1967, agriculture will be fundamentally socialist. Russia has already completed this process, and today collectivisation of the peasant farms is an integral part of the Soviet economic system. Thus, co-operative farming, in a particular context, implies State control over land owned by farmers. It is evident that the Chinese are following the Russian method of collective farming which, in the ultimate analysis, is bound to reduce the status of the peasant to that of a mere wage-earner.

Relevance to Indian Conditions

The economic and political systems of China and India differ fundamentally. China is following a totalitarian method of planning, where there is little scope for individual freedom and democratic ways. But India is wedded to democracy, and as such will need to examine carefully the implications of co-operative and of socialist collective farming. It is, however, gratifying to note that the Prime Minister, Mr. Nehru, has said: "We are encouraging agrarian co-operatives, but we are not thinking of collective farming." But, addressing the National Co-operative Development and Warehousing Board, he added: "If we are not successful in our experiment with the agrarian co-operatives, it is possible, though we may not like it, certain forces might then lead us to that." As 80 percent of the population is living in the villages, the economic revolution in India can find its emphasis only in the agrarian sector. For some decades, the Congress, first under the guidance of Mahatma Gandhi and later under Mr. Nehru's leadership, has been asking landed interests to give up their large holdings. Expectations among landless labourers that their emancipation is in sight have risen. The Congress Governments, both at the Centre and in the States, are committed to a thorough-going programme of land reform. The transition from a backward to a socialist agricultural economy has commenced, and one stage of this transition, namely, the abolition of intermediary interests such as the zamindars has already



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been accomplished to a considerable extent in most States.

Need for Reforms

The need to replace the complicated and feudal types of land tenures prevailing in several parts of the country by a simple and democratic system of peasant-proprietorship, under which the land belongs to the actual cultivator, has, in principle, been accepted. It is hoped thereby to assure the peasant of his right of ownership; to remove absentee-landlordism and rack-renting; to remove other disabilities and provide the incentives necessary for land improvement and efficient production; to create the basis for an equitable system of rural credit; and to arrange for the improvement of irrigation and other public works in areas which have been neglected. Any programme of co-operation in agriculture should be formulated in terms of these objectives. Too much stress has been laid on the smallest of land holdings and this seems to prompt the Government to encourage co-operative farming. But whether it will be of any real benefit to the small farmer remains to be seen; there is no proof yet that a larger farm will produce more than the smaller holdings—which go to form a bigger unit—yield when cultivated separately. Co-operative farming bristles with several practical difficulties for which solutions have still to be found.

The average Indian peasant is intelligent and industrious, and understands his interests clearly. However small and uneconomic his holding may be, the land is carefully husbanded by him and his family members, with the tools and methods of his ancestors. He is jealous of his proprietary rights over the small plot of inherited land, which he will not barter or part with, except under the worst circumstances. He depends on agriculture for his livelihood and his only anxiety is to raise the best crop possible. He uses local fertilisers, dung, night-soil and compost, which yield good results under favourable climatic conditions. In addition, he takes to some other form of employment, usually a craft, to keep himself busy during the off-season.

The small peasant suffers from certain basic disabilities such as the shortages of credit, livestock, manure, good seeds and proper irrigation facilities. If he could adopt newer techniques, his productive capacity would increase. This is one reason why he may think of joining a co-operative farm. But he does not cease to think of his ownership rights, so he approaches the society with some sort of suspicion. Consider the case of the farmer who, in his anxiety to reap the benefits of large-scale farming, develops the social outlook and group spirit, and surrenders his land, cattle, implements and the labour of his family to the co-operative, retaining of course his title to the land. He becomes a full-fledged member of the society,

which is formed with several such small farmers under the management of a central authority. In the nature of things, the society may have to employ paid managers. Individual opinions may not count and the voice of the management may prevail, while vital decisions affecting the interests of the members are taken on such matters as raising crops, taking loans and marketing the produce. If some of these decisions turn out to be wrong and bring losses, then who will bear the risks? The paid manager has little to lose and he may have no personal stake in the society. A managerial committee, after all, cannot take decisions on day-to-day matters and execute them; even it may make mistakes. In such cases, what is the protection or safeguard for the small farmer who is made to pay for the faults of others? As an individual, he takes the risks himself and mortgages his land for a crop loan or credit loan. But it is not so in a co-operative society, where any loss arising out of an injudicious experiment by the Government will have to be shared by all. Simply because the risk is shared by others, the small farmer does not escape its consequences; he could even sometimes lose his property, the land. The question also arises whether the member-farmer who, for domestic or other reasons, wishes to dispose of the land or withdraw from the society, is at full liberty to do so.

Common care of equipment is a major problem in a co-operative farm. The equipment is common property, and so are the livestock and land. How will the society account for the safety or proper maintenance of each of these items? Everything naturally depends on whether the management is efficient or not. This is the most important factor in deciding the success of a co-operative farm, and experience has shown that, in most cases, bad and inefficient management has been responsible for failure. Many cases are quoted in which feudalist landlords have come to manage societies. In certain cases, communal and political elements have also attempted to wield economic power through them. In the result, the co-operatives become weak, uneconomic, ill-managed and practically ineffective.

Security of Capital

The most glaring weakness in the working of co-operative farming societies, which gives rise to several complicated legal problems, concerns the security of capital investment. Credit on easy terms is considered necessary for rural progress. From the investment point of view, co-operative farming may be of real benefit to small farmers. But it is here that the problem of security for loans comes in. In the case of an individual, he mortgages his land for a short or medium loan from the land mortgage bank, which can always depend on the land for recovering the loan. Where the land is owned by the members and is pooled in a co-operative society for joint agricultural operations, what will be the security for the loan advanced by any

credit institution to the society? Naturally, the land is the security; but in case of default, the bank should be in a position to take some plots and sell them in the market. Under the new land policy of the Government, after a co-operative society has been formed by pooling the land of several members under joint management for large-scale farming, is it allowed to take away certain plots of pooled land and sell them for clearing off loans? If it is so allowed, what will happen to the principle underlying co-operation and what will be the justification for forming such a society? How are the interests of the creditors to be safeguarded? It is here that the Government can step in to save the society from liquidation, by advancing the money, to pay off the loan. If it undertakes this responsibility, then the question of security does not arise. For all practical purposes, it will amount to the Government providing long-term or short-term credit to the societies. But is it prepared to undertake this responsibility?

Other Handicaps

There are some defects inherent in the organisation of co-operative farming societies, which relate to management, incentives for work, taking of risks and, above all, the security for capital investment. These are in addition to the handicaps such as caste and community differences, unequal status of men and lack of the co-operative and group spirit in village life, which hamper the smooth functioning of the co-operatives. All these lead to the basic point that co-operative farming should be considered not from a theoretical point of view, but from a realistic angle, namely, meeting the requirements of the people for certain specific purposes as they arise. There may be no need to pool land, to have joint management and so on, if positive measures of a different kind are taken, keeping in view the need to intensify production in small holdings with modest capital expenditure. The benefits of large-scale farming can be extended to small farmers, without any pressure being put on them to form themselves into co-operative farming societies, which may be experimented on reclaimed lands and lands collected by way of *Bhoodan*. The small farmer may be offered credit on easy terms and such other facilities as proper irrigation, improved drainage, good seeds and fertilisers. This would enable him to secure a large increase in production. This is what is done in Holland and Denmark. The individual peasant is assisted by the co-operative organisation in all agricultural operations, except actual farming. The advantages of large-scale operation are given him through the co-operative organisation in the use of costly modern machinery, expert advice, purchase of raw materials and the sale of the produce, without any hindrance to individual farming. This is the sure way to make the small Indian peasant prosperous, and at the same time help the co-operative movement take a firm foothold in the country.

Finance in India and Abroad

THE CALCUTTA MONEY MARKET

STERLING IMPROVES

Wednesday, 5th December.

DEMAND has continued to increase in the money market this week. The cotton industry has been leading the way, with a large expansion in its requirements for storage of the raw material. The sugar crushing season is now under way and the mills have been coming to the market on an increasing scale. The needs of the jute industry have also increased in the past few days. The interbank market continued easier, and it is reported funds are plentiful at the unchanged call rate of 3½ percent.

A fair quantity of export documents has passed this week. The main feature was gunny bills. Remittance has been about normal. In spite of the announcement that the gold and dollar reserves of the sterling area have fallen below the \$2,000-million mark, sterling improved today. The reason is probably short-covering encouraged by Mr. Macmillan's reassurances that every measure will be taken to protect the pound. Having remained at the support levels for some weeks, sterling is now slightly above these, and the forward position quoted in terms of dollars and Continental currencies has improved fractionally.

Silver was easier on rumours of imports of the Tibetan metal. The price declined slightly from the previous week's level of Rs. 172.4 to Rs. 172, quoted today. The rate for ready silver was quoted at Rs. 172.6. The London and New York prices were unchanged.

In sympathy with silver, gold was easy and the price was quoted at Rs. 105.12. The sovereign was transacted at Rs. 70.

During the week ended 30th November, Government of India Treasury Bills for Rs. 5,00,000 were sold in favour of the Reserve Bank.

An increase of Rs. 2.95 crores to Rs. 1,465.74 crores in the total note issue was a notable feature of the return of the Reserve Bank of India for the week ended 30th November, 1956, while active notes declined by Rs. 1.07 crores to Rs. 1,438.54 crores. The currency expansion was covered by increasing rupee coin by an equivalent amount to Rs. 125.27 crores. Deposits of the Government of India declined by Rs. 4.70 crores to Rs. 49.99 crores, but other Government accounts increased by Rs. 3.22 crores to Rs. 15.94 crores. Balances of commercial banks at Rs. 51.07 crores were Rs. 97 lakhs lower. Balances held abroad diminished by Rs. 5.34 crores to Rs. 79.29 crores and investments by Rs. 1.52 crores to Rs. 59.61 crores. Other loans and advances declined from Rs. 83.48 crores to Rs. 80.84 crores, of which advances to scheduled banks against usance bills amounted to Rs. 43.34 crores (Rs. 45.34 crores). These advances totalled Rs. 377.37 crores since 1st January, 1956. Ways and means advances stood at Rs. 2.96 crores (Rs. 1.80 crores).

A statement of the position of scheduled banks for the week ended 23rd November, 1956, shows Demand and Time liabilities at Rs. 647.03 crores (Rs. 12.34 crores on account of borrowings from banks) and Rs. 458.52 crores (Rs. 2.51 crores), compared with Rs. 650.80 crores (Rs. 12.63 crores) and Rs. 457.79 crores (Rs. 2.11 crores), respectively, in the previous week. Cash and balances with the Reserve Bank have declined by Rs. 1.23 crores and Rs. 17 lakhs to Rs. 35.89 crores and Rs. 50.80 crores, respectively. There is a drop of Rs. 2 lakhs in investments to Rs. 365.50 crores. Advances and bills discounted, at Rs. 762.31 crores, show a rise of Rs. 1.04 crores. The ratios to total liabilities of cash and balances, and of advances and discounts, are, in consequence, shown at 7.8 percent and 69.0 percent against 7.9 percent and 68.7 percent.

The return of the State Bank of India for the week ended 23rd November, 1956, shows a rise of Rs. 2.15 crores in total deposits to Rs. 232.80 crores. Investments in Government securities and other authorised investments are up by Rs. 1 lakh each to Rs. 95.58 crores and Rs. 11.04 crores, respectively. Advances, including loans, cash credits and overdrafts, and bills discounted and purchased, have decreased by Rs. 94 lakhs to Rs. 127.43 crores. Cash and balances are, in consequence, shown at Rs. 16.15 crores or Rs. 39 lakhs less.

According to the landborne trade returns received in the Department of Commercial Intelligence and Statistics, the provisional figures of total value of foreign trade of India by land with Pakistan, Afghanistan, Iran and Burma during October, 1956 are as follows (in lakhs of rupees):

	Imports	Exports
East Pakistan	147	27
West Pakistan	8	13
Other Countries	69	7
	224	47

Total trade amounted to Rs. 271 lakhs. Re-exports and trade in treasure were negligible. There was thus an adverse balance of trade amounting to Rs. 177 lakhs.

RESERVE BANK

ISSUE DEPARTMENT

	30-11-56	23-11-56	2-12-56
Liabilities—			
Notes in Banking Dept.	27,29.30	23,18.74	13,98.50
Notes in Circulation	14,38,53.85	14,39,60.56	13,35,72.00
Total Notes issued	14,65,74.15	14,62,79.30	13,49,70.50

Assets—			
A Gold Coin and Bullion	1,17,76.03	1,17,76.03	40,01.71
Foreign Securities	4,57,23.78	4,57,23.78	6,47,06.60
Total A	5,74,99.81	5,74,99.81	6,87,08.31
B Rupee Coin	1,25,27.15	1,22,32.30	1,09,04.25
Rupee Securities	7,65,47.19	7,65,47.19	5,53,57.94
Total	14,65,74.15	14,62,79.30	13,49,70.50

BANKING DEPARTMENT

Liabilities—			
Capital Paid-up	5,00.00	5,00.00	5,00.00
Reserve Fund	5,00.00	5,00.00	5,00.00
National Agricultural Credit (Stabilisation) Fund	1,00.00	1,00.00	—

Deposits—			
(a) Central Govt.	49,98.62	54,69.48	51,35.83
(b) Other Govts.	15,93.79	12,71.80	10,15.99
(c) Banks	51,07.08	52,04.37	62,57.09
(d) Others	13,37.07	12,65.99	15,48.31
Bills Payable	12,79.98	12,06.97	7,50.00
Other Liabilities	1,02,07.59	1,00,70.87	24,63.48
Total	2,71,24.23	2,71,89.38	1,81,50.70

Assets—			
Notes	27,29.30	23,18.74	13,98.50
Rupee Coin	9.15	8.71	3.63
Subsidiary Coin	13.18	12.42	5.63
Bills Discounted Int.	—	—	53.30
Govt. of India Treasury Bills	7,09.50	5,32.61	5,31.21
Balances held abroad	79,29.42	84,62.94	71,24.79
Loans to Govt.	2,56.35	1,80.35	2,00.00
Other Loans etc.	80,83.54	83,48.01	25,38.71
Investments	59,61.32	61,13.25	50,43.20
Other Assets	14,01.67	12,12.35	12,50.72
Total	2,71,24.23	2,71,89.38	1,81,50.70

SCHEDULED BANKS

(In 00's of Rupees)

	23-11-56	16-11-56	25-11-56
Demand Liabilities—			
(a) Borrowings from Banks	12,33.80	12,62.69	13,49.26
(b) Others	6,34,69.13	6,38,17.45	6,05,86.54

Time Liabilities—			
(a) Borrowings from Banks	2,51.00	2,11.09	6,90.50
(b) Others	4,56,00.75	4,55,67.70	4,17,38.21
Borrowings from State Banks Demand Liabilities	9,62.43	10,74.35	5,82.09
Time Liabilities	—	—	—
Cash	35,88.77	37,11.58	35,27.92
Balances with the Reserve Bank	50,79.86	50,97.32	61,11.52
Balances with other banks in current accounts	10,06.70	9,27.60	10,77.58
Money at call and short notice	18,30.35	19,01.80	23,09.80
Investments in Central and State Govt Securities	3,65,50.40	3,65,51.65	3,94,75.75
Advances	5,93,94.07	5,98,94.56	4,90,18.45
Unpaid bills purchased and discounted	1,17,62.19	1,12,67.88	56,70.29
Foreign bills purchased and discounted	51,44.46	49,64.14	47,13.22

CLEARING HOUSE RETURNS

Week ended	Rs (thousands)	Calcutta	Bombay
30-11-56	64,06.56	65,34.68	5,69.25
23-11-56	67,54.42	65,34.68	5,69.25
16-11-56	65,28.36	63,68.88	—
9-11-56	59,02.25	60,95.73	—

STATE BANK OF PAKISTAN

ISSUE DEPARTMENT

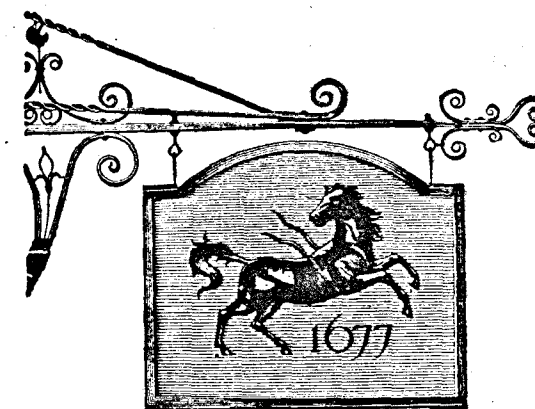
	(In 00's of Rupees)	week ended
Liabilities—		
Notes in Banking Department	7,91.59	10,00.14
Notes in Circulation	3,02,03.29	2,99,92.07
Total Notes issued	3,09,94.88	3,09,92.21

Assets—		
A Gold Coin and Bullion	11,33.41	11,33.41
Sterling Securities	86,44.02	87,70.69
Government of India Securities	16,65.21	16,65.25
India Notes representing assets receivable from the Reserve Bank of India	43,02.28	43,02.28
B Rupee Coin	8,71.92	8,71.92
Govt. of Pakistan Securities	1,40,87.88	1,39,58.27
Held with Reserve Bank of India pending transfer to Pakistan	—	—
Gold Coin and Bullion	19.02	19.02
Sterling Securities	4,40.63	4,40.63
Govt. of India Securities	1,00.90	1,00.90
Rupee Coin	29.51	29.51
Total	3,09,94.88	3,09,92.21

BANKING DEPARTMENT

Liabilities—		
Capital Paid-up	3,00.00	3,00.00
Reserve Fund	3,00.00	3,00.00
Deposits—		
(a) Central Government	38,69.29	39,30.50
(b) Provincial Government	1,96.56	2,93.33
(c) Banks	14,63.80	15,42.29
(d) Others	3,63.11	3,46.65
Bills Payable	22.93	22.75
Other Liabilities	10,18.73	10,27.60
Total	75,33.50	77,73.33

Assets—		
Notes	7,91.59	10,00.14
Rupee Coin	—	—
(a) Pakistan	10	10
Subsidiary Coin	—	—
(a) Pakistan	11	13
(b) India	—	—
Bills Purchased and Discounted—		
(a) Internal	—	—
(c) Govt. Treasury Bills	1,86.97	2,36.35
Loans and Advances to Govt.	—	—
Provincial Govt. Debtor Guarantees	—	—
Other Loans and Advances	7,55.80	6,62.35
Investments	49,01.44	49,34.58
Other Assets	8,97.49	9,39.18
Total	75,33.50	77,73.33



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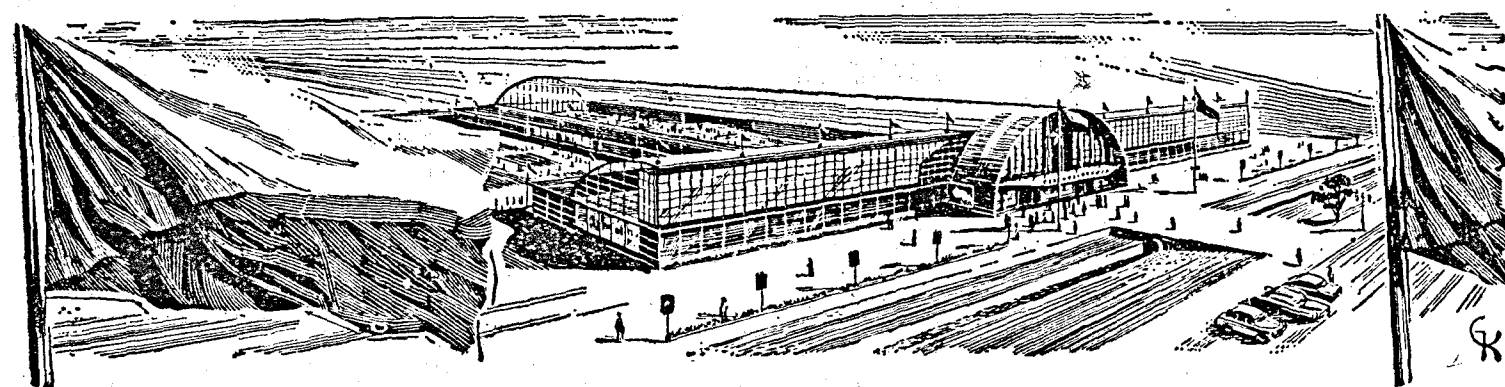
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GENERAL RECOVERY IN STOCK MARKETS

U.S. OIL-FOR-EUROPE PLAN HELPS LIFT RATES

London, 5th December.

THERE has been a general recovery in the stock markets following a renewed heavy fall during the past week. The international situation and a number of other adverse factors combined to bring about the fall, but the improvement in the situation that followed was mainly due to American developments which brought a sharp response from the operators. The recovery was caused by the U.S. statement supporting the Baghdad Pact countries, and was extended following the news of the U.S. oil-for-Europe plan, and Mr. Dulles's favourable remarks on the Middle East situation. The news that the Anglo-French forces were to withdraw from Egypt had little effect as it had been expected. Business in most sections remained limited, and the size of gains reflected bear-covering and a little "cheap" buying on a narrow market. The recovery in Wall Street also contributed to the advance in London. Gilt-edged securities were throughout subdued and losses ranged to about one point at one time. Most of these losses were regained when the market later rallied. An all-round fall was sustained in the industrial market, but the recovery which later developed, substantially reduced losses or eliminated them altogether. Imperial Chemicals went ahead following the details of their expected issue. Turner and Newall were strong, because their results were better than had been anticipated. Oil shares recovered smartly from their earlier losses and British Petroleum were around 12s after being down to about 110s. Forced selling of gold shares brought sharp losses, but a recovery was staged with the rest of the market. Coppers and other base metals rallied after losing ground. Rubbers were subdued. Teas became quiet after their recent advance, but prices were fairly well held.

The Money Market

Credit conditions were comfortable at the beginning of the past week, but later there was a deterioration. This happened due to the end-of-month influences and on Thursday, when weekly revenue transfers took place, the market paid for a large number of bills and the position became acute. The authorities, however, gave sufficient help. Friday proved a little more comfortable, but credit continued

short. The cost of fresh overnight accommodation generally ruled at 4½ percent with 5 percent paid for money created by the authorities. Bill rates were firm with Februarys changing hands at 4-15/16 percent and under pressure, at 4-31/32 percent. Tight credit conditions were attributed to an exodus of foreign money from London and a movement of domestic funds into national savings certificates and premium bonds, as these exerted a downward pressure on bank deposits. Applications for £220 million worth of 91-day Treasury bills totalled £325,720,000 and all were allotted at the average rate of 100s 4/69d percent against 100s 3/34d percent in the previous week. Applications for £70 million worth of 63-day bills totalled £77,585,000, and £60 million were allotted at the average rate of 100s 10/79d percent against 100s 10/83d percent in the previous week. This week £280 million worth of bills are on offer, comprising £220 million worth of 91-day bills and £60 million worth of 63-day bills. The Bank of England return for the week ended 28th November showed that notes in circulation were about £12 million higher at around £1,906 million, while bankers' deposits were about £19 million lower at around £220 million.

Activity on Wall Street

At the outset, treasury issues slumped sharply on Wall Street in light trading, but later recouped most of the losses. Elsewhere in the bond market, railroads generally continued under pressure in light trading. Most corporate debt securities also gave ground while most privilege share issues weakened in sympathy with the stock market. In the foreign section, Berlin City Electric 6½ per cent slipped 13 points to 127 on only two sales. German Nationals were also somewhat lower in light turnover. Greek issues, after being up slightly earlier, slipped back as the week progressed. Japanese issues were mixed in slow dealings, while South American issues turned lower in restricted business.

Hongkong Gold Slumps

The Hongkong gold market slumped during the past week, following the daily improvement in the sterling switch rate, together with heavy carry-over charges favouring sellers. The market slipped persistently from the opening and in the final session recorded the week's low to close around 10 points down. The official offtake was 1,950 tael and the unofficial was 17,500 tael. Arrivals were 45,000 ounces, while forward contracts were done at 37/70 cents c.i.f. Macao. Carry-over charges were 510 cents a 10 taels in favour of sellers.

Vegetable Oils Up

Although oilseeds prices have made further gains during the past week, a large part of this improvement was due to the higher freight rates prevailing. Demand was mainly for early shipments where they were obtainable, but there was an increasing desire to move into positions well into the new year. Offers of Canadian linseed were almost unobtainable and although the later trend in Winnipeg was lower, this was offset by higher freights and the adverse movement of sterling exchange. Moderate to good business was put through, however, for January and February shipments at around £62 c.i.f. Castorseed was firm still, but buyers were not inclined to repeat the previous week's activity. British East African for November-December to Italy was, it was reported, sold up to £524. In groundnuts, initial demand for early positions by France helped keep a very firm tone and for various grades, December to early February shipment, up to £94 was paid. Linseed oil, spot and nearby deliveries, made further price gains, but little enthusiasm was shown for deliveries ahead and these finished without much change from a week ago. Castor oil made another upward surge of £15 a ton for shipment. Among edible oils, groundnut oil was again outstanding and for January-February, £167 was said to have been bid. For February-March up to £161 was paid.

Further Rise in Rubber

For the most part, the London rubber market was slow to follow the advancing trend in Singapore and during the early part of the week to 29th November, there was insufficient demand to put values up to their eastern parity. Towards the close a further sharp rise in Singapore and New York on the U.S. decision to make no change at present in the stockpile policy caused values to be advanced again. Renewed buying of early shipments to the U.K., coupled with covering orders, consolidated the higher level, but the full advance was not maintained. Traders described the situation as "difficult" with the market being very thin. Finally, quotations were about 2d a lb. higher on the week, but the tendency was uncertain. Delays in arrivals of sole crepe shipments aggravated the already tight position. Supplies remained short of trade requirements, and sellers advanced their quotations to the basis of 48d a lb. for ½ inch smooth No. 1. on the spot.

Hides and Skins Firm

Madras shippers are still very firm in their quotations for kips but the further increases they have been asking are meeting with considerable consumer resistance, according to a leading London firm of kips merchants. U.K. leather dressers have not been able to obtain the necessary increase in the price of their finished leathers to permit them to pay the prices now being asked from Madras. There is, therefore, a lull in the trade. New season's buffalo calves have been offered at considerably increased prices, and so far practically none have been sold to normal buffalo buyers who can not pay the increased price. Cow calves are still scarce and dear. There is little interest in buffaloes.

Stocks and Shares

SPECULATIVES TUMBLE ON LATEST TAX ANNOUNCEMENT

SELLING PRESSURE RESTRICTED AMONG INVESTMENT SCRIP

Wednesday Evening.

THE stock market sustained a severe blow from the new tax proposals announced last Friday. Investment shares held up fairly well, but speculatives tumbled and Indian Irons went as low as Rs. 29-13, after being quoted earlier at Rs. 33-5. The full significance of the proposals is not yet clear to either operators or investors, and that may be the chief reason why shares not on the forward list have lost only slightly. It is reported that buying orders are difficult to execute because shareholders are unwilling to sell at present levels, preferring instead to wait and see if any reliefs are announced. The market reacted sharply after hours this evening to the news that a delegation from the Federation of Indian Chambers of Commerce and Industry had just returned from Delhi after talks with the Finance Minister and its leader has expressed himself well satisfied with the results. If this news is true, the market might look up a little, although business even before the new tax proposals was announced was a mere trickle.

One of the most unfortunate features of the new proposals was that, like the decision to nationalise the life insurance companies, they were known in outline by certain prominent operators before they were announced to the Lok Sabha. The heavy selling which accompanied the Finance Minister's speech prompted the Stock Exchange Committee to declare an emergency clearing last Saturday and fix a nominal quotation for Indian Irons at Rs. 31. It was feared that defaults would ensue and that the market could look forward to a situation similar to that which followed the nationalisation of the life companies last January. Yesterday's settlement went off successfully, however, and if there is no further heavy selling in the market, it should be out of the wood by now.

The Hindustan Lever issue closed this afternoon at 3 p.m. and is reported to have been heavily over-subscribed. A number of cancellations were received after the new dividend surcharge was announced, but most arrived too late to be accepted.

Details of the week's trading follow.

There was a further small improvement in the Government securities market and prices appear to have stabilised. The main reason for the recovery was the appearance of the Reserve Bank of India as a buyer of long-dated loans and indications that it would also consider offers of non-terminable issues. Three percent Conversion Loan 1986 recovered by two annas to Rs. 73-1, as did 3% Non-terminable to Rs. 73. In short-dated loans, 3% 1957 continued in demand at Rs. 99-12 and 3% 1958 was taken at Rs. 99-9. Among medium-dated loans, 3% 1959-61 had buyers at Rs. 97-15 and 3% 1963-65 improved further to Rs. 94-7 cum-voucher, being later done at Rs. 94-5 ex-voucher; 3% 1964 turned buyers at Rs. 98-5 as did 3% 1965 at Rs. 98-7. In contrast, 3% 1967 continued on offer at Rs. 98-6. In long-dated issues, 3% 1966-68 was steady at Rs. 92-6 and 3% 1970-75 recovered slightly to Rs. 86-15; 3% 1974 changed hands at around Rs. 98-8.

State loans were also better and prices were marked up fractionally. Both 4% Madras and U.P. 1968 were higher at Rs. 98 while 4% M.P. 1968 was asked for at the same price without attracting sellers. Four percent Orissa 1968 changed hands at Rs. 97-11 and 4% Behar 1968 was traded at around Rs. 97-12. Four percent West Bengal 1968, however, eased further to Rs. 99 and 4% Bombay 1970 was offered at Rs. 99-10.

A solitary transaction was reported in jute preference shares, namely Auckland 2nd at Rs. 62. Among miscellaneous issues, Burn & Co. 6% were taken at Rs. 112 and Indian Iron & Steel at Rs. 100. Duncan Brothers were offered at Rs. 60 and Gillanders Arbuthnot at Rs. 60-12. Calcutta Electric changed hands at Rs. 10-12 and Calcutta Tramways at Rs. 8-6. New Victoria Cotton were depressed at Rs. 5 and Rohtas Industries "B" Preference were reported at Rs. 65-4.

In the banking section, Punjab National were marked down from Rs. 51 to Rs. 49-8 and United Commercial from Rs. 55 to Rs. 54-8 without any business passing. United Bank of India "D" shares changed hands at Rs. 4-6.

In railways, Burdwan Cutwa were crossed at Rs. 58 and Dehri Rohtas were done at Rs. 13.

In cotton, Cawnpore Textiles reacted from Rs. 9-2 to Rs. 8-12 and Elgin Mills from Rs. 23-10 to Rs. 27. Jayshree were offered at Rs. 6-8 and Kesoram, after being sold down to Rs. 15-4, recovered at the close to Rs. 16. New Victoria were marked down from Rs. 2-5 to Rs. 2.

Coal shares moved in sympathy with the general trend and prices were marked down further. Here is a chart showing representative price movements.

	Opening 29-11-56 Rs.	Closing 5-12-56 Rs.
Bengal	485 0	455 0
Central India	7 0	6 12

East Indian	31 0	30 8
New Beerbhoom	17 8	16 0
South Karanpura	10 8	10 4

Burrakur were taken to a new high of Rs. 22-12 before the announcement of the taxation proposals, but later reacted to Rs. 19-12; covering at the close brought a recovery to Rs. 20-4.

Jute shares continued their downward trend and in some cases sales had to be made at sacrifice prices. Here is a chart showing price movements of a representative list of shares.

	Opening 29-11-56 Rs.	Closing 5-12-56 Rs.
Agarpara	10 7	10 4
Anglo-India	155 0	150 0
Birla	15 10	15 0
Delta	152 0	135 0
Howrah	21 8	20 12
India	125 0	115 0
Kankannarah	85 0	82 0
Megna	78 0	65 0
New Central	14 1	13 10
Northbrook	23 8	21 8

Only two shares changed hands in the electric supply section, namely Calcutta at the lower rate of Rs. 13 and Patna at the previous quotation of Rs. 11-13.

In sugar, Belsund were crossed at Rs. 11-10 and Durbhanga were marked back from Rs. 21-12 to Rs. 20-14. There was a small enquiry for Dyer Meakin Breweries at Rs. 5-8 ex-dividend. Ramnugger reacted sharply from Rs. 26 to Rs. 24-8.

In the engineering section, Indian Iron & Steel dropped heavily from Rs. 33-5 to Rs. 29-14 following the announcement of the taxation proposals, but bear covering at the close helped the shares to recover to Rs. 30-3. All other engineering issues were marked down in sympathy, as will be seen from the following table.

	Opening 29-11-56 Rs.	Closing 5-12-56 Rs.
Bhartia Steel	17 4	16 12
Braithwaite & Co.	27 8	26 0
Burn & Co.	345 0 x.d.	320 0
Jessop & Co.	34 10	31 0
Richardson & Cruddas	25 10	23 7
Textile Machinery	22 7	20 7

Among paper shares, India Paper Pulp were depressed from Rs. 23-10 to Rs. 22-13 and Orient Paper fell heavily from 35-10 to Rs. 33-2. Titaghur were quiet, in sympathy, at Rs. 37 ex-dividend.

In cement, Sone Valley were marked down from Rs. 8-14 to Rs. 8-6 and Dalmia from Rs. 13-5 to Rs. 13. Ashoka were quoted at Rs. 11-12 and Orissa at Rs. 13-4.

No business was reported in insurance shares. In shipping, India Steamship initially reacted from Rs. 10 to Rs. 9-5, but replacement buying at the close brought the price up to Rs. 9-9. India General Navigation dropped from Rs. 90 to Rs. 84 and Port Shipping from Rs. 16 to Rs. 15-12.

Despite the announcement of a dividend of 8 annas by the Aluminium Corporation of India Ltd., the shares reacted from Rs. 11-14 to Rs. 11-7. Bengal Chemical were placed at Rs. 100 and Bengal Flour were lower at Rs. 34. British India Corporation met with selling pressure and were marked down from Rs. 10-6 to Rs. 9-10. Clive Row were easier at Rs. 10-12 as were Dunlop Rubber at Rs. 25-8. Hindustan Motors were at one time sold at Rs. 8-2 but later recovered to Rs. 8-9. Indian Aluminium were easier at Rs. 14-15 ex-dividend as were Imperial Tobacco at Rs. 14-13 and Indo-Burma Petroleum at Rs. 38. Jardine Henderson eased from Rs. 93 to Rs. 92 and Martin Burn from Rs. 25-6 to Rs. 24-8. National Carbon met with selling pressure and reacted from Rs. 26-14 to Rs. 25-8. National Insulated Cables were subdued at Rs. 26-4 after being done earlier in the week up to Rs. 28-6. After a long lapse, business was reported in Sodopore Glass at Rs. 2-8.

In the mining group, Indian Copper suffered heavily and from an opening price of Rs. 4-4 were at one time hammered down to Rs. 3-5; towards the close, however, there was a mild recovery to Rs. 3-8. Burma Mines were easier at Rs. 2-10 and Western Stockholders Investment were shaded at 12 annas. Contrary to the general trend, Orissa Minerals recovered from Rs. 20 to Rs. 21-4. Metal Corporation were very quiet at Rs. 8-15.

Tea shares were weak in sympathy with the rest of the market but the falls appeared to have been overdone as prices steadied up slightly towards the close. Baghmari changed hands at Rs. 27-12 and Bishnauth Old and New were marked back to Rs. 23-10 and Rs. 21-2 respectively. Brahmputra had sellers at Rs. 8-4 and Brooke Bond, after being sold down to Rs. 19-10, had buyers at Rs. 20. Dessai and Parbutia came to business at Rs. 408, as did Dhelakhat at Rs. 21-14, East India at Rs. 23-12 and Ledo at Rs. 23. Grob "A" and "B" were marked at Rs. 37 and Rs. 19-2 respectively while Kotamullai and Methoni came to business at Rs. 34 and Rs. 21-12 respectively. Seajuli were marked at Rs. 34-6

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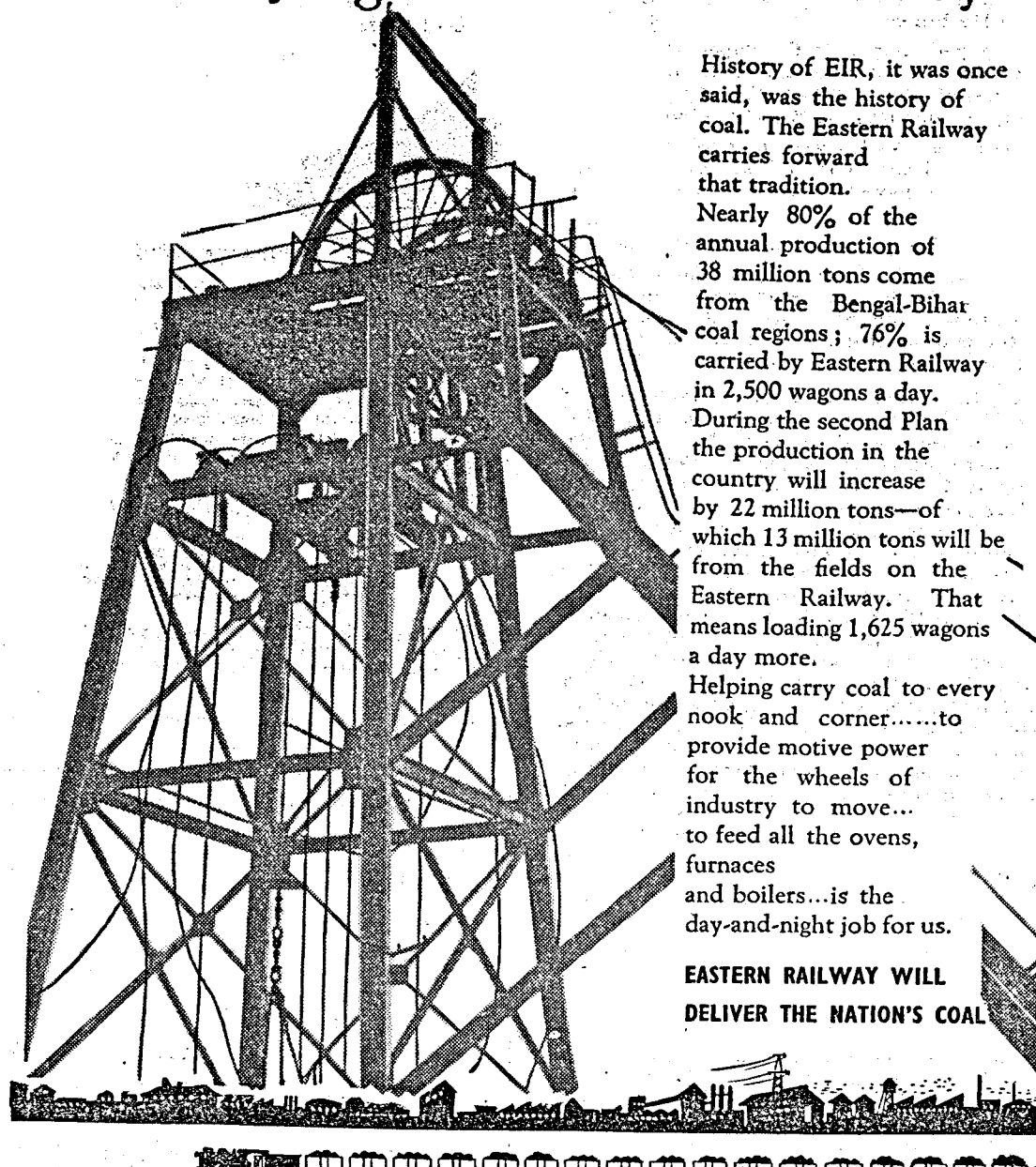
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DELIVER THE NATION'S COAL

EASTERN RAILWAY

and Tezpur came to business at Rs. 23-6. Birpara had sold at Rs. 160, as did Choonabhatti at Rs. 311, Hantapara at Rs. 203, Hasimara at Rs. 30 and Killcott at Rs. 23-2. Nagasiree were easier at Rs. 190 as were New Dooars at Rs. 284. A small lot of Phaskowa changed hands at Rs. 131 against the previous nominal rate of Rs. 120 and Rajabhat were in demand at Rs. 25-4. Mim found buyers at Rs. 280 as did Central Cachar at Rs. 78 and Pathamara at Rs. 11-8. Dauracherra were easier at Rs. 13-4 and a small lot of Patrakola were sold down to Rs. 205. Kornafuli came to hand at Rs. 12-8.

The NATIONAL INSULATED CABLE COMPANY has earned a net profit of Rs. 32.72 lakhs for the year ended last March. Providing Rs. 1.90 lakhs for depreciation, Rs. 28 lakhs for taxation and making other adjustments, there is an available balance of Rs. 32,94,443, including Rs. 2,22,283 brought in. General reserve absorbs Rs. 124 lakhs, dividend equalisation fund Rs. 5 lakhs and expansion reserve Rs. 6 lakhs. The ordinary dividend has been increased by 5 percent to 20 percent, leaving a carry-forward of Rs. 1,44,443. The directors say that after obtaining the consent of the Controller of Capital Issues and the assent of the debenture holders, the mortgage debentures of the company which were due for repayment on 15th July, 1955, have been extended for a further period of five years up to 15th July, 1960, with an option to redeem them either in whole or in part at any time after 15th July, 1958. The rate of interest on the debentures has been increased to 5½ percent.

The results are published below for two tea companies in the Jardine Henderson Group. The profit of the BARADICHI TEA COMPANY has declined by Rs. 10.77 lakhs to Rs. 3.18 lakhs for the year ended last December. Bringing in Rs. 53,496, there is a balance of Rs. 3,71,029. The dividend is cut from 65 percent to 30 percent. Taxation absorbs Rs. 89,000 (Rs. 3.92 lakhs) and taxation equalisation reserve gets Rs. 59,000 (Rs. 46,000), leaving a carry-forward of Rs. 43,029. The crop amounted to 18,263 maunds, against 17,728 maunds, and the average sale price declined from Rs. 2-11-7 to Rs. 2-0-1 a lb. Estimates for 1956 have been made for a crop of 17,500 maunds. There is a decline from Rs. 26.17 lakhs to Rs. 9.32 lakhs in the profit of the RYDAK TEA SYNDICATE for the year ended last December. Bringing in Rs. 83,985, there is a balance of Rs. 10,16,212. The dividend has been reduced from 100 percent to 50 percent. Taxation provision gets Rs. 3,32 lakhs (Rs. 8.10 lakhs) and reserve account is allocated Rs. 11 lakhs against Rs. 8 lakhs, leaving Rs. 3,73,200 to be carried forward. Rydak produced 17,637 maunds (17,168 maunds) and Kartick 8,209 maunds (8,707 maunds). Their respective average prices amounted to Rs. 2-5-7 and Rs. 2-0-8 a lb. against Rs. 3-6-7 and Rs. 2-10-6 a lb. Estimates for Rydak and Kartick for the current year have been framed for crops of 17,500 maunds and 7,500 maunds. The directors of both the Rydak and Eardighi companies say that permission from the Government of India for a one-for-one scrip issue has been obtained. But considering the penal taxation provisions imposed by the Finance Act, 1956. In this respect, they have decided that it would not be in the interests of members to proceed meantime with the proposal to issue bonus shares.

The profit of the HANTAPARA TEA COMPANY has declined from Rs. 41.36 lakhs to Rs. 3.39 lakhs. The ordinary dividend has been cut from 60 percent to 6 percent, but the ordinary capital has meanwhile been increased by the issue of 12,000 bonus shares of Rs. 100 each. Revenue reserve gets Rs. 1 lakh (Rs. 8 lakhs), leaving a carry-forward of Rs. 1,75,497 (Rs. 2,96,019). Hantapara produced 19,862 maunds (21,809 maunds) and Dumchipara 14,900 maunds (16,801 maunds). Their respective average sale prices amounted to Rs. 1-13-5 (Rs. 2-15-5) and Rs. 1-12-5 (Rs. 2-12-8) a lb. Estimates for 1956 have been made for a crop of 39,000 maunds at a cost of Rs. 47.01 lakhs.

There is a decline of Rs. 87,000 to Rs. 9,29 lakhs in the profit of the ANGLO-INDIA JUTE MILLS COMPANY for the half-year ended last March. Providing Rs. 5.25 lakhs (Rs. 5 lakhs) for depreciation, there is Rs. 5,24,416, including Rs. 3 lakhs transferred from contingencies reserve and Rs. 1,23,973 brought in. The ordinary dividend has been maintained at 3½ percent, leaving a carry-forward of Rs. 3,12,224. The directors say that the erection of the new machinery and electrical equipment at the Middle mill is being carried out speedily and it is hoped that it will be completed shortly. Investigations are being made for finding suitable new uses for the building and facilities of the Jagatdal mill.

SOUTH EASTERN RAILWAY

TENDERS.

The General Manager, Garden Reach, Calcutta-23 invites tender No. GM23/56/295(B)/56 for supply of 3338 Pans I. G. Lathine with tray as per CE's drg. 10103. Tender Forms are obtainable from the Controller of Stores, Garden Reach, Calcutta-23 on remittance of Rs. 5/- per copy (not refundable) by Money Order to him direct in the case of outside firms and on production of cash receipt from the Chief Cashier, Garden Reach by local firms. Closing date 24. 12. 56 at 12 noon. Firms not on the Railway's list of approved contractors must enclose a valid Income Tax Clearance Certificate with the tender.

Bombay Market

HEAVY SELLING AFTER NEW TAX ANNOUNCEMENT

OPERATORS AWAIT FURTHER NEWS

Wednesday Evening. EQUITY values on the Bombay stock market fell sharply last week on the new tax proposals introduced by the Finance Minister Mr. T. T. Krishnamachari, in the Lok Sabha last Friday. Operators were scared, and there was a spate of selling pressure. The most disturbing feature of the new proposals is that companies will be obliged to deposit with the Government of India, or with the Reserve Bank, a certain percentage of the past accumulated profits and reserves, and 50 percent of current profits after taxation and distribution of dividends over Rs. 1 lakh. The increased dividend supertax, it is feared, will serve the purpose of dividend limitation in a number of companies.

Towards the close, selling pressure seems to have abated on second thoughts and there is a general inclination to await further details of the Finance Bills. Whatever recovery has taken place has been due mainly to short-covering, and it is generally believed that no worthwhile improvement is likely to be seen for some time. Meanwhile, there has been some excitement in the news, especially from miscellaneous industries. The Hindustan Lever issue is reported to have been well over-subscribed and the price has been unofficially quoted around Rs. 18 a share.

Tata Steels recovered to Rs. 181-10, as did Indian Iron to Rs. 31-4 on support from Lyons Range. Conspicuous among other engineering scrip were Tata Locomotive on declaring a maiden ordinary dividend of Rs. 6 a share. The company has produced excellent results and its expansion programme is making satisfactory progress. The price was quoted at Rs. 163. Alcock Ashdown were available at Rs. 302-8 and Premier Construction came to hand at Rs. 194-8. Hindustan Motor were freely offered at Rs. 8-11, while Premier Automobiles were taken at Rs. 108.

The mill group was dotted with losses on a broad front, although closing levels showed a slight improvement on short-covering. Bombay Dyeing closed at Rs. 69-14, and Simplex at Rs. 187-8. Kohinoor were transacted at Rs. 332-4, and Century at Rs. 515. Svadeshi realised Rs. 241-3 and India United Ordinary were done at Rs. 11-14. Rumours of a downward revision of the excise duty, coupled with increased exports over the past couple of months, helped sentiment in this section at the close.

Miscellaneous industrials fell in sympathy with the general trend and buyers were extremely cautious. Associated Cement declined to Rs. 188 and Digvijay were available at Rs. 154. Belapur Sugar were done at Rs. 250-8 and Walchandnagar Industries were quoted around Rs. 272-8. National Rayon slumped to Rs. 250-4 on the proposal of a heavy excise duty on artificial silk yarn, and Gwalior Rayon declined to Rs. 15-2 in spite of excellent working results. The company is reported to have finalised an ambitious scheme of expansion. Mining shares were depressed, with Indian Copper declining to Rs. 3-9. Bombay-Burma were settling at the lower levels of Rs. 652-8 on optimism about the capital reconstruction of the company.

Banking shares received scattered interest, and Bank of India were done at Rs. 148. Central Bank were on offer at Rs. 53. There was no interest in insurance shares, which were freely offered at lower levels.

THE WEEK'S TRANSACTIONS

In the following list of stocks and shares in which transactions have taken place during the past week the figures indicate Opening Quotations, Highest for the week, Lowest for the week, Closing Quotations—Quotation for the Corresponding Closing Date a Year Ago, the last named being shown in parenthesis and will not be given where such a quotation is not available.

GOVERNMENT SECURITIES

3% Government Paper—Rs. 73-1—73-1—73-1—73-1-3.
3% Loan (1936)—Rs. 72-10—72-4—72-10—73-2.
3% (1966-68)—Rs. 92-6—92-6—92-3-6—92-3-6.
3% (1963-65)—Rs. 94—94-8—94—94-5.
3% (1970-75)—Rs. 86-11—86-14—86-11—86-14.
3% U. P. (1961-66)—Rs. 90-14—90-14—90-14—90-14.
3% Loan (1961)—Rs. 99-5-6—99-5-6—99-5-6—99-5-6.
3% (1965)—Rs. 98-7—98-9—98-6-6—98-9.
3% (1974)—Rs. 98-9—98-9—98-9—98-9.
3% (1964)—Rs. 98-5—98-5—98-3—98-3.
4% (1960-70)—Rs. 100-12—100-12—100-12—100-12.
4% Punjab (1968)—Rs. 97-12—97-12—97-12—97-12.
4% Loan (1958-68)—Rs. 102-10—102-10—102-10—102-10.
4% West Bengal (1967)—Rs. 99-10—99-10—99-10—99-10.
4% U. P. Loan (1967)—Rs. 97-13—97-13—97-13—97-13.
4% U. P. (1968)—Rs. 97-6—97-6—97-6—97-6.
4% Orissa (1968)—Rs. 97-10—97-11—97-10—97-11.
4% West Bengal (1968)—Rs. 98-15—98-15—98-15—98-15.
4% Bihar (1968)—Rs. 97-11-6—97-11-6—97-11-6—97-11-6.

BANK

United Bank of India (D Share)—Rs. 4-6—4-8—4-6—4-8—(5-1).

RAILWAYS

Burdwan Cutwa—Rs. 58—58—58—58—(60-4).

Dehri Rohtas—Rs. 13-1—13-1—12-15—13—(15-2).

COTTONS

Cawnpore Textiles—Rs. 8-14—8-15—8-14—8-15—(10-12).

Elgin—Rs. 28-8—28-8—27-4—27-4—(27-1).

Jayshree—Rs. 9-9—9-9—9-8—9-8—(10-1).

Kesoram—Rs. 16-6—16-8—15-4—16—(17-4).

New Victoria—Rs. 2-3—2-3—1-14—1-15—(2-4).

Do (Pref.)—Rs. 5-2—5-2—5-5—5—(3-11).

Sree Radheshyam—Rs. 8—8—8—8—(9).

COALS

Amalgamated—Rs. 21—21—21—21—(24-12).

Bengal—Rs. 487—488—452—450—(585).

Burrakur—Rs. 20-2—22-15—19-8—20-4—(16-9).
Bharat—Rs. 6-11—6-14—6-10—6-14—(6-7).
Central India—Rs. 6-14—7—6-10—6-12—(8-10).
Equitable—Rs. 29—29—29—29—(36-7).
Guzdar Kajora—Rs. 1-8—1-8—1-8—1-8—(4-5).
Jainity Central—Rs. 1-15—2—1-15—2—(15-2).
Katrass Jheriah—Rs. 63—63—63—63—(65-4).
Nazira—Rs. 6-9—6-11—6-9—6-11—(7).
South Karanpura—Rs. 10-4—11—10-1—10-2—(13-1).
Standard—Rs. 23-3—23-4—23-2—23-2—(20-12).
Tulcher—Rs. 2-14—2-14—2-14—2-14—(3-11).
Western Bengal—Rs. 6-4—6-5—6—6—(7-10).

JUTES

Anglo-India—Rs. 154—156—154—156—(228).
Auckland (2nd Pref.)—Rs. 62—62—62—62—(76).
Alliance—Rs. 101-8—104—101-8—104—(170).
Barnagore—Rs. 112-8—119—112-8—119—(178).
Birla—Rs. 15-13—15-13—15-10—15-12—(19-1).
Delta—Rs. 152—152—149—151—(258).
Empire—Rs. 16-2—16-2—15-14—15-14—(24-3).
Ganges—Rs. 54—55—50-8—51—(93).
Hooghly—Rs. 22—23—20-12—20-12—(24-10).
Do (Pref.)—Rs. 13-2—13-2—13-2—13-2—(14-12).
India—Rs. 112—112—112—112—(166).
Lawrence—Rs. 101—101—101—101—(155).
Lansdowne—Rs. 100—102—1—102—(136).
Megna—Rs. 59—59—59—59—(95-1).
Nahati—Rs. 73-8—73-8—73-8—73-8—(120).
National—Rs. 23-8—23-8—20-14—21-3—(33-3).
New Central—Rs. 14—14—13-5—13-9.
Northbrook—Rs. 22—22-2—21-15—21-15—(28-4).
Nudea—Rs. 29—30-8—29—29-12—(48-6).
Presidency—Rs. 4-14—5-4—4-8—4-8—(6-15).
Reliance—Rs. 9-2—9-2—8-9—8-15—(12-14).
Union—Rs. 138—138—138—138—(119-8).

MININGS

Burma Mines—Rs. 2-12—2-12—2-10—2-11—(2-9).
Consolidated Tin—Rs. 2-2—2-2—1-15—1-15—(2-13).
Chrestian Mica—Rs. 15-12—15-12—15-12—15-12—(19-12).
Indian Copper—Rs. 4-4—4-4—3-6—3-8—(7-4).
Karanpura—Rs. 17-4—17-4—17-4—17-4—(21-9).
Metal Corporation—Rs. 9-8—9-8—8-13—9-1—(9-15).
Do (Def.)—Rs. 3-1—3-1—3-1—3-1—(2-15).
Sutna Stone Lime—Rs. 18—18—18—18—(17).
Tavoy Tin—Rs. 11—11—11—11—(As. 10).

CEMENTS

Ashoka—Rs. 11-9—11-12—11-9—11-12.
Ashok Pottery—Rs. 3-10—3-11—3-10—3-11—(3-13).
Dalmia (Bharat)—Rs. 13-5—13-5—13-5—13-5—(14-10).
Orissa—Rs. 13-6—13-7—12-12—13-4.
Sone Valley—Rs. 8-13—8-14—8-5—8-5—(8-8).

CHEMICALS

Alkali & Chemical (Ord.)—Rs. 20-10—20-12—18-13—18-14—(24-2).
Bengal Chemical—Rs. 102—102—100—100—(106-8).
Dhrangadhara—Rs. 137—137—137—137—(137).

ELECTRICS

Calcutta—Rs. 13-2—13-4—12-15—12-15—(14-14).
Do (Pref.)—Rs. 10-12—10-12—10-12—10-12—(12-6).
Patna—Rs. 12—12-2—12-2—12-2—(12-12).

ENGINEERING

Bhartia Electric Steel—Rs. 17-3—17-4—17-3—17-4—(16-12).
Burn & Co.—Rs. 347—349—315—330—(334).
Do (6% Pref.)—Rs. 112—112—112—112—(124).
Britannia & Co.—Rs. 20—20—20—20—(28-12).
Britannia Building & Iron (Pref.)—Rs. 100—100—100—100—(100).
Britannia Engineering—Rs. 13-9—13-15—13-8—13-15—(21-2).

Do (New)—Rs. 11-9—12-4—11-8—12-4.
Indian Galvanizing—Rs. 20-6—20-8—20-8—20-8—(27-7).
Indian Iron—Rs. 32-2—32-5—29-5—20-3—(40-8).

Do (Pref.)—Rs. 101-8—101-8—100—100—(110).
Jessop & Co.—Rs. 34-12—34-12—29-12—31-4—(64-2).
Kumardhobi—Rs. 9-9—8-13—8-13—(12-14).
Marshalls—Rs. 5-13—5-14—5-3—5-6—(7-14).
National Iron & Steel—Rs. 8-2—8-11—8-2—8-11—(8-13).
Richdson & Crutcher—Rs. 25-25—25-14—22-4—24-1.
Steel Products—Rs. 13-14—13—13—(12-1).
Textile Machinery—Rs. 22-6—22-9—19-4—20-7—(19-13).

FLOUR MILL

Bengal—Rs. 35—35—34-14—34-14—(35-12).

INSURANCE

New Asiatic—Rs. 4-8—4-8—4-8—4-8—(8-3).

MISCELLANEOUS

Aluminium Corporation—Rs. 11-14—11-14—11-6—11-14—(8-3).
Angelo Brothers—Rs. 22—22-5—22—22-5—(25-15).
Bharat Commerce & Industry—Rs. 3-12—3-12—3-10—3-10.
B. I. Corporation—Rs. 10-4—10-4—9-6—9-9—(13-11).
Do (Pref.)—Rs. 121—121—121—121—(137).
British Ceylon Corporation—Rs. 8-4—8-4—8-2—8-2—(11-15).

Britannia Biscuits—Rs. 14-8—14-8—14-8—14-8.
Calcutta Safe Deposit—Rs. 8-10—8-10—8-9—8-9—(8).
Clive Row Investment—Rs. 11-2—11-2—10-10—10-12.
Calcutta Tramways—Rs. 16-12—16-13—16-12—16-13—(18-7).

Do (Pref.)—Rs. 8-6—8-6—8-6—8-6.
Dunlop Rubber—Rs. 26-13—26-15—25-3—25-6—(35-8).
Duncan Brothers (Pref.)—Rs. 60-12—60-12—60—60—(72).
Electric Construction Equipment—Rs. 12-10—12-10—12-10—12-10.

French Motor Car—Rs. 20—20-2—20—20-2—(20-2).
Gillanders Arbuthnot (Pref.)—Rs. 60-12—60-12—60-12—60-12—(72-4).

Hoare Miller—Rs. 69 s.t.—6-9—6-9—6-9—(6-13).
Imperial Tobacco—Rs. 14-9—14-9—14-3—14-3—(15).
Indian Aluminium—Rs. 16-5—16-10—14-15 x.d.—14-15 x.d.

Do (Pref.)—Rs. 79-12—79-12—79-12—79-12—(74).
Indian Cables—Rs. 31-13—32—30-12—30-12—(34-12).
Ivan Jones—Rs. 8—8—3—3—(3-7).

Jardine Henderson—Rs. 92—95—92—93-8—(112).
Martin Burn—Rs. 25-2—25-9—24-7—24-7—(23-13).
Metal Box—Rs. 26-12—26-12—26-12—26-12—(26-9).
National Carbon—Rs. 26-12—26-12—25-2—25-9.
National Insulated Cable—Rs. 27-12—28-6—26-2—26-3—(24).

National Rolling—Rs. 10-8—10-11—10-7—10-11—(11-2).
Rallis India—Rs. 40—40—40—40—(37-4).
Rohtas Industries—Rs. 21—21—18-9—19-6—(25-8).

Do (B Pref.)—Rs. 65-4—65-4—65-2—65-4—(68-4).
Sodepur Glass Works—Rs. 2-8—2-8—2-8—2-8—(2-8).
Western Stockholders Investment—Rs. 11—11—11—11—(11).

Walford Transport—Rs. 1-15—2-1—1-15—2-1—(2-8).

OIL SHARES

British Burma Petroleum—Rs. 3-3-1—2-15—2-15—(4-6).

Indo-Burma—Rs. 38—38—38—38—(38).

PAPER MILLS

Indian Paper Pulp—Rs. 22-14—22-14—22-8—22-10—(24-10).

Orient—Rs. 35-10—35-10—31-12—33—(34-2).

Shree Gopal—Rs. 17—17-8—16-8—16-14—(21-2).

Titagur—Rs. 40-8—40-8—37 x.d. 37 x.d.—(47-6).

Do (P O)—Rs. 4-8—4-8—4-8—4-8—(4-12).

REAL PROPERTIES

Bengal Bonded Warehouse (C Share)—Rs. 166—166—166—166—(174-8).

(Continued on page 773)

New Delhi

BACKGROUND TO THE NEW TAXATION PROPOSALS

SECOND PLAN ENLARGED: DOMESTIC PRICE AND FOREIGN EXCHANGE WORRIES

(FROM OUR NEW DELHI CORRESPONDENT)

TO the Finance Minister, Mr. T. T. Krishnamachari, a stable price level is an essential condition for the implementation of the plan. He appears to have been watching prices carefully since he took over the Finance portfolio. Introducing two Finance Bills in Parliament last week, he explained: "In the last session of Parliament, the excise duty on cloth was raised with a view to checking a situation of developing scarcity and consequent windfall profits for the producers or traders. The time has now come for some increase in direct taxation which will, on the one hand, restrain non-priority spending, and, on the other, afford some corrective to inequalities of income and wealth. This is the two-fold objective behind the proposals now being made."

"The outlay required for carrying through the development programmes incorporated in the plan will, it is now estimated, require Rs. 400 crores to Rs. 500 crores more than the total of Rs. 4,800 crores envisaged in the plan document. This is partly because some of the financial provisions in the plan were inadequate; partly, the higher estimate reflects the increased cost on account of higher domestic or external prices. The domestic effort for raising resources will, in consequence, have to be larger."

Elasticity of Tax System

"The Indian tax system has got into a settled groove. It does not bring into the public Exchequer even a constant proportion of national income. If a development programme of the dimensions we have in hand is to be carried through successfully, the tax system has to be made more elastic. It is hardly possible to do this by stepping up any further the rates of direct taxation, which has now reached a stage when a straightforward increase in the rates would yield poor results. It is necessary now to increase the coverage of taxation by reaching a class of incomes which has hitherto been kept out of the purview of the income taxation—I mean capital gains. Capital gains are an important factor in aggravating economic inequalities, and there is no justification for regarding capital gains as a species of income not liable to taxation. This is a lacuna in the tax system of most countries, a lacuna, one dare say, they will have to rectify in due course. For a developing economy like ours, it is necessary to take early action as the implementation of our programmes is certain to create conditions in which assets of all kinds will appreciate. It is only fair that the Exchequer should get a proportion of these incomes when realised in the form of capital gains."

Capital Gains Tax

Dealing first with direct taxation, the Finance Minister said that his proposal "is to impose a tax on capital gains made on or after 1st April, 1956. As honourable members are aware, a tax on capital gains forms part of our existing Income Tax Act, but it was in operation only for a short period, that is, in respect of capital gains which arose during the period 1st April, 1946 to 31st March, 1948. In the present Bill, I have somewhat altered the existing provisions. The definition of capital gains remains unchanged, but some of the existing exemptions are proposed to be withdrawn. These are capital gains arising on transfers of property on compulsory acquisition, capital gains arising on distribution of assets on dissolution of partnerships or on liquidation of companies, capital gains arising on the sale of residential property possessed by the taxpayer for seven years, etcetera. Such gains will now be subjected to tax."

"Under the existing law, capital gains up to Rs. 15,000 are not subject to tax in the case of individuals. This limit is proposed to be reduced to Rs. 5,000, but an additional concession is proposed to be given to persons in the lower income groups in that no capital gains tax would be chargeable if the total income, including the capital gains, does not exceed Rs. 10,000. I am also considering some concession for small people making gains by the sale of small and medium sized houses. Under the existing law, gains are to be taxed on the basis of slab rates. This, however, bears no relation to the other income of the person making the gains. It is now proposed that the rate of tax to be charged on capital gains should be the income-tax rate applicable to the other taxable income of the assessee, increased by one-third of the capital gains he makes in the relevant year. In the case of companies, the rates of tax will be the usual income-tax rate. Another important change is that the assessee has the option to have his gains worked out either on the basis of original cost or on the basis of its value on 1st January, 1954."

Higher Dividend Super-tax

"My second proposal is to increase the rates of super-tax payable by companies which declare divi-

dends in excess of 6 percent of paid-up capital. For the current financial year, such super-tax is 2 annas and 3 annas in the rupee in respect of dividends declared between 6 percent and 10 percent, and above 10 percent, respectively. I propose that for the financial year 1957-58, the rates of super-tax should be 2 annas a rupee for dividends between 6 percent and

company. The penal provisions of the Bill will make it liable to tax on the sum of Rs. 2 lakhs set aside for depreciation, unless the sum of Rs. 2,66,000 is deposited with the Government. The deposit will be repayable to finance objects within the framework of the business of the company.

Yield from Extra Taxation

The first Finance Act this year was intended to raise Rs. 35 crores a year in additional taxation, or Rs. 175 crores in the five years ended March 1961. The excise duty on cloth, levied during the last session of Parliament, should yield another Rs. 30 crores a year, or Rs. 150 crores in five years. The yield from the additional taxation measures announced last week is placed at Rs. 4 crores in 1956-57, and thereafter at the rate of Rs. 16 crores a year, or Rs. 68 crores in five years. The additional taxation levied in the first year of the plan should thus yield Rs. 393 crores by 1961. The Planning Commission's target for the plan period is Rs. 850 crores of additional taxation, both Central and States. Since then, the Finance Minister has indicated additions to the plan outlay by Rs. 500 crores, thereby raising the target for additional taxation to Rs. 1,350 crores in five years. The Finance Minister has almost shut the door against deficit financing. He has also shut the door against a reduction in the size of the plan. This leaves only one choice, namely, more and more new taxation in coming years.

Wage Claims

While on this subject, reference may be made to the I.N.T.U.C. ultimatum demanding a 25 per cent rise in wages in certain industries, which was referred to in these columns in the last issue of Capital. It seems that the Finance Minister's taxation proposals, which aim to mop up surplus money and the I.N.T.U.C. demand, which would provide 25 per cent more money to certain workers, are opposed to each other. Apart from the inflationary aspects of the I.N.T.U.C. suggestion, it is worth considering whether it will be equality of sacrifice if the wages of certain categories of labour are increased by 25 per cent, while the income of an equally large body of small investors is almost frozen by taxing heavily dividends of more than 6 per cent.

Another Credit Expected from Russia

Another credit accommodation, the third of its kind on a long-term basis, is expected from Soviet Russia. The first one was to finance the foreign exchange portion of the one million ton Bhilai steel plant and amounted to Rs. 60 crores. The Production Minister, Mr. K. C. Reddy, was able to secure a second accommodation amounting to Rs. 60 crores, and a third one for another Rs. 60 crores now appears to be in the offing. All of them carry 2½ per cent interest, and are repayable in ten years.

Commercial Vehicles Project

A proposal to manufacture commercial vehicles with Ford chassis, and Perkins engines is being considered by the Government of India. Perkins engines are already manufactured in India and the Government's sanction for the scheme, if given, would lead to the manufacture of chassis with Ford's collaboration. Latest estimates place India's requirements of commercial vehicles by 1961 at 40,000 units a year. The Government's present policy is not to create additional manufacturing units in the country, but to render all possible assistance to the existing six units to expand their capacity so as to reach the target of 40,000 commercial vehicles by 1961. With this end in view, the Government has invited schemes from the existing manufacturing units. As the manufacture of Perkins engines is already an established undertaking in India, permission to undertake the manufacture of Ford chassis is not regarded as a material departure from the policy. For one thing, the existing units may not be able to expand their capacity to the target of 40,000 units by 1961. Since 1950, the production of trucks in India has been as follows:

1950	8,015
1951	9,885
1952	8,339
1953	8,990
1954	9,027
1955	12,818
1956 (up to September)	13,284

Another point is that the increased production may not bring down the prices of commercial vehicles, which is essential for the expansion of the market. That is why the project is being examined. An early decision is expected.

Second Letter from World Bank President

The reply of the Finance Minister, Mr. Krishnamachari, to a second letter from the World Bank President, Mr. Eugene Black, is now being drafted and is likely to be despatched shortly. Following discussions with the Indian mission headed by Mr. P. C. Bhattacharyya and Mr. B. K. Nehru, Mr. Black wrote a fresh letter to Mr. Krishnamachari appreciating India's viewpoint on the mixed economy and the co-existence of the public and private sectors. The Bhattacharyya-B. K. Nehru mission returned here last week, with optimism about the prospects of assistance from the Bank, which may cover the entire foreign exchange gap in the second five year plan. A new World Bank mission will arrive here early in January to appraise the specific requirements of the railways. In addition, Mr. Sherman Cooper, the former U.S. Ambassador to India, who arrived here last week, is to hold discussions with the Finance Minister, the subject being aid in the form of a \$500 million credit to India. Mr. Krishnamachari has created a foreign exchange cell in his Ministry, which will examine all schemes involving the expenditure of foreign exchange.

India's trade pattern has been rapidly changing since independence. One feature of this change is an increase in her trade with Communist countries,

as is evident from the following figures covering the first four months of each financial year, that is, the four months ended 31st July.

	1955 Rs.	Imports	1956 Rs.	1955 Rs.	Exports	1956 Rs.
Russia	82,17,113		4,35,87,514	83,91,378		2,67,59,386
Finland	83,49,454		73,12,801	12,21,503		16,86,715
Poland	11,91,307		37,13,454	8,11,796		41,20,860
Eastern Germany	11,94,616		9,86,764	1,66,942		75,412
Czechoslovakia	40,81,598		2,01,24,355	31,98,994		92,61,853
Hungary	1,82,925		19,82,912	17,79,232		6,35,155
Yugoslavia	5,01,476		70,77,763	6,86,386		11,07,315
Bulgaria	1,51,332		19,07,887	50,815		3,14,654
Rumania	8,25,221		16,47,120	11,16,861		10,12,587
China	61,73,353		2,59,10,299	1,24,77,246		96,65,797

India's trade with non-Commonwealth countries, particularly the Scandinavian ones, has also shown a marked improvement, as is evident from the fol-

lowing figures covering the four months ended 31st July:

	1955 Rs.	Imports	1956 Rs.	1955 Rs.	Exports	1956 Rs.
Sweden	2,19,79,406		4,11,38,460	31,89,244		44,78,269
Norway	1,05,69,736		1,15,27,327	29,12,967		11,00,422
Denmark	1,21,20,888		1,81,89,480	68,04,136		62,20,868
Western Germany	16,86,94,287		24,37,94,407	5,88,91,309		3,95,10,066
Austria	71,06,793		1,38,77,466	17,79,232		6,35,155
France	4,61,91,680		7,04,32,300	2,30,58,167		2,02,10,204
Belgium	3,47,15,450		8,33,71,533	3,17,06,227		2,05,01,188
Switzerland	3,64,45,742		5,58,79,188	26,18,246		23,31,351
Italy	5,15,92,901		9,95,74,582	2,07,20,572		1,93,01,264
Japan	7,88,60,671		13,52,83,362	6,84,86,965		9,34,74,326
Saudi Arabia	1,72,35,306		2,80,84,997	1,91,78,454		2,12,68,112
Lebanon	6,67,723		12,26,503	8,28,486		17,09,362

The State Trading Corporation, it is reported, is playing a leading rôle in expanding trade with Communist countries. The total value of the firm contracts entered into by the Corporation since it

came into being is Rs. 17,36,71,207, of which contracts worth Rs. 1,03,10,933 have so far been fulfilled. The following are the details:

IMPORT CONTRACTS

Commodity	Country of Origin	Quantity Tons	Total Value Rs.
Cement	Rumania	25,000	29,66,644
	Rumania	45,000	51,90,000
	Yugoslavia	28,000	32,29,333
	Russia	25,000	29,83,333
	Japan	5,000	5,83,334
	Poland	100,000	1,10,00,000
Soda ash (light)	Western Germany	50,000	55,33,334
	Spain	100,000	1,10,66,668
	Pakistan	105,000	1,03,95,000
	China	15,000	33,40,000
Caustic soda	Eastern Germany	10,000	22,26,666
	U.K.	15,000	66,14,999
Ammonium sulphate	Eastern Germany	425	1,63,867
	Eastern Germany	28,000	63,79,333
	Eastern Germany	6,520	14,95,254
Chilean nitrate	U.S.A.	70,000	1,30,00,000
	Chile	8,200	23,78,000
Gypsum	Pakistan	1,50,000	19,50,000
			8,74,95,765

EXPORT CONTRACTS

Commodity	Country of Destination	Quantity Tons	Total Value Rs.
Iron ore	Poland	125,000	81,16,667
	Japan	460,000	2,57,26,667
	Italy	75,000	43,50,000
	Hungary	15,000	8,00,000
	Czechoslovakia	500,000	1,32,50,000
	Holland	15,000	36,28,750
Manganese ore	Japan	67,000	1,12,84,916
	U.S.A.	10,825	18,27,301
	Belgium	2,000	4,14,141
			6,93,98,442
Coffee	Russia	500	41,22,000
Shoes	Russia	500,000 pairs	1,18,05,000
Handicraft products	Russia		8,50,000
			8,61,75,442

No Russian Planes for I.A.C. Yet

No aeroplanes have been purchased from Russia so far for the Indian Airlines Corporation, as the full technical data has yet to be received, it was stated in Parliament last week.

Factory for High-Tension Insulators

The scheme of the Bihar Government for setting up a factory to manufacture 2,000 tons of high tension insulators has been approved, but the location of the plant has not yet been decided, the Minister for Heavy Industries, Mr. Manubhai Shah, told Parliament.

Primary Organic Chemicals

The following additional annual capacity is expected to become available for certain primary organic chemicals:

	Production in 1955	Additional quantity by 1960-61
Benzene	254,626 glns.	8,543,000 glns.
Toluene	83,102 glns.	1,162,400 glns.
Xylene	5,646 glns.	500,000 glns.
Phenol		1,832 glns.
Napthalene	891 glns.	5,050 glns.

It is proposed to produce phenol as part of the south Arcot lignite project in Neiveli. The capacity proposed is 1,032 tons a year. About 800 tons

a year of phenol will also be produced in Bhilai. It is expected that 500,000 gallons of xylene will be available annually from various coke-oven plants.

German Consultant on Fertilisers

Bochako of Western Germany has been appointed as the consultant for submitting a project report and preparing tender specifications for the fertiliser plant to be set up near the Rourkela steel works.

Raw Rubber Production

Production of raw rubber at the end of the second plan is estimated at 29,000 tons a year. The contributions of various States to the total output is expected to be as follows: Kerala 91.3 per cent; Madras 6.9 per cent; Mysore 1.7 per cent; and the Andaman Islands 0.1 per cent.

Amalgamating Small Collieries

The main recommendations of the expert committee appointed to examine the question of amalgamating small collieries are:

1. Collieries producing less than 10,000 tons or having an area of less than 100 acres should be amalgamated.
2. Central legislation should be undertaken to deal with all aspects of amalgamation.

3. A statutory commission should be set up to draw up a scheme of amalgamation.

4. A committee of three technical officers should be appointed to examine proposals for voluntary amalgamation pending the appointment of the commission.

The report is being examined.

Rice from China and Burma

The first shipment of rice under the Sino-Indian agreement signed in Peking in August, 1956, has arrived in Bombay. It amounts to 6,530 metric tons. The total quantity to be shipped under the agreement is 60,000 tons. Five more ships with rice from China are now on their way to India.

It is expected that 300,000 tons of rice will be received this year out of the two million tons negotiated for import from Burma under the five year arrangement. About 245,432 tons have already been despatched from that country and arrangements to ship 24,700 tons have been made. It is expected that by the end of the year, the remaining 30,000 tons will have also been shipped. It is understood that the Burmese Government has been approached to settle the details of next year's import programme, under which 500,000 tons will be taken by India at a cost of £33 a ton, against this year's price of £34 a ton.

Report of German Industrial Mission

The report is now available of a "goodwill mission" representing German industry which visited India early this year. The report says: "The delegation was particularly impressed by the determination of all countries visited to industrialise, namely, to catch up with the present industrial States as quickly as possible. The delegation welcomed this fact in all its statements. Although industrialisation will bring about a change in the market structure, this also means expansion and hence improvement of economic relations. It is no mere contingency that the Federal Republic's best trade partners are the highly industrialised countries of western Europe. The trip confirmed most emphatically that it is both advantageous and necessary for the Federal Republic not only to improve trade relations with the countries of east Asia but also to co-operate in a fair measure in bringing about the industrialisation of that area. Trade and industrialisation are largely complementary.

"These considerations are corroborated by the following. The internal affairs of the various countries in the Far East are becoming consolidated. Law and order have in most cases been fully restored; wherever this is not the case, great progress has been made in this direction. Economic development—and in particular industrialisation—is proceeding systematically, according to the principles of a planned economy. The fact that the planning of industrialisation is predominantly in the hands of the State is frequently explained by the fact that the formation of private capital, which is and has long been practised, say, in Europe, is not possible there. However, these differences between east Asia's and our conditions should not form an obstacle in the path of fruitful co-operation. The history, the mentality, the habits, the views on life in general, are in many respects different from ours. We should not only respect this; we also have much to learn from these nations with their old civilisations. Yet another factor speaking in favour of co-operation is the great amount of goodwill towards Germany prevailing throughout Asia. Wherever the delegation went, it was received in a hospitable and friendly manner which went to the heart. Discussions with leading personalities in the various capitals were therefore particularly valuable. The delegation not only encountered interest but also expectancy and confidence.

Attitude to Foreign Trade

"The attitude towards foreign trade differed in the various countries in line with the different systems of Government and views held on international questions. Several countries, such as Pakistan and Thailand, have stronger ties with the West, while others avoid binding themselves and wish to keep the door open on all sides. It is most important to know this in order to gain a clear picture of international competition in east Asia. Not only is western competition fierce; it has recently become evident that also the eastern bloc, with its increasingly concentrated economic leadership, is appearing on the scene, in particular in the capital goods market, offering 10 or 20 year credits at 2 per cent to 2½ per cent interest. These endeavours should definitely not be under-estimated. The delegation discovered that the consulting engineer enterprises are highly appreciated in under-developed countries."

Orders for Rourkela Equipment

Orders have now been placed for practically all equipment for the Rourkela steel works. Last summer, orders were placed for the coke oven plant on Dr. Otto and Comp., the blast furnace plant on G.H.H. and the gas cleaning plant on Lurgi, all West German firms. The value, f.o.b., of equipment for these three departments comes to about 104 million deutschmarks (about Rs. 11.7 crores). As a result of the negotiations which the Indian steel mission held in Western Germany, orders worth approximately 647 million deutschmarks (about Rs. 72.7 crores) have been placed for the remaining sections of the plant. The principal orders are as follows (value in millions of deutschmarks): steel melting shop, Krupp-Voest, 80; strip mill, Demag, 47; blooming mill, Sack, 19; heavy plate mill, Krupp, 17; plate finishing equipment, Schoemann, 42; electrical equipment for rolling mills, A. E. G., Siemens 59, and Brown Boveri 15, totalling 119; power plant, Siemens, 47; water and gas systems, Mannesmann-Seiffert, 36; steel structures, German consortium, 52; and by-product plant, Koppers, 50.

London

FURTHER FISCAL MEASURES ON THE WAY

NOVEMBER GOLD AND DOLLAR

RESERVE LOSSES HEAVY

(FROM OUR LONDON CORRESPONDENT)

THE more serious repercussions of the Middle East situation will become more apparent in the coming week with the release of the gold and dollar reserve figures for November. The loss in that month is expected to have been heavy, about £100 million, and in December the American and Canadian loan repayments fall due, and in present circumstances we may not feel inclined to claim postponement of interest payments as provided for in the Agreement. With sterling under pressure and the possibility of our dollar expenditure rising with the need to import oil from American sources, a new significance is being attached to Mr. Macmillan's remarks on 12th November, when he spoke of "very substantial reinforcements behind the reserves" during the economic debate in the House of Commons. It is understood the Chancellor of the Exchequer is considering further measures to stabilise the economic situation and especially to check the drain on our gold and dollar reserve, and these may be announced before this despatch is published. Three steps are open to him in the way of emergency action to produce quick results, namely, to draw out up to £116 million a year in dollars from the International Monetary Fund, apply for an additional "stand-by" credit from the fund, or sell off some of the dollar securities held by the Government. Import controls and other measures would take longer to make their effects felt.

Meantime, the City has taken its "view" of the Middle East outlook for trade and industry and has decided it is none too good. Expedients to counter oil and petrol rationing are being adopted wherever possible, but short-time working is already spreading and production must also decline increasingly as the shortages continue or become more severe. There may be some reaction from the revised attitudes apparent at the close of the week, but again the time factor comes into play before their translation into physical effects.

Mr. Cobbold Visits America

The Governor of the Bank of England, Mr. Cameron Cobbold, has left by air for Ottawa accompanied by Mr. J. S. J. Margeson, also of the Bank of England. From Ottawa he intends to go to Washington and then to New York. The Governor usually makes a trip to Canada and the United States at this time of year for the purpose of keeping in touch with his colleagues at the Bank of Canada, the Federal Reserve Board in Washington, and the Federal Reserve Bank of New York. His present journey, however, comes at an opportune moment. Sterling is under pressure in the world's exchange markets. It would be useful to the Chancellor of the Exchequer to get some idea of what dollar assistance might possibly be available to the United Kingdom if the situation should deteriorate; and the Governor will be well placed to provide just such an estimate.

Production Index Lower

The provisional index number of industrial production for October is expected to be 143 to 144 compared with 146 in October, 1955. The revised figure for September is 140 in both years. Corrected for seasonal variations, the October figure is 136.37 (last year 139) and for September 137 (last year 138). For the last three months the adjusted figure, which reflects the trend more truly, has been running a point or two below the level of a year ago. The drop would have been heavier but for the increased output of the utilities—gas, electricity and water. At least until September (the October figure is not yet sub-divided) the manufacturing index had fallen more heavily than the index for industrial production as a whole. If August and September are taken together, this year's figure of 259 compares with 267 for the same two months of last year. In the first ten months of 1956 the general index has averaged 136, compared with 135 in the corresponding period of 1955, but the relative position has lately deteriorated.

Machine Tools Orders Down

There was a sharp fall in orders for machine tools in August, according to the Machine Tools Trade Association, both from abroad and from home markets. This follows a good month in July and a poor one in June. It now seems that the trend this year is definitely lower and that the good July figure was due to the number of orders taken at the Machine Tools Trade Association Exhibition held in London in May. The fall in the August orders was heaviest in the home market. At £4.5 million they were at the lowest for over eighteen months. Foreign orders at £1.9 million fell less. Deliveries in August were also well below the July level and were even slightly below the June figures. But the order-book of the industry is as big as ever. There was a slight change in its composition in August, with home orders falling nearly £400,000 and exports rising over £200,000, but the total remained unchanged at £1,046 million. At the present rate of output this represents about fifteen months' capacity. Chances of working some of this large total off must now be less than they might have been, for transport difficulties will probably keep deliveries down during the next month or so.

Engineering Wage Claim

The engineering employers have at last informed the engineering unions that their claim for an

all-round increase of 10 per cent in the wages of some three million workers has been refused "outright" by "an overwhelming vote." The announcement was made at a joint meeting of the employers' spokesmen not only appealed to the unions' representatives for co-operation in achieving a period of stability but also gave a detailed reply to the unions' claim, quoting facts and figures demonstrating how Britain has lost ground in export markets, how wages and earnings had risen faster than retail prices, the extent to which workers had participated in higher productivity and how the majority worked overtime and had high earnings whereas profits were now showing a declining trend and recent developments in the motor car industry were a warning of the dangers of creeping inflation. The Confederation of Shipbuilding and Engineering Unions has not accepted the employers' answer and the situation is to be considered by a meeting of all the unions. Strike action is favoured by some of the more militant union leaders.

More than 12 million workers received pay increases in the first ten months of this year. The Ministry of Labour Gazette says that 12,031,503 employees received weekly increases amounting to £6,333,600, or about 10s. 6d. each. In the corresponding period last year 11,505,000 workers shared increases amounting to £4,712,000 a week. The index of wage rates in October (June, 1947=100) was 165, compared with 153 a year ago. In the first ten months of this year there were 2,284 disputes involving 473,100 workers, which lost 1,973,000 working days. In the corresponding period last year there were 2,045 disputes involving 614,900 workers, which lost 3,382,000 working days.

Cotton Delegation's Visit Postponed

The visit to India by a delegation from the Lancashire cotton industry, which was to have been made at the end of November, has been postponed until the middle of January. A statement issued by the Cotton Board in Manchester said that because of ship diversions all the representatives of the Indian industry could not be assembled to meet the delegation until later than the date first planned. The purpose of the visit is to discuss the difficulties which unlimited imports of Indian textiles have created for the Lancashire industry and to explore the possibility of an agreement between the industries of the two countries on a mutually acceptable upper-limit on these exports.

Whether the delegation will have any greater success with leaders of the Indian industry than Lancashire has hitherto had in persuading the Government to adopt restrictive measures remains to be seen. The British Government's views on the matter are still unchanged. In reply to a question by Mr. Ernest Thornton, M.P. for Farnworth, in Parliament recently, the President of the Board of Trade showed that he still thought that other Lancashire industries might lose more than the cotton industry would gain from a revision of the trade agreement with India which provided for the duty-free importation of Indian cotton goods into the United Kingdom. The Minister of State to the Board of Trade said on 26th November that the Government's anti-dumping bill was not intended to deal with price control in the case of Indian textiles. On 1st November, moreover, in reply to a question in the Commons, Mr. Thorneycroft, said that he was not prepared to set up an import Board to restrict cotton cloth imports from India and Hongkong to their present level.

Anti-Dumping Bill

The text of the Government's Customs Duties Bill, to give the Board of Trade power to deal with dumping and subsidies, clarifies the Government's intentions in this respect. Clause 1 provides that goods are to be regarded as dumped if their "export price" from the country of origin is less than their "fair market price" in that country. If this condition is satisfied, the Board will have powers to impose and vary Customs duties. "Export price" is defined broadly as the price charged to the United Kingdom importer, less insurance and freight and other post-exportation charges. "Fair market price" is defined by reference to the price at which similar goods are sold for home consumption in the country of origin in the ordinary course of trade. The Board is to be empowered to determine this itself in certain cases, if necessary by referring to the cost of production.

Tea Prices

So keen has been the demand for common teas at the Mincing Lane auctions recently that the price has doubled in the past four months. There was a slight check towards the second half of this week, but even so the price of plain broken sorts, which form the basis of most popular blends and are the yardstick for common tea prices, is still around 5s. 4d. a lb. after having touched 5s. 8½d. As recently as last July this kind of tea was going begging at around 2s. 10d. a lb. But on the Stock Exchange there is no corresponding boom in tea producers' shares. Investors have learnt better. One swallow no longer makes a summer for them. It is felt that the policies of the Indian and Pakistan Governments have become so hostile to British tea-growing interests that few investors are inclined to risk much money in the industry. So while tea prices shoot up, tea share prices only move up sluggishly from their very low level.

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Bombay

EXPORT DEMAND FOR TEXTILES IMPROVES

VEGETABLE OILS AND SEEDS MARKET ACTIVE

(FROM OUR BOMBAY CORRESPONDENT)

THE textile market continues to be dull. There has been only moderate demand in coarse varieties like *dhotis*, *saris* and *deecuti*. Similarly, the medium varieties such as shirtings, gadlapat, poplins have been in fair demand. Mulls, voils and shirtings under the category are in enquiry, while there is a moderate demand in superfine voils and *dhotis*. There is a slight reduction in prices to the extent of 2 to 3 percent in *dhotis*, *saris*, striped shirtings and poplins in all the categories, except in coarse varieties, prices of which are steady. On the whole, the domestic sector was not as bright as it ought to have been, in spite of this being an active buying season. The price range has been almost stationary, except for the slight reduction here and there. Mills continue to quote higher prices, particularly for the superfine varieties, due to the increased price of cotton and the difficulties of securing supplies of Egyptian cotton. In spite of the indifferent trading conditions, trade expects better conditions soon, in view of the ensuing marriage season and also because of the low stocks held in the consuming centres.

On the export side, there have been enquiries from Hongkong for grey sheetings medium, although on a small scale, which in the past week resulted in a limited turnover. Satisfactory business has been reported for Singapore in grey sheetings, bleached longcloth, dyed drills, cheaper varieties of poplins, while Ceylon has booked small business in the varieties of usual interest. Regular enquiries are reported from Burma in a wide range of varieties like printed chintz, mulls, mosquito nettings, coatings, poplins, tussore, shirtings and towels, although on a diminishing scale, because, in many cases, of the expiry of the import licences issued. With the lifting of the ban imposed on the import of cotton textiles by the Indonesian authorities a few months ago, satisfactory business has been reported from that country in grey sheetings, gadlapat, dyed drills. Normal business will, therefore, be possible for Indonesia in future. Due to limited import licences issued in Australia, business passed for has been only on a limited scale in varieties such as grey drills and, bed tickings. From New Zealand small business has been reported in the usual varieties. Enquiries from West Africa have been reported for grey bafts, and dyed and bleached drills resulting in a moderate turnover.

The U.K. has been interested in medium greys. Due, however, to the disparity in prices, the offtake has been rather moderate. Enquiries from Canada are restricted to bedtickings and only a limited business has been reported. From Iraq, enquiries have been reported for bleached longcloth resulting in a small offtake, while the other Persian Gulf destinations booked small quantities of their usual interest such as bleached longcloth, bleached and black dyed mulls and coatings. Due to restrictions imposed by the Saudi Arabian authorities by banning imports without establishing letters of credit, business has been hampered to some extent. It is, however, understood that the importers have since been able to secure import licences and establish credits and thus a limited turnover in the usual qualities of interest was reported for this destination. From East Africa the demand has been moderate, particularly from Mombasa for grey sheetings, drills, coatings and leparats, resulting in fair business. Enquiries from Dar-es-Salaam have, however, been meagre. From Ethiopia enquiries were only on a limited scale and restricted to qualities such as grey sheetings, khaki drills, mulls. Larger business for these territories will soon be possible, now that the buying season has commenced. The Sudan has been interested in grey sheetings, villaya, T. cloth, voils, mulls, and gadlapat, which has resulted in business on a moderate scale. If better banking facilities could be made available in this area there is a possibility of improved business. According to information, the trade there expects a very satisfactory trading season during the year. There has been a heavy demand from Aden after several months of dull trading. The qualities of interest were grey sheetings and other varieties of usual interest, and substantial business has been booked. This is, however, mainly due to the political developments in the Middle East and also to a shortage of ready supplies. Sassoon sheetings were quoted there between Rs. 23 and Rs. 23-4.

Reasonable Prices

On the whole, the export sector has recorded fair progress during the last six or seven weeks, partly due to the war psychosis and partly to the availability of goods at reasonable prices. If the present trend is to be maintained and exports are to be further promoted, the industry has to extend its fullest co-operation to the trade by quoting fair and reasonable prices. Otherwise, it will retard whatever progress has been made during the last few weeks. Reports from Japan indicate a brisk demand from various south-east Asian countries and from the Continent as well. The market there is maintained firm. Japanese cotton textile exports are expected to be much over the target for the current year.

Jarilla cotton March delivery moved between Rs. 629-8 and Rs. 647, while Vijay April closed the week around Rs. 744-8 in the past week against the previous week's Rs. 745. In spite of the absence of quotas or other stimulants, the trend in the cotton market continued steady. The general feeling is that futures prices are still low compared with the spot prices. Therefore, there is good support at lower levels and operators are hesitant to go short. The market believes that quotas cannot be delayed long and that an announcement allowing exports of 2 lakh bales will be made soon. Shippers are reported to have already booked large quantities of permissible varieties. Japan and Hongkong, it is said, are the prominent buyers while China is fairly active. In the import section, there has been very good enquiry for Americans against the recent quotas allowed. The trend is on the high side because of the firmness of the American market. Because of favourable prices, mills were active in the spot section and a fairly large volume of business, it said, passed in all the popular varieties. Some of the leading cotton firms, it is said, are seeking a revision of the terms in order to correct the bearish bias of the present contract. Revision brings to one's mind by-law 55 of the East India Cotton Association which provides for tendering differences on the basis of hedge contract rates. Again it is said there is a need to amend by-law 61. The working of two contracts, as at present, it was thought provided the right answer by doing away with disparity between the spot and hedge prices. But this has not been so. Some marketmen are of the opinion that tendering differences should be fixed on the basis of spot rates. If the provision for the invoicing back of cotton at the hedge contract rate as contained in by-law 61 is so amended as to have invoicing back at the spot rate, it is said that much of the defects in the prevailing hedge contract will disappear. While it is believed the E.I.C.A. will favour a revision, there are some in the market who suggest that further trading be stopped for March and April deliveries and only liquidation of these contracts allowed, and trading started afresh in these contracts on the revised basis either for subsequent deliveries or even for the delivery periods traded in at present. Another suggestion is the changing of the basic staple of the Jarilla contract to 13/6 inch instead of 25/32 inch with a tolerance of 1/32 inch in order to ensure a fair price to the grower.

Castor Futures Fluctuate

Castor futures in the past week fluctuated erratically in a wide range on alternate spells of bull liquidation and short covering as well as replacement buying. The May contract continued to be on the high side and the highest of the week at Rs. 175 was a further record level. The volume of business was very good, averaging about 25,000 candelies to 30,000 candelies a day. It may be pointed out that the firmness in castor futures is due to the inherent strength of the market. The factors are favourable to a rise. Being the tail-end of the season, stocks are low and demand, particularly from overseas, is on the increase. Unless the Government brings in one of its price checking devices, there is nothing to disturb the firm tendency in castor. Towards the end of the week, however, reports that the United States would release a considerable quantity of oil from its stockpile induced an easier tendency and the week closed with a small gain at around Rs. 169-8. The U.K. and the Continent continue to be India's main customers. The U.K., it is said, has paid up to £178 for the B.S.S. oil in drums and business for about 200 tons is said to have passed. The price for the commercial variety was around £173 which was the highest for the week. The U.S.A. is hesitant, but might enter the market if prices ease to more favourable levels. With the Brazilian crop likely to be smaller and the uncertain international situation, there is no likelihood of the price coming down considerably.

Groundnuts Active

Groundnuts continued to be active during the week. At Rs. 148-10 at the end of the week, the February contract showed a sizeable improvement over the previous week's closing level. Although this is the heaviest season and prices should be quiet the improvement during the week was attributed among other things to poor arrivals in the upcountry centres. It is said that usually about 15,000 bags arrive daily in the big towns of Hyderabad and Saurashtra, but last week, arrivals were said to have averaged no more than 5,000 bags. Among delivery contracts, December-January maintained a firm trend due to good demand. Groundnut oil was dull because of slack demand, as the mills were interested only at lower levels, their requirements having been already met. Groundnut oil touched Rs. 19-3, but after mid-week, declined to Rs. 18-7.

Linseeds were also active. Good enquiry from Australia was reported, but buyers were not interested at the prevailing rates. Business was, however, done at £141 a ton, but the rate later fell to £137. During the week, about 1,100 tons of oil were sold on overseas account at prices ranging between £137 and £141 a ton. Domestic offtake has been good in linseeds, millers and export houses being active. Kardi seeds, too, were in good demand during the week. Business for about 600 tons to 800 tons is said to have passed. Kardi oil was in demand both by local buyers as well as export houses. Foreign business was reported to be small and the price was £151 a ton of kardi oil. The main customer was the U.K. Representations have been made by the trade for extending the shipment period up to April. The new crop comes only in February-March, but the policy holds good only until February.

Madras

REACTION TO FRESH TAXATION PROPOSALS

ADVERSE EFFECT ON PRIVATE SECTOR FEARED

(FROM OUR MADRAS CORRESPONDENT)

MADRAS comments on the Union Supplementary Budget leave no doubt as to the rigour of taxation that will hit the investors. It is felt that the private sector will be hamstrung and the resources for expansion drastically curtailed by the curbs on dividends. The stock exchange president pleaded that a tax on capital gains coming along with a stiff profits tax, will push down share values and intensify the depression attributable to the recent plantation award. The higher tax on scooters and motor cycles is regarded inexpedient, as the local manufacturing programme has just commenced. That the new excise duty on rayon will help the handloom industry is virtually ignored. In the light of the A.I.C.C. decisions in Calcutta, the Budget is regarded in some quarters as logical, while some see in it a device to "sell" socialism to the voters before the coming elections.

Meadows Diesel Engines

The visit of Mr. Lawrence Robson to Madras helped make it known how A.B.O.E. is setting about the manufacture of Meadows diesel engines in collaboration with the Automobile Products of India. Mr. Robson told the Press that by the end of 1959, all parts of the engine would be made in Bhandup mainly through the work put in by Sir T. G. Russell on the project for producing small power plants to replace automobile engines. In 1957, Meadows will ship 3,000 diesels to India for meeting the immediate needs. The replacement of the petrol by diesel engines in the older buses is already familiar and the vogue of diesel with transport operators will grow because the preferred heavier trucks are designed for diesel.

Better Lot for Shopworkers

An administration report, running to three pages only deals with the working of the Shops and Establishments Act during the past year. The Act has been extended to cantonments by the Commissioner of Labour, and it is proposed to re-enact it on the lines of the Union Government's Bill. It is claimed that the lot of employees has improved in the past seven years and the weekly holiday with pay has been a boon. Co-operative societies were exempted for three years in order to give them time to alter their bye-laws. But as many have failed to do so, the Act now applies to them. The statistics in the report reveal that after Madras city, it is Coimbatore which has the largest number of shops, but the number of restaurants is the largest in Malabar with the number of tea shops running high. The highest number of shop assistants are found in Madras, which has also the largest number employed in theatres. Breaches of the law were noted more in the mofussil than in towns.

Municipal Chairmen Meet

Comment on the proposals for reform of local self-government made in last September has been offered by the Chamber of Municipalities at its conference last week. The Government, while leaving the legislature free to examine its White Paper on the matter, has reached conclusions in favour of strengthening the powers and resources of *panchayats*, making a distinction between town and village *panchayats*, and retaining district boards for five years. No decision as to the revival of Taluk boards has been taken, so the grant for additional funds for local development has not been made. The requirements and needs of municipalities were set out in full. The chairmen are convinced that finance for improvements can come only from extra government grants and subsidies rather than taxes. As fully elected bodies, resting on adult suffrage, municipalities are conscious of needs calling for local expenditure. Their views are based on the conclusions reached by their September conference in Ooty as well as the Wattal Committee's report of 1951.

The municipalities have claimed additional toll compensation to meet the needs of road development in and around towns. Though the performance of municipalities is uneven, their view is that (a 10 percent share in sales tax being out of reach) they are entitled to get a bigger share in M. V. tax revenue. A desire to collect a terminal tax on goods as well as passengers is common to corporations as well as municipalities. The Madras Corporation by persistent representations has secured an extra grant for road maintenance since last year, chiefly on the score that the Government must meet part of the bill for repairs. The municipal chairmen, in spite of the Government's rising expenses, put forward two more claims. They asked to be relieved of the liability for hospitals and dispensaries. They also suggested that elementary education become the exclusive concern of the Government. The collection of a pilgrim tax, or rather a terminal tax, on all passengers coming by rail or road is expected to help municipalities in their slum clearance work more than ad hoc grants. A result of the war is the growth of slums in small towns and increasingly bigger grants for entertainment tax and stamp duty have not helped much.

Rebate for Taxpayers

Rebates to ratepayers for prompt payment of taxes were advocated at the conference. The Gov-

ernment may not approve of it. But the municipalities have got to improve tax collection, collect water tax and increase licence fees and to step up expenditure for education. The municipal chairmen again suggested that Commissioners appointed by the Government do not exercise all the powers of chairmen who should have some executive functions. The special advisory committee appointed in 1949 reported three years later in favour of extra power for town councils and their elected heads, on the ground that the principle of appointing Commissioners, who as permanent officials are responsible to an outside authority, is not consistent with democracy. The Government however insists that the system in Madras city where the Commissioner is responsible to the City Council over which the Mayor presides, is the correct model for municipalities, and the present grading of municipalities according to population and revenue, is quite compatible with the efficiency for which elected representatives plead.

The municipal chairmen's conference made it clear that the Congress majority in most councils do not differ with others on the issue of extra powers and funds for elected councils. The argument that the second plan does not give enough for local bodies was put forward again, but there is yet no indication of financial health in municipalities, although some may appear to be well placed because of levies such as the pilgrim tax and a profession tax. The levy of a tax on carts using the town's roads and stands found favour

with the chairmen who presented their comments on the White Paper not in the form of a list of demands, but as a review of the existing defects mainly due to the inadequate revenues. The regular revision of property assessments by an independent official seems to be a suitable remedy, and the ratepayers will have to meet the extra charges for amenities in the form of a betterment levy or a tax on unearned increment in the case of unbuilt sites. The urban propertied classes are at a disadvantage. Labour charges are also likely to keep on rising. As large employers, town councils, too, have been exposed to labour trouble in recent years, so they are on the look out for some enterprise to find more revenue. It is impossible for town councils to run buses or cold storage plants, but they feel free to collect a duty on timber.

The Union Government's lack of interest in local self-governing bodies was deplored, but it may be pointed out that community projects offer all the improvements now desired. The town councils should seek the help of the community project administration in their slum clearance and town planning work. At the conference, the chairmen only discussed requirements, and no solutions were offered to the problems which have arisen in the wake of increased urbanisation and due to the fact that a majority of inhabitants do not pay municipal taxes at present. The tax burden is unevenly distributed and most ratepayers do not get any benefit from the welfare services run by the municipalities.

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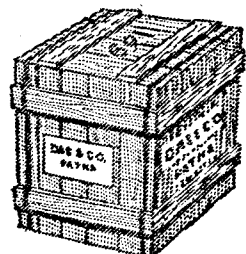
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Engineering and Transport

T.E.L.C.O. LOCOMOTIVES AND BOILERS

TARIFF COMMISSION RECOMMENDS FAIR PRICE

THE Government of India requested the Tariff Commission in October, 1955, to conduct an enquiry into the cost of locomotives and boilers manufactured by the Tata Locomotive and Engineering Company Limited, (T.E.L.C.O.), since February, 1954 and recommend what should be the fair prices for them. Under an agreement between the Railway Board and the Tata Sons Limited, T.E.L.C.O. undertook to manufacture locomotives and boilers in Tatanagar for sale to the Railway Board. The agreement came into force for a period of 16 years from 1st June, 1945, and provided that during the initial or development period, payments to T.E.L.C.O. were to be based on the actual cost of production.

The development period ended by mutual agreement on 31st January, 1954 in the case of boilers, and on 30th June, 1954 in the case of locomotives. From that period onwards, fixed prices mutually agreed, were to be paid. The prices quoted by the Company covering the period 1st February, 1954 to 31st March, 1955 and from 1st April, 1955 to 31st March, 1956 were considerably higher than those quoted by foreign firms and were considered excessive by the Railway Board. T.E.L.C.O. pleaded inability to quote lower prices and maintained that their prices were based on their actual cost of production.

The matter was, therefore, referred to the Tariff Commission for an enquiry. The Commission submitted its report in September, 1956. The Government has accepted the Commission's recommendation that in the first period, i.e. 1st February, 1954 to 31st March, 1955, for boilers, and 1st July, 1954 to 31st March, 1955, for locomotives, the following prices should be paid to the Company as against the prices quoted by it:

	Price recommended by Commission a unit by Telco a unit	
	Rs.	Rs.
YP Locos	6,90,105	7,20,396
XC Boilers	3,40,908	3,68,098
YD Boilers	1,75,512	2,08,272

Second Period Delivery

For deliveries in the second price period, i.e. 1st April, 1955 to 31st March, 1956, for both locomotives and boilers, the Commission has recommended that for a YP locomotive, the price should be Rs. 6,37,829, against Rs. 6,63,028 quoted by T.E.L.C.O. For a YD boiler, the price in the Com-

mission's opinion should be Rs. 1,63,216 against Rs. 2,08,272. Similarly, reduced prices have been recommended by the Commission for other types of boilers. These recommendations have been accepted by the Government.

For deliveries in the third price period, i.e. 1st April, 1956 to 31st March, 1958, T.E.L.C.O. has not yet quoted any price. The Commission has recommended prices to be paid for locos as well as for boilers during this period which are substantially lower than those recommended for the two earlier periods. The Commission has also recommended that the prices payable during this period may be adjusted from time to time to the extent that the Government is satisfied that manufacturing costs have altered. The Government has accepted the recommendations on prices in the third period. It has also accepted the Commission's recommendation that a cost investigation should be made before prices are fixed for any price period beyond 31st March, 1958. The Commission's recommendation that T.E.L.C.O. should so maintain its costs as to be able to provide a breakdown into about 40 groups of sub-assemblies and that the costs of certain items selected should be separately recorded is being brought to the notice of the Company.

NEW BRITISH HEAVY-WATER REACTOR

Britain's powerful new heavy-water reactor "Dido," officially opened in Harwell, Berkshire, on 21st November by Sir Cyril Hinshelwood, president of the Royal Society, will reduce the time needed to test components of atomic power stations of the future from years to weeks. This new scientific tool is of tremendous importance to Britain's atomic energy development programme, including, of course, her future export of complete reactors. Its secret is its ability to produce a neutron intensity 40 times that hitherto available in Britain. Using highly enriched uranium fuels, it is, in fact, the most powerful experimental reactor in western Europe. Dido was shown for the first time to pressmen before the opening ceremony. With its aid, scientists will be able to study, at comparatively low cost, the effects of radiation of materials, including the behaviour of reactor fuel elements; make fundamental measurements in nuclear physics; and experiment with fuels and coolant systems. Another important function of Dido will be to produce radioactive isotopes, and its output will swell considerably the volume of isotopes which the U.K. is using, as well as exporting to more than 50 countries, for medical and industrial purposes. It will also play its part in the field of food and drug sterilisation. The heat output of Dido is in the region of 10 MW. It uses about 10 tons of heavy water as coolant and moderator. Building of the reactor took two and a half years, and cost some £1,500,000. A reactor of similar design is now being built at the Australian Atomic Energy Commission's research establishment in Lucas Heights, near Sydney.

Commodity Markets

WHOLESALE PRICE INDEX RISES

THE official wholesale price index (base: year ended August, 1939=100) advanced further by 0.9 percent to 430.4 during the week ended 17th November, 1956, compared with 428.4 for the previous week. The index was higher by 2.8 percent and 18.4 percent respectively, when compared with the corresponding weeks of last month and of a year ago. The index for Food Articles advanced sharply by 1.8 percent to 418.3 as a result of an increase in the prices of tea (+11%), bajra (+7%), salt in Calcutta (+5%), wheat in Hapur and Jabalpur, gur in Ahmednagar and dal arhar (+4% each) and gram (+1%), although prices of gur in Muzaffarnagar (-4%) and wheat in Amritsar (-3%) witnessed declines. The index for Industrial Raw Materials moved up by 2.8 percent to 518.3 due to a rise in the prices of castorseed in Bombay (+14%), raw cotton due to the re-appearance of price quotations for Umr cotton in Amravati market at a higher level (+7%), linseed and copra (+5% each), lac (+4%), raw jute (+3%), gingelly seed in Bombay and rapeseed (+2% each) and raw silk (+1%); prices of gingellyseed at Jhansi and manganese ore (average export price) (-5% each) were marked down. The index for Semi-Manufactures also went up by 0.7 percent to 418.9. Items which exhibited significant changes were: linseed oil (+9%), copra cake (+7%), coconut oil and mustard oil (+4% each), gingelly cake (+3%), groundnut oil in Bombay, copper ingots in Calcutta, buffalo hides, gingelly oil and zinc (+2% each), groundnut oil in Madras and copper (sheets) in Bombay (-2% each). A fall in the prices of cotton manufactures (-2%) and glass (-1%) brought down the Manufactures group index by 0.8 percent to 386.1 in spite of a rise in the prices of jute manufactures and chemicals (+1% each). An increase in the price of tobacco leaf (+2%) was almost neutralised by a decline in the prices of chillies in Calcutta (-10%), cashewnuts (-2%) and black pepper (-1%) and the index for the Miscellaneous group worked out to 589.1, compared with 588.8 for the previous week.

INDEX NUMBERS BY GROUPS AND SUB-GROUPS

(Base: Year ended August 1939=100) .

Groups and Sub-Groups	Week ended			
	7-11-56	10-11-56	20-10-56	19-11-55
I Food Articles :	418.3	411.1	395.6	321.8
Cereals	533	527*	516	390
Pulses	420	411	396	323
Others	271	264	246	228
II Industrial Raw Materials :	518.3	504.0	505.5(R)	419.6
Fibres	504	481	482	425*
Oilseeds	571	563	557(R)	403
Minerals	521	526	551*	422
Others	423	421	422*	452
III Semi-Manufactures :	418.9	415.9	405.3(R)	338.8
Leather	443	439	410(R)	382
Mineral oils	210	210	210	202
Vegetable oils	627	608	579	395
Cotton yarn	503*	503	489*	410*
Metals	327	327	326*	277
Oilcakes	492	481	458	365
Others	362	361	362	330
IV. Manufactures :	386.1	389.3	386.8(R)	373.6
Textiles	417	422	418*(R)	406
Jute	448	443	—	425
Cotton	417*	426*	426*	399*
Rayon and silk	421*	421*	413*(R)	479*
Woolen	266	266	266	278
Metal products	390	390	390(R)	371
Others	296	296	295*	284
V Miscellaneous :	589.1	588.8	581.9	542.4
All Commodities :	430.4	426.4	418.8(R)	363.6

R=Revised

*=Estimated

EXPORT QUOTA FOR RAW COTTON

The Government of India has reviewed the export policy for raw cotton and has decided to re-lease a quota of 50,000 bales of Bengal Deshi and 150,000 bales of other exportable varieties of short staple cotton of 3 inches staple and below for export. It has been further decided that the export duty on Bengal Deshi should be raised from Rs. 50 a bale to Rs. 100 a bale.

EXPORT POLICY FOR VEGETABLE OILS AND COTTON

The Government of India has reviewed the export policy for certain agricultural commodities. It has been decided to allow exports of nigerseed oil, kardiseed oil, groundnut oilcake and coconut oilcake freely within a ceiling up to the end of February, 1957. Against shipments effected of nigerseeds and kardiseed oils, the exporters will be permitted to export an equal quantity of nigerseed. The question of groundnut oil export has also been considered. The export of this important food article at all times has to be considered with great care, and now particularly so in view of the high ruling prices. After considering all the relevant factors, the Government has decided not to announce any export quotas.

Jute

SHORTAGE OF RAILWAY WAGONS FOR TRANSPORTING JUTE

REOPENING THE BHAGIRATHI RIVER ROUTE

IN the years between the two wars, if there were complaints of scarcity of wagons for bringing jute to the mills, the railways used to retort that the fault lay with the trade in not planning the movement of jute so that it was evenly spread over the whole year. That excuse had some validity in those days, for the trade was then very seasonal. In the harvest months, large quantities of jute were brought forward for sale, because the growers had little holding power and had to market their crop early in the season to pay off loans and land rents and get money before the Pujahs. Then the "busy season" for the movement of jute was over by the end of October, and there was a definite "slack season" from January to June. For a variety of reasons, all that is changed now. The growers are better off and there is not the same selling pressure in the harvest months. The mills are worse off and do not have the money to invest in six or eight months' stocks of raw jute as they used to do. The demand for wagons is, therefore, spread much more evenly over the whole year. In spite of that, there appears to be a chronic scarcity of wagons for the transport of jute to mills. From practically every station come reports that wagons are not available for booking jute to mills. On the other hand, there seems to be no scarcity of wagons for Cossipore. In fact, in recent weeks, the arrivals in Cossipore have been almost up to its handling capacity. It is believed that the reason for this is that the railways find it convenient to make up complete rakes for one destination, this enables them to get a quicker turn-round of wagons than if a rake were composed of wagons for, say, ten different mills. The lack of wagons for mills, however, places them at a disadvantage, for they are unable to get the jute contracted for delivered in time and are forced to pay premium prices for ready jute in Cossipore.

Road Transport

These difficulties raise some anxiety as to what may happen when the second five year plan gets well under way. Is the jute industry to be starved of wagons? Are the mills to be forced to buy their jute in ways which they dislike and at extra cost? In other words, are the railways for the service of industry or industry for the service of the railways? It has been suggested in the Lok Sabha recently that more goods must be moved by road. That is a development which is already in progress in the jute trade. Fibre is now being brought by lorry from the central and north Bengal districts, and even from Purnea, but there will have to be a big improvement in the road system. Some new bridges are being built, but more will be needed. The roads will have to be widened and given better surfaces, suitable especially for the rainy season. Another snag about lorry traffic is that it is not possible to check from where a lorry brings its load of jute. It would be an advantage if there were check or toll posts, from which certificates of origin could be issued.

The best way to improve transport facilities for raw jute would be to open the Bhagirathi river route. The matter has been referred to in these columns from time to time over many years and its importance is sufficient reason for reiterating the proposal. Why should jute from north Bengal and Bihar have to be transported hundreds of miles through Pakistan simply because the direct river route has been neglected and allowed to silt up? An attempt was made to get this project included in the first five year plan, but it was turned down by the Government of India. Another attempt was made when the second plan was being formulated, but it was rejected by the Planning Commission. Then the West Bengal Government said that it would take up the project, whereupon the Government of India stepped in and said that it would do it. Since then, nothing more has been heard, but the idea is of such importance to the jute trade and industry, and to the economy of West Bengal, that it would be regrettable if it was forgotten. The Government of India doubts the ability of the railways, even with the expansion planned for them, to cope with the additional traffic expected under the plan. It has suggested the increased use of roads, but the real solution, as far as West Bengal is concerned, is the opening of the Bhagirathi river route, and the jute industry should be pressing for that now.

Amendment of Standard Contract Form

A meeting of the Bengal Jute Dealers Association has decided to protest to the I.J.M.A. against a proposal which, it is said, the latter has made to introduce a penalty clause for late delivery in contracts for Indian jute. Such a clause is already incorporated in the contract for Pakistani jute. It will be recalled that early this season, some mills wanted to have the "unavoidable delay" clause deleted from their contracts, because its provisions had been abused by sellers. The members of the Bengal Jute Dealers Association refused to accept such contracts. The reported move of the I.J.M.A. to introduce a penalty clause

is obviously intended to ensure that deliveries are made within the time stipulated in the contracts. It is considered necessary that some such provision be made because of the growing habit of delaying deliveries when the market has risen above the price at which sales have been made. Sellers, of course, use the pretext that wagons are not available but although there is a shortage of wagons, it is a known fact that sellers take advantage of this to delay deliveries against contracts made at lower prices and use the wagons allotted to them for the despatch of jute against later contracts at higher prices. Mills are thus frequently forced into buying jute at higher prices when they would not have had to do so if the contracts they had already made had been implemented. It is felt that some provision must be made in the contract to protect buyers against this unfair practice among unscrupulous sellers, and if the B.J.D.A. cannot agree to "guaranteed deliveries" or "penalty clauses", it should suggest some other way of dealing with the malpractice.

THE JUTE MARKETS

BOTH the raw jute market and the market for jute manufactures have been quieter during the past week than they have been for some time. It was not to be expected, of course, that the activity of the past few weeks would continue indefinitely, as it was based largely on precautionary buying induced by the Middle East crisis. That has probably been satisfied for the time being, though it is likely that consumers will want to maintain the position they have now built up. The critical period has passed, but it will probably take a long time to reach a permanent settlement and some months to clear the Canal. Until the latter task has been completed, it seems unlikely that users of jute goods will contemplate any reduction of their stocks, spot or afloat. The same applies to raw jute and though that does not directly concern India, conditions in the raw jute market in Pakistan have a powerful influence on the Indian jute market. The time will come, of course, and it may come earlier than we expect, when consumers, both of raw jute and of jute manufactures, will make up their minds that the danger is past and that they need not go on paying the present high prices. When that time comes and price levels are again determined by normal supply and demand, the dominant factor in India seems likely to be the quantity of Indian jute available; even before the recent rise, the price of Pakistan jute was too high to be an economic proposition for Indian mills. The weight of opinion at present is that there is not enough Indian jute for there to be any serious fall in price; that will be a powerful factor, though not by any means the sole one, in determining the price of jute manufactures.

Manufactured Goods : On Wednesday last week, 40in. 10oz. hessian was quoted at Rs. 46-1 for December delivery and it continued around that figure all the week. B Twills were quoted at Rs. 120-14, and likewise showed little change, but the fatka market fluctuated in a wider range and was at times subjected to fairly heavy bear pressure, especially on Monday. No large business was reported, but mills are said to have been able to sell moderate quantities of hessian for deliveries up to March. The volume of shipping bills reported up to 25th November shows substantial increases for both hessian and sacking over the figures for the corresponding periods in September and October, which indicates that stocks of manufactures held by mills at the end of November will show a reduction. In spite of that, quotations dropped on Tuesday afternoon under bear pressure, especially in hessian.

Quotations on Wednesday morning were as follows:

	Ready	Dec.	Jan.-Mar.	April-June
40in. 8oz.	36-12	36-12	36	36-8
40in. 10oz.	45-9	45-10	44-11	44-2
B Twills	120	120-10	120-12	119-8
Heavy Ceers (Plain)	120-8	120-8	120-12	119-8
A Twills	142-8	143-4	143-8	142
Liverpools	133-8	134-4	134-12	133-8
Cornsacks	120-8	120-8	120-12	119-8

Raw Jute : Throughout the week, there has been moderate day-to-day business. There have always been buyers at slightly below sellers' quotations, and when the gunny fatka has dropped, sellers have taken business at the buyers' prices. But buyers have also from time to time paid sellers' prices in order to get the jute they wanted. Business was reported in Assam and Northern at Rs. 31-8 to Rs. 32, Northern ex Calcutta at Rs. 31, Local Packing at Rs. 30-4, Daissee at Rs. 31-4 to Rs. 32-8, and Daissee Mesta at Rs. 28-8 to Rs. 29, all basis Bottoms. Bimbi was done at Rs. 28-8 F.A.Q. Murshidabad Tossa at Rs. 31 basis Bottoms, and Pakistan NC-TC-MC Cuttings at Rs. 135.

Quotations on Wednesday morning were as follows:

Indian Jute :	Landed at Mills Rs. a md. basis		Shipment.
	Bottoms.		
Upper Assam	31-8		Dec.-Jan.
Lower Assam	32		"
Northern	31-8		"
Murshidabad Tossa	31-8		"
Daissee	32		"
Daissee Mesta	29		"
Local Northern	31		"
Bimbi	29 F.A.Q.		"

Tossa is quoted at eight annas above the price of white jute.

Pakistani Jute :	Rs. a md.		Shipment.
Jat	36-8		Dec.-Jan.
District	36		"
Northern	35-8		"
Pucca :	Rs. a bale.		Shipment.
Export Firsts	240		Dec.-Jan.
Export Lightnings	220		"
Cuttings	135		"

Arrivals in Cossipore during the week up to 4th December were heavy, 877 wagons being reported, most of them from western jungli districts. The quality is poor and moisture heavy. Demand from mills and mill suppliers has remained good but there has been a slight decline in prices.

Mofussil : In Assam and northern Bengal, fresh imports are small due to paddy harvesting, but in Purnea, especially in the jungli districts, good imports are arriving.

THE FOREIGN JUTE MARKETS

BRISK BUSINESS IN PROGRESS

(FROM OUR DUNDEE CORRESPONDENT)

JUTE spinners and manufacturers here are very busy and they are well booked up over the next three months. Imports of jute goods from India are slow in coming and the big buyers are said to have been purchasing fairly freely, leaving little of some widths and weights for the smaller firms. There are plenty of goods in this country, sufficient to meet all requirements, but delivery of certain makes cannot be obtained from the Jute Control until January. This has pushed some buyers on to purchasing local manufactures and in many cases nothing can be done for the buyers who have delayed so long. The cargoes having to come round by the Cape of course affects the position. Raw jute seems to move in accordance with the trends of the international situation from day to day. On the whole there has been little change recently, apart from an easy tendency on the opening days. Mill Firsts are being offered at £125 to £130 and Mill Lightnings from £109 to £113. Mill Hearts from £105 and grade Hearts from £100, with good marks of Daissee-2/3 from £110 and grade from £107, also grade Tossa-2/3 from £117 to £120 and grade fours from £109, December-January, c.i.f. U.K. and Continent.

There are reports of the intentions of the Indian Government re-imposing export taxes on jute goods. When these were finally abolished early in August, 1955, they stood at £2 a ton on hessian and £6 on sacking. What the effects of this step would be on Pakistan one cannot imagine, but, unless a similar tax is put on their jute goods for export, India will be up against strong competition. After a firmer market the day before, the position from Calcutta was easier again on 29th November at 69s 3d for 40in. 10oz. and 51s 3d for 70oz., December and 69s and 51s January, with B Twills quoted at 182s 6d and 182s respectively, f.o.b. Calcutta. Jute yarns are very firm here with a steady business passing for delivery several months ahead at 16.50d a lb. for common 8lb. cops and 17.08d for 8lb. spoils. Jute cloth and bags are in good request yet and prices rule very firm on the basis of 13.94d for 40in. 10oz. and 11.42d for 8oz.

THAI RESTRICTIONS ON GUNNY BAG IMPORTS

The Thai Government has again revised its decision on gunny bag imports. According to the new regulations announced by the Foreign Trade Department, Government of Thailand, the Thai importer has to purchase one gunny bag of local manufacture for every five bags imported by him. Under the previous arrangement, importers had to purchase at least one-third of their requirements from domestic sources.

GUNNY SHIPMENT STATISTICS

The following figures include coastal shipment relating to manufactured jute goods for shipment from the port of Calcutta. These are gross figures based on shipping bills presented :

	Hessian Bags (Tons)	Cloth (Tons)	Total (Tons)
1st to 25th November, 1956	4,635.9	27,583.4	32,219.3
1st to 25th October, 1956	3,710.5	20,322.6	24,033.1
1st to 25th September, 1956	1,376.3	22,044.4	23,421.2
Sacking			
1st to 25th November, 1956	31,199.8	1,160.5	32,360.3
1st to 25th October, 1956	27,216.6	983.1	28,199.7
1st to 25th September, 1956	16,820.5	1,479.2	18,299.7

RECORD OF ACHIEVEMENT

Sound underwriting and outstanding service to Policyholders are reflected in the rapid progress made by the ORIENTAL FIRE. Transacting Fire, Marine, Motor, Accident and all other classes of non-life business in the best ORIENTAL tradition, ORIENTAL FIRE also offers specialized cover against Machinery Erection and Breakdown and Boiler Explosion risks.



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Plantation Topics

LONDON TEA SALES

At last week's London tea sales, the 63,308 packages on offer realised an average price of Rs 3.43d against 6s 1.15d in the previous sale and 5s 0.69d a year ago. Plain broken pekoe was quoted at 5s 4d a lb., against 5s 1d in the previous sale. Prices obtained by some of the companies are given below:

	No. of packages	Average per lb
Amalgamated	740	5/11 1/2
Amgoorie	528	7/3 1/4
Anglo-American	931	6/2 1/2
Assam	1,962	6/6 1/2
Assam Cons.	570	7/2
Assam Doars	1,408	5/11
Assam Frontier	744	6/8 1/2
Attaree Khat	946	6/5 1/2
Badulipar	444	6/6 1/2
Brelli	528	6/4 1/2
Budla Beta	390	7/0 1/2
Central Provinces	654	6/3 1/2
Chubwa	1,229	6/5 1/2
Consolidated Estates	356	6/8 1/2
Cons. Tea and Lands	3,923	5/10 1/2
Dekhari	624	6/10 1/2
Doom Dooma	1,064	6/11 1/2
Eastern Assam	789	6/9 1/2
Eastern Produce	840	6/9 1/2
Jhanyie	630	6/4 1/2
Jokai	2,087	6/5 1/2
Jorehaut	731	7/4 1/2
Kanan Devan	834	5/10 1/2
Lanka Plantations	318	6/8 1/2
Lunuvu	888	6/6 1/2
Makum	660	6/7
New Dimbula	258	6/10
Rajawella	378	6/10 1/2
Scottish Ceylon	306	6/3
Scots Tea and Lands	558	7/1 1/2
Standard	276	7/4
United Planters	402	6/9 1/2

U.K. Tea Stocks

U.K. stocks of tea on 23rd November amounted to 95.4 million lbs. against 109.8 million lbs. a year ago (converted at 110 lbs. a package).

COCHIN TEA SALES

At Dust Sale X, 475,000 lbs of tea were on offer. There was a strong and general demand, particularly for the lowest and medium sorts. The market advanced irregularly by 2 annas except for the best teas which were about steady.

ANALYTICAL

Consulting and Technical Chemists
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EXPORT DUTY ON TEA RAISED

The Government of India has decided that the export duty on tea during the month of December, 1956 should be 8 annas a lb.

TEA STATISTICS FOR PRINCIPAL PRODUCING COUNTRIES

India has the largest acreage under tea totalling 774,621 acres; Ceylon with 574,250 acres comes next. India's annual tea production of 588,733,000 lbs is also higher than that of any other country, the production in Ceylon being 343,034,000 lbs. The other big tea producing countries are Indonesia, Japan and Pakistan with areas equalling 191,420 acres; 79,973 acres and 74,362 acres respectively; their respective production figures are 80,669,000 lbs, 98,374,000 lbs and 54,151,000 lbs. India is not only the largest producer of tea, but is also an equally good consumer with an annual consumption of 175,000,000 lbs. The figures for Ceylon and Indonesia are not available. Japan has an annual consumption of only 70,400,000 lbs. These facts and other important data relating to the number and acreage of plantations and employment are given in the publication *Tea in India*, issued by the Directorate of Economics and Statistics, Union Ministry of Agriculture. About 74 per cent of the total area under tea in India lies in Assam and West Bengal. Madras and Travancore-Cochin rank next in importance and they together account for about 21 per cent of the total area. The production of tea in India increased from the prewar average (1935-39) of 389,000,000 lbs to about 589,000,000 lbs in 1953.

COLOMBO RUBBER PRICES

The following prices have been issued by Rubber Board of India from the weekly market report published by the Colombo Brokers Association:

Closing prices on 23-11-56 (Rupees a lb.)

Average for the period (Rupees a lb.)

Sheet:

No. 1 1.41 1.41

No. 2 1.38 1.38

No. 3 1.35 1.35

No. 4 1.11 1.11

No. 5 1.06 1.06

Sheet Cuttings 1 1.05

Sheet Cuttings 2 1.00

Cream:

Water White 1.60/63 1.63 1/2

R.M.A. No. 1X 1.56/60 1.59 1/2

R.M.A. No. 1 1.56/60 1.59 1/2

Cream No. 2 1.51 1/2

Cream No. 3 1.36 1/2

Scrap Cream:

Sc. Cream No. 1 1.05 Nom 1.06

Sc. Cream No. 2 38/104 1.01 1/2

Sc. Cream No. 3 35/95 .91

Flat Bark 80/82 .82 1/2

Sc. Cream 3X .96

To arrive at f.o.b. Colombo prices, add 53.45 cents a lb. for cream other than scrap cream and 31.45 cents for scrap cream, to the above market prices.

Calcutta Markets

GOOD GENERAL DEMAND AT TEA EXPORT SALE

MIXED TREND IN DUSTS

At Sale No. 24, held on 3rd, 4th and 5th December, 1956, offerings at the Export auction consisted of 65,275 packages. The market opened with a fairly good general demand which strengthened as the Sale progressed, although most kinds were selling at lower rates. C.T.C. teas received more support than in recent weeks and were firm to occasionally dearer. The better orthodox Assams and non-withers Doars were about 2 annas lower, while Medium, Low Medium and Plain Fannings were selling at 1 to 2 annas below last rates. Whole Leaf grades were irregular, although a few of the cheaper lines were slightly dearer. Darjeelings met with a fair demand, but were irregular although a few selected invoices sold well.

Quotations

	1956	1955
Clean Black Pekoe	2 6 0	2 7 0 to 2 8 0
Plain B.P.	2 5 0	1 12 0 to 1 12 6
Medium Assam B.P.	2 1 0	1 14 0 to 1 14 6
Best C.T.C. Assam B.P.	3 0 0 to 3 2 0	2 14 0

At the Internal Sale, Dust offerings amounted to 23,068 chests for which there was a good general demand. The strongest feature of the Sale were the black leafy Dusts from all districts, which were 4 annas to 5 annas dearer, while the large grainy C.T.C. Assams were also well supported and were fully 2 annas dearer. The remaining C.T.C.s were in good demand and sold well. Commons, Doars and orthodox Assams, all showed an irregular decline of about 1 anna and non-withers Doars were also 1 anna easier.

Quotations

	1956	1955
Medium Doars Dust	1 15 0	1 9 0
Medium Assam Grainy Dust	2 5 0	1 10 0 to 1 10 6
Medium Assam C.T.C. Dust	2 8 0	
Best Assam C.T.C. Dust	2 13 0	2 9 0 to 2 11 6

A total of 2,223 chests of Leaf were on offer, and there was a fair demand for teas with a clear leaf appearance, although prices were generally about 2 annas below last rates. Residue descriptions were well supported and were firm and sometimes dearer, while the green teas on offer received fair demand at about last rates.

COAL FREIGHT RATES AT NEW HIGH

AS predicted some weeks ago, the Transatlantic coal rate last week rose to 100s, but it did not stop there, and a December loader eventually secured 105s 6d for Hampton Roads-Antwerp-Rotterdam-Amsterdam, which is the highest rate ever paid for this trade, and surpasses rates paid during the Korean war period. Elsewhere markets were very firm and representative figures included Mormugao-Genoa at 182s 6d, Vizagapatam to Dunkirk at 217s 6d, both for ore cargoes. In the time charter section an 8,400-ton oilburner, 91-10 on 23/24 tons, was fixed at 55s 6d a d.w. ton, delivery Aden, redelivery Japan, and a fast 10,000-ton motorship secured 70s for delivery Japan, redelivery Bombay-Madras via U.S. Pacific. An interesting feature of last week's activities was the report that French charterers had taken 17 bareboat ships for 12 months' consecutive voyages at \$(U.S.) 11.75 basis Antwerp-Rotterdam. It is probable that these are vessels recently released from the "Mothball" fleet to the American Coal Shipping Inc., the new concern which aims at assuring the American coal trade of overseas markets in the face of rising freight rates.

HIDES AND SKINS STEADY

The market ruled quietly steady. Stocks were less than in the previous week.

Bazaar Sales

(Between 27th November and 3rd December, 1956)
Cowhides: Wet salted (ord.) 3,600 pcs. on the basis of Rs. 7 to Rs. 10.8; Wet salted (slaughtered) 16,500 pcs. on the basis of Rs. 12.8 to Rs. 22.

Goatskins: Wet salted (Daissee, Killed) 91,880 pcs. on the basis of Rs. 270. Rs. 280 to Rs. 300, and Rs. 370 to Rs. 390; Assam-Dinajpur-Murshidabad 50,100 pcs. on the basis of Rs. 245 to Rs. 280; Purneah-Kissenganj 9,500 pcs. on the basis of Rs. 289 to Rs. 315; Pakur-Patna (ord.) 2,000 pcs. on the basis of Rs. 245; Muzafferpore (killed) 8,000 pcs. on the basis of Rs. 355.

Bazaar Stocks

(3rd December, 1956)

Cowhides: Wet salted 46,500 pcs.

Goatskins: Wet salted (Daissee, killed) 15,000 pcs.; Assam-Dinajpur-Murshidabad 78,000 pcs.; Muzafferpore - Patna - Pakur - Purneah - Kissenganj 1,67,000 pcs.

SUGAR MARKET DULL

During the week ended 5th December, sugar sales in the Calcutta market averaged 3,000 bags daily. Arrivals a day were 1,500 bags and stocks totalled 95,000 bags. Rates for ready sugar ex-

Kantapur delivery were Rs. 31-6 for ordinary grain and Rs. 32-12 for big grain. The market was dull.

LINSEED STEADY

Conditions have been steady during the past week, although trading has been on a small scale. Arrivals have been very poor, and sellers have been rather reserved except at more attractive rates; buyers have been disinclined to pay higher prices due to a decline in the price of linseed oil-cake, and enquiries for oil have been less keen. In the oil section, following a small decline in U.K. prices, buyers have been holding out for slightly lower prices. Latest quotations were as follows: November-December Rs. 26-8-0 a maund and April-May Rs. 22-8-0 a maund.

SHELLAC MARKET STEADY

During the week ended 4th December, the market was firm at the beginning, quiet at mid-week and steady at the close. The range of quotations was as follows:

Pure Buttonlac	Rs. 129 to 125 value, 125 buyers
Lemon No. 1 shellac	Rs. 129-8 buyers, 128 done, 126-8 buyers.
Lemon No. 2 shellac	Rs. 125 done and buyers, 124 buyers.
F. O. Std. 1 shellac	Rs. 122-8 to 119-8 buyers.
Pure TN shellac	Rs. 120 to 117 basis done and buyers, 115-8, 115 buyers.
4% I.T.N. shellac	Rs. 109 to 106-8, 107 buyers.
No. 1 Kusmi Seedlac	Rs. 119-8 to 114-8 value.
No. 2 Kusmi Seedlac	Rs. 117 buyers, 113-8 to 110-8 value.
Fine Bysaky Seedlac (Manbhumi)	Rs. 109-8 to 105-8 buyers, 105 value, 105 buyers.
Fine Bysaky Seedlac (C.P.)	Rs. 105 to 101-8 buyers, 101 value, 101 buyers.
Ordinary Bysaky Seedlac (C.P.) under 5%.	Rs. 95-8 to 90 buyers.
Ordinary Bysaky Seedlac (C.P.)	Rs. 89-8 to 85, 85-8 buyers.
Kireelac	Rs. 37 to 36 buyers.

Shipments during November until the 30th were 41,869 packages comprising of shellac 29,246 packages, seedlac 8,000 packages, buttonlac 1,018 packages and others 3,605 packages.

Stocks and Shares

Continued from page 764

Commercial Properties—As. 8—8—8—8.
Humayun Properties—Rs. 13—13—13—13—(13-4).
Midnapore Zemindary—Rs. 28—28—28—28—(41-3).

SHIPPINGS

Bengal Assam Steamship—Rs. 138—139—138—139—(15-14).
Calcutta Landing—Rs. 14-14—14-14—14-14—14-14—(15-14).
Calcutta Steam Navigation—Rs. 136—136—136—136—(15-14).
India Steamship—Rs. 9-14—10-3—9-8—(8-7).
Port Shipping—Rs. 16—16-1—16—16-1—(16-15).

SUGAR SHARES

Belsund—Rs. 11-10—11-10—11-10—(12-1).
Darbhanga—Rs. 21—21-2—20-14—20-14—(25-9).
Dyer Meakin Breweries—Rs. 6-8—6-10—5-8—5-9—(6-14).
Ramnagar Cane—Rs. 25—26—24-12—25—(26).
Shree Sitaram—Rs. 13-14—13-13—14—(14-6).

TEA SHARES

Bateli—Rs. 27-12—28—27-12—28—(29-12).
Birpara—Rs. 175—182—159—160—(205).
Bishnauth—Rs. 26-8—26-10—25-6—23-12—(41).
Do. (New)—Rs. 23-10—23-12—20-6—21-4.
Bormahajan—Rs. 21-9—21-14—21-9—21-12—(22).
Brahmapootra—Rs. 8-11—8-13—8-4—8-4.
Brooke Bond—Rs. 21-4—21-6—19-10—20—(21-1).
Baghmari—Rs. 27-12—27-14—25-8—25-8—(27-12).
Central Cachar—Rs. 78—78—78—78—(13-6).
Choonabutti—Rs. 310—310—310—310—(513).
Dauracherra—Rs. 15-10—15-12—13-4—14—(16-2).
Dibrugarh—Rs. 26-14—27-2—26-14—26-15—(29-8).
Dimakusi—Rs. 32-8—32-10—32-8—32-10—(60-4).
Dehra Dun—Rs. 184—184—182—182.
Dessai & Purbuttia—Rs. 407-8—409—407-8—409—(478).
Dhelaikhat—Rs. 21-14—21-14—21-14—21-14—(39-11).
East India—Rs. 26-12—26-14—23-12—23-14—(24-2).
Grob (A)—Rs. 36—37—36—36-14—(42-2).
Do. (B)—Rs. 18-10—19-2—18-8—18-8—(22-6).
Hantapara—Rs. 230—230—202—215—(330).
Hasimara—Rs. 33—33-4 x.d.—31-2—31-2—(40-14).
Huidibari—Rs. 28-11—23-4—28-11—28-14—(39-11).
Hansqua—Rs. 22-2—22-2—22-13—(27-14).
Jaysree—Rs. 11-4—11-4—11-4—11-4—(11-4).
Jutibari—Rs. 31-4—31-4—31-4—31-4—(29-4).
Killoot—Rs. 22-15—23-4—21—22-12—(25-14).
Kornafuli—Rs. 12-10—12-10—12-8—12-10—(18-6).
Kali—Rs. 8-8—8-8—8-8—8-8—(8-12).
Kotamullai—Rs. 34—34—34—34—(28-8).
Ledo—Rs. 24-8—24-8—21-12—21-13—(23-12).
Methoni—Rs. 23-6—23-6—21-12—21-13—(23-12).
Maud Tea—Rs. 16-8—16-12—16-8—16-12—(20).
Mim—Rs. 280—281—278—281—(377).
New Doars—Rs. 325—325—284—284—(324).
New Samanbagh—Rs. 23-14—25-4—23-14—25-4—(22-8).
Nagaisurree—Rs. 190—190—190—190—(285).
Pathemara—Rs. 11-11—11-11—11-8—11-8—(19-5).
Patrakola—Rs. 234—234—234—234—(200).
Rajabhat—Rs. 24-8—25-8—24-8—25-8—(38).
Ranicherra—Rs. 20-15—21—20-15—21—(22-8).
Rungamattar—Rs. 114—116—114—114—(144).
Singam—Rs. 6—6—6—6—(6-3).
Sungma—Rs. 11-8—11-8—11-7—11-7—(11-3).
Seajuli—Rs. 34-6—34-6—34-2—34-4—(20).
Teen Ali—Rs. 25-8—25-8—25-8—25-8—(39-8).
Tezporo—Rs. 25-4—25-5—23-2—23-2—(34).
Telapara—Rs. 214—215—214—215.
Teloljan—Rs. 26-4—26-8—26-4—26-8.

DEBENTURE

31% (1956-66)—Howrah Bridge—Rs. 95-8—95-8—95-8—95-8.

COMPANY AND PUBLIC NOTICES

HINDUSTHAN HOUSING & LAND DEVELOPMENT TRUST LTD.

NOTICE is hereby given that the 12th Annual General Meeting of the shareholders of the Hindusthan Housing & Land Development Trust Ltd., will be held at the registered office of the Company at 36, Chowringhee Road, Calcutta-16 on Friday, the 28th December, 1956 at 4 P.M. to transact the following business:—

- To receive and pass the Audited Balance Sheet of the Company and of Hindusthan Financing Corporation as at 31st March, 1956 and the Revenue and Profit and Loss Accounts and Directors' Report for the year ending the same date.
- To declare dividend for the year ended 31st March, 1956.
- To elect directors in place of Sri S. A. Basil and Sri P. C. Bhagat. As a special business to pass the following resolution as a special Resolution for which a special notice has been received from a shareholder of the Company.

"Resolved that Sri P. C. Bhagat who is entitled to a share in the remuneration payable by the Company to Messrs. Jainarain Ramchand, The Managing Agents of the Company, and who is also a relative of Sri B. P. Poddar, a partner of said Managing Agents and a Director of the Company is hereby re-appointed as a Director of the Company."

Explanatory Notes:—

Since Articles of Association of the Company authorize the Managing Agents of the Company to nominate Directors to the Board and they have nominated Sri A. L. Poddar and Sri B. P. Poddar under such powers. Due to Sri P. C. Bhagat's relation with Sri B. P. Poddar and a share in Managing Agency remuneration as stated in the resolution, a special resolution is required to be passed for his re-appointment as Director under Section 261 of the Companies Act 1956. Managing Agents and Directors of the Company are interested in the resolution in the manner stated in the resolution.

- To appoint Auditors for the current year and fix their remuneration.
- To transact any other business that may be brought forward.

Note:—1. The share transfer register will be closed from 18th December, 1956 to 28th December, 1956 both days inclusive.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on poll instead of himself, & a proxy need not be a member of the Company; proxies must be received by the Company not less than 48 hours before the time of meeting to be held.

By Order of the Board,

JAINARAIN RAMCHANDER,

Managing Agents.

36, Chowringhee Road,
Calcutta-16,
1st December, 1956

THE KALITI TEA COMPANY, LIMITED

The Annual Ordinary General Meeting of the Shareholders will be held at the Registered Office of the Company, No. 14, Old Court House Street, Calcutta, on Saturday, the 29th day of December, 1956, at 12 noon, for the following purposes:—

- To receive and adopt the Directors' Report and the audited Accounts for the year ended 31st December, 1955.
- To elect a Director in place of the retiring Director.
- To elect Auditors for the ensuing year, and to fix their remuneration.
- To consider and if thought fit to pass the following resolution, namely:—
"That the Books, Registers and other documents required to be kept by the Company and referred to in Sections

49, 144, 163, 196, 301, 304, 307 and 372 of the Companies Act, 1956, shall be available for inspection at the Registered Office of the Company, by the persons respectively referred to in those Sections as being entitled to inspection, between the hours of 10 a.m. and 12 noon on each business day, upon twenty-four hours' written notice of intention to inspect, such notice indicating what books, documents and registers are intended to be inspected."

The Share Transfer Book of the Company will be closed from 22nd December, 1956 to 29th December, 1956, both days inclusive.

OCTAVIUS STEEL & CO. LTD.,

A. H. GALLOWAY,

Managing Director,

Managing Agents.

Calcutta, 5th December, 1956.

NOTE:—A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and on a poll to vote instead of himself and the proxy need not be a member.

EXPLANATORY STATEMENT.

With reference to the resolution relating to inspection of Books, Registers and other documents, referred to in the accompanying notice, the Companies Act, 1956 provides that the Company may impose reasonable restrictions on such inspection but so that not less than two hours in each day are allowed for inspection, and the resolution is being moved in order to comply accordingly with the Act.

THE PATNA ELECTRIC SUPPLY CO. LTD.

NOTICE is hereby given that the Annual General Meeting of the Company will be held at its Registered Office, No. 14, Old Court House Street, Calcutta on Friday the 28th day of December, 1956 at 3-40 P.M. for the following purposes:—

- To receive and adopt the Directors' Report and the audited Accounts for the year ended 31st December, 1955 and the Balance Sheet as at that date.
- To declare a Dividend.
- To appoint auditors and fix their remuneration.
- To appoint Directors in place of those retiring.

And in this connection, Special Notice as required by Section 281 of the Companies Act, 1956, is hereby given that at the meeting the following resolution will be proposed, as an Ordinary Resolution, namely:—

"That Pandit G. M. Misra who has attained, the age of 69 years, be and is hereby re-appointed a Director of the Company, and that the age limit prescribed by Section 280 of the Companies Act shall not apply to him."

UPPER JUMNA VALLEY ELECTRICITY SUPPLY CO. LTD.

NOTICE is hereby given that an Annual General Meeting within the meaning of the Companies Act, 1956 (being the fifty-second Ordinary General Meeting of the Company) of the abovenamed Company will be held at its Registered Office, No. 12, Mission Row, Calcutta, on Saturday, the 29th December, 1956, at 11 a.m. for the following purposes:—

1. To receive and adopt the Audited Accounts for the year ended 31st March, 1956, and the Directors' and the Auditors' Reports thereon.
2. To declare a Dividend.
3. To appoint Directors in place of those retiring. And, in this connection, Special Notice as required by Sections 261 and 281 of the Companies Act, 1956, is hereby given that at the meeting the following resolution will be proposed as a Special Resolution, namely:—
"That Mr. P. N. Banerjee, who is an associate of the Managing Agents of the Company and who has attained the age of 73 years, be and is hereby re-appointed a Director of the Company, and that the age limit prescribed by Section 280 of the Companies Act, shall not apply to him."
4. To appoint Auditors and fix their remuneration.

The Register of ordinary shareholders of the Company and the Transfer Books will be closed from the 24th December, 1956 to the 29th December, 1956, both days inclusive.

A member entitled to attend and vote at the meeting is entitled to appoint a Proxy who need not be a member, to attend, and on a poll, to vote instead of himself.

By Order of the Board,
MARTIN BURN LTD.,
S. N. MUKERJEE,
Managing Director,
Managing Agents.

12, Mission Row,
Calcutta 1.
The 5th December, 1956.

THE BISHNAUTH TEA COMPANY, LIMITED.

NOTICE is hereby given that the Annual General Meeting of the Members of The Bishnauth Tea Co., Ltd., will be held at the Registered Office, at No. 4, Mangoe Lane, Calcutta, on Friday, the 28th December, 1956, at 12-30 P.M., for the following purposes:—

- (1) To consider and adopt the Revenue and Profit and Loss Accounts for the year ended 31st December, 1955 and the Balance Sheet at that date and the Reports of the Directors and Auditors and to declare a Dividend.
- (2) To reappoint a director retiring by rotation.
- (3) To appoint Auditors and to fix their remuneration.

AS SPECIAL BUSINESS

To consider and, if thought fit to pass, with or without modification, the following resolutions:—

"Resolved that Williamson Magor & Co., Ltd., the Secretaries of the Company and any associate or associates of theirs (as defined in sub-section (3) of Section 2 of the Companies Act, 1956) be and are hereby authorised to retain any commission or other remuneration earned or to be earned by them as Managing Agents, Secretaries and Treasurers, Secretaries, Managers, Agents, or as Selling or Buying Agents of any firm, body corporate or other concern in respect of any goods, power, freight, repairs or other services including insurance for the sale, purchase, supply or rendering of which a contract has been or is to be entered into by such firm, body corporate or concern with the Company provided that the prices or amounts charged to or received by the Company are at rates which are not less favourable to the Company than the market rates or which are otherwise reasonable."

- (5) "Resolved that where under the provisions of the Companies Act, 1956, any person, whether a Member of the Company or not, is entitled to inspect any document required to be kept or maintained by the Company, the person so entitled to inspection shall be permitted to inspect the same between the hours of 11 o'clock in the forenoon and 1 o'clock in the afternoon on such business days as the Act requires them to be kept open for inspection."

As a Special Resolution

- (6) "Resolved that consent be and is hereby accorded to Messrs. Geo. Williamson & Company, a partnership firm, who maintain an office at 21, Mincing Lane, London, E.C.3, England (for the purposes of their business of management and administration of seventeen Sterling Tea Companies of which they are appointed Secretaries), acting and continuing, with effect from the date of commencement of the Companies Act, 1956, to act as Agents for the purchase in the U.K. of goods from time to time required by the Company at a remuneration by way of commission at the rate of two percent on the invoiced price of such goods; that no further sums, whether by way of reimbursement of expenses or otherwise, be paid to them as such Agents as aforesaid; and, that this appointment may be terminated by either party giving to the other not less than one month's previous notice in writing of intention so to do."

ing Tea Companies of which they are appointed Secretaries), acting and continuing, with effect from the date of commencement of the Companies Act, 1956, until the 1st April, 1961, to act as Agents for the sale at the London Tea Auctions of teas produced by the Company at a remuneration by way of commission at the rate of two percent on the sale prices obtained; that no further sums, whether by way of reimbursement of expenses or otherwise, be paid to them as such Agents as aforesaid; and, that this appointment may be terminated by either party giving to the other not less than one month's previous notice in writing of intention so to do."

As a Special Resolution

- (7) "Resolved that consent be and is hereby accorded to Messrs. Geo. Williamson & Company, a partnership firm, who maintain an office at 21, Mincing Lane, London, E.C.3, England (for the purposes of their business of management and administration of seventeen Sterling Tea Companies of which they are appointed Secretaries), acting and continuing, with effect from the date of commencement of the Companies Act, 1956, until the 1st April, 1959, to act as Agents for the purchase in the U.K. of goods from time to time required by the Company at a remuneration by way of commission at the rate of two percent on the invoiced price of such goods; that no further sums, whether by way of reimbursement of expenses or otherwise, be paid to them as such Agents as aforesaid; and, that this appointment may be terminated by either party giving to the other not less than one month's previous notice in writing of intention so to do. The expenses incurred by Messrs. Geo. Williamson & Company in maintaining their London Office are in the nature of salaries and wages of personnel, insurance, rates and taxes, fuel, light, maintenance and repair of the premises, office furniture and equipment and items incidental thereto, of which one-sixty-fifth part represents the proportion which may reasonably be attributed to the services rendered and work done on behalf of the Company as such Agents as aforesaid."

As a Special Resolution

- (8) "Resolved that the Company hereby accords consent to J. Thomas & Co., Private Ltd., acting and continuing, with effect from the date of commencement of the Companies Act, 1956, to act as Brokers of the teas produced by the Company and further consents to Mr. J. H. Methold, a Director and Member of the Company, who is also a Director of J. Thomas & Co., Private Limited, acting and continuing, with effect from the date of commencement of the Companies Act, 1956, to act as a Director of the Company."

The Share Transfer Books and Register of Members of the Company will be closed from the 21st December to the 28th December, 1956, both days inclusive.

THE BISHNAUTH TEA COMPANY, LIMITED.

By Order of the Board,
WILLIAMSON MAGOR & CO., LTD.,
Secretaries.

C. C. SANDYS-LUMSDAINE,
Managing Director.

Calcutta, 28th November, 1956.

Note.—A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.

THE DUFFLAGHUR TEA COMPANY, LIMITED.

NOTICE is hereby given that the Annual General Meeting of the Members of The Dufflaghur Tea Co., Ltd. will be held at the Registered Office at No. 4, Mangoe Lane, Calcutta, on Friday, the 28th December, 1956, at 11-00 A.M., for the following purposes:—

- (1) To consider and adopt the Revenue and Profit and Loss Accounts for the year ended 31st December, 1955, and the Balance Sheet at that date and the Reports of the Directors and Auditors and to declare a Dividend.
- (2) To reappoint a Director retiring by rotation.
- (3) To appoint Auditors and to fix their remuneration.

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass, with or without modification, the following resolutions:—

- (4) "Resolved that Williamson Magor & Co., Ltd., the Managing Agents of the Company and any associate or associates of theirs (as defined in sub-section (3) of Section 2 of the Companies Act, 1956) be and are hereby authorised to retain any Commission or other remuneration

earned or to be earned by them as Managing Agents, Secretaries and Treasurers, Secretaries, Managers, Agents, or as Selling or Buying Agents of any firm, body corporate or other concern in respect of any goods, power, freight, repairs or other services including insurance for the sale, purchase, supply or rendering of which a contract has been or is to be entered into by such firm, body corporate or concern with the Company provided that the prices or amounts charged to or received by the Company are at rates which are not less favourable to the Company than the market rates or which are otherwise reasonable."

- (5) "Resolved that where under the provisions of the Companies Act, 1956, any person, whether a Member of the Company or not, is entitled to inspect any document required to be kept or maintained by the Company, the person so entitled to inspection shall be permitted to inspect the same between the hours of 11 o'clock in the forenoon and 1 o'clock in the afternoon on such business days as the Act requires them to be kept open for inspection."

As a Special Resolution

- (6) "Resolved that consent be and is hereby accorded to Messrs. Geo. Williamson & Company, a partnership firm, who maintain an office at 21, Mincing Lane, London, E.C.3, England (for the purposes of their business of management and administration of seventeen Sterling Tea Companies of which they are appointed Secretaries), acting and continuing, with effect from the date of commencement of the Companies Act, 1956, until the 1st April, 1961, to act as Agents for the sale at the London Tea Auctions of teas produced by the Company at a remuneration by way of commission at the rate of two percent on the sale prices obtained; that no further sums, whether by way of reimbursement of expenses or otherwise, be paid to them as such Agents as aforesaid; and, that this appointment may be terminated by either party giving to the other not less than one month's previous notice in writing of intention so to do."

As a Special Resolution

- (7) "Resolved that consent be and is hereby accorded to Messrs. Geo. Williamson & Company, a partnership firm, who maintain an office at 21, Mincing Lane, London, E.C.3, England (for the purposes of their business of management and administration of seventeen Sterling Tea Companies of which they are appointed Secretaries), acting and continuing, with effect from the date of commencement of the Companies Act, 1956, until the 1st April, 1959, to act as Agents for the purchase in the U.K. of goods from time to time required by the Company at a remuneration by way of commission at the rate of two percent on the invoiced price of such goods; that no further sums, whether by way of reimbursement of expenses or otherwise, be paid to them as such Agents as aforesaid; and, that this appointment may be terminated by either party giving to the other not less than one month's previous notice in writing of intention so to do. The expenses incurred by Messrs. Geo. Williamson & Company in maintaining their London Office, are in the nature of salaries and wages of personnel, insurance, rates and taxes, fuel, light, maintenance, and repair of the premises, office furniture and equipment and items incidental thereto, of which one-sixty-fifth part represents the proportion which may reasonably be attributed to the services rendered and work done on behalf of the Company as such Agents as aforesaid."

As a Special Resolution

- (8) "Resolved that the Company hereby accords consent to Carritt Moran & Co., Private Ltd. acting and continuing, with effect from the date of commencement of the Companies Act, 1956, to act as Brokers of the teas produced by the Company."

The Share Transfer Books and Register of Members of the Company will be closed from the 21st December to the 28th December, 1956, both days inclusive.

THE DUFFLAGHUR TEA COMPANY, LIMITED.

By Order of the Board,
WILLIAMSON MAGOR & CO., LTD.,
Managing Agents.

C. C. SANDYS-LUMSDAINE,
Managing Director.

Calcutta, 28th November, 1956.

Note.—A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.

THE EAST INDIA TEA COMPANY, LIMITED.

NOTICE is hereby given that the Annual General Meeting of the Members of The East India Tea Co. Ltd., will be held at the Registered Office, at No. 4, Mangoe Lane, Calcutta, on Friday, the 28th December, 1956, at 12-15 P.M. for the following purposes:—

- (1) To consider and adopt the Revenue and Profit and Loss Accounts for the year ended 31st December, 1955, and the Balance Sheet at that date and the Reports of the Directors and Auditors and to declare a dividend.
- (2) To reappoint a Director retiring by rotation.
- (3) To appoint Auditors and to fix their remuneration.

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass, with or without modification, the following resolutions:—

- (4) "Resolved that Williamson Magor & Co., Ltd., the Secretaries of the Company and any associate or associates of theirs (as defined in sub-section (3) of Section 2 of the Companies Act, 1956) be and are hereby authorised to retain any commission or other remuneration earned or to be earned by them as Managing Agents, Secretaries and Treasurers, Secretaries, Managers, Agents, or as Selling or Buying Agents of any firm, body corporate or other concern in respect of any goods, power, freight, repairs or other services including insurance for the sale, purchase, supply or rendering of which a contract has been or is to be entered into by such firm, body corporate or concern with the Company provided that the prices or amounts charged to or received by the Company are at rates which are not less favourable to the Company than the market rates or which are otherwise reasonable."
- (5) "Resolved that where under the provisions of the Companies Act, 1956, any person, whether a Member of the Company or not, is entitled to inspect any document required to be kept or maintained by the Company, the person so entitled to inspection shall be permitted to inspect the same between the hours of 11 o'clock in the forenoon and 1 o'clock in the afternoon on such business days as the Act requires them to be kept open for inspection."

As a Special Resolution

- (6) "Resolved that consent be and is hereby accorded to Messrs. Geo. Williamson & Company, a partnership firm, who maintain an office at 21, Mincing Lane, London, E.C.3, England (for the purposes of their business of management and administration of seventeen Sterling Tea Companies of which they are appointed Secretaries), acting and continuing, with effect from the date of commencement of the Companies Act, 1956, until the 1st April, 1961, to act as Agents for the sale at the London Tea Auctions of teas produced by the Company at a remuneration by way of commission at the rate of two percent on the sale prices obtained; that no further sums, whether by way of reimbursement of expenses or otherwise, be paid to them as such Agents as aforesaid; and, that this appointment may be terminated by either party giving to the other not less than one month's previous notice in writing of intention so to do."

As a Special Resolution

- (7) "Resolved that consent be and is hereby accorded to Messrs. Geo. Williamson & Company, a partnership firm, who maintain an office at 21, Mincing Lane, London, E.C.3, England (for the purposes of their business of management and administration of seventeen Sterling Tea Companies of which they are appointed Secretaries), acting and continuing, with effect from the date of commencement of the Companies Act, 1956, until the 1st April, 1959, to act as Agents for the purchase in the U.K. of goods from time to time required by the Company at a remuneration by way of commission at the rate of two percent on the invoiced price of such goods; that no further sums, whether by way of reimbursement of expenses or otherwise, be paid to them as such Agents as aforesaid; and, that this appointment may be terminated by either party giving to the other not less than one month's previous notice in writing of intention so to do. The expenses incurred by Messrs. Geo. Williamson & Company in maintaining their London Office are in the nature of salaries and wages of personnel, insurance, rates and taxes, fuel, light, maintenance and repair of the premises, office furniture and equipment and items incidental thereto, of which one-sixty-fifth part represents the proportion which may reasonably be attributed to the services

rendered and work done on behalf of the Company as such agents as aforesaid."

As a Special Resolution

- (8) "Resolved that the Company hereby accords consent to J. Thomas & Co. Private Ltd. and Carritt Moran & Co. Private Ltd. acting and continuing, with effect from the date of commencement of the Companies Act, 1956, to act as Brokers of the teas produced by the Company and further consents to Mr. J. H. Methold a Director and Member of the Company, who is also a Director of J. Thomas & Co. Private Limited, acting and continuing, with effect from the date of commencement of the Companies Act, 1956, to act as a Director of the Company."

The Share Transfer Books and Register of Members of the Company will be closed from the 21st December to the 28th December, 1956, both days inclusive.

THE EAST INDIA TEA COMPANY, LIMITED.

By Order of the Board,
WILLIAMSON MAGOR & CO., LTD.,
Secretaries.

C. C. SANDYS-LUMSDAINE,
Managing Director.

Calcutta, 28th November, 1956.

Note.—A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.

THE EAST INDIAN COAL COMPANY, LIMITED.

(Incorporated in England with Limited Liability).

NOTICE is hereby given that the One Hundred and Fourth Annual General Meeting of the Company will be held at the Head Office of the Company, 4, Clive Row, Calcutta, on Saturday, the 29th December, 1956, at 11 A.M. for the following purposes:—

1. To receive and adopt the Directors' and Auditors' Reports and pass the Accounts for the year ended 30th April, 1956.
2. To declare a Dividend.
3. To re-elect two Directors.
4. To fix the Auditors' Remuneration.

The Share Transfer Books of the Company will be closed from the 20th to the 29th December, 1956, both days inclusive.

By Order of the Board,

JARDINE HENDERSON, LIMITED,

D. FORDWOOD,

Secretary,

Managing Agents & Secretaries.

Dated this 30th day of November, 1956.

A Member of the Company who is entitled to attend and vote may appoint a proxy to attend and vote instead of him. A proxy need not be a Member of the Company.

Tokyo

Unique city of the East

There is no city like
Tokyo—with her gaiety,
her beauty and her charm.
Her bustling shopping centres,
her modern buildings,
the wonderful food, the exciting
theatres, a million sights to see.
The bracing climate,
the beautiful countryside.
There is only one Tokyo.
Fly there in Constellation
comfort. Departures Bombay
every Sunday & Thursday.



AIR-INDIA International

Stephen House 4, Dalhousie Square East, Calcutta. Tel: 23-3314, 23-3315 & 23-3316

THE BOR PUKHURI TEA COMPANY, LIMITED.

NOTICE is hereby given that the Annual General Meeting of the Members of The Bor Pukhuri Tea Co., Ltd., will be held at the Registered Office at No. 4, Mangoe Lane, Calcutta, on Thursday, 27th December, 1956, at 11-00 A.M., for the following purposes:—

- (1) To consider and adopt the Revenue and Profit and Loss Accounts for the year ended 31st December, 1955 and the Balance Sheet at that date and the Reports of the Directors and Auditors and to declare a Dividend.
- (2) To appoint Auditors and to fix their remuneration.

AS SPECIAL BUSINESS

To consider and, if thought fit to pass, with or without modification, the following resolutions:—

- (3) "Resolved that Williamson Magor & Co., Ltd., the Managing Agents of the Company and any associate or associates of theirs (as defined in sub-section (3) of Section 2 of the Companies Act, 1956) be and are hereby authorised to retain any Commission or other remuneration earned or to be earned by them as Managing Agents, Secretaries and Treasurers, Agents, or as Selling or Buying Agents of any firm, body corporate or other concern in respect of any goods, power, freight, repairs or other services including insurance for the sale, purchase, supply or rendering of which a contract has been or is to be entered into by such firm, body corporate or concern with the Company provided that the prices or amounts charged to or received by the Company are at rates which are not less favourable to the Company than the market rates or which are otherwise reasonable."

- (4) "Resolved that where under the provisions of the Companies Act, 1956, any person, whether a Member of the Company or not, is entitled to inspect any document required to be kept or maintained by the Company, the person so entitled to inspection shall be permitted to inspect the same between the hours of 11 o'clock in the forenoon and 1 o'clock in the afternoon on such business days as the Act requires them to be kept open for inspection."

As a Special Resolution

- (5) "Resolved that consent be and is hereby accorded to Messrs. Geo. Williamson & Company, a partnership firm, who maintain an office at 21, Mincing Lane, London, E.C.3, England (for the purposes of their business of management and administration of seventeen Sterling Tea Companies of which they are appointed Secretaries), acting and continuing, with effect from the date of commencement of the Companies Act, 1956, until the 1st April, 1961, to act as Agents for the sale at the London Tea Auctions of teas produced by the Company at a remuneration by way of commission at the rate of two percent on the sale prices obtained; that no further sums, whether by way of reimbursement of expenses or otherwise, be paid to them as such Agents as aforesaid; and, that this appointment may be terminated by either party giving to the other not less than one month's previous notice in writing of intention so to do."

As a Special Resolution

- (6) "Resolved that consent be and is hereby accorded to Messrs. Geo. Williamson & Company, a partnership firm, who maintain an office at 21, Mincing Lane, London, E.C.3, England (for the purposes of their business of management and administration of seventeen Sterling Tea Companies of which they are appointed Secretaries), acting and continuing, with effect from the date of commencement of the Companies Act, 1956, until the 1st April, 1959, to act as Agents for the purchase in the U.K. of goods from time to time required by the Company at a remuneration by way of commission at the rate of two percent on the invoiced price of such goods; that no further sums, whether by way of reimbursement of expenses or otherwise, be paid to them as such Agents as aforesaid; and, that this appointment may be terminated by either party giving to the other not less than one month's previous notice in writing of intention so to do. The expenses incurred by Messrs. Geo. Williamson & Company in maintaining their London Office are in the nature of salaries and wages of personnel, insurance, rates and taxes, fuel, light, maintenance and repair of the premises, office furniture and equipment and items incidental thereto, of which one-sixty-fifth part represents the proportion which may reasonably be attributed to the services rendered and work done on behalf of the Company as such Agents as aforesaid."

As a Special Resolution

- (7) "Resolved that the Company hereby accords consent to J. Thomas & Co. Private Ltd., acting and continuing, with effect from the date of commencement of the Companies Act, 1956, to act as Brokers of the teas produced by the Company and further consents to Mr. J. H. Methold, a Director and Member of the Company, who is also a Director of J. Thomas & Co. Private Limited, acting and continuing, with effect from the date of commencement of the Companies Act, 1956, to act as a Director of the Company."

As Ordinary Business

- (8) "To consider and if thought fit to pass the following resolution which will be proposed as a Special Resolution:—

"That Mr. J. H. Methold is hereby appointed a Director of the Company."

Special Notice dated 2nd November, 1956 of intention to propose the foregoing resolution as a Special Resolution has been received by the Company wherein it is stated that the notice is given to satisfy the requirements of Sections 190 and 261 (1) (c), (2) and (3) of the Companies Act, 1956, for the reason that Mr. J. H. Methold a Director of the Company, who retires by rotation of Directors at this meeting, is a Director of J. Thomas & Co. Private Limited which customarily acts as Brokers of the teas produced by the Company which may be construed as an office or place of profit under the Company. Having regard to the fact that the Managing Agents have a right to appoint a Director to the Company, and to the provisions of Sections 261 and 314 of the Act, a special resolution re-appointing him as a Director of the Company is considered requisite.

The Share Transfer Books and Register of Members of the Company will be closed from the 20th December to the 27th December, 1956, both days inclusive.

THE BOR PUKHURI TEA COMPANY, LIMITED.

By Order of the Board,
WILLIAMSON MAGOR & CO., LTD.,
Managing Agents.
C. C. SANDYS-LUMSDAINE,
Managing Director.

Calcutta, 28th November, 1956.

Note.—A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.

THE NILPUR TEA COMPANY, LIMITED.

NOTICE is hereby given that the Annual General Meeting of the Members of The Nilpur Tea Co. Ltd., will be held at the Registered Office at No. 4, Mangoe Lane, Calcutta, on Friday, 28th December, 1956, at 12 o'clock noon for the following purposes:—

- (1) To consider and adopt the Revenue and Profit and Loss Accounts for the year ended 31st December, 1955, and the Balance Sheet at that date and the Reports of the Directors and Auditors and to declare a Dividend.
- (2) To reappoint a Director retiring by rotation
- (3) To appoint Auditors and to fix their remuneration.

AS SPECIAL BUSINESS

To consider and, if thought fit to pass, with or without modification, the following resolutions:—

- (4) "Resolved that Williamson Magor & Co., Ltd., the Managing Agents of the Company and any associate or associates of theirs (as defined in sub-section (3) of Section 2 of the Companies Act, 1956) be and are hereby authorised to retain any Commission or other remuneration earned or to be earned by them as Managing Agents, Secretaries and Treasurers, Agents, or as Selling or Buying Agents of any firm, body corporate or other concern in respect of any goods, power, freight, repairs or other services including insurance for the sale, purchase, supply or rendering of which a contract has been or is to be entered into by such firm, body corporate or concern with the Company provided that the prices or amounts charged to or received by the Company are at rates which are not less favourable to the Company than the market rates or which are otherwise reasonable."

- (5) "Resolved that where under the provisions of the Companies Act, 1956, any person, whether a Member of the Company or not, is entitled to inspect any document required to be kept or maintained by the Company, the person so entitled to inspection shall be permitted to inspect the same between the hours of 11 o'clock in the forenoon and 1 o'clock in the afternoon on such business days

as the Act requires them to be kept open for inspection."

As a Special Resolution

- (6) "Resolved that the Company hereby accords consent to J. Thomas & Co. Private Limited, acting and continuing, with effect from the date of commencement of the Companies Act, 1956, to act as Brokers of the teas produced by the Company and further consents to Mr. A. B. Kingsley, a Director and Member of the Company, who is also a Director and Member of J. Thomas & Co. Private Limited, acting and continuing, with effect from the date of commencement of the Companies Act, 1956, to act as a Director of the Company."

The Share Transfer Books and Register of Members of the Company will be closed from the 21st December to the 28th December, 1956, both days inclusive.

THE NILPUR TEA COMPANY, LIMITED.

By Order of the Board,
WILLIAMSON MAGOR & CO., LTD.,
Managing Agents.
C. C. SANDYS-LUMSDAINE,
Managing Director.

Calcutta, 28th November, 1956.

Note.—A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.

THE GROB TEA COMPANY, LIMITED

THE Annual Ordinary General Meeting of the Shareholders will be held at the Registered Office of the Company, No. 14, Old Court House Street, Calcutta, on Friday, the 21st day of December, 1956, at 3 p.m., for the following purposes:—

- (1) To receive and adopt the Directors' Report and the audited Accounts for the year ended 31st December, 1955.
- (2) To declare a dividend.
- (3) To elect a Director in place of the retiring Director.
- (4) To elect Auditors for the ensuing year and to fix their remuneration.

As a Special Business—

- (5) To consider and if thought fit to pass the following resolution, namely:—

"That the Books, Registers and other documents required to be kept by the Company and referred to in Section 49, 144, 163, 196, 301, 304, 307 and 372 of the Companies Act, 1956, shall be available for inspection at the Registered Office of the Company, by the persons respectively referred to in those Sections as being entitled to inspection, between the hours of 10 a.m. and 12 noon on each business day, upon twenty-four hours' written notice of intention to inspect, such notice indicating what books, documents and registers are intended to be inspected."

The Share Transfer Book of the Company will be closed from 13th December, 1956 to 21st December, 1956, both days inclusive.

OCTAVIUS STEEL & CO., LTD.,

A. H. GALLOWAY,
Managing Director,
Managing Agents.

Calcutta, 28th November, 1956.

NOTE.—A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and, on a poll, to vote instead of himself and the proxy need not be a member.

EXPLANATORY STATEMENT.

With reference to the resolution relating to inspection of Books, Registers and other documents, referred to in the accompanying notice, the Companies Act, 1956 provides that the Company may impose reasonable restrictions on such inspection but so that less than two hours in each day are allowed for inspection, and the resolution is being moved in order to comply accordingly with the Act.

THE BISRA STONE LIME COMPANY LIMITED

THE Board of Directors has decided to recommend to the forthcoming General Meeting of Shareholders a dividend of annas -14/- per share without any deduction in respect of taxation payable by the Company for the half-year ended 31st March, 1956.

By Order of the Board,
BIRD & CO. (PRIVATE) LIMITED,
Managing Agents.

Chartered Bank Buildings,
Calcutta, 29th November, 1956.

THE OODLABARI CO., LTD.

A Dividend of 12½% for Season 1955 without any deduction for Income Tax paid by the Company has been declared payable to the shareholders.

OCTAVIUS STEEL & CO., LTD.,
Managing Agents.

Calcutta, 28th November, 1956.

THE GOHPUR TEA COMPANY, LIMITED.

NOTICE is hereby given that the Annual General Meeting of the Members of The Gohpur Tea Co., Ltd. will be held at the Registered Office at No. 4, Mangoe Lane, Calcutta, on Thursday, the 27th December, 1956 at 11-15 A.M. for the following purposes:—

- (1) To consider and adopt the Revenue and Profit and Loss Accounts for the year ended 31st December, 1955 and the Balance Sheet at that date and the Reports of the Directors and Auditors and to declare a Dividend.
- (2) To reappoint a Director who retires.
- (3) To appoint Auditors and to fix their remuneration.

AS SPECIAL BUSINESS

To consider and, if thought fit to pass, with or without modification, the following resolutions:—

- (4) "Resolved that Williamson Magor & Co., Ltd., the Managing Agents of the Company and any associate or associates of theirs (as defined in sub-section (3) of Section 2 of the Companies Act, 1956) be and are hereby authorised to retain any Commission or other remuneration earned or to be earned by them as Managing Agents, Secretaries and Treasurers, Agents, or as Selling or Buying Agents of any firm, body corporate or other concern in respect of any goods, power, freight, repairs or other services including insurance for the sale, purchase, supply or rendering of which a contract has been or is to be entered into by such firm, body corporate or concern with the Company provided that the prices or amounts charged to or received by the Company are at rates which are not less favourable to the Company than the market rates or which are otherwise reasonable."

- (5) "Resolved that where under the provisions of the Companies Act, 1956, any person, whether a Member of the Company or not, is entitled to inspect any document required to be kept or maintained by the Company, the person so entitled to inspection shall be permitted to inspect the same between the hours of 11 o'clock in the forenoon and 1 o'clock in the afternoon on such business days as the Act requires them to be kept open for inspection."

As a Special Resolution

- (6) "Resolved that consent be and is hereby accorded to Messrs. Geo. Williamson & Company, a partnership firm, who maintain an office at 21, Mincing Lane, London, E.C.3, England (for the purposes of their business of management and administration of seventeen Sterling Tea Companies of which they are appointed Secretaries), acting and continuing, with effect from the date of commencement of the Companies Act, 1956, until the 1st April, 1961, to act as Agents for the sale at the London Tea Auctions of teas produced by the Company at a remuneration by way of commission at the rate of two percent on the sale prices obtained; that no further sums, whether by way of reimbursement of expenses or otherwise, be paid to them as such Agents as aforesaid; and, that this appointment may be terminated by either party giving to the other not less than one month's previous notice in writing of intention so to do."

As a Special Resolution

- (7) "Resolved that consent be and is hereby accorded to Messrs. Geo. Williamson & Company, a partnership firm, who maintain an office at 21, Mincing Lane, London, E.C.3, England (for the purposes of their business of management and administration of seventeen Sterling Tea Companies of which they are appointed Secretaries), acting and continuing, with effect from the date of commencement of the Companies Act, 1956, until the 1st April, 1959, to act as Agents for the purchase in the U.K. of goods from time to time required by the Company at a remuneration by way of commission at the rate of two percent on the invoiced price of such goods; that no further sums, whether by way of reimbursement of expenses or otherwise, be paid to them as such Agents as aforesaid; and, that this appointment may be terminated by either party giving to the other not less than one month's previous notice in writing of intention so to do. The expenses incurred by Messrs. Geo. Williamson & Company in maintaining their London Office are in the nature of salaries and wages of personnel, insurance, rates and taxes, fuel, light, maintenance and repair of the premises, office furniture and equipment and items incidental thereto, of which one-sixty-fifth part represents the proportion which may reasonably be attributed to the services rendered and work done on behalf of

the Company as such Agents as aforesaid."

As a Special Resolution

- (8) "Resolved that the Company hereby accords consent to J. Thomas & Co. Private Ltd. acting and continuing, with effect from the date of commencement of the Companies Act, 1956, to act as Brokers of the teas produced by the Company and further consents to Mr. J. H. Methold, a Director and Member of the Company, who is also a Director of J. Thomas & Co. Private Ltd. acting and continuing, with effect from the 25th July, 1956, being the date he was appointed an additional Director of the Company, to act as a Director of the Company."

As a Special Resolution

- (9) "That Mr. J. H. Methold is hereby appointed a Director of the Company." Special Notice dated 2nd November, 1956 of intention to propose the foregoing resolution as a Special Resolution has been received by the Company wherein it is stated that the notice is given to satisfy the requirements of Sections 190 and 261 (1) (c), (2) and (3) of the Companies Act, 1956, for the reason that Mr. J. H. Methold a Director of the Company (who having been appointed an additional director during the year and holds office until the next Annual General Meeting) is a Director of J. Thomas & Co. Private Ltd., which customarily acts as Brokers for the teas produced by the Company which may be construed as an office or place of profit under the Company. Having regard to the fact that the Managing Agents have a right to appoint a Director to the Company, and to the provisions of Sections 261 and 314 of the Act, a special resolution re-appointing him as a Director of the Company is considered requisite.

The Share Transfer Books and Register of Members of the Company will be closed from the 20th December to the 27th December, 1956, both days inclusive.

THE GOHPUR TEA COMPANY, LIMITED.

By Order of the Board,
WILLIAMSON MAGOR & CO., LTD.,
Managing Agents.
C. C. SANDYS-LUMSDAINE,
Managing Director.

Calcutta, 28th November, 1956.

Note.—A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.

THE DIMAKUSI TEA COMPANY, LIMITED.

NOTICE is hereby given that the Annual General Meeting of the Members of The Dimakusi Tea Co. Ltd. will be held at the Registered Office at No. 4, Mangoe Lane, Calcutta, on Thursday, 27th December, 1956, at 11-30 A.M., for the following purposes:—

- (1) To consider and adopt the Revenue and Profit and Loss Accounts for the year ended 31st December, 1955, and the Balance Sheet at that date and the Reports of the Directors and Auditors and to declare Dividends.
- (2) To reappoint a Director retiring by rotation.
- (3) To appoint Auditors and to fix their remuneration.

AS SPECIAL BUSINESS

To consider and, if thought fit to pass, with or without modification, the following resolutions:—

- (4) "Resolved that Williamson Magor & Co., Ltd., the Managing Agents of the Company and any associate or associates of theirs (as defined in sub-section (3) of Section 2 of the Companies Act, 1956) be and are hereby authorised to retain any Commission or other remuneration earned or to be earned by them as Managing Agents, Secretaries and Treasurers, Agents, or as Selling or Buying Agents of any firm, body corporate or other concern in respect of any goods, power, freight, repairs or other services including insurance for the sale, purchase, supply or rendering of which a contract has been or is to be entered into by such firm, body corporate or concern with the Company provided that the prices or amounts charged to or received by the Company are at rates which are not less favourable to the Company than the market rates or which are otherwise reasonable."

- (5) "Resolved that where under the provisions of the Companies Act, 1956, any person, whether a Member of the Company or not, is entitled to inspect any document required to be kept or maintained by the Company, the person so entitled to inspection shall be permitted to inspect the same between the hours

of 11 o'clock in the forenoon and 1 o'clock in the afternoon on such business days as the Act requires them to be kept open for inspection."

As a Special Resolution

- (6) "Resolved that consent be and is hereby accorded to Messrs. Geo. Williamson & Company, a partnership firm, who maintain an office at 21, Mincing Lane, London, E.C.3, England (for the purposes of their business of management and administration of seventeen Sterling Tea Companies of which they are appointed Secretaries), acting and continuing, with effect from the date of commencement of the Companies Act, 1956, until the 1st April, 1961, to act as Agents for the sale at the London Tea Auctions of teas produced by the Company at a remuneration by way of commission at the rate of two percent on the sale prices obtained; that no further sums, whether by way of reimbursement of expenses or otherwise, be paid to them as such Agents as aforesaid; and, that this appointment may be terminated by either party giving to the other not less than one month's previous notice in writing of intention so to do."

As a Special Resolution

- (7) "Resolved that consent be and is hereby accorded to Messrs. Geo. Williamson & Company, a partnership firm, who maintain an office at 21, Mincing Lane, London, E.C.3, England (for the purposes of their business of management and administration of seventeen Sterling Tea Companies of which they are appointed Secretaries), acting and continuing, with effect from the date of commencement of the Companies Act, 1956, until the 1st April, 1959, to act as Agents for the purchase in the U.K. of goods from time to time required by the Company at a remuneration by way of commission at the rate of two percent on the invoiced price of such goods; that no further sums, whether by way of reimbursement of expenses or otherwise, be paid to them as such Agents as aforesaid; and, that this appointment may be terminated by either party giving to the other not less than one month's previous notice in writing of intention so to do. The expenses incurred by Messrs. Geo. Williamson & Company in maintaining their London Office are in the nature of salaries and wages of personnel, insurance, rates and taxes, fuel, light, maintenance and repair of the premises, office furniture and equipment and items incidental thereto, of which one-sixty-fifth part represents the proportion which may reasonably be attributed to the services rendered and work done on behalf of the Company as such agents as aforesaid."

As a Special Resolution

- (8) "Resolved that the Company hereby accords consent to Carritt Moran & Co. Private Ltd. acting and continuing, with effect from the date of commencement of the Companies Act, 1956, to act as Brokers of the teas produced by the Company."

The Share Transfer Books and Register of Members of the Company will be closed from the 20th December, 1956 to the 27th December, 1956, both days inclusive.

THE DIMAKUSI TEA COMPANY LIMITED.

By Order of the Board,
WILLIAMSON MAGOR & CO., LTD.,
Managing Agents.
C. C. SANDYS-LUMSDAINE,
Managing Director.

Calcutta, 28th November, 1956.

Note.—A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.

THE INDO-BURMA PETROLEUM COMPANY LIMITED

NOTICE is hereby given that the Preference Register of Members of the Company will be closed from the 17th December, 1956 to 1st January, 1957, both days inclusive for the purpose of preparing dividend warrants in respect of the dividend for the half-year ending 31st December, 1956 payable on the 2nd January, 1957.

By Order of the Board,
STEEL BROTHERS & CO., LTD.,
Managing Agents.

Clive Buildings,
Netaji Subhas Road,
Calcutta.
30th November, 1956.

THE NAGRI FARM TEA COMPANY, LIMITED.
NOTICE is hereby given that the Annual General Meeting of the Members of The Nagri Farm Tea Co., Ltd., will be held at the Registered Office, No. 4, Mangoe Lane, Calcutta, on Friday, 28th December, 1956, at 11-45 a.m., for the following purposes:—

To consider and adopt the Revenue and Profit and Loss Accounts for the year ended 31st December, 1955, and the Balance Sheet at that date and the Reports of the Directors and Auditors and to declare a dividend.

To reappoint a Director retiring by rotation.

To appoint Auditors and to fix their remuneration.

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass, with or without modification, the following resolutions:—

"Resolved that Williamson Magor & Co., Ltd., the Managing Agents of the Company and any associate or associates of theirs (as defined in Sub-section (3) of Section 2 of the Companies Act, 1956) be and are hereby authorised to retain any commission or other remuneration earned or to be earned by them as Managing Agents, Secretaries and Treasurers, Agents, or as Selling or Buying Agents, or as Selling or Buying Agents of any firm, body corporate or other person in respect of any goods, power, freight, repairs or other services including insurance for the sale, purchase, supply or rendering of which a contract has been or is to be entered into by such firm, body corporate or concern with the Company provided that the prices or amounts charged to or received by the Company are at rates which are not less favourable to the Company than the market rates or which are otherwise reasonable."

"Resolved that where under the provisions of the Companies Act, 1956, any person, whether a Member of the Company or not, is entitled to inspect any document required to be kept or maintained by the Company, the person so entitled to inspection shall be permitted to inspect the same between the hours of 11 o'clock in the forenoon and 1 o'clock in the afternoon on such business days as the Act requires them to be kept open for inspection."

As a Special Resolution

"Resolved that consent be and is hereby accorded to Messrs. Geo. Williamson & Company, a partnership firm, who maintain an office at 21, Mincing Lane, London, E.C.3, England (for the purposes of their business of management and administration of seventeen Sterling Tea Companies of which they are appointed Secretaries), acting and continuing, with effect from the date of commencement of the Companies Act, 1956, until the 1st April, 1961, to act as Agents for the sale at the London Tea Auctions of teas produced by the Company at a remuneration by way of commission at the rate of two percent on the sale prices obtained; that no further sums, whether by way of reimbursement of expenses or otherwise, be paid to them as such Agents as aforesaid; and that this appointment may be terminated by either party giving to the other not less than one month's previous notice in writing of intention so to do."

As a Special Resolution

"Resolved that consent be and is hereby accorded to Messrs. Geo. Williamson & Company, a partnership firm, who maintain an office at 21, Mincing Lane, London, E.C.3, England (for the purposes of their business of management and administration of seventeen Sterling Tea Companies of which they are appointed Secretaries), acting and continuing, with effect from the date of commencement of the Companies Act, 1956, until the 1st April, 1959, to act as Agents for the purchase in the U.K. of goods from time to time required by the Company at a remuneration by way of commission at the rate of two percent on the invoiced price of such goods; that no further sums, whether by way of reimbursement of expenses or otherwise, be paid to them as such Agents as aforesaid; and that this appointment may be terminated by either party giving to the other not less than one month's previous notice in writing of intention so to do. The expenses incurred by Messrs. Geo. Williamson & Company in maintaining their London Office are in the nature of salaries and wages of personnel, insurance, rates and taxes, fuel, light, maintenance and repair of the premises, office furniture and equipment, which one-sixty-fifth part represents the proportion which may reasonably be attributed to the services rendered and work done on behalf of

the Company as such agents as aforesaid."

As a Special Resolution

"Resolved that the Company hereby accords consent to J. Thomas & Co., Private Ltd., acting and continuing, with effect from the date of commencement of the Companies Act, 1956, to act as Brokers of the teas produced by the Company and further consents to Mr. J. H. Methold a Director and Member of the Company, who is also a Director of the Company, to act as a Director of the Company, with effect from the date of commencement of the Companies Act, 1956, to act as a Director of the Company."

The Share Transfer Books and Register of Members of the Company will be closed from the 21st December to the 28th December, 1956, both days inclusive.

THE NAGRI FARM TEA COMPANY, LIMITED.

By Order of the Board,
WILLIAMSON MAGOR & CO., LTD.,

Managing Agents.

C. C. SANDYS-LUMSDAINE,

Managing Director.

Calcutta, 28th November, 1956.

Note.—A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.

THE SOOM TEA COMPANY, LIMITED.

NOTICE is hereby given that the Annual General Meeting of the Members of The Soom Tea Co., Ltd., will be held at the Registered Office, at No. 4, Mangoe Lane, Calcutta, on Friday, 28th December, 1956, at 11-30 A.M., for the following purposes:—

(1) To consider and adopt the Revenue and Profit and Loss Accounts for the year ended 31st December, 1955, and the Balance Sheet at that date and the Reports of the Directors and Auditors and to declare a Final Dividend.

(2) To reappoint a Director retiring by rotation.

(3) To appoint Auditors and to fix their remuneration.

AS SPECIAL BUSINESS

To consider and, if thought fit to pass, with or without modification, the following resolutions:—

"Resolved that Williamson Magor & Co., Ltd., the Secretaries of the Company and any associate or associates of theirs (as defined in Sub-section (3) of Section 2 of the Companies Act, 1956) be and are hereby authorised to retain any commission or other remuneration earned or to be earned by them as Managing Agents, Secretaries and Treasurers, Agents, or as Selling or Buying Agents of any firm, body corporate or other person in respect of any goods, power, freight, repairs or other services including insurance for the sale, purchase, supply or rendering of which a contract has been or is to be entered into by such firm, body corporate or concern with the Company provided that the prices or amounts charged to or received by the Company are at rates which are not less favourable to the Company than the market rates or which are otherwise reasonable."

"Resolved that where under the provisions of the Companies Act, 1956, any person, whether a Member of the Company or not, is entitled to inspect any document required to be kept or maintained by the Company, the person so entitled to inspection shall be permitted to inspect the same between the hours of 11 o'clock in the forenoon and 1 o'clock in the afternoon on such business days as the Act requires them to be kept open for inspection."

As a Special Resolution

"Resolved that consent be and is hereby accorded to Messrs. Geo. Williamson & Company, a partnership firm, who maintain an office at 21, Mincing Lane, London, E.C.3, England (for the purposes of their business of management and administration of seventeen Sterling Tea Companies of which they are appointed Secretaries), acting and continuing, with effect from the date of commencement of the Companies Act, 1956, until the 1st April, 1961, to act as Agents for the sale at the London Tea Auctions of teas produced by the Company at a remuneration by way of commission at the rate of two percent on the sale prices obtained; that no further sums, whether by way of reimbursement of expenses or otherwise, be paid to them as such Agents as aforesaid; and that this appointment may be terminated by either party giving to the other not less than one month's previous notice in writing of intention so to do."

As a Special Resolution

(7) "Resolved that consent be and is hereby accorded to Messrs. Geo. Williamson & Company, a partnership firm, who maintain an office at 21, Mincing Lane, London, E.C.3, England (for the purposes of their business of management and administration of seventeen Sterling Tea Companies of which they are appointed Secretaries), acting and continuing, with effect from the date of commencement of the Companies Act, 1956, until the 1st April, 1959, to act as Agents for the purchase in the U.K. of goods from time to time required by the Company at a remuneration by way of commission at the rate of two percent on the invoiced price of such goods; that no further sums, whether by way of reimbursement of expenses or otherwise, be paid to them as such Agents as aforesaid; and that this appointment may be terminated by either party giving to the other not less than one month's previous notice in writing of intention so to do. The expenses incurred by Messrs. Geo. Williamson & Company in maintaining their London Office are in the nature of salaries and wages of personnel, insurance, rates and taxes, fuel, light, maintenance and repair of the premises, office furniture and equipment and items incidental thereto, of which one-sixty-fifth part represents the proportion which may reasonably be attributed to the services rendered and work done on behalf of the Company as such Agents as aforesaid."

As a Special Resolution

(8) "Resolved that the Company hereby accords consent to Carritt Moran & Co. Private Ltd., acting and continuing with effect from the date of commencement of the Companies Act, 1956, to act as Brokers of the teas produced by the Company."

The Share Transfer Books and Register of Members of the Company will be closed from the 21st December 1956 to the 28th December, 1956, both days inclusive.

THE SOOM TEA COMPANY, LIMITED.

By Order of the Board,

WILLIAMSON MAGOR & CO., LTD.,

Secretaries.

C. C. SANDYS-LUMSDAINE,

Managing Director.

Calcutta, 28th November, 1956.

Note.—A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.

THE BISRA STONE LIME CO. LTD.

NOTICE is hereby given that an Annual General Meeting of THE BISRA STONE LIME COMPANY, LIMITED, will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta, at 10-30 A.M. on Friday, the 28th day of December, 1956, for the following purposes:—

1. To consider and approve the Audited Accounts of the Company for the half-year ended 31st March, 1956, and to receive the Directors' and Auditors' Reports thereon.

2. To declare Dividend recommended by the Directors.

3. To appoint a Director in the place of a retiring Director.

4. To appoint Auditors and fix their remuneration.

The Share Transfer Register of the Company will be closed from 14th December, 1956 to 28th December, 1956, both days inclusive.

By Order of the Board,

BIRD & CO. (PRIVATE) LIMITED,

Managing Agents.

Chartered Bank Buildings,

Calcutta, 29th November, 1956.

Note: (a) A member entitled to attend and vote at this meeting may appoint a proxy to attend and vote instead of himself. A proxy need not be a member of the Company.

(b) The Dividend, if sanctioned, will be paid on or after 4th January, 1957, to those shareholders so entitled whose names appear in the Company's books on the 28th December, 1956, or to their mandatories. No application for Dividend Warrants will be necessary.

THE GROB TEA CO. LTD.

THE Directors have decided to recommend to the forthcoming Annual General Meeting of the Shareholders a dividend of 25% in respect of the season 1955, payable without deduction for Income Tax paid by the Company.

OCTAVIUS STEEL & CO. LTD.,

Managing Agents.

Calcutta, 29th November, 1956.

THE SEAJULI TEA COMPANY, LIMITED.

NOTICE is hereby given that the Annual General Meeting of the Members of The Seajuli Tea Co., Ltd., will be held at the Registered Office at No. 4, Mangoe Lane, Calcutta, on Thursday, the 7th December, 1956, at 11-45 A.M., for the following purposes:—

(1) To consider and adopt the Revenue and Profit and Loss Accounts for the year ended 31st December, 1955, and the Balance Sheet at that date and the Reports of the Directors and Auditors and to declare a Dividend.

(2) To reappoint a Director who retires.

(3) To appoint Auditors and to fix their remuneration.

AS SPECIAL BUSINESS

To consider and, if thought fit to pass, with or without modification, the following resolutions:—

(4) "Resolved that Williamson Magor & Co., Ltd., the Managing Agents of the Company and any associate or associates of theirs (as defined in Sub-section (3) of Section 2 of the Companies Act, 1956) be and are hereby authorised to retain any commission or other remuneration earned or to be earned by them as Managing Agents, Secretaries and Treasurers, Agents, or as Selling or Buying Agents of any firm, body corporate or other person in respect of any goods, power, freight, repairs or other services including insurance for the sale, purchase, supply or rendering of which a contract has been or is to be entered into by such firm, body corporate or concern with the Company provided that the prices or amounts charged to or received by the Company are at rates which are not less favourable to the Company than the market rates or which are otherwise reasonable."

(5) "Resolved that where under the provisions of the Companies Act, 1956, any person, whether a Member of the Company or not, is entitled to inspect any document required to be kept or maintained by the Company, the person so entitled to inspection shall be permitted to inspect the same between the hours of 11 o'clock in the forenoon and 1 o'clock in the afternoon on such business days as the Act requires them to be kept open for inspection."

As a Special Resolution

"Resolved that consent be and is hereby accorded to Messrs. Geo. Williamson & Company, a partnership firm, who maintain an office at 21, Mincing Lane, London, E.C.3, England (for the purposes of their business of management and administration of seventeen Sterling Tea Companies of which they are appointed Secretaries), acting and continuing, with effect from the date of commencement of the Companies Act, 1956, until the 1st April, 1961, to act as Agents for the sale at the London Tea Auctions of teas produced by the Company at a remuneration by way of commission at the rate of two percent on the sale prices obtained; that no further sums, whether by way of reimbursement of expenses or otherwise, be paid to them as such Agents as aforesaid; and that this appointment may be terminated by either party giving to the other not less than one month's previous notice in writing of intention so to do."

As a Special Resolution

"Resolved that consent be and is hereby accorded to Messrs. Geo. Williamson & Company, a partnership firm, who maintain an office at 21, Mincing Lane, London, E.C.3, England (for the purposes of their business of management and administration of seventeen Sterling Tea Companies of which they are appointed Secretaries), acting and continuing, with effect from the date of commencement of the Companies Act, 1956, until the 1st April, 1959, to act as Agents for the purchase in the U.K. of goods from time to time required by the Company at a remuneration by way of commission at the rate of two percent on the invoiced price of such goods; that no further sums, whether by way of reimbursement of expenses or otherwise, be paid to them as such Agents as aforesaid; and that this appointment may be terminated by either party giving to the other not less than one month's previous notice in writing of intention so to do. The expenses incurred by Messrs. Geo. Williamson & Company in maintaining their London Office are in the nature of salaries and wages of personnel, insurance, rates and taxes, fuel, light, maintenance and repair of the premises, office furniture and equipment and items incidental thereto, of which one-sixty-fifth part represents the proportion which may reasonably be attributed to the services rendered and work done on behalf of

the Company as such Agents as aforesaid."

As a Special Resolution

(8) "Resolved that the Company hereby accords consent to J. Thomas & Co., Private Ltd., acting and continuing with effect from the date of commencement of the Companies Act, 1956, to act as Brokers of the teas produced by the Company and further consents to Mr. J. H. Methold, a Director and Member of the Company, who is also a Director of J. Thomas & Co., Private Limited, acting and continuing with effect from the 25th July, 1956, being the date he was appointed an additional Director of the Company, to act as a Director of the Company."

As a Special Resolution

(9) "That Mr. J. H. Methold is hereby appointed a Director of the Company." Special Notice dated 2nd November, 1956, of intention to propose the foregoing resolution as a Special Resolution has been received by the Company wherein it is stated that the notice is given to satisfy the requirements of Sections 190 and 261(1)(c), (2) and (3) of the Companies Act, 1956, for the reason that Mr. J. H. Methold a Director of the Company who, having been appointed an additional Director during the year and holds office until the next Annual General Meeting, is a Director of J. Thomas & Co., Private Limited which customarily acts as Brokers for the teas produced by the Company which may be construed as an office or place of profit under the Company. Having regard to the fact that the Managing Agents have a right to appoint a Director to the Company, and to the provisions of Sections 261 and 314 of the Act, a special resolution re-appointing him as a Director of the Company is considered requisite.

The Share Transfer Books and Register of Members of the Company will be closed from the 20th December to the 27th December, 1956, both days inclusive.

THE SEAJULI TEA COMPANY, LIMITED.

By Order of the Board,

WILLIAMSON MAGOR & CO., LTD.,

Managing Agents.

C. C. SANDYS-LUMSDAINE,

Managing Director.

Calcutta, 28th November, 1956.

Note.—A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.

THE SALEM-ERODE ELECTRICITY DISTRIBUTION COMPANY LIMITED.

NOTICE is hereby given that the Annual Ordinary General Meeting of the Shareholders will be held at the registered office of the Company, No. 14, Old Court House Street, Calcutta, on Friday, the 28th day of December, 1956 at 3-10 P.M. for the following purposes:—

1. To receive and pass the Directors' Report and the audited Accounts for the year ended 31st March, 1956.

2. To declare a Dividend.

3. To elect a Director in place of the retiring Director.

4. To elect Auditors for the ensuing year, and to fix their remuneration.

The Share Register of the Company will be closed from 21st December, 1956 to 28th December, 1956, both days inclusive.

By Order of the Board,

OCTAVIUS STEEL & CO. LTD.,

A. H. GALLOWAY,

Managing Director,

Managing Agents.

Calcutta, 5th December, 1956.

NOTE: A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and on a poll, to vote instead of himself and the proxy need not be a member.

THE CALCUTTA TRAMWAYS COMPANY LIMITED

(Incorporated in England)

NOTICE is hereby given that the Preference Share Transfer Books will be closed from the 17th to the 21st December, 1956, (both days inclusive) for the preparation of Dividend Warrants in respect of the Final Dividend of 2½%, less Income-tax payable on the 1st January, 1957, on account of the profits for the year ending 31st December, 1956.

By Order of the Board,

A. C. T. BLEASE,

Agent.

P-4, Mission Row Extension,

Calcutta-1.

Dated, 4th December, 1956.

THE CALCUTTA STEAM NAVIGATION CO., LTD.

NOTICE is hereby given that the 148th Annual General Meeting of the members of the above-named Company will be held at the Registered Office, No. 5, Fairlie Place, Calcutta, on Thursday, the 27th Dec., at 11-30 a.m. to transact the following business:—

1. To consider and adopt the Profit & Loss Account for the half-year ended 30th June 1956, together with the Balance Sheet as at that date and the Reports of the Board of Directors and Auditors.

2. To declare a dividend.

3. To appoint Directors.

4. To appoint Auditors and to fix their remuneration.

Special Business.

5. To consider and if thought fit, to pass, with or without amendment the following resolution which will be proposed as an Ordinary Resolution:—

"Resolved that the Capital of the Company, divided into 12,600 fully paid up Ordinary Shares of Rs. 100/- each, be subdivided into 1,26,000 Ordinary Shares of Rs. 10/- each and shall henceforth be numbered from No. 1 to 1,26,000 inclusive so that the former Share No. 1 shall now be represented by 10 shares numbered 1-10 inclusive and so on."

6. To consider and if thought fit, to pass, with or without amendment the following Resolution which will be proposed as a Special Resolution:—

"Resolved that the Articles of Association of the Company be altered in the following manner:—

Article (4) shall be deleted and the following new Article substituted therefor:—

The Capital of the Company is Rs. 12,60,000/- divided into 1,26,000 Ordinary Shares of Rs. 10/- each.

The Share Transfer Books of the Company will be closed from the 12th December to 27th December, 1956 both days inclusive.

By Order of the Board,

HOARE MILLER & CO., LTD.,

Managing Agents.

5, Fairlie Place,

Calcutta,

Dated 4th December, 1956.

Note:—A member entitled to attend and vote at this Meeting is entitled to appoint a Proxy to attend and vote in his stead. A Proxy need not be a member of the Company.

EXPLANATORY STATEMENT.

Items 5 and 6. In response to requests from a number of shareholders and as it is undoubtedly in accordance with the modern trend and will lead to greater convenience in registering share transfers, and as your Company are empowered under Article 60 of the Company's Articles of Association to sub-divide the shares, your Directors have decided to recommend to members in General Meeting by an Ordinary and by a Special Resolution respectively that the shares of Rs. 100/- each should be sub-divided into Rs. 10/- shares and that the Articles be amended to give effect to such recommendation. The Directors and Managing Agents are interested in these resolutions only as Shareholders of the Company.

THE TINNEVELLY-TUTICORIN ELECTRIC SUPPLY COMPANY LIMITED.

NOTICE is hereby given that the Annual Ordinary General Meeting of the Shareholders will be held at the Registered Office of the Company, No. 14, Old Court House Street, Calcutta, on Friday, the 28th day of December, 1956 at 3-25 P.M. for the following purposes:—

1. To receive and pass the Directors' Report and the audited Accounts for the year ended 31st March, 1956.

2. To declare a Dividend.

3. To elect a Director in place of the retiring Director.

4. To elect Auditors for the ensuing year, and to fix their remuneration.

The Share Register of the Company will be closed from 21st December, 1956 to 28th December, 1956, both days inclusive.

By Order of the Board,

OCTAVIUS STEEL & CO. LTD.,

A. H. GALLOWAY,

Managing Director,

Managing Agents.

Calcutta, 5th December, 1956.

NOTE: A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and on a poll, to vote instead of himself and the proxy need not be a member.

THE LINGIA TEA COMPANY, LIMITED.

NOTICE is hereby given that the Annual General Meeting of the Members of The Lingia Tea Co., Ltd., will be held at the Registered Office, at No. 4, Mangoe Lane, Calcutta, on Friday, the 28th December, 1956, at 11-15 A.M., for the following purposes:—

- (1) To consider and adopt the Revenue and Profit and Loss Accounts for the year ended 31st December, 1955, and the Balance Sheet as at that date and the Reports of the Directors and Auditors and to declare Dividends.
- (2) To reappoint a Director retiring by rotation.
- (3) To appoint Auditors and to fix their remuneration.

AS SPECIAL BUSINESS

To consider and, if thought fit to pass, with or without modification, the following resolutions:—

- (4) "Resolved that Williamson Magor & Co., Ltd., the Managers of the Company and any associate or associates of theirs (as defined in Sub-Section (3) of Section 2 of the Companies Act, 1956) be and are hereby authorised to retain any commission or other remuneration earned or to be earned by them as Managing Agents, Secretaries and Treasurers, Secretaries, Managers, Agents, or as Selling or Buying Agents of any firm, body corporate or otherwise in respect of any goods, power, freight, repairs or other services including insurance for the sale, purchase, supply or rendering of which a contract has been or is to be entered into by such firm, body corporate or concern with the Company provided that the prices or amounts charged to or received by the Company are at rates which are not less favourable to the Company than the market rates or which are otherwise reasonable."
- (5) "Resolved that where under the provisions of the Companies Act, 1956, any person, whether a Member of the Company or not, is entitled to inspect any document required to be kept or maintained by the Company, the person so entitled to inspection shall be permitted to inspect the same between the hours of 11 o'clock in the forenoon and 1 o'clock in the afternoon on such business days as the Act requires them to be kept open for inspection."

As a Special Resolution

- (6) "Resolved that consent be and is hereby accorded to Messrs. Geo. Williamson & Company, a partnership firm, who maintain an office at 21, Mincing Lane, London, E.C.3, England (for the purposes of their business of management and administration of seventeen Sterling Tea Companies of which they are appointed Secretaries), acting and continuing, with effect from the date of commencement of the Companies Act, 1956, until the 1st April, 1961, to act as Agents for the sale at the London Tea Auctions of teas produced by the Company at a remuneration by way of commission at the rate of two percent on the sale prices obtained; that no further sums, whether by way of reimbursement of expenses or otherwise, be paid to them as such Agents as aforesaid; and, that this appointment may be terminated by either party giving to the other not less than one month's previous notice in writing of intention so to do."

As a Special Resolution

- (7) "Resolved that consent be and is hereby accorded to Messrs. Geo. Williamson & Company, a partnership firm, who maintain an office at 21, Mincing Lane, London, E.C.3, England (for the purposes of their business of management and administration of seventeen Sterling Tea Companies of which they are appointed Secretaries), acting and continuing, with effect from the date of commencement of the Companies Act, 1956, until the 1st April, 1959, to act as Agents for the purchase in the U.K. of goods from time to time required by the Company at a remuneration by way of commission at the rate of two percent on the invoiced price of such goods; that no further sums, whether by way of reimbursement of expenses or otherwise, be paid to them as such Agents as aforesaid; and, that this appointment may be terminated by either party giving to the other not less than one month's previous notice in writing of intention so to do. The expenses incurred by Messrs. Geo. Williamson & Company in maintaining their London Office are in the nature of salaries and wages of personnel, insurance, rates and taxes, fuel, light, maintenance and repair of the premises, office furniture and equipment and items incidental thereto, of which one-sixty-fifth part represents the proportion which may reasonably be attributed to the services rendered and work done on behalf of

the Company as such Agents as aforesaid."

As a Special Resolution

- (8) "Resolved that the Company hereby accords consent to Carritt Moran & Co., Private Ltd., acting and continuing, with effect from the date of commencement of the Companies Act, 1956, to act as Brokers of the teas produced by the Company and further consents to Mr. P. Banyard, a Director and Member of the Company, who is also a Director and Member of Carritt Moran & Co., Private Limited, acting and continuing, with effect from the date of commencement of the Companies Act, 1956, to act as a Director of the Company."

As Ordinary Business

- (9) "To consider and, if thought fit to pass, with or without modification, the following resolution which will be proposed as a Special Resolution:—

"That Mr. P. Banyard is hereby appointed a Director of the Company."

Special Notice dated the 2nd November, 1956, of intention to propose the foregoing resolution as a Special Resolution has been received by the Company, wherein it is stated that the notice is given to satisfy the requirements of Sections 190 and 261 (1) (c), (2) and (3) of the Companies Act, 1956, for the reason that Mr. P. Banyard a Director and Member of the Company, who retires by rotation of Directors at this meeting is a Director and Member of, Carritt Moran & Co. Private Limited, which customarily acts, as Brokers of the teas produced by the Company which may be construed as an office or place of profit under the Company. Having regard to the fact that the Managers who must be deemed to be Managing Agents of the Company within the meaning of the Act, have a right to appoint a Director to the Company, and to the provisions of Section 261 and 314 of the Act, a special resolution reappointing him as a Director of the Company is considered requisite.

The Share Transfer Books and Register of Members of the Company will be closed from the 21st December, 1956 to the 28th December, 1956, both days inclusive.

THE LINGIA TEA COMPANY, LIMITED,

By Order of the Board,

WILLIAMSON MAGOR & CO., LTD.,

Managers.

C. C. SANDYS-LUMSDAINE,

Managing Director.

Calcutta, 28th November, 1956.

Note.—A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.

THE CHAMONG TEA COMPANY, LIMITED.

NOTICE is hereby given that the Annual General Meeting of the Members of The Chamong Tea Co. Ltd., will be held at the Registered Office at No. 4, Mangoe Lane, Calcutta, on Thursday, 27th December, 1956, at 12 o'clock noon, for the following purposes:—

- (1) To consider and adopt the Revenue and Profit and Loss Accounts for the year ended 31st December, 1955, and the Balance Sheet at that date and the Reports of the Directors and Auditors.
- (2) To reappoint a Director retiring by rotation.
- (3) To appoint Auditors and to fix their remuneration.

AS SPECIAL BUSINESS

To consider and, if thought fit to pass, with or without modification, the following resolutions:—

- (4) "Resolved that Williamson Magor & Co. Ltd., the Managing Agents of the Company and any associate or associates of theirs (as defined in Sub-Section (3) of Section 2 of the Companies Act, 1956) be and are hereby authorised to retain any commission or other remuneration earned or to be earned by them as Managing Agents, Secretaries, and Treasurers, Secretaries, Managers, Agents, or as Selling or Buying Agents of any firm, body corporate or otherwise in respect of any goods, power, freight, repairs or other services including insurance for the sale, purchase, supply or rendering of which a contract has been or is to be entered into by such firm, body corporate or concern with the Company provided that the prices or amounts charged to or received by the Company are at rates which are not less favourable to the Company than the market rates or which are otherwise reasonable."

- (5) "Resolved that where under the provisions of the Companies Act, 1956, any person, whether a Member of the Company or not, is entitled to inspect any document required to be kept or main-

tained by the Company, the person so entitled to inspection shall be permitted to inspect the same between the hours of 11 o'clock in the forenoon and 1 o'clock in the afternoon on such business days as the Act requires them to be kept open for inspection."

As a Special Resolution

- (6) "Resolved that consent be and is hereby accorded to Messrs. Geo. Williamson & Company, a partnership firm, who maintain an office at 21, Mincing Lane, London, E.C.3, England (for the purposes of their business of management and administration of seventeen Sterling Tea Companies of which they are appointed Secretaries), acting and continuing, with effect from the date of commencement of the Companies Act, 1956, until the 1st April, 1961, to act as Agents for the sale at the London Tea Auctions of teas produced by the Company at a remuneration by way of commission at the rate of two percent on the sale prices obtained; that no further sums, whether by way of reimbursement of expenses or otherwise, be paid to them as such Agents as aforesaid; and, that this appointment may be terminated by either party giving to the other not less than one month's previous notice in writing of intention so to do."

As a Special Resolution

- (7) "Resolved that consent be and is hereby accorded to Messrs. Geo. Williamson & Company, a partnership firm, who maintain an office at 21, Mincing Lane, London, E.C.3, England (for the purposes of their business of management and administration of seventeen Sterling Tea Companies of which they are appointed Secretaries), acting and continuing, with effect from the date of commencement of the Companies Act, 1956, until the 1st April, 1959, to act as Agents for the purchase in the U.K. of goods from time to time required by the Company at a remuneration by way of commission at the rate of two percent on the invoiced price of such goods; that no further sums, whether by way of reimbursement of expenses or otherwise, be paid to them as such Agents as aforesaid; and, that this appointment may be terminated by either party giving to the other not less than one month's previous notice in writing of intention so to do. The expenses incurred by Messrs. Geo. Williamson & Company, in maintaining their London Office, are in the nature of salaries and wages of personnel, insurance, rates and taxes, fuel, light, maintenance and repair of the premises, office furniture and equipment and items incidental thereto, of which one-sixty-fifth part represents the proportion which may reasonably be attributed to the services rendered and work done on behalf of the Company as such Agents as aforesaid."

As a Special Resolution

- (8) "Resolved that the Company hereby accords consent to J. Thomas & Co. Private Ltd., acting and continuing, with effect from the date of commencement of the Companies Act, 1956, to act as Brokers of the teas produced by the Company and further consents to Mr. J. H. Methold, a Director and Member of the Company, who is also a Director of J. Thomas & Co. Private Limited, acting and continuing, with effect from the date of commencement of the Companies Act, 1956, to act as a Director of the Company."

The Share Transfer Books and Register of Members of the Company will be closed from the 20th December to the 27th December, 1956, both days inclusive.

THE CHAMONG TEA COMPANY, LIMITED,

By Order of the Board,

WILLIAMSON MAGOR & CO., LTD.,

Managing Agents.

C. C. SANDYS-LUMSDAINE,

Managing Director.

Calcutta, 28th November, 1956.

Note.—A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.

THE SALEM-ERODE ELECTRICITY DISTRIBUTION CO. LTD.

THE Directors have decided to recommend to the forthcoming Annual General Meeting of the Shareholders a dividend at the rate of 10% on Ordinary Shares, for the year ended 31st March, 1956 payable without deduction for income-tax paid by the Company.

OCTAVIUS STEEL & CO., LTD.,

Managing Agents.

Calcutta, 5th December, 1956.

THE TUKVAR COMPANY, LIMITED.

NOTICE is hereby given that the Annual General Meeting of the Members of The Tukvar Company, Ltd., will be held at the Registered Office, at No. 4, Mangoe Lane, Calcutta, on Thursday, 27th December, 1956, at 12-30 P.M. for the following purposes:—

- (1) To consider and adopt the Revenue and Profit and Loss Accounts for the year ended 31st December, 1955, and the Balance Sheet at that date and the Reports of the Directors and Auditors.
- (2) To reappoint a Director retiring by rotation.
- (3) To appoint Auditors and to fix their remuneration.

AS SPECIAL BUSINESS

To consider and, if thought fit to pass, with or without modification, the following resolutions:—

- (4) "Resolved that Williamson Magor & Co. Ltd., the Secretaries of the Company and any associate or associates of theirs (as defined in Sub-Section (3) of Section 2 of the Companies Act, 1956) be and are hereby authorised to retain any commission or other remuneration earned or to be earned by them as Managing Agents, Secretaries and Treasurers, Secretaries, Managers, Agents, or as Selling or Buying Agents of any firm, body corporate or otherwise in respect of any goods, power, freight, repairs or other services including insurance for the sale, purchase, supply or rendering of which a contract has been or is to be entered into by such firm, body corporate or concern with the Company provided that the prices or amounts charged to or received by the Company are at rates which are not less favourable to the Company than the market rates or which are otherwise reasonable."
- (5) "Resolved that where under the provisions of the Companies Act, 1956, any person, whether a Member of the Company or not, is entitled to inspect any document required to be kept or maintained by the Company, the person so entitled to inspection shall be permitted to inspect the same between the hours of 11 o'clock in the forenoon and 1 o'clock in the afternoon on such business days as the Act requires them to be kept open for inspection."

As a Special Resolution

- (6) "Resolved that consent be and is hereby accorded to Messrs. Geo. Williamson & Company, a partnership firm, who maintain an office at 21, Mincing Lane, London, E.C.3, England (for the purposes of their business of management and administration of seventeen Sterling Tea Companies of which they are appointed Secretaries), acting and continuing, with effect from the date of commencement of the Companies Act, 1956, until the 1st April, 1961, to act as Agents for the sale at the London Tea Auctions of teas produced by the Company at a remuneration by way of commission at the rate of two percent on the sale prices obtained; that no further sums, whether by way of reimbursement of expenses or otherwise, be paid to them as such Agents as aforesaid; and, that this appointment may be terminated by either party giving to the other not less than one month's previous notice in writing of intention so to do."

As a Special Resolution

- (7) "Resolved that consent be and is hereby accorded to Messrs. Geo. Williamson & Company, a partnership firm, who maintain an office at 21, Mincing Lane, London, E.C.3, England (for the purposes of their business of management and administration of seventeen Sterling Tea Companies of which they are appointed Secretaries), acting and continuing, with effect from the date of commencement of the Companies Act, 1956, until the 1st April, 1959, to act as Agents for the purchase in the U.K. of goods from time to time required by the Company at a remuneration by way of commission at the rate of two percent on the invoiced price of such goods; that no further sums, whether by way of reimbursement of expenses or otherwise, be paid to them as such Agents as aforesaid; and, that this appointment may be terminated by either party giving to the other not less than one month's previous notice in writing of intention so to do. The expenses incurred by Messrs. Geo. Williamson & Company in maintaining their London Office are in the nature of salaries and wages of personnel, insurance, rates and taxes, fuel, light, maintenance and repair of the premises, office furniture and equipment and items incidental thereto, of which one-sixty-fifth part represents the proportion which may reasonably be attributed to the services rendered and work done on behalf of the Company as such Agents as aforesaid."

As a Special Resolution

- (8) "Resolved that the Company hereby

accords consent to Carritt Moran & Co., Private Ltd. acting and continuing, with effect from the date of commencement of the Companies Act, 1956, to act as Brokers of the teas produced by the Company."

The Share Transfer Books and Register of Members of the Company will be closed from the 20th December, 1956 to the 27th December, 1956, both days inclusive.

THE TUKVAR COMPANY, LIMITED,

By Order of the Board,

WILLIAMSON MAGOR & CO., LTD.,

Secretaries.

C. C. SANDYS-LUMSDAINE,

Managing Director.

Calcutta, 28th November, 1956.

Note.—A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.

THE UNION COAL COMPANY, LIMITED.

NOTICE is hereby given that the Ninety-sixth Annual General Meeting of the Members of The Union Coal Company, Limited, will be held at the Registered Office, at No. 4, Mangoe Lane, Calcutta on Thursday, 27th December, 1956, at 12-15 P.M., for the following purposes:—

- (1) To consider and adopt the Revenue and Profit and Loss Accounts for the half-year ended 31st December, 1955, and the Balance Sheet as at that date and the Reports of the Directors and Auditors.
- (2) To reappoint a Director retiring by rotation.
- (3) To appoint Auditors and to fix their remuneration.

AS SPECIAL BUSINESS

To consider and, if thought fit to pass, with or without modification, the following resolutions:—

- (4) "Resolved that Williamson Magor & Co. Ltd., the Managing Agents of the Company, be and are hereby authorised to retain any commission or other remuneration earned or to be earned by them as Managing Agents, Secretaries and Treasurers, Secretaries, Managers, Agents, or as Selling or Buying Agents of any firm, body corporate or otherwise in respect of any goods, power, freight, repairs or other services including insurance for the sale, purchase, supply or rendering of which a contract has been or is to be entered into by such firm, body corporate or concern with the Company provided that the prices or amounts charged to or received by the Company are at rates which are not less favourable to the Company than the market rates or which are otherwise reasonable."
- (5) "Resolved that where under the provisions of the Companies Act, 1956, any person, whether a Member of the Company or not, is entitled to inspect any document required to be kept or maintained by the Company, the person so entitled to inspection shall be permitted to inspect the same between the hours of 11 o'clock in the forenoon and 1 o'clock in the afternoon on such business days as the Act requires them to be kept open for inspection."

The Share Transfer Books of the Company will be closed from 20th December, 1956 to 27th December, 1956, both days inclusive.

THE UNION COAL COMPANY, LIMITED,

By Order of the Board,

WILLIAMSON MAGOR & COMPANY, LIMITED,

Managing Agents.

C. C. SANDYS-LUMSDAINE,

Managing Director.

Calcutta, 28th November, 1956.

N.B.—A Member entitled to attend and vote is entitled to appoint a Proxy to attend and vote in his stead. A Proxy need not be a Member of the Company.

BALMER LAWRIE & COMPANY LIMITED.

NOTICE is hereby given that an Interim Dividend on the shares of the above Company of 5%, free of Income Tax, for the year ending 31st December, 1956, was declared by the Board of Directors on 3rd December, 1956, payable on or after 24th December, 1956 to those Members whose names are registered in the Register of Members of the Company on the 24th December, 1956. Dividend Warrants will be despatched to Members and no application to the Company is necessary.

The Register of Members of the Company will be closed from 17th December, 1956 to 24th December, 1956, both days inclusive.

By Order of the Board,

BALMER LAWRIE & COMPANY LTD.,

D. MANSON,

Secretary.

21, Netaji Subhas Road,

Calcutta.

4th December, 1956.

**COMPANY MEETINGS AND DIVIDENDS
DECLARED OR PROPOSED**

Name of Company	Date	Hour I.S.T.
Burn & Co., Ltd.	7-12-56	11 a.m.
Tea Planters Benevolent Institution	7-12-56	11 a.m.
Bokharh Tea Co., Ltd.	7-12-56	3-30 p.m.
Bhagalpur Electric Supply Co. Ltd.	7-12-56	3-40 p.m.
Bharat Collieries, Ltd.	8-12-56	Noon
India Steamship Co., Ltd.	12-12-56	10-30 a.m.
Jubbulpore Electric Supply Co., Ltd.	13-12-56	11 a.m.
Hasimara Tea Co., Ltd.	14-12-56	12-15 p.m.
Octavious Steel & Co., Ltd.	14-12-56	Noon
Amulckie Tea Co., Ltd.	15-12-56	10-30 a.m.
Duncan Brothers & Co., Ltd.	15-12-56	11 a.m.
Titagur Paper Mills Co., Ltd.	19-12-56	3 p.m.
Indian Cable Co., Ltd.	21-12-56	11 a.m.
Mozurpore Electric Supply Co., Ltd.	21-12-56	11 a.m.
Grob Tea Co., Ltd.	21-12-56	3 p.m.
Kingsley Golaghat Assam Tea Co., Ltd.	22-12-56	1 p.m.
McLeod & Co., Ltd.	24-12-56	4 p.m.
Agra Electric Supply Co., Ltd.	26-12-56	11 a.m.
Bor Pukhuri Tea Co., Ltd.	27-12-56	11 a.m.
Gohpur Tea Co., Ltd.	27-12-56	11-15 a.m.
Calcutta Steam Navigation Co., Ltd.	27-12-56	11-30 a.m.
Dimakusi Tea Co., Ltd.	27-12-56	11-30 a.m.
Seajuli Tea Co., Ltd.	27-12-56	11-45 a.m.
Chamong Tea Co., Ltd.	27-12-56	Noon
Union Coal Co., Ltd.	27-12-56	12-15 p.m.
Tukvar Co., Ltd. (Tea)	27-12-56	12-30 p.m.
Bisra Stone Lime Co., Ltd.	28-12-56	10-30 a.m.
Dufflaghur Tea Co., Ltd.	28-12-56	11 a.m.
Lingia Tea Co., Ltd.	28-12-56	11-15 a.m.
Soom Tea Co., Ltd.	28-12-56	11-30 a.m.
Nagri Farm Tea Co., Ltd.	28-12-56	11-45 a.m.
Anglo-India Jute Mills Co., Ltd.	28-12-56	Noon
Nipur Tea Co., Ltd.	28-12-56	Noon
East India Tea Co., Ltd.	28-12-56	12-15 p.m.
Bishnath Tea Co., Ltd.	28-12-56	12-30 p.m.
Salem-Erode Electricity Distribution Co., Ltd.	28-12-56	3-10 p.m.
Tinnevely-Tuticorin Electric Supply Co., Ltd.	28-12-56	3-25 p.m.
Patna Electric Supply Co., Ltd.	28-12-56	3-40 p.m.
Hindustan Housing & Land Development Trust, Ltd.	28-12-56	4 p.m.
National Rolling & Steel Ropes, Ltd.	29-12-56	11 a.m.
East Indian Coal Co., Ltd.	29-12-56	11 a.m.
Upper Jumna Valley Electricity Supply Co., Ltd.	29-12-56	11 a.m.
National Insulated Cable Co. of India, Ltd.	29-12-56	11-30 a.m.
Kaliti Tea Co., Ltd.	29-12-56	Noon.

DIVIDENDS DECLARED OR PROPOSED—Anglo-

India Jute Mills Co. Ltd.—31 p.c. (o); Guagarum Tea Co., Ltd.—71 p.c.; Birpara Tea Co., Ltd.—5 p.c. (o); Desai & Purbuttia Tea Co., Ltd.—10 p.c.; Hantapara Tea Co., Ltd.—6 p.c. (o); Ledo Tea Co., Ltd.—Nil; Kotamullai Tea Co., Ltd.—Nil; Agra Electric Supply Co., Ltd.—3 p.c.; India General Navigation and Railway Co., Ltd.—5 p.c. (o); Birla Cotton Spinning & Weaving Mills Ltd.—Rs. 1-8 per share; Seebpore Coal Co., Ltd.—Annas 14 per share (o); Grob Tea Co. Ltd.—25 p.c.; Amalgamated Electricity Co., Ltd.—Annas 6 per share (o); National Insulated Cable Co. of India Ltd.—Rs. 2 per share (o) including cash bonus of Annas 8 per share; National Rolling & Steel Ropes Ltd.—Annas 9-6 per share (o); Oodlabari Co., Ltd.—121 p.c.; Bisra Stone Lime Co. Ltd.—Annas 14 per share; Gohpur Tea Co. Ltd.—30 p.c.; East India Tea Co. Ltd.—10 p.c.; Dimakusi Tea Co. Ltd.—20 p.c. (o); Seajuli Tea Co., Ltd.—15 p.c.; Bor Pukhuri Tea Co. Ltd.—10 p.c.; Soom Tea Co., Ltd.—10 p.c. (o); Balmer Lawrie & Co. Ltd.—5 p.c. (Int.); Lacktoorah Tea Co., Ltd.—30 p.c.; Tengpani Tea Co., Ltd.—71 p.c.; Gaikhatia Tea Co., Ltd.—Nil; Betjan Tea Co., Ltd.—20 p.c.; Jutibari Tea Co., Ltd.—Nil; Ananda-Bag Tea Co., Ltd.—10 n.c.; Taiipoa Tea Association Ltd.—Nil; Salem-Erode Electricity Distribution Co., Ltd.—10 p.c. (o);

O.—Ordinary Dividend. In.—Interim Dividend.
P.—Preference Dividend. F.—Less Income Tax.
P.O.—Preferred Dividend. F.—Final Dividend.
D.—Deferred Dividend. Cn.—Cumulative.
F.—Less Tax at 85 p.c. in the £

The Central Bank of India, Ltd.

(Incorporated in India. Liability of Members is Limited).
(Established—December, 1911).
Head Office—MAHATMA GANDHI ROAD, FORT, BOMBAY-1.

Authorised Capital	Rs. 6,30,00,000
Issued Capital	Rs. 5,77,50,000
Subscribed Capital	Rs. 5,76,66,125
Paid-up Capital	Rs. 3,14,54,250
Reserve Fund and other Reserves	Rs. 4,01,81,217
Deposits as at 31-12-55	Rs. 1,28,96,40,393

DIRECTORS
Sir Moni Mody, K.B.E. (Chairman), Coveraji Hormusji Ghoshia, Esq. (Vice-Chairman) Dinslaw D. Romer, Esq., Dharmeswar Murai Khatri, Esq., Manmohanadas Madhavdas Amersey, Esq., C. P. Vadgaonkar, Esq., Chintamani B. Parikh, Esq., Ramroze J. Gajdar, Esq., Sir Jamsetjee Jejeebhoy, Bart. His Highness Sir Gajrajji Maharaja, Sindhiya, G.I.S.I., C.I.C.I., Maharaja of Gwalior, Mr. N. K. Karanjia, General Manager.
Branches and pay offices throughout India, Pakistan, Burma and London.
London Branch—159, Fenchurch Street, London, E.C.3.
New York Agents—The Guaranty Trust Co. of New York, The Chase Manhattan Bank.
Banking business of every description transacted on terms which may be ascertained on application.

LOCAL BRANCHES
Calcutta—2

"CAPITAL" STOCK AND SHARE LIST

THE INVESTORS' GUIDE AND SHAREHOLDERS' GAZETTE

Official quotations of the Calcutta Bombay, Madras, London Stock
Exchange Associations and other sources.

Wednesday 5th December, 1956.

All rights reserved.

GOVERNMENT LOANS					PORT TRUST LOANS					IMPROVEMENT TRUST LOANS				
Amount Outstanding Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.	Amount Rs.	Interest per cent	Year of issue	Repay- able	Market quotations Rs.	Amount Rs.	Interest per cent	Year of issue	Repay- able	Market quotations Rs.
GOVERNMENT OF INDIA														
2,48,91,47,000	3	1946	1986 or later	73½	90,24,300	4	1914	1974	99	36,50,000	4	1904	1964	99½
					76,90,100	4	1915	1975	99	35,00,000	4	1905	1965	99½
8,93,35,000	3	1896-97	At the option of the Government of India after 3 months' notice.	73	68,02,300	3	1921 1st	1981	82	15,00,000	4	1906	1967	99½
					1,50,00,000	6½	1921 2nd	1981	144N	44,00,000	4	1907	1968	99½
57,00,69,000	2½	1946	1961	93½	2,892,600	5	1923	1953-83	£79	75,00,000	4	1908	1969	99½
45,63,07,000	2½	1946	1960	96½	2,901,000	5	1924	1954-84	£79½	40,00,000	4	1909	1970	99½
50,35,63,000	3	1951	1958	99½						56,00,000	4	1910	1971	99½
1,16,17,46,000	3	1938	1963-65	94½						75,00,000	4	1911	1972	99½
1,10,11,78,000	3	1943	1966-68	92½										
75,86,72,000	2½	1947	1962	93½	1,49,49,500	5	1927	1957-87	102					
		2nd issue	1962	93½	1,49,30,000	5	1928	1958-88	103					
30,33,10,000	3	1950	1964	94½	90,00,000	4	1931	1991	95					
14,77,48,000	2½	1946	1976	93½	2,835,100	3½	1932	1962	£91½					
63,30,26,000	3	1926	1960-70	100½	2,31,07,100	3½	1935	1965	97½					
1,15,05,83,000	3	1945	1970-75	96½	50,00,000	3	1946	1976	84½					
1,14,06,59,000	3	1944	1957	99½						2,892,600	5	1923	1953-83	£87½
4,85,73,000	3½	1928	1958-68	102½	2,901,000	5	1924	1954-84	£87½					
7,29,00,000	3½	1953	1961	99½	60,00,000	3	1945	1-2-2005	74					
1,13,65,64,000	3	1945	1959-61	98½	80,00,000	3	1945	1-2-1975	85					
1,58,17,07,000	3½	1944	1962	98½	21,07,100	3½	1936-37	1956-66	95½	2,835,100	5½	1932	1962	£96
1,03,67,92,000	3½	1955	1965	98½	25,00,000	3	1938	1963-68	90					
33,82,00,000	3½	1956	1967	98½	50,00,000	3	1946	2006	74					
66,64,00,000	3½	1956	1974	100½	50,00,000	2½	1947	1977	79½					
					50,00,000	3	1948	1978	83½					
3,44,00,000	3	1944	1958	98½	1,00,00,000	3	1949	1959	97					
6,00,00,000	3	1949	1962	93½	50,00,000	3	1949	1959	97					
3,00,00,000	3	1950	1960	96½	50,00,000	3	1950	1960	97					
3,00,00,000	3	1951	1962	98½	1,00,00,000	3	1950	1960	95½					
3,50,00,000	4	1952	1964	100½	50,00,000	3	1951	1961	81½					
5,00,00,000	4	1953	1963	100½	1,50,00,000	3½	1951	1961	98½	31,47,169	3½	1947	1977	A
					50,00,000	4	1953	1963	100					
					50,00,000	4	1953	1963	98½	9,88,000	8	1947	1977	A
					90,00,000	4	1955	1965	98					
					77,00,000	4	1956	1966	97½	3,00,000	8	1949	1979	A
		</												

JOINT STOCK COMPANIES PREFERENCE SHARES

Dividends are cumulative and shares carry a preferential claim on the property for the payment of capital and on the profits for dividend except in case of companies marked otherwise. Months against names of companies indicate approximately times of payment of dividends.

Year of Issue	NAMES	Amount Issued in 000's Rs.	Rate per cent	Paid-up Share Rs.	Market Quotations 5-12-56. Rs.	A year ago Rs.	Year of Issue	NAMES	Amount Issued in 000's Rs.	Rate per cent	Paid-up Share Rs.	Market Quotations 5-12-56. Rs.	A year ago Rs.
1901	BANK.						1920	Birds' Investments (Dec.)	24.00	5 1/2	100	76 1/2	80
	COAL.						1918	Bombay Steam Navigation (July)	15.00	8 1/2	250	15 1/2	15
1905	Bengal Nagpur (Feb. Aug.)	11.25	7	100	105	118	1920	British Ceylon Corporation (Apr. Mar.)	7.50	6	5	93	11 1/2
1896-97	Burra (June Dec.)	4.00	6 1/2	100	103	119	1920	British India Corporation (Feb.)	81.00	8	100	121	137
1901-20	Burra (June Dec.)	22.98	7	100	114 1/2	127	1905-99	Burn Eng. (1st & 2nd) (Feb. Aug.)	13.00	7	100	137	141
1904	Burra (June Dec.)	4.50	6 1/2	10	8 1/2	114	1906-11	Burn Engineering (Feb. Aug.)	15.00	6	100	112	124
1895	Equitable (May Nov.)	4.00	6	100	104	117	1937	Calcutta Electric Supply (Mar. Sept.)	£1.900	5	£1	103	12 1/2
1931	Khas Kajora (Mar. Sept.)	1.93	5	10	5	2	1937	Calcutta Silk Manufacturing (July Jan.)	2.00	6	100	55	60
1920	New Beerboom (Jan. July)	2.00	7	10	12	134	1938	Calcutta Tramways (Jan. July)	£250	5 1/2	£1	8 1/2	8 1/2
1898-99	Ondal (June Dec.)	2.00	6 1/2	100	110	115	1905-24	Carew & Co. (January)	8.00	6 1/2	100	101	106
	COTTON MILLS.						1946	Cawnpore Sugar Works (Feb. Aug.)	10.00	8	100	127	143
1906	Ahmedabad Advance (Apr. Oct.)	10.00	5	100	110	110	1940	Chrestien Mica Industries Ltd.	30.00	5 1/2	100	57 1/2	66
1894	Bangalore (Jan. July)	6.00	6	100	125	128 1/2	1937	Dacca Electric Supply (July)	6.00	6	100	100	101
1938	Basanti (Oct.)	5.00	6 1/2	10	8	8	1945	Dalmia Cement (Bharat)	2.372	6	40	39 1/2	36 1/2
1896	Bengal Nagpur (Apr. Oct.)	3.00	7	100	99	116	1946	Delhi Flour Mills (Oct.)	90	7 1/2	100	133	133
1900	Bowreah "A" (Apr. Oct.)	6.00	8	100	140	135	1916	Deshergarh Power Supply "A" (Jan.)	16.00	5	100	102	107
1900	Bowreah "B" (Apr. Oct.)	6.00	8	100	140	135	1935	Deshergarh Power Supply "B" (Jan.)	12.00	4 1/2	100	93	91 1/2
1919	Bradbury "B" (Jan. Dec.)	14.75	7	100	324 1/2	324 1/2	1940	Dunlop Brothers & Co. Ltd.	45.00	4	100	60	72
1920	Buckingham & Carnatic (Jan. July)	21.30	7 1/2	100	144	133 1/2	1948	Dunlop Rubber "First" (Jan. July)	30.00	6	100	124	126
1928	Cambodia (July)	1.00	7	100	122 1/2	125	1926	Dunlop Rubber "Second" (Apr.)	40.00	6 1/2	100	93 1/2	72
1912	Central India (Apr. Oct.)	50.00	5	500	531 1/2	531 1/2	1928-29	East India Distilleries (Jan. July)	£200	7	£1	17 1/2	17 1/2
1912	Delhi Cloth & General (Oct.)	20.00	4 1/2	25	20	20	1897	Eastern Investments Ltd. (Apr.)	2.500	5 1/2	100	100	100
	JUTE MILLS.						1928	General Investment & Trust (Feb. Aug.)	1.00	5	100	75	77 1/2
1912	Elgin (May Nov.)	11.00	8	100	135 1/2	143 1/2	1947	General Investment & Trust (Feb. Aug.)	1.00	6 1/2	100	65	70
1913	Elgin "B" (Apr. Oct.)	4.20	8	100	91	91	1946	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	65	70
1919	Elphinstone (May Nov.)	25.00	7 1/2	100	87 1/2	87 1/2	1947	Gilston Lyall & Co. Ltd.	15.00	6 1/2	100	68 1/2	66
1919	Kesora (June Dec.)	20.00	7	100	130	133	1948	Gilston Lyall & Co. Ltd.	15.00	6 1/2	100	68 1/2	66
1925	Khatam Makani (Nov.)	10.00	6	100	88	88	1946	Gwalior Sugar (Decem.)	7.675	7	100	68	66
1937	Kothari (Nov.)	12.00	6	100	103	104	1940	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1907	Muir (Feb. Aug.)	30.00	6	100	91 1/2	89	1940	Humayun Properties Ltd. (Nov.)	12.00	6	100	9 1/2	10 1/2
1913	New Great Eastern (Mar.)	3.00	5 1/2	200	18 1/2	18 1/2	1936	Indian Aluminium (Mar. Sept.)	40.00	5 1/2	100	79 1/2	74
1920	New Victoria (Apr.)	26.00	5 1/2	200	18 1/2	18 1/2	1945	Indo Burma Petroleum (Jan. July)	50.00	7 1/2	100	108 1/2	108 1/2
1933	Palani Andavar (Mar.)	2.00	7	50	58 1/2	58 1/2	1946	Indian Cable Co. (Nov.)	£244	6	100	33 1/2	27
1935	Svadeshi (Bombay) (May)	15.00	5	100	115	115	1923	Indian Standard Wagon (Aug. or Sept.)	1.966	7	100	123 1/2	141
1927	Svadeshi (Cawnpore) (Mar.)	35.00	6	100	90 1/2	90	1936	Indian Iron & Steel	2.69.95	5	100	100	100
1931	Vasanta (Apr. Oct.)	3.00	5 1/2	100	113	120	1946	Investment and Finance (Feb. Aug.)	2.00	5	100	75	77 1/2
1908	Vishnu (Apr.)	16.00	7	500	550	550	1935	Investment and Finance (Feb. Aug.)	2.00	6 1/2	100	65	70
1927	Agarpara (Jan. July)	10.00	7	100	104	116	1945	James Wright (Jan. July)	1.30	6	50	41	39
1905	Alexandra (Feb. Aug.)	9.00	7	100	97 1/2	106	1937	Jardine Henderson Ltd.	50.00	5 1/2	100	64	78 1/2
1896	Alliance (Mar. Sept.)	15.00	6	100	97	102	1946	Jessop & Co.	10.00	5	100	101	105 1/2
1917	Anglo-India (May Nov.)	40.00	7	100	103	119	1945	Jupiter General Insurance (Sept.)	4.99	6 1/2	100	10	10
1908	Auckland (July Jan.)	10.00	5 1/2	100	80	96	1916	Kumardhubi Engineering (June)	12.00	5	100	101	109
1945	Bally (Jan. July)	15.00	4 1/2	100	101 1/2	76	1915	Do Fireclay & Silica (June)	2.00	7	100	116	116
1898	Barnagore (Oct. Dec.)	£200	5 1/2	100	41	46	1947	Martin Burn Ltd.	30.00	5	100	69	72
1906	Belvedere (Jan. July)	7.00	7	100	111	125	1946	McLeod & Co.	10.00	5 1/2	100	75	83
1940	Bengal (June Dec.)	10.00	5 1/2	100	79 1/2	97	1936	Mettur Chemical & Industrial (Sept.)	20.00	6	100	99	88 1/2
1919	Birda (June Dec.)	23.64	7 1/2	100	90	102	1940	Metal Box Co. of India Ltd.	30.00	6 1/2	100	96	97
1896	Budde Budge (May Nov.)	9.00	7	100	111	120	1949	Midnapore Zemindary (Feb.)	6.76	5	100	92	92
1934	Calcutta (Jan. July)	6.00	6 1/2	100	78	90	1938	Mysore Chemical Mfg (Sept.)	2.00	5	100	9 1/2	8 1/2
1918	Caledonia (June Dec.)	10.00	7	100	109	118	1930	National Insulated Cable	10.00	5 1/2	100	74	80
1918	Chitavalah (Mar. Dec.)	5.01	7	100	108	116	1942	National Tobacco (June Dec.)	25.00	4 1/2	100	67 1/2	71
1907	Clive (First) (Mar. Dec.)	8.00	6	100	86 1/2	91 1/2	1946	National Tobacco (Jan. Dec.)	20.00	6	100	48	56
1905	Clive "A" (Second) (May Dec.)	8.00	7	100	98	105	1936	Poona Electric Supply Co. Ltd. (June Dec.)	4.00	7	100	103 1/2	103 1/2
1903-12	Dalhousie (July Jan.)	15.00	7	100	97	115 1/2	1935	Premier Construction "First" (Apr.)	10.00	6 1/2	100	99 1/2	104
1897	Delta (June Dec.)	5.00	5	100	105	94	1936	Premier Construction "Second" (Apr.)	15.00	6 1/2	100	161	161
1912	Empire (Jan. July)	10.00	7	100	108	120 1/2	1936	Purbaone (Sugar) (Oct.)	6.00	10	100	100 1/2	105 1/2
1890-98	Fort Gloster (Jan. July)	14.00	7	100	76 1/2	88	1936	Ramnagar Cane & Sugar (Aug.)	4.00	6	100	127	134
1948	Fort Gloster (2nd)	7.00	5	100	74 1/2	88	1936	Rohas Industries (Apr.)	26.00	7	100	65 1/2	68 1/2
1911	Fort William (May Nov.)	10.00	7	100	115	128 1/2	1944-46	Shaw Wallace & Co. Ltd.	75.00	6 1/2	100	78 1/2	85 1/2
1916	Ganges (June Dec.)	6.00	8	100	112	134	1937	Shree Krishna Gyanodaya Sugar "A" (Oct.)	7.50	6	100	104	120 1/2
1895-96	Gouropore (June Dec.)	26.50	6	100	86 1/2	105	1936	Shree Krishna Gyanodaya Sugar "B" (Nov.)	12.00	5	100	64	66 1/2
1913	Hastings (Aug. Feb.)	11.00	6	100	103 1/2	107 1/2	1936	Smith Street (Chemists) (Nov.)	5.00	10	100	161 1/2	161 1/2
1890	Howrah (Jan. July)	8.75	10	100	107	123 1/2	1936	South Behar Sugar (Oct.)	5.00	7	100	161 1/2	161 1/2
1913	Hukumbhand (June Dec.)	10.00	7	100	108 1/2	114 1/2	1936	Spencer & Co. "A" (Provisions) (Jan. July)	23.20	6 1/2	100	91	91
1898-94	Kamarhatti (Apr. Oct.)	16.00	6	100	91	106	1936	Spencer & Co. "B" (Provisions) (Jan. July)	36.80	6 1/2	100	101	11
1930	Kankannar (Apr. Oct.)	10.00	6	100	97 1/2	106	1936	Star Paper (Apr. Oct.)	10.00	5	100	131	131
1935	Kandamath (Jan. July)	2.00	7	100	108	118	1937	Surat Electricity (Apr.)	5.00	6 1/2	100	131	131
1907	Kelvia (Mar. Sept.)	12.00	7	100	108	118	1925	Tata Chemicals (Nov.)	60.00	7	100	117 1/2	117 1/2
1895-98	Khardah (May Nov.)	9.00	6	100	91 1/2	106	1939	Tata Hydro Electric Power (Sept. Mar.)	83.28	7	100	121 1/2	121 1/2
1900-13	Kinnison (July Jan.)	15.00	7	100	99	118	1910	Tata Iron & Steel (First) (Nov.)	75.00	6 1/2	150	160	168 1/2
1910	Lansdowne (July Jan.)	15.00	7	100	100	116	1910	Tata Iron & Steel (Second) (May)	69.82	7 1/2	100	116	128
1912	Lawrence "A" (July Jan.)	5.00	7	100	103	115	1906	Tata Power (May Nov.)	86.97	7 1/2	1,000	1,275	1,275
1906-07	Lawrence "B" (July Jan.)	10.00	5 1/2	100	110	124	1918	Tezpor-Balipara Tram (I) (June Dec.)	2.25	6	100	140	150 1/2
1945	Nalhati (July Jan.)	7.50	7	100	73	79 1/2	1919	Titagarh Paper Mills (Mar. Sept.)	11.50	8	100	140	150 1/2
1917	National (May Nov.)	5.00	4 1/2	100	112	126	1937	Titagarh Paper Mills "2nd"	11.50	8	100	140	150 1/2
1939	Nellmaria (Apr. Oct.)	5.00	7	100	97 1/2	106	1936	Vellore Electric (Sept. Mar.)	15.00	4 1/2	100	89	92
1915	New Central (Jan. July)	33.00	7	100	105 1/2	114	1934	Vizagapatam Electric Supply (July)	1.00	6 1/2	100	82 1/2	82 1/2
1908-09	Northbrook (July Jan.)	15.00	5 1/2	100	79 1/2	93		FEA					
1905-12	Rameshwara (Jan. July)	7.00	6	100	86	111		Amlukie (May Nov.)	75	7	100	465	700
1901	Reliance (Jan. July)	21.50	7	100	112	123 1/2	1903	Banarhat (Jan.)	4.00	6 1/2	100	120	116
1928	Sannugger (Feb. Aug.)	11.70	8	100	97	108	1901	Birpara (Jan.)	1.00	8	100	83 1/2	85
1934	Shree Ambica (Mar. Sept.)	2.00	7 1/2	100	104	113	1900	Brockle Bond Estate India Ltd.	35.00	6 1/2	100	125	117 1/2
1920	Soorah (Feb. Aug.)	10.00	7 1/2	100	104	113	1914	Choonabutti (Jan.)	70	8	100	123	117 1/2
1895-01	Standard (July Jan.)	9.00	7	100	86	101	1901	Dimakusi (June Dec.)	119	8	100	31	38
1897	Titagarh (Feb. Aug.)	£150	6	100	sh 21/6	sh 21/6	1894	Ghelle (Sept.)	2.00	6	100	140	140
1901-02	Union (July Jan.)	6.00	7	100	101 1/2	118	1901	Hantapara (Jan.)	50	8	100	128	128
1930	Victoria (Feb. Aug.)	£150	6	100	sh 21/6	sh 21/6	1901	Hasimara (Mar.)	3.00	7	100	108	110
1918	Waverley (Mar. Sept.)	750	5	50	49	57	1904	Kinsale Golehat (Dec.)	2.40	6	100	94	10
	MISCELLANEOUS.						1897-99	Moheema (May Nov.)	2.00	6 1/2	100	125	116
1938	Alkali & Chemical (Mar. Sept.)	31.00	5	100	101	109 1/2	1907	New Samanbagh (Nov.)	1.00	8	100	120	101
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COAL COMPANIES

O Po F and Dd indicate Ordinary Preferred Ordinary Founders' and Deferred shares respectively P next to the name of the company indicates that the company also has Preference Shares Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Share if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up Shares	Latest Market Quotations as available until		
									1954	1955	1956		5-12-56	28-11-56	A year ago
Rs	Rs	Rs	Rs				Rs	Rs				Paid-up Rs	Rs	Rs	Rs
25,50,000	26,43,478	24,50,000	6,60,570	Amalgamated	3-9	236	6,83,393	26,953	31-6	61-74	..	10	21	20 1/2	24 1/2
1,00,00,000	1,96,15,288	1,40,49,223	18,85,659	Bengal P	4-10	2	26,18,986	7,31,563	71-73	81-83	..	200	458	494	585
4,49,350	1,08,193	70,000	2,24,303	Bengai Bhatdee	6-12	2	15,149	4,951	11-12	..	..	10	6	6	6 1/2
2,25,000	2,48,198	5,30,654	3,64,478	Bengals Nagpur P	6-12	2	50,568	1,07,984	11-12	11-12	..	10	16	16	12 1/2
15,97,000	14,16,665	8,21,475	13,32,376	Bhalorah	9	152	8,13,899	39,978	..	..	..	10	6 1/2	6 1/2	6 1/2
40,00,000	68,01,474	20,23,235	32,53,321	Bharat Collieries P	6	335	2,52,221	27,433	..	61	61	..	10	6 1/2	6 1/2
7,15,000	15,63,291	14,29,045	68,704	Bhulanbarree	6-12	106	2,52,221	27,433	11-12	11-12	..	10	14	14	14 1/2
16,00,000	38,87,275	16,18,633	7,185	Bokare & Ramgur	6-12	315	1,21,936	79,196	10-10	10-10	..	10	14	14	14 1/2
7,50,000	18,56,889	24,29,026	11,60,066	Borrea P	6-12	106	2,14,682	84,207	10-10	10-10	..	10	24	24	24 1/2
90,32,480	2,38,29,968	1,75,10,572	25,32,133	Burrakur P	6-12	21	11,90,330	1,15,376	21-31	31-31	..	10	20 1/2	20 1/2	16 1/2
49,97,000	34,53,430	750	3,65,960	Central India	3	166	2,45,758	9,927	24	24	5	10	6 1/2	6 1/2	8 1/2
8,00,000	16,87,573	13,30,519	15,752	Central Kurkend P	6-12	322	34,743	82,768	..	..	..	10	12 1/2	12 1/2	10 1/2
6,00,000	1,43,676	7,32,516	1,43,676	Churulia	6-12	104	4,374	2,129	11-12	11-12	..	10	2	2	3 1/2
16,30,000	24,00,428	Nil	50,309	Dharm Main	6-12	19	60,039	1,83,318	11-12	11-12	..	10	7	7	3 1/2
2,240,000	Nil	2,38,653	2,37,456	East Indian	4	128	213,641	59,767	18	22	..	21	31 1/2	31 1/2	38 1/2
29,43,760	1,15,25,712	83,55,049	24,17,690	Equitable P	6-12	19	8,87,453	82,379	71-74	71-74	..	10	29	28	36 1/2
10,00,000	6,74,708	2,07,494	3,23,972	Ghusick & Musila	9	307	12,979	24,844	..	..	..	10	15	15	15
6,50,000	6,06,856	31,135	4,95,444	Juzdar Kajora	6-12	20	24,150	2,401	..	..	..	10	11	12	4 1/2
8,00,000	3,17,780	7,25,000	7,92,425	Juriladhi	6-12	19	2,70,524	45,985	71-10	124-124	..	10	23 1/2	23 1/2	23 1/2
3,50,000	6,31,200	5,66,816	1,497	Kalapahani	2-8	2	1,38,130	2,21,237	11-12	11-12	..	10	20 1/2	20 1/2	30 1/2
15,30,000	31,71,936	24,32,396	25,61,314	Karanpura Development	6-12	21	49,116	17,839	11-12	11-12	..	100	17 1/2	18 1/2	21 1/2
5,00,000	24,60,896	1,77,175	26,967	Karanpura Collieries P	2	21	2,26,982	6,965	11-12	11-12	..	100	119	119	134 1/2
20,00,000	10,29,548	16,60,000	11,25,332	Katras Jheriah	1-7	2	5,92,347	1,33,475	28-28	25-30	..	10	6 1/2	6 1/2	6 1/2
1,38,400	6,75,000	95,000	11,80,294	Khas Kajora P	6-12	326	49,776	1,918	..	..	..	10	9	9	9 1/2
5,65,750	10,84,977	85,000	9,590	Mundulpur	6-12	326	79,868	79,868	11-12	11-12	..	10	21	21	3 1/2
7,48,240	3,40,839	2,00,000	10,14,803	Nazira	12	347	92,517	31,201	5	5	..	10	6 1/2	7 1/2	7 1/2
4,00,000	5,13,418	26,617	61,491	New Bhandeopur	3-9	5	59,011	6,071	31-74	71-74	..	10	10	10	10 1/2
17,76,236	31,47,787	20,01,763	3,78,538	New Beerboom P	6-12	7	2,84,716	94,383	31-31	31-31	..	10	15 1/2	15 1/2	21 1/2
3,00,000	11,71,307	75,000	40,447	New Vambhoom	3-9	202	2,23,300	2,233	11-12	11-12	..	10	11 1/2	11 1/2	12 1/2
2,50,000	7,69,623	1,75,500	10,12,916	North Damuda	1-7	306	7,954	3,21,894	..	..	..	10	21	21	22 1/2
1,15,000	4,42,488	2,85,193	1,53,246	North West	3-9	2	51,420	15,950	11-12	11-12	..	10	19	19	22 1/2
1,57,500												10	17 1/2	17 1/2	18 1/2
7,50,000	1,20,000	12,19,987	23,26,757	Ondal P	6-12	106	22,197	56,646	5-5	5-5	..	10	15 1/2	15 1/2	18 1/2
8,34,000	9,21,342	10,862	4,50,015	Parasara P	6-12	207	1,08,075	8,018	31-31	31-31	..	10	14 1/2	14 1/2	16 1/2
15,75,000	12,40,000	16,00,000	12,21,854	Pench Valley	3-4	236	4,18,450	33,343	81-74	71-74	..	10	14 1/2	14 1/2	24 1/2
2,50,000	2,42,400	7,500	11,331	Pure Sitalpur	6-12	7	2,008	18,581	..	..	..	10	6	6	6 1/2
39,30,500	37,59,038	19,17,105	39,198	Raneegunge	3-9	79	1,83,814	16,846	21-21	21-21	..	10	10 1/2	10 1/2	11 1/2
13,50,000	7,98,001	9,28,395	14,29,643	Rewa	6-12	236	4,96,775	26,029	71-61	81-121	..	10	23 1/2	23 1/2	19 1/2
20,00,000	23,74,261	7,52,027	1,01,427	Samia	12	49	1,80,660	31,543	71	71	..	10	14	14	12
2,50,000	1,56,194	1,34,374	11,356	Searsole	6-12	353	88,009	11,078	25	25	..	10	5	5	16
2,80,000	10,92,193	8,36,598	7,87,726	Seebore P.	6-12	7	2,42,112	49,299	142/14-14/17	17/17-17/17	..	2 1/2	2 1/2	2 1/2	3
8,30,000	23,624	5,29,306	6,32,757	Sendra	6-12	106	4,098	7,503	11-11	11-11	..	10	9	9	11 1/2
17,50,000	22,81,985	10,75,016	63,654	South Karanpura	2-8	21	59,079	51,533	11-11	11-11	..	10	10 1/2	9 1/2	13 1/2
8,00,000	1,43,000	13,69,395	21,89,890	Standard	6-12	106	47,444	17,347	71-71	5-5	..	10	23 1/2	23 1/2	20 1/2
10,00,000	15,58,085	15,375	3,910	Talcher	9	277	22,689	3,85,056	11-12	11-12	..	2 1/2	2 1/2	3 1/2	3 1/2
3,50,000	4,66,000	3,53,000	9,176	Union	6-12	279	44,033	44,167	5-21	21-21	..	10	14 1/2	14 1/2	15 1/2
49,98,000	33,66,550	50,000	2,17,164	Western Bengal	3	166	4,09,468	7,262	31	31	..	10	6	6	7 1/2
7,00,000	32,65,173	21,569	61,480	West Jamuria	6-12	19	2,72,772	1,46,650	11-12	11-12	..	10	11	11	14 1/2

N = Nominal

COTTON MILLS

Paid-up Capital Ordinary	Number of		Net Block Account	Reserve & other Funds, Premiums & Forfeited Shares (if any)	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up Shares	Latest Market Quotations as available until		
	Spindles	Looms									1953	1954	1955		5-12-56	28-11-56	A year ago
15,00,000	14,108	356	14,62,919	1,73,478	11,90,008	Basanti P	12	49	1,97,268	41,227	24	..	10	61	61	51	
32,72,340	22,197	305	27,69,676	23,18,999	24,351	Benares P	3-9	120	1,27,187	4,79,347	..	..	10	11	11	11	
7,11,280	36,000	932	17,17,120	2,20,369	30,842	Bengal Luxmi	3	27	3,66,176	47,818	..	10	..	40	40	38	
15,00,000	32,476	924	23,33,000	15,50,000	3,84,224	Bengal Nagpur P	6-12	236	5,23,389	18,199	21-NH	NH	..	9	9	11 1/2	
13,00,000	38,764	992	31,35,500	22,72,588	1,09,94,251	Birla Cotton	3	22	5,28,332	4,25,221	30	30	30	10	30 1/2	95	
6,00,000	42,872	641	37,54,142	22,72,588	1,44,348	Bowren P	6-12	138	84,028	23,47,373	NH-NH	NH-NH	100	139	139	385	
30,00,000	22,000	510	8,43,453	29,51,420	1,00,393	Cawnpore Textiles	3	25	6,73,253	36,767	11 1/2	10	NH-5	5	8 1/2	10 1/2	
27,32,900	1,01,808	2,762	9,94,631.68	2,74,48,393	2,94,83,803	Delhi Cloth & Genl. P.	6	238	1,81,41,278	82,759	9	9	25	40 1/2	40 1/2	37 1/2	
19,30,000	42,944	518	34,12,181	25,71,925	1,53,894	Dunbar	6-12	138	9,92,376	1,37,951	NH-NH	NH-NH	100	248	248	319	
63,00,000	54,400	1,290	22,44,751	66,33,360	43,06,583	Elgin P	9	25	32,80,464	93,386	15	10	10	27 1/2	27 1/2	27 1/2	
20,00,000	59,250	1,872	2,38,99,575	1,60,93,952	47,29,268	Kesoram P	3	22	37,41,719	2,45,435	11 1/2	8 1/2	20	16	16 1/2	17 1/2	
33,96,288	35,864	864	17,48,143	9,75,679	74,08,655	Mohini P	12	45	9,53,316	5,158	..	..	25	..	..	..	
30,00,000	38,000	1,825	47,44,546	52,19,601	32,65,055	Muir P	12	208	18,77,941	7,71,290	..	..	10	85	85	118	
22,39,382	18,848	1,367	43,25,577	26,00,968	1,45,701	New Victoria P	12	237	18,83,371	13,76,473	NH	..	2 1/2	1 1/2	2 1/2	2 1/2	
9,47,750	23,196	795	22,57,946	18,38,739	2,02,179	Rampooria Cotton	6	4	6,16,936	1,094	..	..	10	15 1/2	15 1/2	12	
17,50,000	1,14,836	2,077	2,83,77,688	2,65,04,931	32,30,412	Swadeshi (Cawnpore) P	12	333	43,71,838	7,09,029	11 1/2	7 1/2	11 1/2	12 1/2	12 1/2	10 1/2	
57,50,000	..	..	..	..	..	..	..	..	..	..	..	..	100	121	121	10 1/2	
40,50,000	48,754	1,310	91,31,708	1,89,73,217	43,89,979	Bangalore W C Silk P	12	26	56,34,938	2,38,649	25	30	30	569	575	580	
1,78,47,800	1,20,012	2,770	3,20,71,600	1,87,29,278	23,80,514	Bukingham Carnatic P	12	26	1,01,66,075	2,38,445	10	10	10	185	196	180	
20,00,000	28,000	..	18,03,003	20,32,074	11,26,339	Cambodia P	12	210	1,96,274	27,593	7 1/2	NH	5	10	14 1/2	13 1/2	
12,30,000	23,864	..	5,41,058	9,90,000	36,53,502	Coimbatore Cotton	12	188	6,53,750	61,404	..	..	..	100	395	413	
20,76,900	72,832	407	47,91,212	22,22,771	7,39,691	Coimbatore Spg & Wvg	6	46	2,52,342	10,23,340	NH	..	..	50	88	95	
6,50,000	50,640	295	12,25,505	17,20,000	38,77,434	Kaleeswarar	..	139	2,35,780	7,677	..	..	100	335	335	290	
24,00,000	30,512	200	52,38,868	16,25,000	7,43,571	Kothari Textile P	6	141	3,25,924	29,892	5	5	10	17	18	18 1/2	
23,94,000	48,756	..	15,01,051	21,70,200	78,350	Lakshmi	12	186	31,41,248	2,209	..	..	..	50	240	285	
75,02,480	4,65,374	..	2,15,02,107	4,13,81,878	31,04,681	Madura	12	108	77,86,509	18,86,813	20	20	20	15	47	49 1/2	
12,00,000	21,856	..	5,43,189	3,85,363	10,32,398	Malabar Spg & Wvg	12	248	85,193	84,039	..	..	..	200	113	113	
60,00,000	34,252	603	20,49,833	69,00,000	11,91,755	Mettur Industries	12	208	48,44,863	45,835	22 1/2	35	35	100	430	462	
13,61,780	5,000	..	14,15,992	8,90,279	1,34,665	Mysoore Spun Silk	3	28	7,39,457	3,986	..	..	..	10	7 1/2	4 1/2	
4,00,000	20,137	NH	8,36,868	3,00,000	24,24,908	Palani Andavar P	12	30	1,73,457	2,687	..	..	..	50	172	172	
7,79,700	416	..	4,42,115	2,43,421	2,65,911	Sitaram Spg & Wvg	5	164	87,724	3,083	..	..	..	80	..	..	
7,00,000	28,104	370	12,98,563	18,23,501	11,71,324	Vasanta P	12	47	16,37,459	..	..	..	..	..	..	..	

MISCELLANEOUS COMPANIES

O. Po. C. and Dd indicate Ordinary, Preferred Ordinary Contributory and Deferred Shares respectively P. next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Book Account	Reserve & Other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Manufacturers Agents	Net Profits including taxation	Carry forward	Dividends per cent			Paid up per share	Latest Market Quotations as available until			
									1952	1954	1955		5-12-56	28-11-56	A year ago	
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.			Rs.	Rs.	Rs.	Rs.		
MININGS.																
22,369,786		£173,459	£2,534,298	Burns Mines Ltd.	12	153	£608	£304	NH		3 1/2	2 1/2	2 1/2	2 1/2		
30,00,000Dd	43,47,289	22,78,383	34,23,759	Chrestien Mica Industries Ltd.	12	312	11,97,133	10,883	61	7 1/2	10	15 1/2	15 1/2	19 1/2		
13,00,000Dd	22,38,420	£57,484	£112,683	Consolidated Tin Mines	3	67	£10,533	£22,218	7 1/2	10	5	1 1/2	2 1/2	10 1/2		
£318,088	67,65,054	£1,853,056	£1,376,169	Indian Copper Corporation	12	98	£1,299,804	£117,083	10	25	45	3 1/2	4 1/2	7 1/2		
£914,200	29,19,430D	£18,58,847	2,01,886	Metals Corp. P.	1	345	-2,39,779	-4,51,131	NH	NH	NH	100	9 1/2	9 1/2		
29,19,430D	23,37,496	35,58,897	32,52,617	Orissa Minerals Development	6-12	21	4,40,034	1,18,835	20-25	10-10	10-10	10	2 1/2	2 1/2		
20,00,000	£445,323	£317,487	£254,326	Tavoy Tin Dredging	12	14	£9,059	-£19,118	NH	NH		2 1/2	1 1/2	2 1/2		
£375,000																
CEMENT LIME SLATE, ETC.																
43,14,600D	41,51,412	21,43,429	29,64,072	Assam Beneal Cement	3	80	1,70,813	6,44,675			100	7 1/2	7 1/2	7 1/2		
70,976Dd	33,23,186	14,32,396	1,06,702	Bengal Potteries	12	155	8,02,009	12,631	61	10	10	3 1/2	3 1/2	3 1/2		
31,70,555	25,13,276	26,53,750	4,80,720	Bisra Stone Lime	3-9	21	6,79,533	24,689	81-5	5-83	83-83	10	29 1/2	29 1/2		
10,00,000											100	13 1/2	14 1/2	14 1/2		
60,00,000D	62,91,611	98,26,915	2,11,38,275	Dalmia Cement (Bharat) P.	12	123	56,57,138	2,87,995	10	10	12 1/2	2 1/2	3 1/2	3 1/2		
26,50,000Dd	77,49,749	12,73,923	2,14,327	Kumardhobi Fireclay & Silica P.	12	21	6,05,311	49,404	15	15	15	10	17	13 1/2		
5,00,000Dd	10,61,502	8,62,360	80,359	Reliance Firebrick & Pottery	2-6		1,10,349	18,001	NH-24	NH-24	10-10	22	22	20		
8,00,000	59,94,174	22,45,000	6,74,212	Son Valley Portland Cement	12		7,88,467	41,941	1	1	1	8 1/2	8 1/2	8 1/2		
75,00,000	1,63,551	61,287	2,27,012	Sutna Stone & Lime	6-12	3	69,598	652	52-52	52-52	52-64	10	18	18		
3,22,560																
CHEMICAL INDUSTRIES																
62,00,000	1,50,41,342	42,71,273	68,448	Alkali & Chemical Corp of India	9	121	19,39,845	1,19,168	1	1	1	18 1/2	20 1/2	24 1/2		
40,00,000	99,765	60,000	37,863	Bathgate & Co Ltd P.	12	324	2,18,875	-20,65,382	NH	NH	NH	12	12	22		
11,45,800D																
11,08,900A	56,08,902	43,35,000	1,49,08,740	Benzal Chemical & Pharm P.	4	245	14,18,430	11,70,500	6	6	6	100	102	106 1/2		
22,54,100B																
4,95,000	82,695	69,770	15,303	Frank Ross P.	2	129	46,893	858	NH	NH	NH	6	2 1/2	2 1/2		
5,00,000	4,60,152	11,00,929	3,05,878	Smith Stanistreet P.	6	191	7,14,527	1,18,395	10	10	20-20*	6	9 1/2	9 1/2		
ELECTRIC LIGHTING POWERS.																
19,99,600	47,69,341	26,19,792	22,94,559	Aara Electric Supply	3-9	32	3,05,594	46,384	5-5	5-5	5-5	100	100 1/2	160 1/2		
8,00,000	28,70,592	6,55,886	4,84,369	Bareilly Electric Supply	6-12	32	33,783	20,390	12-12	12-12	12-12	10	14 1/2	15 1/2		
17,00,000	80,72,095	22,47,869	11,75,299	Benares Electric Light Power	5-12	32	5,94,018	38,507	61-61	61-61	61-61	10	18	18		
5,91,360	10,36,063	5,91,865	85,318	Bhaagalpur Electric Supply	12	202	1,44,139	11,418	1	1	1	6	8 1/2	8 1/2		
£4,262,646	£18,097,213	£7,242,380	£5,995,398	Bhagalpur Electric Supply	12	30	£1,52,226	£136,163	1	1	1	6	13 1/2	13 1/2		
6,60,040	17,68,438	5,34,904	93,184	Calcutta Electric Supply P.	12	202	1,24,836	26,455	NH	6	6	10	8 1/2	8 1/2		
17,51,050	38,10,419	10,41,599	3,39,348	Cuttack Electric Supply P.	1	202	3,89,244	12,706				10	4 1/2	12 1/2		
5,21,640	8,42,506	1,65,006	3,037	Jhansi Electric Supply	12	168	71,309		11-11	11-11	11-11	10	8 1/2	8 1/2		
22,49,500	42,84,132	14,91,396	6,31,332	Jubbulpore Electric Supply	3-9	32	2,14,454	27,527	11-11	11-11	11-11	10	14 1/2	14 1/2		
4,95,000	5,44,654	2,51,058	1,13,125	Muzaffarpur Electric Supply	12	202	38,676	27,738	5-5P	5-5P	5-5P	10	10	9 1/2		
5,82,390	17,12,129	1,78,813	83,890	Viznagar Electric Supply	12	202	73,159	-1,070	NH	NH		10	7 1/2	7 1/2		
6,99,700	5,43,057	77,521	3,48,182	Muttia Electric Supply	6-6	325	30,021	2,285	5-5	5-5	5-5	10	9 1/2	9 1/2		
35,07,380	85,46,049	37,10,223	11,51,661	Patna Electric Supply	12	202	1,40,283	68,305	7 1/2	7 1/2		10	12 1/2	12 1/2		
3,00,000	2,87,192	92,919	2,24,719	Saugor Electric Supply	6-12	32	26,549	2,248	24-24	24-24	24-24	10				
9,10,000	7,57,951	2,72,300	1,20,899	Shajahanpur Electric P.	9	202	95,624	14,394	5	5	5	10	7 1/2	7 1/2		
16,80,000	27,99,505	5,36,596	3,38,039	Sihos (Chemical) Electric P.	12	21	3,29,874	44,299	7 1/2	7 1/2		10	11 1/2	11 1/2		
56,00,000	£62,42,470	35,82,369	13,28,418	United Provinces Electric	3-9	32	5,39,988	80,998	5-5	5-5	5-5	100	158	158		
5,98,500	7,78,128	2,07,493	7,77,619	Upper Gangetic Valley Elec.	6-12	32	93,211	8,097	41-43	41-43	41-43	10	13 1/2	13 1/2		
4,97,500	9,83,502	4,45,371	6,17,317	Upper Jumna Valley Elec.	3-9	32	65,313	28,289	61-63	61-63	61-63	10	18	19 1/2		
ENGINEERING & METAL																
6,00,000	1,74,689	6,49,870	2,10,157	Arthur Butler (Muzaffarpore) P.	10	300	1,52,744	1,01,965				10	8 1/2	8 1/2		
50,00,000*	51,82,373	16,39,587	1,37,153	Bhartia Electric Steel	12	31	11,67,212	3,95,940	7 1/2	10	12 1/2	10	17 1/2	16 1/2		
39,61,853	49,94,458	60,13,020	42,18,134	Braithwaite India	12	289	27,02,716	5,59,761	14 1/2	16 1/2	16 1/2	10	26 1/2	28 1/2		
12,00,000	11,00,577	20,99,831	2,31,294	Bridge & Roof	6-12	24	6,16,247	1,51,297	7 1/2-7 1/2	7 1/2-7 1/2	7 1/2-7 1/2	10	38 1/2	38 1/2		
19,08,670	43,02,291	6,50,020	2,34,380	Britannia Buildings & Iron P.	12	165	7,37,922	1,36,319	15	15	15	10	13 1/2	14 1/2		
10,00,000	17,90,445	30,75,000	17,672	Britannia Engineering	6-12	24	91,780	-5,26,929	NH-NH	NH-NH	NH-NH	10	9 1/2	9 1/2		
5,00,000	5,44,177	1,00,000	6,594	British India Electric Cons.	6-12	24	1,71,800	2,14,225	15	15	15-20*	100	330	347		
84,00,000	1,54,84,115	1,30,96,539	15,49,676	Burn P. (Engineering)	4	32	95,08,823	1,12,719								
12,50,000	20,64,700	22,80,000	45,793	Hooghly Docking	12	32	1,72,120	2,037	15	12 1/2	12 1/2	50	132	132		
38,94,590	30,77,100	5,65,000	55,919	Indian Galvanizing	9	121	5,46,700	41,267	1	1	1	10	20 1/2	20 1/2		
5,18,37,080	18,00,34,354	11,70,76,011	6,37,45,032	Indian Iron & Steel P.	3	32	8,54,28,108	4,49,314	10	10	10-10*	10	30 1/2	33 1/2		
3,85,000Dd	3,90,976	40,000	3,47,063*	Indian Malleable Casting	3	222	-26,954	-82,872				10	7 1/2	7 1/2		
1,54,000Dd																
19,49,250	33,46,716	47,23,987	13,61,471	Indian Standard Wagon P.	3	32	41,06,372	24,072	19	19	25-30*	25	215	215		
26,800D	35,69,979	2,73,15,122	1,64,34,729	Indian Steel & Wire Products	3	122	13,11,485	2,58,856	30	30	30	10	70	76		
32,00,000Dd	45,57,847	57,91,382	15,35,612	Jessor & Co P.	10	290	47,21,193	14,130	15	15	15	100	311	341		
51,00,000	44,15,822	43,12,118	1,56,283	Kumardhobi Engineering P.	11	21	6,23,372	2,14,225	16 1/2	16 1/2	16 2/3	8	8 1/2	9 1/2		
10,50,000	4,44,410	29,21,646	7,20,534	Marshall Sons (India)	6	170	99,627	93,713	12 1/2	12 1/2		2	5 1/2	5 1/2		
49,96,000	34,34,842	11,68,291	2,93,571	National Iron and Steel	3	192	1,08,383	8,99,513	15 1/2	12 1/2	6 1/2	10	8 1/2	8 1/2		
6,00,000	9,22,727	6,10,321	1,38,103	Saran Engineering	3	9	25,168,952	9,264					7 1/2	7 1/2		
60,00,000	1,53,65,547	3,51,516	12,57,731	Textile Machinery	12	22	3,44,777	1,47,573	7 1/2	10		10	20 1/2	22 1/2		
SUGAR BREWERIES, ETC.																
14,00,000	10,75,296	15,41,237	1,34,061	Balsampur Sugar	6	25	1,73,892	20,880	NH	15	15	5	5 1/2	5 1/2		
19,49,025	9,79,529	9,00,000	1,42,483	Belsund Sugar	9	121	1,38,925	49,906	10	10		7 1/2	11 1/2	11 1/2		
15,00,000	4,67,680	13,50,000	20,40,455	Bharat Sugar P.	6	316	4,04,260	13,206	15	15	15	10	17	17		
33,57,580	22,31,255	36,89,916	26,47,199	Buland	10	42	14,37,927	8,477	10			10				
32,00,000	44,53,474	27,37,030	3,59,302	Carew (Sugar) P.	6	158	2,63,567	12,445	NH	7 1/2	2 1/2	10	8 1/2	8 1/2		
30,00,000	14,38,021	57,83,651	16,43,647	Cawnpore Sugar P.	10	25	12,40,968	82,023	20	7 1/2	7 1/2	10	194	194		
18,00,000	19,38,855	38,94,891	2,09,743	Champanagar Sugar	6	171	6,73,981	24,019	10	10		10	20 1/2	20 1/2		
20,26,760	20,26,760	33,35,766	9,55,327	Chhannagar	6	171	9,51,857	1,12,397	15	15		10	20 1/2	22 1/2		
16,30,000	12,59,649	16,38,916	41,32,151	Dover Meakin (Breweries)	3	129	6,70,601	8,143	10	11 1/2	6	5 1/2	6	6 1/2		
15,93,000	23,89,532	2,24,658	3,84,913	Gwallior Sugar P.	9	237	-57,978	8,819				100	76	76		
* Liquid Assets. * 1956																

† Liquid Assets • 1956

MISCELLANEOUS COMPANIES—Contd.

O, Po, C and Dd indicate Ordinary, Preferred Ordinary, Contributory and Deferred Shares respectively. P. next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares If any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until				
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954	1955	1956	Rs.	5-12-56	28-11-56	A year ago
SUGAR BREWERIES, ETC.															
11,00,000	6,45,722	3,75,000	10,90,564	New Savan Sugar and Gur	5	140	95,437	52,205	..	..	..	10	61	61	61
9,00,000	7,28,559	17,64,369	58,734	Purabpur Sugar P.	10	25	5,08,340	6,871	71	71	..	10	161	161	171
16,59,800	26,52,127	35,00,000	4,84,356	Rannugger Cane & Sugar P.	8	1	18,11,594	20,350	15	20	..	10	25	24	26
19,99,800	25,66,53	39,88,218	13,92,915	Raza Sugar	10	92	10,78,193	3,144	..	..	..	10	..	..	..
8,00,000	4,42,169	6,54,762	1,85,115	Ryam Sugar P.	6	25	1,43,798	24,340	..	..	..	10	20	20	20
11,99,000	15,94,631	18,37,529	98,312	Samastipur Central Sugar	6	25	-79,022	8,477	5	Nil	..	10	12	12	14
20,00,000	72,62,286	36,66,708	1,63,444	Shree Krishna Gyanoday Sugar P.	7	335	12,99,571	34,046	15	17	..	10	13	13	13
7,94,500	13,54,858	11,65,177	1,16,388	Shree Sitaram Sugar	8	140	1,90,057	7,991	..	..	..	10	12	12	14
9,99,500	14,54,274	1,54,304	1,42,896	Sitalpore Sugar	6	94	-1,39,515	-1,39,515	Nil	Nil	..	10	4	4	6
16,00,000	6,07,804	7,99,778	4,22,572	United Provinces	3	341	4,23,880	39,061	12	..	..	10	21	21	22
8,00,000	38,92,308	21,57,559	3,69,236	Upper Ganges Sugar P.	6	227	10,24,525	82,931	25	25	..	10	94	94	70
4,00,000A	14,24,740	23,74,426	10,72,924	Upper India Sugar	4	302	16,80,886	86,393	15	20	..	100AC	280	280	127
7,00,000B												121BC	281	281	15
MISCELLANEOUS															
8,00,000	2,20,232	1,56,200	9,53,526	A Firpo (Restaurants)	10	85	84,518	4,475	..	..	..	10	4	4	7
1,50,00,000	1,40,89,584	8,21,715	51,361	Air India Ltd.	12	269	-6,02,785	-14,30,401	..	..	..	100	..	..	..
2,00,00,000	2,58,39,656	68,01,534	50,022	Air India International Ltd.	12	322	-10,51,340	30,205	..	..	..	100	..	..	..
47,50,000C	1,31,03,534	15,00,000	5,97,941	Aluminium Corp. P.	3	132	12,82,024	32,582	Nil	Nil	..	100	11	11	8
2,50,000D												21Dd	6	6	2
20,00,000	42,38,502	14,50,000	54,97,530	Anderson Wright Ltd. P.	12	1	-89,042	16,284	71	Nil	..	10	11	11	2
30,00,000	10,11,675	37,63,719	14,91,315	Angelo Bros.	3	268	11,84,131	3,43,961	12	20	..	10	22	22	11
30,00,000	17,54,434	27,66,295	5,49,627	Assam Matchless	12	274	8,35,902	1,18,395	12	12	..	10	20	20	25
13,99,998	21,25,615	23,30,285	64,182	Assam Saw Mills & Timber	3	21	-97,045	-5,14,537	Nil	Nil	..	3	4	4	10
20,00,000	61,61,507	23,00,000	61,84,697	Associated Hotels of India P.	8	204	8,82,993	32,683	2	4	..	10	101	101	5
80,01,400	33,50,000	1,09,53,000	1,12,08,422	Balmer Lawrie & Co.	12	304	32,12,152	5,03,129	13	12	..	100	159	159	196
12,00,000	2,65,000	8,24,890	1,80,023	Baratee Coke	3-9	128	2,16,123	22,708	71-7	71-7	..	10	19	19	21
6,00,000	76,414	Nil	30,72,477	Bengal Timber Trading P.	6	128	-6,43,164	-1,19,103	..	..	..	100	4	4	4
50,00,000	19,53,822	Nil	12,58,719	Bharat Airways Ltd.	5	22	-3,19,589	-3,19,229	..	..	..	10	5	5	43
20,00,000	76,85,085	31,11,814	62,81,006	Birds Investments P.	3	160	5,99,372	1,15,707	12	12	..	10	17	17	19
45,97,020	13,98,796	43,18,775	2,09,476	Britannia Biscuit P.	12	6	9,14,261	1,79,277	10	10	..	10	14	15	16
22,50,000	13,98,796	43,18,775	3,38,973	British Cevlon Corporation P.	12	6	27,75,295	1,85,955	..	..	..	71	8	10	11
3,25,00,000	59,89,738	1,18,60,524	2,50,83,650	British India Corporation P.	12	33	-30,23,938	-27,36,584	11	Nil	..	5	9	10	13
32,30,000A	2,16,659	3,24,161	6,46,589	Calcutta Gas Co. (Propri.) Ltd. P.	9	235	60,996	1,550	5	5	..	10A	71	71	8
32,30,000B	5,92,780	2,40,684	1,02,376	Calcutta Silk Manufacturing P.	3-9	213	45,711	22,586	..	..	..	10B	..	..	..
5,00,000												10	4	4	..
90,00,000	17,81,146	80,09,288	2,06,11,689	Duncan Brothers & Co. Ltd.	12	169	43,71,864	4,97,914	12	11	..	100	121	121	134
80,00,000	2,94,69,046	3,14,86,174	4,04,79,333	Dunlop Rubber Co. (India) P.	12	96	96,72,154	11,71,685	15	15	..	10	14	14	13
51,26,000	54,12,212	1,48,29,523	1,48,29,523	Eastern Investments Ltd. P.	12	21	12,83,240	3,06,138	9	9	..	100	145	145	35
75,00,000	13,79,351	4,33,820	1,02,21,271	F & C Oiler (India) Ltd. P.	3	84	-26,249	-26,954	..	..	..	10	101	101	177
90,00,000	12,88,300	21,97,641	86,55,360	French Motor Car	3	51	8,97,594	1,25,757	12	12	..	10	101	101	171
14,00,000	14,92,000	10,02,000	11,384	Ganges Rope	3-9	19	89,571	27,194	71-7	71-7	..	100	186	186	201
2,25,000	55,933	55,933	5,26,762	General Investments Trust P.	2-8	21	26,644	8,637	21-3	21-3	..	75	43	43	43
65,30,000	34,18,813	42,00,000	1,09,15,528	Gillanders Arbuthnot & Co. Ltd. P.	3	105	29,71,809	1,51,360	71	71	..	10	13	13	17
20,00,000	27,68,049	5,00,524	12,84,357	Gladstone Lyall & Co. Ltd. P.	12	209	7,02,792	34,255	..	..	..	10	25	25	..
40,00,000	31,71,333	7,81,000	98,384	Godfrey Phillips (India) Ltd. P.	12	310	19,96,811	10,96,811	10	20	..	10	25	25	..
30,00,000	32,30,010	17,22,203	6,22,424	Great Eastern Hotel	3	225	5,30,579	16,373	..	..	..	250	250	250	240
10,00,000	17,38,764	1,61,773	9,221	Hindusthan Ice & Cold Storage	9	..	43,377	24,274	..	..	..	5	11	11	1
35,20,000	30,42,899	20,00,000	19,08,958	Hoare Miller & Co. Ltd.	12	294	2,05,330	1,33,076	Nil	Nil	..	10	6	6	6
15,16,00,000	7,42,66,399	7,88,56,738	5,50,32,187	Imperial Tobacco	3	325	3,66,59,515	24,94,274	6	8	..	10	14	14	15
1,60,00,000	2,41,97,483	53,33,949	10,13,114	Indian Aluminium Co. Ltd. P.	12	293	26,79,662	14,18,074	10	9	..	10	14	14	15
1,52,89,220	1,27,87,878	1,37,00,000	11,88,408	Indian Cable P.	3	34	1,21,59,493	32,04,214	10	15	..	10	30	30	34
5,00,000C												10D	8	8	34
83,75,000D	22,07,260	2,21,286	11,69,467	Indian National Airways	12	93	36,302	-12,62,971	..	..	..	100	6	6	5
1,25,00,000	4,74,338	5,38,000	17,67,876	Indian Rubber Manufacturers P.	3	173	1,79,618	32,616	5	5	..	10D	18	18	12
8,27,870	4,64,735	18,15,487	10,03,705	Indian Wood Products	9	88	17,28,038	2,76,619	27	30	..	10	45	45	65
20,00,000	4,64,735	2,55,728	12,78,254	Investments and Finance P.	2-8	21	27,380	51,001	24-24	32-24	..	100	5	5	3
5,00,000	15,362	4,64,735	3,20,757	Ivan Jones Ltd.	9	194	1,39,321	36,496	..	..	..	2	3	3	3
5,87,500D	2,16,659	3,24,161	64,65,89	James Wright P.	12	281	60,996	1,550	5	5	..	50	4	4	4
1,17,50,000D	51,37,813	57,00,000	4,02,27,618	Jardine Henderson Ltd. P.	3	39	31,24,445	5,11,852	71	71	..	10D	93	93	112
2,00,00,000	3,17,363	6,02,958	3,21,617	Macfarlane & Co.	3	133	-14,078	-4,849	..	..	..	100	3	3	2
6,34,000D	86,50,000	63,33,428	2,57,13,417	Macneill & Barry Ltd. P.	3	334	52,06,340	6,31,124	71	71	..	100	..	..	..
66,30,000D	36,41,516	54,36,063	1,85,74,341	Martin Burn Ltd. P.	9	309	71,18,708	2,03,456	13	18	..	10	24	25	28
1,50,00,000	37,19,459	72,01,900	2,34,00,554	McLeod & Co. P.	12	282	25,04,502	1,87,834	12	..	..	100	240	240	240
1,37,53,000	1,10,37,201	69,74,249	7,33,589	Metal Box Co. of India Ltd. P.	3	167	62,82,608	16,24,249	10	12	..	10D	26	27	26
40,00,000C	19,89,407	14,12,035	11,31,121	National Insulated Cable P.	3	8	30,26,600	2,22,282	10	..	..	10	26	24	24
1,00,00,000	31,74,413	40,40,000	2,67,683	National Rolling & Steel Ropes	6	7	18,65,549	31,724	..	..	..	10	10	10	11
79,97,000	61,97,295	78,33,576	23,37,205	National Tobacco P.	12	79	12,08,190	9,03,430	5	..	..	10	11	11	12
23,32,100	2,322	5,11,187	29,35,291	New India Investment Corp.	12	35	1,38,595	1,72,1,							

BOMBAY MISCELLANEOUS COMPANIES

O. P. O. F. D. G. and R indicate Ordinary Preferred Ordinary Founders' Deferred Guarantee and Rebate Shares respectively P. next to the names of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Portfolios Shares if any	Cash & Securities	NAMES	Accounts closed	Shareholders	Net Profits including taxation	Carry forward	Dividends per cent.			Paid-up per Share	Latest Market Quotations as available until			
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954	1955	1956	Rs.	4-12-56	27-11-56	23-12-56	
													Rs.	Rs.	Rs.	
CEMENT																
2,67,59,333	16,16,27,689	4,15,51,096	3,90,26,918	Associated Cement	7	53	4,71,77,960	5,62,770	8 1/2	10	..	100	154	160 1/2	227 1/2	
ELECTRIC LTG POWER																
6,99,95,600	11,08,94,307	69,91,218	20,82,140	Ahmedabad Electricity	9	146	35,75,580	188	6 1/2	5	..	100	91 1/2	91 1/2	106 1/2	
2,92,83,500	4,18,62,358	52,34,507	65,30,599	Andhra Valley Power Supply P	6	267	46,19,171	25,735	7 1/2	7 1/2	..	1,000	1,208 1/2	1,200	1,340	
1,74,99,700	2,14,85,122	39,32,48	5,79,834	Bombay Suburban Elec Sup	3	146	19,21,739	45	7	7	..	100	110 1/2	110 1/2	125	
38,08,200	17,49,053	4,75,323	14,87,551	Poona Electric Supply P	12	229	3,86,015	..	..	..	..	100	146	146	146	
2,34,45,222	3,37,65,356	63,82,045	58,39,874	Tata Hydro Elec Power sup P	6	267	37,75,587	21,171	7 1/2	7 1/2	..	100	126	123 1/2	136	
6,02,78,750	8,98,37,405	1,41,56,578	1,29,22,549	Tata Power P.	6	267	77,32,961	27,952	7 1/2	7 1/2	..	1,000	1,245	1,245	1,398 1/2	
ENGINEERING & METAL																
83,42,200	17,06,292	44,16,374	1,54,08,311 1/2	Alcock Ashdown	12	268	8,79,666	1,35,820	12 1/2	..	..	100	302 1/2	317 1/2	391 1/2	
4,00,000	29,341	4,43,904	99,338	Jost's Engineering	3	115	62,291	1,598	15	5	5	50	96	96	96	
40,00,000	11,26,513	10,00,000	9,74,664	Larsen & Toubro P.	3	351	14,80,736	28,740	10	10	10	100	19	19	131 1/2	
40,95,100	81,25,753	2,02,500	49,333	Machinery Mfgs. Corpn Ltd P	3	330	2,02,006	64,678	ND	ND	..	100A	..	..	..	
1,10,00,000	15,00,978	16,66,194	7,06,260	McKenzie	7	283	1,49,085	64,938	..	..	..	300	194 1/2	210 1/2	185	
2,50,000	5,834	1,00,53,052	1,79,52,042	Premier Construction P	12	284	3,35,178	59,102	25 5/6	28 1/3	..	31F	..	..	..	
1,31,250F	4,80,59,980	26,78,952	44,49,499	Tata Locomotive & Eng. P.	3	69	3,303	50,350	ND	ND	..	100	164 1/2	170 1/2	145 1/2	
4,13,72,400	32,44,07,755	16,63,05,536	12,34,83,510	Tata Iron & Steel P.	3	269	9,26,44,872	4,04,945	14	14	14	750	183	190 1/2	264	
9,63,75,000																
INSURANCE COMPANIES																
20,00,000	..	23,84,913	95,96,033	British India General	12	297	4,24,629	1,18,606	..	..	..	10	13 1/2	13 1/2	13 1/2	
5,15,000	..	11,04,44,687	49,48,481	Empire of India Life	12	253	..	..	..	..	..	100	675	675	675	
8,45,120	..	16,33,999	46,38,803	Indian Mercantile	12	75	..	1,13,109	..	..	..	20	45 1/2	45 1/2	45 1/2	
18,74,940	25,01,134	1,88,61,155	2,61,49,442	Jupiter General P.	12	55	38,351	4,65,316	ND	ND	..	15	9 1/2	9 1/2	9 1/2	
1,06,81,590	..	1,68,81,793	27,25,18,402	New India	12	179	43,58,653	71,250	16 2/3	..	..	15	44	45	48 1/2	
6,00,000	..	67,83,74,430	63,46,53,421	Oriental Life	12	298	..	..	..	..	..	200	3,650	3,650	5,775	
15,99,270	..	29,41,860	59,86,789	Vulcan	12	255	6,05,803	2,61,242	10	..	..	10	15 1/2	15 1/2	15 1/2	
MISCELLANEOUS																
90,79,065	31,95,468	3,97,409	12,61,996	Air Service of India	6	336	-15,61,405	-37,22,790	..	..	..	15	..	..	..	
47,97,250	21,34,989	35,75,182	78,89,034	Belapur Sugar	9	42	53,89,000	61,389	..	..	..	50	249 1/2	251 1/2	367	
50,00,000	2,20,64,303	4,12,86,155	2,67,21,639	Bombay Burmah Trading	5	285	47,93,172	61,990	16	21	..	125	661 1/2	683 1/2	643 1/2	
42,00,000												50	237 1/2	240 1/2	225	
45,00,000	1,21,04,053	11,74,431	11,14,000	Bombay Steam Navigation P.	6	256	4,54,216	30,135	..	..	..	25	..	..	..	
99,99,250	3,085	19,47,386	1,28,40,992	Industrial Investment Trust	12	299	5,81,909	2,83,136	4 1/2	4 1/2	..	100	215	215	215	
11,99,900	13,82,957	7,34,142	14,05,231	Kemr (Chemists)	3	87	68,132	16,942	6	..	..	200	215	215	215	
57,71,400	3,74,05,779	1,81,13,445	2,39,042	National Rayon Corpn.	12	352	63,19,604	3,72,076	10	..	..	100	213 1/2	213 1/2	213 1/2	
9,39,98,069	18,36,63,413	12,46,31,677	7,10,16,957	Scindia Steam Navigation	6	198	32,72,555	22,72,555	2 1/2	2 1/2	..	20	18 1/2	19 1/2	18 1/2	
7,00,000	27,45,055	57,30,000	11,27,000	Shivrajpur Synd. (Manganese)	11	146	35,49,059	21,681	ND	ND	..	10	80	80 1/2	112 1/2	
1,39,95,990	2,25,39,547	13,22,272	4,37,991	Tata Chemicals P.	6	269	16,84,488	34,425	ND	ND	7 1/2	10	17 1/2	19 1/2	18 1/2	
70,07,475	75,25,791	34,08,586	22,83,813	Tata Oil P.	3	269	3,00,461	11,453	0	8	12	25	48	50	52 1/2	
2,75,00,000	1,46,45,903	2,00,20,836	1,50,49,201	Western India Match	12	274	74,09,291	5,61,984	11	11	..	100	173 1/2	174 1/2	185	

*1956 Liquid Assets

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Block Account	Reserve & other Funds	NAMES	Accounts closed	Managing Agents	Net Earning	Carry forward	Dividends per cent			Paid-up per Shares	Latest Market Quotations as available until		
								1953	1954	1955		5-12-56	28-11-56	A year ago
Rs.	Rs.	Rs.				Rs.	Rs.				Rs.	Rs.	Rs.	
CALCUTTA														
17,24,000	20,62,356	2,00,804	Ahmedpur Kutwa S.S.G.	3	165	-29,367	..	2½	2½	2½	100	60	60	61½
21,69,300	33,40,889	6,00,702	Arrah Sasaram D B G	3-9	32	2,57,676	33,735	3-3	3-3	3-3	100	71½	71½	75
34,00,000	41,30,202	3,11,048	Bankura Damodar River S.S.G.	3	165	46,607	..	2½	2½	2½	100	59	59	59½
19,00,000	29,09,643	4,91,171	Baraset Basirhat D.B.G.	3-9	331	18,844	1,18,863	..	..	..	100	10	10	19
17,80,000	21,78,786	2,20,877	Burdwan Kutwa S.S.G.	3	165	78,839	..	..	2½	2½	100	58	59	60½
81,20,000	35,46,011	..	Chaparmukh Silghat S.S.G.	3-9	32	62,834	10,849	1,29-1,29	1½-1½	1½-1	100	52½	52½	45
4,75,000	3,20,040	4,75,000	Cherra Chhatrak Ropeway	3	88	9,917	9,917	12½	3-..	NH	5	7½	7½	7½
2,47,650	2,75,015	65,326	Darjeeling Ropeway	3	101	18,097	4,549	12½	2½-..	2½	10	7½	7½	6½
22,50,000	62,20,813	13,52,600	Dehri-Rohas	3	335	6,42,311	37,814	6½	7½	10-12½	10	13	13½	15½
11,49,700	20,10,843	1,68,141	Futwah Islampur S.S.G.	3-9	32	-33,016	5,917	98-98	99-1	1-1	100	63½	63½	56½
16,00,000	50,82,188	17,87,954	Howrah Amta D.R.G. (P)	3-9	32	1,18,351	90,009	3-3	3-3	3-3	100	62½	62½	72½
6,00,000	13,87,138	4,43,410	Howrah Sheekhale D.B.G.	3-9	32	28,627	20,122	3-3	3-3	3-3	100	65	65	54½
19,50,000	27,95,689	2,47,135	Kalighat Falta S.S.G.	3	165	-1,99,473	..	2½	2½	2½	100	60½	60½	61½
8,91,100	15,16,175	10,551	Katakhal-Lala Bazar S.S.G.	3	165	31,257	..	4½	5	..	100	72	72	74½
15,00,000	62,56,929	28,77,041	Shandara Delhi Saharanpur	3-9	32	6,26,073	17,25,546	6-6	6-6	6-6	100	129½	129½	152½
1,75,000	5,41,779	2,04,341	Tarpore Bailpara Tramway P	3-9	165	-43,574	5,944	..	..	..	100	..	..	..

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PAVING THE ROAD TO PROGRESS

THE FINANCE MINISTER'S GOOD INTENTIONS

THIS year's ASSOCHAM general meeting was an altogether more cheerful affair. That is perhaps why the impression Mr. Krishnamachari's words conveyed appears to have been so favourable. But a mere exchange of pleasantries does not express the genuine anxiety of the business community, especially the British section of it, any more than it can explain the true significance of the difficulty under which the Government must work. There was much solid substance in both the President's Mr. O. T. Jenkins, and the Finance Minister's speeches. That little of it is now new stuff no doubt explains why it came across so much better when expressed in a rather more light-hearted fashion than usual. But this need not obscure the fact that it is a serious matter which is under discussion; one on which the whole future of established and responsible private enterprise in this country depends. Mr. Krishnamachari was reassuring about intentions, but it is the reality which will decide in the end. Mr. Jenkins was almost debonair in his approach to private industry's difficulties, but the ultimate progress of the concerns he represents will be regulated by hard-headed thinking based on the facts as they are, not as the Government would like them to be.

The Finance Minister was firm on one point, the plan must be fulfilled. So far as the efforts of private industry are concerned, there need be no differences with him on that score. The aim is a socialist pattern of society. Here again, this is something which business men have accepted, their prejudices notwithstanding, even if not all economic thinkers can. What deviation of views there is on the point centres on whether socialism really is the quickest and easiest way of increasing wealth and keeping the electorate contented—we have just seen that it has not proved the best way in Hungary. It is fairly true to say that what makes the consumer happy in the long run will make the business man too. The real anxieties do not devolve on the question whether or not socialism, but on how the system is to work in practice and how it is to be prevented from slipping into something more extreme when the present leaders with their moderate opinions have passed from the scene: after all, a responsible business man must look well beyond the next election. Here Mr. Krishnamachari does his case no good at all by referring to the example of Britain. It is no wonder that private enterprise in India is apprehensive if it must look forward to the muddle, the shortages, the chronic labour unrest, the dwindling

Without Prejudice

THE OBLIGATION TO FULFIL
CONTRACTSDOCTRINE OF FRUSTRATION
OF THE ADVENTURE

(FROM OUR LEGAL CORRESPONDENT)

THE reader is invited to consider the meaning of the word "impossible" in relation to what the law terms the doctrine of "frustration of the adventure" in the matter of contracts and the liability of performance attached to the parties. In considering the word, we have to bear in mind a fundamental principle. The business of the law is to give effect, as far as possible, to the intention of the parties, and all the rules for interpreting contracts go back to that fundamental principle and are controlled by it. The business is not an easy one by any means, since, although it is for the court to interpret the meaning of what people say, the same people do not always say what they mean, or they say it obscurely. People often express themselves in such a way as to leave large parts of their intentions unexpressed or, worse still, have not formed any definite intention at all as to what is to be done in certain events, the occurrence of which is so unlikely that no consideration has been given to it at all. So, quite often the law has to fill gaps in contracts by judicial conjecture or guess-work, in which, nevertheless, there is a guiding principle, namely, the consideration of what either party has given the other reasonable cause to expect of him.

The court aims not at imposing terms on the parties to the contract but at fixing the terms left blank, as the parties would or reasonably might have fixed them if all the possibilities had been clearly before their minds. For this purpose resort must be had to various tests: the court may look to the analogy of what the parties have expressly provided in case of other specified events, to the constant or general usage of persons engaged in similar business, and ultimately to the court's own sense of what is just and expedient. This sense of what is just and expedient is embodied in English law in the doctrine "frustration of the adventure" and in India by statute, i.e., the Contract Act, and it brings us to the word with which we began this note—"impossible". The doctrine is

this: Where the fulfilment of a contract according to the true intention is rendered impossible by emergent facts not within the control or contemplation of the parties, the courts will treat the contract as if it had been conditional and hold performance excused. Performance of the contract is frustrated by some external cause not due to the promisor's own fault, and the law will assume that the parties cannot have seriously meant to create a liability in such an event.

"Impossible". Please consider that word in relation to the actual case set out below. What is its meaning? Do not assume off-hand, as one is inclined to do, that the answer is obvious, that it means necessarily something that cannot conceivably happen or be done. True, that is one meaning and the general one. But the law interprets words, as we do ourselves, in their ordinary colloquial meaning. Even the austere Oxford Dictionary gives as an alternative meaning "difficult". We refer quite rightly to "a practical impossibility" as distinct from a "total impossibility". We talk of X as an "impossible" person, meaning only that he is an extremely difficult person. General Weygand, invited to succeed General Gamelin in 1940, when he said: "You have set me an 'impossible' task, to win a battle which is already lost", showed by accepting the command that he meant that the chance of success was not totally impossible but infinitely small.

And that brings us to the latest case on the word. The plaintiff, who was the General Manager, Government Distilleries, Hyderabad, filed a suit for damages for breach of contract alleging that the defendant, one Habibullah Garwar, had agreed to transport coal from the Hyderabad railway station to the Narayanguda Distillery, and this contract was entered into for the year 1st October, 1947, to 30th September, 1948. The plaintiff further stated that from 19th May, 1948, to the end of September, 1948, the defendant failed to transport the coal according to the terms of the contract, in consequence of which other arrangements had to be made for transporting coal for which the plaintiff had to incur expenditure, wherefore he claimed damages.

The defendant, while admitting the agreement and also the fact that he had stopped transport, alleged that the contract was for the transport of coal by lorry and that the plaintiff had undertaken

to supply coupons for petrol or alcohol for being utilised in the lorry, and inasmuch as the plaintiff had failed to supply the coupons, he was unable to use the lorry and therefore it became "impossible" for him to transport the coal. He urged that inasmuch as the plaintiff had not performed his part of the agreement in that he failed to supply the coupons, no damages could be recovered from him, as the breach of contract did not occur on account of him. There were other defences, but we are here concerned only with this defence of "frustration of the adventure" on trial court held on the merits that there had been no breach of agreement on the part of the plaintiff and awarded damages. The defendant appealed in revision to the High Court.

In the High Court, as in the court below, the main and foremost argument of the defendant-appellant's counsel was that the case was governed by Section 56, Contract Act, and that there was no obligation on the part of the defendant to carry out the terms of the contract because petrol became unavailable, the coupons not having been furnished. Upon this argument, the High Court made some useful and informative observations of general application. "The principle underlying the doctrine under Section 56, Contract Act, may be stated as follows. Where the law casts a duty on a man which, through no fault of his, he is unable to perform, he is excused for non-performance. It has to be noted that a party to a contract can always guard against unforeseen contingencies by express stipulation, but if he voluntarily undertakes an absolute and unconditional obligation, he cannot complain merely because events have turned out to his disadvantage."

Sometimes, though there may not be a term absolving one of the parties to a contract from performance of his part of the contract, the court can infer from the nature of the contract and the surrounding circumstances that a condition which was not express, was the foundation upon which the parties contracted, and relieve the party from the obligation to perform the contract if that condition cannot be fulfilled. The test therefore in this case would be as to whether the transport of coal by lorry alone was the foundation of the contract or whether the contract was only for the transport of coal by any vehicle whatsoever. In this case it could not be said that the transport of coal was only to be by lorry and that that was the foundation of the contract. It can be gathered from the evidence that the defendant only undertook to transport coal to the plaintiff from Nampalli station to the distilleries in Narayanguda. There was no further condition attached to it."

And that brings us back to our original question. What does "impossible" mean in such a connection as this. The transport of the coal other than by lorry would no doubt have involved the defendant in abnormal and prohibitive expense; and it may be conceded that he could not reasonably have foreseen the petrol shortage. Do these circumstances absolve him? In other words, does the word "impossible" connote the meaning of virtual impracticability or total impossibility? The High Court supplied the answer and it is a useful one to remember. Said Srinivasachari J.: "More difficulty or the need to pay abnormal prices cannot exonerate a party from carrying out his part of the contract and such a case would not be governed by Section 56, Contract Act. For the law will allow discharge of a contract if the act to be performed is rendered illegal or impossible of performance. (But) there should be a total impossibility. As has been observed above, none of these things could be found in this case. At the worst, it could be said that the defendant would have had to incur heavy charges in transporting the coal. The test would be, had the events which happened subsequently, in this case the paucity of petrol, made the contract impossible of performance? If not, it could not be said that there has been a frustration of the contract. I hold that it was open to the defendant to have arranged for the coal being transported to the distilleries by other means, though the transport charges may have been prohibitive. A clear line of distinction should be drawn between cases of physical or legal impossibility and mere difficulty in carrying out the contract."

The judgment of the lower court awarding damages for breach of contract was affirmed and the appeal dismissed.

[Habibullah v G. M. Government Distilleries. 43 A.I.R. (1956. Nov.) (Hyderabad). 190.]

ELECTRICITY OUTPUT IN INDIA

Electricity output in India increased by 1,600,000 kWh (kilowatt hours) during July, 1956, compared with June. Public electricity supply undertakings numbering 724 generated 796,500,000 kWh, of which 656,200,000 kWh were sold to ultimate consumers. Four diesel generating stations in Botad and Valabhipur in Saurashtra, and Contai and Old Malda in Dhuri in P.E.P.S.U., Robertsganj in Uttar Pradesh and Alipurduar, Bhagwangola, Galsi, Plassy, Sainthia, Saktigar, Memari, and Rasulpur in West Bengal were the new additions during the month. Power production and sale during July, 1955, were 722,200,000 kWh and 583,300,000 kWh and during July, 1954, 209,800,000 kWh and 174,300,000 kWh respectively.

IF this year's ASSOCHAM general meeting was no more exciting than usual, that was certainly no fault of the President, Mr. O. T. Jenkins. I thought his speech a refreshing departure from the normal, although I wonder whether it would add much to the importance of this annual event if the same approach were repeated year after year. But at least for the first meeting of the second plan, the attitude of *quo vadis* is probably an improvement on the usual cheerless chronicle of moans and scoldings. The "production"—if one dare use the word about anything so business-like—of the whole "show" was better too. For once, it was possible to see the main speakers as well as hear them. And the absence of a crowd of officials and committee members round the table left the impression that some thought had been given to the organisation of the meeting for a change. So did the position of the Press, which this time had much the same facilities as the members—perhaps a wise precaution after last year's walk-out. I must congratulate Mr. Jenkins on putting a new tool in the hands of economists. If the "Isotax" line is not his own invention, I for one have not heard of it before. There are great possibilities in this notion, especially if we can take the example further and plot "Isoprogress" lines as well. It would take time, but for those who are prepared to recognise evidence when they see it, there is a method here of proving what everybody knows exists—a relationship between economic growth and the burden of taxation. What material that would be for a future President's speech. In the meantime, Mr. Jenkins's meteorological analogy of talent moving from a high to a low-pressure tax area should illustrate the problem well enough. After the happenings of the last fortnight in the taxation field it must have been satisfying for some to have heard Mr. Krishnamachari if only in jest, being called a burglar. I have heard worse names used recently, and expect to again when he starts to implement the capital gains tax he says has come to stay. Perhaps the rôle of Robin Hood does suit him better, although that particular bandit was supposed to rob the rich to give to the poor while the whole point of the criticism of Mr. Krishnamachari is that his method of robbing the rich—quite the wrong word to use here of course—does not benefit the poor to the extent it might. If we must go back to legend and fable, Mr. Krishnamachari is more like the man who killed the goose that laid the golden eggs.

Just how much does confidence count in economic affairs? For round about everything I would say, and that is not confined to capitalist countries either. To prove the point, I am going to quote the authority of this month's *Pick's World Currency Report* which describes the effect the Suez crisis and the events in Poland and Hungary have had on the "Ruble Area". The adjective used is "tottering". There has been a sharp rise in black market activities and a consistent flight from national currencies into "hard" banknotes and gold throughout the whole region, with the exception of China. In the free market, the Bulgarian Lev, the Czechoslovak Koruna, the Hungarian Forint and the Polish Zloty have dropped to historic lows. The Forint has suffered most; compared with the dollar it has declined in value by about 78 percent. The Zloty comes next with a fall of about 45 percent, while the ruble itself shows a drop of 39 percent. Rumours are rife that Poland is preparing to devalue and that Hungary is planning a currency reform. So, in spite of controls and regimentation the feelings of ordinary people do count for something even in communist economies. No doubt a combination of cooked statistics and ruthless politics will succeed

A DITCHER'S DIARY

in sweeping the dirt under the carpet. But the truth remains; communist prosperity is as much a function of confidence as is the capitalist variety.

Controversy, which attended almost every phase of Dr. Ambedkar's career and in which with great gusto he always gave as much as he took, could not altogether be kept out of the obituary tributes paid from almost every quarter of India's public life. He would not have minded one bit of it. That he was a great champion of the untouchables, for whom in one way and another he did as much as any single individual goes without saying, but that may well have been only one of his passions. Not only was Dr. Ambedkar ever torn between the prizes he could easily have secured by compromise and the cause he had chosen for himself, his whole life had been rendered the more restless perhaps by a deeper dichotomy—that between a scholar and a politician, and he was both. His early works on the problem of the rupee are known to students of Indian economics, and while his achievements in the political sphere were by no means inconsiderable, the consequent loss to the world of economic scholarship was not a small price to pay. It is idle to speculate whether single-minded devotion to the study of economics would have been a better way of serving the country Dr. Ambedkar loved so dearly. The fact perhaps is that some men—of whom he was certainly one—just cannot help fighting a sea of trouble or inviting the slings and arrows of outrageous fortune. Such men suffer in consequence, as did Dr. Ambedkar; but the world would have been a poorer place without their striving.

Personally, I felt the effects of the Suez trouble for the first time just about a month ago when I asked for a copy of the latest Aldous Huxley and was referred rather sharply to this unhappy incident. Only now has my book-seller been able to supply me and on going through *Adonis and the Alphabet* and *Other Essays* I see once again that Mr. Huxley is what I have always considered him—an encyclopaedia in trousers. I confess I am no great admirer of his novels, brilliant though they are. *The Genius* and *The Goddess* struck me, despite its fine characterisation and dry cynicism, as no more than a shoddy tale of common adultery made to look solemn by Mr. Huxley's usual trick of talking through his pseudo-scientific hat. But his essays and discussions are a different matter altogether. I can think of no contemporary British author, other than Bertrand Russell himself, who can match their range and quality. In this book of some dozen essays, Mr. Huxley ranges from the sadism of St. Dominic to canned fish. He is invariably exciting, except perhaps when he gives us an overdose of mysticism. Or, perhaps my mind is unfavourably constructed to receive such stuff. But when one comes to think of it, it's the "drama" of his thinking that constitutes the main appeal of Huxley's writing. Just take an example. In the essay entitled "Canned Fish" he first describes his visit to an American cannery, and then suddenly but quite naturally takes off into strange and rich ricks of thought: the meaning of work ("Etymologically, work is the equivalent of torture"), automation, the movement of fish, the revolution in the earth's atmosphere "which is changing the climate of the northern hemisphere and is likely to affect profoundly the course of human history during the next few generations or even centuries." In the essay, obvi-

ously, we have advanced a good deal from the days of Lamb, when wit and fancy rather than thought were considered enough to embroider a subject.

If Mr. Chou En-lai is really out to make a favourable impression on the United States, I think he is going the right way about it. After the Bulganin-Khrushchev circus, it was a pleasure to watch the Chinese Prime Minister's progress round India. No exaggerated gestures, no exhibition of brash emotion; just a quiet, dignified self-assurance. He did not obviously try to say all the right things, and even admitted in public that there were differences between some of his ideas and those of Mr. Nehru. There is surely no better way to convince the world of one's sincerity and peaceful intentions. Naturally, there was no question of being objective about colonialism; and the favourite whipping boy of all Asian nations these days, the British, collected their usual share of disapprobation. But on the whole, Mr. Chou gave the impression of being a man who wants something and is not prepared to go to war to get it. Only his stand on Hungary was the usual tiresome stuff; it is quite clear that genocide presents him with no problems of conscience. If it was good to see a communist behave like a human being for once, it was even better to see him being welcomed like one. Calcutta did not wear the same festive air it did for Messrs. B and K, and one can scarcely blame it. How many of the people who restrained their enthusiasm over Mr. Chou, I wonder, did so because they felt the peace and friendship they expressed towards the former visitors had been used to sustain the slaughter of Hungarians. Once bitten—? I see the Chinese Premier is now in Burma. I suspect his reception there will be tinged with even more realism than it was in Calcutta. But Mr. Chou is a lucky man. It is not many of us who get the opportunity of proving our good intentions so soon after protesting them. If there was ever a chance to practise the spirit of *Panch Shila*, this is it. But then, Burma is a small country, as Mr. Chou himself pointed out so significantly a few weeks ago, and it is not so necessary there to match deeds with fine words.

I read Irving Stone's *Lust for Life* several years ago and was immediately convinced that it must be one of the greatest documentary novels of all time. Its increasing popularity over the years shows that I was not wrong. Mr. Stone has since written other books in the same genre, and although all of them are excellent, none has quite reached the level of his Van Gogh story. It was, therefore, with very high hopes that I went to see the screen version now running in Calcutta, and I must say I feel amply rewarded. Kirk Douglas in the rôle of Van Gogh, with an extremely able supporting cast, gives a faithful rendering of an ill-starred life whose main ingredients were genius, poverty and neglect. Van Gogh, it will be recalled, managed to sell by the time of his death only one work, and that for a few dollars. Yet today his best canvases are worth anything between fifty and one hundred thousand dollars each. During the decade of his most mature production he painted six hundred oils and made over eight hundred drawings. The film does not attempt to portray everything that the book contains—that would obviously be absurd to expect—but it shows all the major events of the painter's life, at least everything that was needed to bring out the power and pathos of an existence dominated by an uncrushable creative impulse. Herein, to my mind, lies its success.

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THE GREAT EASTERN SHIPPING COMPANY LIMITED

CHAIRMAN MR. A. H. BHIWANDIWALLA'S REVIEW

The following is the speech delivered by Mr. A. H. Bhiwandiwalla, Chairman of The Great Eastern Shipping Company Limited, at the Eighth Annual General Meeting of the Company held on 6th December, 1956.

Gentlemen,

It is my annual pleasure to welcome you at this meeting and speak to you on the shipping industry in general and the working of your Company in particular.

The Directors' Report and Accounts of the Company have been in your hands for sometime now and with your permission I shall take them as read. The results, as you know, are satisfactory. The Report and Accounts contain a mass of statistics on the working of the Company, and I do not propose to inflict them on you here again.

The good results derive largely from our tramp activity and the expansion of our agency business. The year under report also saw the epoch-making acquisition by the Company of the first-ever tanker purchased by Indians. Another noteworthy feature of the Company's activities is its contractual commitment to carry 70,000 tons of rice from Burma to India on Government account. After the end of the financial year and in less than six months, the Company's ships have carried almost the entire 70,000 tons of rice.

Tramping Activity

Your Company has taken active interest in tramping right from its commencement. The adventurous and enterprising spirit with which shipowners have been imbued from the dawn of history attains its high-water mark in tramping. Your Company had to face competition of an international character from well-established foreign shipowners; this is an implicit challenge in tramping business. Owing to the ignorance and apathy on the part of Indian shipowners, as well as the Government in this country, about the importance of tramping business and its requirements, we had to face not only lack of co-operation, but actual hostility and obstruction, in the form of numerous restrictions that were placed on our "freedom of the high seas." The position has improved with the Government's recognition of the role of tramping in the country's economic life. I am, however, sorry to say that the majority of Indian shipowners interested in the liner trade have not yet, to say the least, appreciated its significance. Liners and tramps are like two wings, each equally indispensable to the life and growth of India's shipping industry.

In view of this prevalent bias against tramp shipping, the Government has been influenced and swayed by the liner interests and prejudices, and conditions for the creation and growth of the tramp fleet in this country have not been established. It is hoped that the Government will consider the matter dispassionately and allow the freedom of operation to tramp-owners in this country as is enjoyed by successful tramp-owners in other maritime countries.

There is a lot of confusion and far from clear thinking about the economics of shipping in this country. In normal peace times and in the absence of emergencies, the maximum operational efficiency and the optimum utilisation of tonnage should guide and govern the employment of ships. There is nothing sacrosanct about the carriage of India's exports or imports in Indian ships. What matters is the rapid growth and development of Indian tonnage plying on the high seas. This can only be brought about if the Government does not interfere with the employment of vessels and permits tramp operators to follow considerations of operational efficiency and gainful employment which will assist the rapid expansion of the merchant fleet. If some of the Indian ships do not carry part of India's imports or exports, the country will no doubt have to pay the freight charges in foreign currencies. But the Indian ships, which are more gainfully employed in other trades, will earn more foreign exchange than will be paid to foreign ships for carrying part of India's imports and exports. It is the net difference in foreign exchange that matters. The astonishingly rapid progress made by Norwegian and Greek shipowners in recent years would not have been possible if the Governments of those countries had imposed the restrictions which are fettering the Indian tramp operators at present.

The Government restrictions on letting out Indian ships on time-charter to foreigners have acted as a restrictive influence on expansion of Indian tonnage and foreign exchange earning without doing an iota of good to the country. If an Indian shipping company wants to expand rapidly it must make sure of gainful employment of at least some of her ships for a period of time. Time-chartering out of ships provides this sort of employment for an assured period and makes the shipowner immune from the risks of fluctuations in the freight market. With such a hedge he can afford to take the risks of the freight market by building and/or purchasing more ships at the prevailing high level of prices in the place of those chartered out. Moreover, tramp operators have to judge the freight market and at times to cushion on the risks of a fall in the market by letting out some of their vessels on time-charter. The only difference between letting out a ship on a time basis and fixing her for a voyage is the difference between the wholesale selling of freight and the retailing of freight. Whilst the Government has no objection to the retailing of freight, it has prohibited wholesale selling of freight to the great detriment of the shipping industry. May I earnestly appeal to those in authority to examine this question dispassionately and exempt at least tramp operators from the restriction on letting out of their vessels on a time basis?

We ploughed a lonely furrow and persevered when the sun was not shining so brightly on the tramp trades. We carried wheat in bulk from West Australia to India at 35 shillings per ton as compared with today's rate of 140 shillings. Our shipowner friends

then said, "Tramps are a dying breed." What do we find today? Tramps are flourishing at present more than liners. The post-war development of shipping proves that countries which stuck to liner services only have increased their tonnage at a slower pace than the countries engaged in tramping. My appeal and judgment on the comparative usefulness and importance of tramps and liners. Both tramps as well as liners have their respective roles to play in the development of shipping and tramps are far from being either a dying or a useless breed.

I am pleased to inform you that from occasional tramping we have advanced a stage further and have formed a permanent nucleus of ships for our tramp activities. Our present tramp fleet, consisting of s.s. "Jag Vijay", m.v. "Jag Lakshmi" and s.s. "Jag Shanti", m.v. "Jag Lakshmi" is considerably strengthened by the addition, in February 1957, of the largest cargo ship on the Indian registry, viz., m.v. "Jag Lakshmi" of 12,080 tons deadweight, which will be completed and delivered to us by a Japanese shipyard. The earnings from tramping have contributed a good deal to the satisfactory results achieved during the year under report.

Let me, however, utter a word of caution. Tramping is very susceptible to trade cycles. Booms and depressions alternate much more intensively in this line of shipping. It is therefore most important that a tramp operator should consolidate and strengthen his position in good days in order that he comes out unscathed in bad days which inevitably follow in their wake. It is hoped that the Government will create a suitable climate in which tramping as well as liners can flourish side by side and accelerate the development of Indian shipping. May I reiterate that I have nothing against my friends in the liner trades and it is my conviction that both liners and tramps must understand each other and live together.

Agency Business

With the securing of the agency of the Hellenic Lines Ltd. of Piraeus and New York, your Company's agency business has grown considerably. During the calendar year 1956 we shall have handled more than 100 ships as agents at Indian ports. The vessels of the Hellenic Lines with their sailings from Indian ports to the U.S.A. ports, the vessels of the Yamashita Line and a number of other tramp operators have brought considerable revenue to the Company and have added to the earnings for the year under report. The growing tendency on the part of foreign shipowners to entrust their agencies in India to nationals of this country is a welcome development. Your Company being a shipowner itself, is ideally placed to look after the interests of foreign shipowners at Indian ports, and render first-class service. This has not only meant better business and full satisfaction to these principals, but has also ensured improved returns to you. This agency business has also enabled your Company to establish valuable contacts and cement mutually remunerative business relationships, besides providing valuable experience in new trades and lines.

Tanker "Jag Jyoti"

The 12th of April 1956 will rank as a memorable and eventful date in the history of Indian shipping, because it was on this day that the first-ever Indian-owned tanker was acquired by your Company. The Transport Minister's recognition of this pioneering will have heartened and thrilled you. The tanker has been chartered out to the Standard-Vacuum Oil Company for carrying refined petroleum products on the coast. The teething troubles have been overcome and your Company is gaining very valuable experience in this new line.

In fact, your Company wanted to purchase a second tanker. Instead the Government has acquired a second tanker for their Shipping Corporation. With the acquisition of these two tankers, I am glad to say the country has just made a beginning in this vital branch of shipping. With increasing industrialisation and mechanisation of agriculture and the rise in the standards of living, the demand for oil is bound to grow up considerably. The country will therefore need a sizable fleet of tankers for the carriage of crude oil from oil-producing countries to India and distribution of refined products on the coast. A good beginning in the carriage of crude oil to India can be made by the building and acquisition of two super-tankers of 36,000 tons deadweight each. Although it is announced that the Government proposes to acquire and operate further tankers in the public sector, I for one cannot believe that it is the Government's unalterable intention to exclude private enterprise from the task of nation-building in this important field. I therefore request the Government to dispel the doubts and declare categorically that it will change its policy towards acquisition of tankers or super-tankers by Indian shipping companies. The building up of a tanker fleet will require considerable funds and I hope that the Transport Minister will be successful in his endeavours to secure additional allocation of finance for shipping.

Carriage of Rice from Burma to India

With the rise in the international freight market, the Burma-India Conference, which was catering to this trade and which included some foreign shipping companies, folded up its tent and declared its inability to cover this berth except at fantastic freight rates. It was the same Conference which had prevented in the past young Indian companies, like ours, from participating in this trade monopolised by their members on the pretext that the berth was adequately covered by the U.S. Liners. It is also clear that they would not allow outsiders to participate in this trade. When the members of the Conference declined to lift this vital movement of rice from Burma to India, your Company approached the Government and assured them of our willingness to co-operate in the essential movement of rice from Burma to India at reasonable

freight rates. Subsequently, I am glad to say, Indian shipping companies undertook to lift 3 lakh tons of rice from Burma to India in six months at freight rates which were 20 to 25 per cent. lower than those indicated by the members of the Conference. Your Company has almost fulfilled its commitment for the carriage of 70,000 tons of rice ahead of others and has thus established its claim to a 25 per cent. share in this trade.

Coastal Trade

It will please you to learn that the fulfilment of your Company's commitment to carry Burma rice did not adversely affect the liftings on the coast. Unlike others, your Company chartered outside tonnage and ensured that the carriage of coastal cargoes in the Company's vessels was not adversely affected. In fact, our coastal liftings amount to a quantity which could only have been lifted by the engagement of all our owned vessels in the unremunerative coastal trade. It is a creditable achievement especially because your Company, like other companies, could well have diverted some of its coastal tonnage to the Burma-India rice trade without bothering to charter additional tonnage at the present high charter rates. In view of the uneconomic freight rates on the coast, any diversion from the coast brings in some sorely needed relief. However, your Company resisted this common temptation and has continued to maintain its coastal liftings.

The uneconomic coastal freight structure can be evidenced from, among other things, the extremely slow growth in coastal tonnage as compared with overseas tonnage. In fact, no one can afford to buy, for coastal operation, ships at today's very high level of prices and high costs of operation and run them at low and uneconomic freight rates. The Government's persistent refusal to permit a commensurate rise in the coastal freight rates has administered a setback to the cause of Indian shipping. If the Government had conceded economic freight rates in time, shipping companies would have acquired additional tonnage for coastal operation at reasonable prices at the most opportune time. It is no use now crying over spilt milk and let us hope that the Rail-Sea Co-ordination Committee which has examined this question thoroughly will recommend to the Government the necessary increase in the coastal freight rates, so as to bring them to an economic level.

The inadequacy of the coastal tonnage in relation to the cargo offering for coastal movement will be greatly aggravated with the progressive execution of the Second Five-Year Plan and enormous increase in the quantum of cargo that is expected to be moved by coastal vessels. We feel sure that the rising tempo of various schemes and projects under the Second Five-Year Plan will bring about a transport bottleneck in the country. The railway and road transport will not be able to handle all the increased traffic and the coastal movement by sea may be expected to increase progressively from 3 million tons to about 5 million tons per annum. Meanwhile a number of old coastal vessels may have to be scrapped. The problem of replacement and expansion of coastal tonnage therefore assumes great urgency and importance.

Your Company was among the first to be seized of this problem. The freight rates on the coast, even allowing for an increase that may be recommended by the Rail-Sea Co-ordination Committee and accepted by the Government, cannot bear the extremely high cost of new or second-hand tonnage. This is because in the ultimate analysis the coastal freight structure is bound to be influenced by the railway tariff. The railways carry an overwhelmingly large proportion of the country's internal traffic and the coastal freight rates therefore cannot be far out of step with the railway rates. The shipyards of the world are fully booked and delivery of new ships cannot be expected under three or four years. Second-hand tonnage is extremely scarce and the very few ships that are offered are quoted at fantastic prices.

My colleague on the Board, Mr. Vasant J. Sheth, toured the U.K., the U.S.A., Europe and Japan to see if any way could be found out of the prevailing tonnage crisis. He found that the only country which could assist India is the U.S.A. with her merchant fleet and her generous tradition of assistance to underdeveloped countries. On his return to India, the Company decided to pursue the matter earnestly and deputed the Company's former General Manager, Dr. Sen, to the U.S.A. For four months Dr. Sen persisted in his skilful advocacy of India's dire need for ships, which could only be met by the release of Liberty ships from the merchant fleet of the U.S.A. The Government of India and the Indian Ambassador in America, Mr. G. L. Mehta, lent their weighty support and made their good offices available to Dr. Sen. After protracted negotiations and conferences with various Executive Departments of the U.S. Government, Dr. Sen felt confident of their support of enactment of suitable legislation for the release of Liberties from the merchant fleet to India. However, because of the impending elections in that country, it was too late to introduce the necessary legislation. Now that the Administration has emerged successful in the elections, I have every hope that the necessary legislation will be passed shortly and that at least 12 Liberties will be released to our country.

These second-hand Liberty ships which, though ageing, are kept in good condition, are urgently required to augment our coastal tonnage in the transitory period and to avert a transport crisis. By releasing them now the U.S. Government would have helped us before these ships run out their useful life and become obsolete in their stables. With the progress of the Second Five-Year Plan there is bound to be a very severe tonnage crisis on the coast. These ships will just help us tide over the crisis in our transport system and thereby assure the success of our Second Five-Year Plan. If the U.S.A. Government requires an undertaking that these ships would only be used for our coastal trade and not for competition with the U.S. Liners, this may be given on a Government-to-Government level. It cannot be regarded as an unreasonable demand in view of the U.S. Government's legitimate concern to safeguard their own interests. What is most important is that we must get going and save ourselves from being engulfed by a transport crisis. It is also clear that these ships could be utilised for the coastal trade only if they are released at the usual prices and not at the international level of prices. The coastal trade with its low freight-rate structure will not be able to bear the incidence of the high international price level of ships.

In the conditions as they exist in the world today, we are sure that it is only the U.S. Government which can assist a young country endeavouring to build and consolidate a democracy on foundations of unregimented economic planning and well-being. Other powers are in no position to assist our country in this direction. Our Prime Minister is visiting the United States and perhaps during his visit the release of U.S. Liberties could be arranged. If the Government desire to pursue this vital matter we are prepared to send our representative to the States in order that he may be available on the spot for necessary consultations.

Your Company took the initiative and have put in considerable efforts for the release of Liberties from the merchant fleet of the U.S.A. Out of 12 Liberties proposed to be released to our country, we can legitimately claim an allotment of six Liberties for our coastal fleet. Three or four Liberties will serve as timely replacements for the three or four coastal time-charters which will be expiring shortly and the remaining two or three Liberties will be a welcome addition to our coastal fleet. Your Company is prepared to finance up to 50 per cent. of the cost of these ships from its own resources.

Port Facilities and Dock Labour

The progressive implementation of the Second Five-Year Plan would not only bring about an increase in the coastal movement by sea but will also increase the foreign imports of capital goods, machinery and raw materials into the country. The present port facilities in the country are woefully inadequate. Congestion at ports and delays to ships which are common even at present are on the increase. It will therefore be an impossible task to handle the enormously increased coastal and overseas traffic at the ports without a speedy and commensurate improvement and expansion of port facilities. Otherwise, I am afraid, we shall not only be unable to handle the increased traffic, but would also pay heavily for the limited traffic in terms of increased transport costs and waste of national tonnage as a result of idleness and congestion at the ports. The Government would therefore be well advised to accord topmost priority to the improvement and expansion of port facilities.

The introduction of the piece-rates in Bombay has had a salutary effect on the output and earnings of dock labour. It is essential that the piece-rate system should be extended to all the ports. It is hoped that increasing co-operation between employers and dock labour will improve the turnaround of ships and will enable them to carry more efficiently the increased overseas and coastal traffic.

Fleet Expansion

Your Company started its operations in 1948 with one Liberty ship which was acquired for about Rs. 22 lakhs. At present the Company owns eight ships worth Rs. 3.25 crores at cost and much more at market value. The three new ships which are on order will cost a further sum of Rs. 3.75 crores. By the time this young Company of yours is 11 years only, we shall have invested as much as seven crores of rupees in the shipping industry and become owners of 11 vessels—a steady accretion of one vessel each year.

I have taken into account only the committed expansion programme of the Company. The allotment of Liberties from the U.S. merchant fleet and part of the expansion programme submitted by us to the Government in pursuance of the Second Five-Year Plan, have not been taken into account. We are still awaiting the Government's decision on our expansion plan submitted to them in February 1956.

Capital Structure

The initial paid-up capital of the Company in 1948 was a modest figure of Rs. 20 lakhs. Since then your Company issued bonus shares twice, issued new equity shares of Rs. 20 lakhs and preference shares of Rs. 25 lakhs. The paid-up capital of your Company thus stood on 30th June 1956 at Rs. 85 lakhs, out of which Rs. 60 lakhs was equity share capital and Rs. 25 lakhs preference share capital. With the present issue of Rs. 60 lakhs in equity shares, your total subscribed capital will rise to Rs. 1.45 crores, of which Rs. 1.20 crores will be equity capital. Your Directors took the decision to increase the capital not only because your Company was undercapitalised in relation to the cost of the fleet, but also because they wish to maintain a healthy ratio between the risk-bearing capital and loan liability of the Company to the Government.

Prospects

Our tramps are doing very well. The m.v. "Jag Lakshmi", which is expected to be delivered in February 1957, will operate for four months in the current year. The earnings from the operation of the tanker, agency business, Burma-India rice trade and four months' trading of m.v. "Jag Lakshmi" will also be reflected in the current year's results. Subject to unforeseen circumstances, therefore, I visualise a bright future for your Company in the current year.

In the five months ending 30th November 1956, the gross freight earnings have been Rs. 144 lakhs as compared with Rs. 96 lakhs for the corresponding period during the year under report. If the remaining seven months maintain the promise of the first five months of the year, the gross freight earnings should reach the target of Rs. 3 crores, as compared with Rs. 2.11 crores for the year under report. On this assumption and in the absence of any unexpected setbacks or deterioration in trading conditions, it may be possible to maintain the dividend on the increased capital.

Government Assistance

I have time and again criticised those policies and actions of the Government which, in my opinion, are retarding the development of shipping. By and large, however, the Government is endeavouring its level best to develop Indian shipping by grant of generous loans and many other measures of assistance. The Transport Minister, the Transport Secretary, officials of the Transport Ministry, the Director-General of Shipping and his staff have all continued to assist and promote the cause of Indian shipping. Your Company owes a deep debt of gratitude to them all. It is a rare

experience that Government departments go out of their way and take the initiative in conveying useful information and providing valuable guidance to companies even on the telephone. With such assistance from Government, I am sure, your Company will march forward to new milestones of progress and play its rightful part in what our Prime Minister aptly called "the mighty adventure of building a new India."

The news about the resignation of Shri Lal Bahadur Shastri as Transport Minister has been received with great regret by all and especially those who have first-hand knowledge of his sincerity and devotion to the cause of Indian Shipping. It is hoped that his qualities will be utilised in some responsible capacity for the good of the country.

You will, gentlemen, undoubtedly wish me to extend a cordial welcome to Shri P. R. Subramanian, Senior Deputy Director-General of Shipping, who has recently joined the Board of your Company as a Government Director. Mr. Subramanian is an able officer with long experience of shipping problems. His association will therefore be of great benefit to your Company.

Gentlemen, I am sure you will join me in expressing our well-deserved appreciation and thanks to the staff, both afloat and ashore, for their devotion to duty and the way in which they have shouldered increasing responsibilities as a result of the rapid expansion in the activities of the Company.

I thank you, gentlemen, for giving me a patient hearing.

May I now move that the Report and the Accounts for the year ended 30th June 1956 be and are hereby adopted?

Note: This does not purport to be a record of the proceedings of the Annual General Meeting.



THOSE WHO COMMAND-DEMAND...

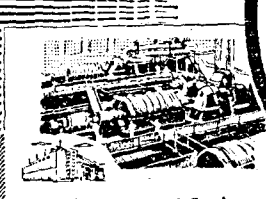
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WILL THOMSON & CO. LTD. Edinburgh ESTABLISHED 1790



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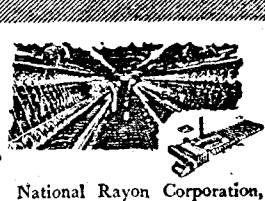
Bokaro Thermal Station.



Sindri Fertilizer Factory.



The Tata Iron & Steel Co., Jamshedpur.

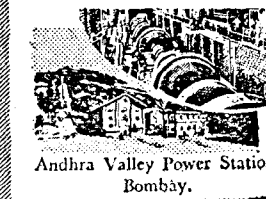


National Rayon Corporation, Kalyan.

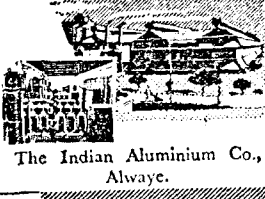


All India Radio, Delhi.

General Electric is the largest electrical manufacturing organisation in the world with a production range of 200,000 different items—from tiny switches to giant generators, from lamps to locomotives. General Electric products and engineering experience have been utilized in India for many major projects, planned to bring prosperity to the country.



Andhra Valley Power Station, Bombay.

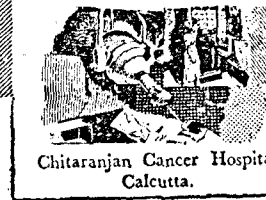


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THE INDIAN IRON & STEEL COMPANY LIMITED

CHAIRMAN MR. T. LESLIE MARTIN'S REVIEW

At the Annual General Meeting of the Shareholders of The Indian Iron & Steel Company Limited, held in Calcutta on 30th November, 1956, Mr. T. Leslie Martin, the Chairman, dealing with the year ended 31st March, 1956, said:—

Gentlemen,

In my address to you last year I stated that it was extremely unlikely that the production and trading results of that year would be repeated and that the large increase in the revenue and consequent profits could only be regarded as a windfall. Happily, my prognostications have proved entirely wrong and very wide off the mark. From the Report and Accounts for the year 1955-1956, which have been in your hands for some days, you will have seen that the results of the previous year have actually been exceeded. Today I do not intend to make any forecast but will confine my remarks, in the main, to facts and will explain to you, briefly, the factors that have contributed to this happy position.

Production

The Company's total production of 7,06,986 tons of iron fell short of the figure of the previous year by less than 9,000 tons. The output, however, of your Burnpur Blast Furnaces which provide the hot iron for steel making fell from 5,17,899 tons to 4,73,172 tons. This was due to the fact that No. 2 Furnace was off production for periodical re-lining. The loss of production on this account, however, proved to be much less than had originally been envisaged as, by improved re-lining technique, the work was completed in a very much shorter period than on any previous occasion.

With the change over of two of the Steel Melting Furnaces from Producer Gas Fuel to tar firing we were able, and are now in a position, to utilise a greater proportion of steel scrap in our furnaces than was formerly the case. As an offset to the inevitable drop in the availability of iron for steel making resulting from the closure and re-lining of No. 2 Blast Furnace, an intensive drive for the procurement of steel scrap from local sources was launched and carried out with such success that it was possible to make good the anticipated deficit and even to surpass last year's

production tonnage of ingot steel by some three thousand tons. A further benefit was received by reason of the fact that the Rolling Mills were able to produce a larger proportion of the output in the form of finished steel commanding a larger margin of profit than semi-finished steel such as billets, blooms and slabs.

The production of iron from your Kulti Blast Furnace was 233,814 tons as against 197,702 tons in 1954-55, since both Furnaces were in full production throughout the year. In addition to the benefit of the consequent increased availability in the sale of pig iron, full advantage was taken of a larger allotment of iron, sanctioned by Government, for use in the Kulti foundries. This enabled an increase in the production tonnage of Spun Pipes and General Castings of some sixteen thousand tons which, again, had a marked effect on the satisfactory trading for the year under review.

Profit

Taking these factors into account an increase in profits of some Rs. 70,00,000/- has been realised for the year. From this amount we are required, in accordance with the terms of the Agreement entered into with Government (to which reference is made in your Directors' Report) to set aside Rs. 29,47,838/- to a Special Fund to be utilised solely for the purpose of our expansion programme.

As to the future, I can only say, in view of the excellent results for the year 1955-56, that despite the many difficulties encountered your Burnpur Works have worked to full capacity and that until this capacity is augmented by the extensions now in progress, which will gradually come into operation, no appreciable increase in output can justifiably be looked for. Also, it must be remembered that it is not unlikely we may have to contend with increasing difficulties in the operation of the existing plant owing to the disorganisation caused by the expansion works in progress. I would, therefore, ask you to bear this in mind when forecasting possible results over the next year or so.

In this connection I should like to take the opportunity to pay tribute to the very efficient manner in which the task of the Planning and Co-ordination of

the extensions works is being carried out by your Consulting Engineers, the International Construction Co., Ltd., and to the spirit of co-operation between them and the Works Management which has enabled all difficulties encountered to be smoothed over with the minimum of inconvenience to either side.

Finance

So far as the financial figures for the year under review are concerned there can, I think, be few points on which you will require further enlightenment. The Accounts as drawn up in conformity with the provisions of the new Companies Act 1956 give even fuller particulars than the previous very full disclosure it has always been the practice of your Board to make. There is, however, one item on which I might perhaps remark. You will notice that the Accounts show the transfer of a sum of Rs. 7,00,000/- to General Development Reserve. You may feel some doubt on the necessity for this transfer, having regard to the very large amounts set aside on the other extensions reserves. I would, therefore, like to explain that the sum in question represents the approximate reduction in the normal taxation liability for the year by reason of the Development Rebate allowed by Government on exemption of 25% of the cost of the new plant and machinery installed. The consideration underlying this concession is that the saving in tax should be set aside for development purposes. We count to a large extent on the continuance of this rebate for financing both the 1953 and 1955 extensions and it is very desirable that this position should be recognised by the immediate institution of a General Development Reserve as a separate item of the reserves.

Dividends

In view of the substantial increase in the amount of profits earned your Directors had naturally wished to mark the position by some increased distribution to the Ordinary share capital. Every endeavour was accordingly made to obtain the approval of Government to the admission of the shareholders to an increased participation in the profits, but as reported in the Board's Circular Letter of the 1st October, 1956, Government have found themselves again unable to agree at this stage to an increase in the rate of dividend. Though the position is disappointing to us all and is one which your Directors greatly regret, as I advised you under similar circumstances last year, the orders of Government cannot be ignored nor their legality challenged without serious detriment to the interest of the Company. It is incumbent on us, therefore, to accept the decision of Government with good grace. To the extent that profits earned are retained in the business the finance of the expansion programme and the ultimate repayment of the loans that are being incurred is facilitated. Also, we may derive such consolation, as we may, for the present restriction of dividend from the assurance that has been given by Government in their letter dated 22nd September, 1956. It has been stated in that letter that the mobilisation of the available resources for the completion of the expansion programme is in the long term in the interests of the shareholders "as ultimately they will have their full share of the increased profits".

1953 Extensions

You will, I trust, have a full appreciation of the progress made with the 1953 extensions programme from the descriptive booklet which has been issued as a supplement to the Report of your Directors and will have noted that the programme is scheduled to be brought to completion by the end of 1958 in two stages.

Further Extensions

Particulars of the further expansion to an annual output capacity of 800,000 tons of saleable steel which at the request of Government, has been agreed to, have been given in the Board's Circular Letter of the 5th November, 1956. In my speech to you last year I explained that no decision as to the undertaking of this further expansion could be arrived at until the revised sales retention prices of steel, to be operative as from the 1st April, 1955, had been notified by Government and we had thereby been enabled to forecast with some reasonable degree of accuracy the future financial position of the Company. The revised retention prices were communicated to the Company in February, 1956, and were fixed at a satisfactory level. The further expansion was, therefore, approved by your Board and the necessary financial negotiations for securing the finance to cover the cost put in hand. As you are aware, this programme provides mainly for an increase in the finishing mills capacity. It is scheduled for completion under normal conditions early in the second half of 1959.

The outline of the general financial arrangements in this connection, which has been shown in the Board's Circular Letter, will be placed before you for formal consideration at the Extraordinary General Meeting to be held tomorrow. I will, therefore, not comment on this occasion other than to express our great appreciation of the full understanding and sympathetic consideration that has been shown by Government in the fixation of the current sales retention prices of steel and at all stages of the subsequent negotiations even though it did not prove possible for them to see eye to eye with your Board on the question of the price at which the proposed rights offer of additional Ordinary share capital should be made.

International Situation

All that I have said on your immediate and future prospects and the completion of both the extension schemes must be judged in the light of the rapid developments which are taking place in the entire international sphere. No one can tell what ultimate direction these may take but it would seem that world-wide impact on almost every national activity may result, which could seriously upset the implementation of all important schemes dependent upon sea transport, foreign exchange, the manufacture and delivery of imported plant and machinery together with the thousand and one other national requirements for industrial or other developments.

In conclusion I should like on your behalf to express our appreciation of the services rendered by your General Manager, Mr. J. McCracken, and by all the staff and workers whose able and willing combined efforts have made possible the very satisfactory results that have been achieved.

NOTE: This does not purport to be a report of the proceedings of the Annual General Meeting, which will be sent to shareholders in due course.

MEETING OF ASSOCIATED CHAMBERS TEXT OF RESOLUTIONS ADOPTED

AT the annual general meeting of the Associated Chambers of Commerce in Calcutta this week, the following eight resolutions were adopted unanimously.

Ports and Transport.—Bombay Chamber of Commerce and Industry. The Associated Chambers of Commerce of India are gravely perturbed by existing transport difficulties and re-assert their conviction that a massive expansion of the country's transport system is a vital necessity for the success of the second five year plan. They urge that greater weight should be attached to a speedy improvement and expansion of transport facilities, and in particular that:

(1) Urgent efforts should be made to remove the present congestion at the major ports by the provision of additional mechanical equipment and the introduction of incentive schemes for labour. Since no improvement will be effective unless there are adequate facilities for clearing goods to internal destinations the communications serving the ports should be concurrently expanded to cope with a greater volume of incoming traffic.

(2) To supplement the capacity of Bombay, the development of Kandla and Bhavnagar should be hastened, while the strain on Madras should be relieved by a more extensive use of the minor ports. To that end, the minor ports themselves, as also their internal communications, should be improved to enable them to play their full part.

(3) Rail, road and inland waterway transport require even greater expansion than that already contemplated and require further a closer integration which will enable them effectively to supplement each other.

Finance.—Bengal Chamber of Commerce and Industry. The Associated Chambers of Commerce of India are concerned at the shortage of finance which is already being acutely felt in the country, both for working capital and for long-term development, and they earnestly commend to the Government the importance of adopting every sound financial measure for alleviating this shortage.

The Companies Act, 1956.—Madras Chamber of Commerce. This Association wishes to draw attention to the difficulties which many companies have experienced in the working of the Companies Act, 1956. Although defects were inseparable from the introduction of a complicated piece of legislation of this nature, the Association recommends that the Act having been in force for only a comparatively short time, the Government should avoid undue haste in effecting amendments, and should ensure that the experience of this and similar Associations is fully consulted before amendments are finally drafted. With this in mind, the Association is at present collecting detailed information from its constituents with regard to their experience of the Act and its working.

Labour.—Punjab and Delhi Chamber of Commerce. In fulfilment of the general objects of labour policy laid down in the second five year plan, the Associated Chambers of Commerce of India are anxious to see the adoption of realistic and practical measures which will contribute materially towards achieving the economic targets set by the plan and will at the same time reduce the possibility of large-scale dislocation caused by industrial strife. For these purposes, they consider that detailed and practical policies should be evolved in the following two main directions:

(1) A realistic and progressive wage policy should be drawn up which, while ensuring a fair reward to labour and a fair share in the country's increasing prosperity, will provide positive incentives by linking wages with productivity and will be consistent with the Government's overall financial policies and with the limitations of the economy as a whole. It is the responsibility of employers to provide a lead in the evolution of such a policy and the Government, as the largest employer in the country, should itself play a leading rôle.

(2) With the disappearance of the revisionary power hitherto exercised by the Labour Appellate Tribunal, it has become urgently necessary to provide a code of fair labour practices and conventions for the guidance of Industrial Tribunals. Such a code of basic principles would assist in avoiding conflicting or arbitrary decisions by individual Tribunals and would at the same time go far to remove many issues, such as bonus, from the area of uncertainty and dispute.

The Second Five Year Plan: Private Enterprise and Foreign Investment.—Bombay Chamber of Commerce and Industry. This Association, having already welcomed the second five year plan and having assured the Government of India of its full co-operation in the plan, earnestly hopes that the Government for its part will find it possible to accept as vital the rôle that private enterprise and organised industry and commerce have to play in the fulfilment of the plan's targets, and will take all practical steps to assist these sectors of the economy in their appointed tasks.

(2) This Association, while realising the limitations imposed by the Government's policy statements, is encouraged by the Government's pragmatic approach to individual propositions and re-asserts its belief that the Government of India will do all in its power to foster and accelerate sound plans of expansion and sound new industrial projects put forward by private enterprise.

(3) This Association holds that if this pragmatic approach becomes more widely demonstrated by decisions of the Government of India, it will have a profoundly good effect on the volume and variety of foreign investments likely to be offered on terms mutually acceptable to the Government of India and to the intending investors.

The Cotton Textile Industry.—Upper India Chamber of Commerce. This Association urges the Government of India to allow a reasonable expansion in the productive capacity of the cotton mills sector, so as to counteract the present shortages of cloth in the hands of the consumer and also to ensure that sufficient cloth is available at economic prices to meet the increased demand expected by the end of the second five year plan period.

Taxes on Commodities.—Bengal Chamber of Commerce and Industry. This Association reiterates its opposition to taxes imposed on the movement of a number of economically important commodities by State Governments under the terms of the Assam Taxation (on goods carried by roads or inland waterways) Act and the West Bengal Taxes on Entry of Goods in Local Areas Act. It strongly recommends the withdrawal of these taxes on the grounds that they constitute an unwarranted form of taxation which completely disregards the economics of production and the incidence of other taxation, and, in particular, that at the present time they are contributing materially to a deterioration in the economy of the tea industry.

Sales Tax.—Bengal Chamber of Commerce and Industry. This Association wishes to record its serious concern at the difficulties which continue to be experienced in the levy of sales tax, at the interference with business activities arising from sales tax legislation and at the burdensome cost of collection as reflected in the unproductive labour involved in its assessment. Inasmuch as all efforts to simplify sales tax administration have hitherto failed, and since the present problems have been aggravated by the changes in State boundaries effected under the States Reorganisation Act, the Associated Chambers of Commerce consider that this field of taxation should be rationalised by the introduction of a uniform Centrally-administered tax, even if this involves a further amendment of the Constitution.

DISCUSSION ON ASSOCHAM RESOLUTIONS

THE resolutions adopted at this week's annual general meeting of the Associated Chambers of Commerce in Calcutta reflect some of the top priorities in the business worries of the year. The shortage of finance for short-term and long-term needs is emphasised in two. One outlines the transport difficulties which are expected to grow as the second five year plan gains momentum; and two others criticise taxation measures. The remainder deal with the Companies Act, 1956, labour policy, and the Government's attitude to the expansion of the cotton textile industry.

Introducing the resolution on ports and transport, Mr. A. J. C. Hoskyns-Abrahall (Bombay Chamber) warned that congestion in the ports was likely to grow. It seemed that the operation of major ports would have to be put on an emergency footing; a co-ordinator, or co-ordinating committee, might have to be appointed in each, and given wide powers to ensure the smooth and speedy movement of goods. It was necessary to extend the piece-rate system of paying dock labour to all cargoes; other needs were more efficient stacking, better servicing and maintenance of mechanical equipments, and a higher calibre of officers to handle labour problems. Mr. J. R. Galloway (Madras Chamber), who seconded the resolution, pointed to the heavy losses suffered when ships were delayed by port congestion. He said that 84 vessels which sailed from Madras during October and November this year spent a total of 650 days idle waiting for berths; on a conservative estimate, the time lost by these vessels cost over Rs. 36 lakhs.

Mr. W. H. S. Michelmore (Bengal Chamber), moving the resolution on finance, said that most companies in the private sector today had inadequate reserves of working capital for their normal operations. It was impossible to float any equity capital except on terms which were artificially biased in favour of the subscriber. The market for debentures had almost become dead since the nationalisation of life insurance, and the private individual investor was being eliminated by the socialist pattern of society. Mr. Michelmore offered a number of reasons for the financial stringency, such as taxation, the adverse balance of trade, rising inventory and wage costs, and the utilisation of former surpluses of working capital for expansion or modernisation. He emphasised the need to mobilise savings, extend banking facilities and habits, and depend on indirect taxation for a larger proportion of the Government's revenue. The resolution was seconded by Mr. E. Parker (Bombay Chamber), who urged that strenuous efforts be made to attract foreign capital.

Mr. J. R. Galloway (Madras Chamber) introduced the resolution on the Companies Act, 1956, and quoted a Bombay High Court criticism of the lack of clarity and precision in its wording. He urged the Government to use fully the experience of the business and professional community when amending the Act. This experience would be readily placed at its disposal. Mr. N. D. Harris (Bengal Chamber) seconded the resolution.

Moving the resolution on labour policy, Mr. F. C. Badhwar (Punjab and Delhi Chamber) declared that it was inappropriate in an industrial or commercial unit to base the emoluments of workers on attendance only and to dissociate them from actual output. Human nature being what it was, this usually reduced incentives and interest; it appealed only to those who wanted to do just enough to avoid adverse criticism or penalties. Mr. H. M. L. Williams (Bengal Chamber), seconding the resolution, said that healthy trade unions run by practical men who understood industrial problems could promote the growth of the economy.

Mr. J. F. Sinclair (Bombay Chamber), moving the resolution on the five year plan, urged a practical approach to the problems of investment. Referring particularly to foreign capital, he said that there was appreciation of the size and difficulties of the programmes of the economic expansion on which India had embarked. There was also a somewhat tardy but growing recognition that, given fair and reasonable terms, this was a country which from the investment point of view, no international industrialist could afford to neglect. Mr. G. N. Noel Tod (Madras Chamber) seconded the resolution, and pointed to certain unrealistic aspects of the Government's sugar, cotton textile and plantation policies.

The resolution on the cotton textile industry was moved by Mr. R. L. Powell (Upper India Chamber). He said that the demand for cloth was expected to go on increasing. It could be either suppressed by such measures as controls and heavy excise duties, or met by increasing production. It was doubtful whether the demand for one of the necessities of life could be suppressed indefinitely without creating economic, social and political stresses. The resolution was seconded by Mr. E. Parker (Bombay Chamber).

Mr. J. H. P. Bent (Bengal Chamber), moving the resolution on commodity taxes, criticised the Assam levy on the carriage of goods by roads and inland waterways, and the West Bengal tax on the entry of goods into local areas. These, he declared, had imposed a particularly heavy burden on the tea industry. It was quite wrong in principle that an article which already bore a Central Government excise and export duty should have imposed upon it by individual States additional commodity taxes, which in their nature and effect were practically similar to an excise duty. The resolution was seconded by Mr. J. R. Galloway (Madras Chamber).

Introducing the resolution on sales tax, Mr. G. H. Clarke (Bengal Chamber) stated that an easily administered sales tax levied by the Centre at a low and uniform rate on all taxable commodities, without exception, would not only ensure adequate revenue but would discourage evasion. Traders had suffered much harassment under the prevailing system of sales tax administration; it was essential that it should be rationalised. Mr. J. R. Galloway (Madras Chamber) seconded the resolution.

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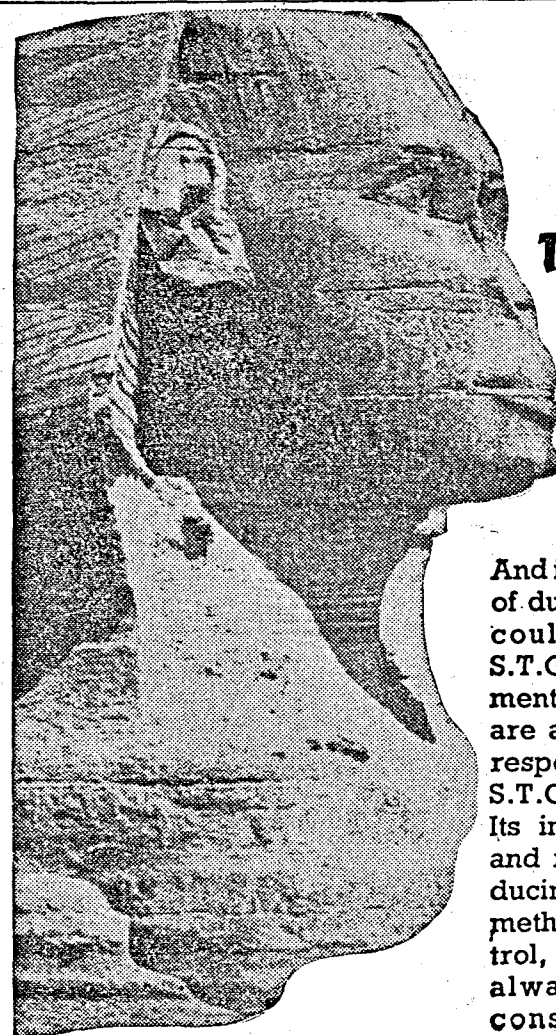
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The world still awaits the adventure of Wireless... it's the age of the horse-drawn carriage. And people who talk of flying aren't airmen as yet; they're poets.

Calcutta is India's capital, and at one of its busy wharves, there's a picturesque mailboat from England, self-conscious in its new power of Steam. Look away for a moment to something else that is new. There! In those crates... the first few cakes of a new soap: *Sunlight*. The crates say: 'Made in England by Lever Brothers.'



Bobbing away on porters' heads, the cakes go off to some obscure bazaar of old Calcutta and from there... on to journey's end: the homes for which Levers have made the soap.

That's how it was one summer day of 1888. Lever Brothers (then, a three-year old British enterprise) thought the world of *Sunlight*. Soon, thousands of bazaars were stocking 'the tablet that foamed'—and families became converts for good.



Little by little, the motor car arrived (the model with the turkey-croak hooter); then the telephone began to jangle in Indian homes. And in those homes, time wasn't standing still either. People were asking for new and varied products to meet their changing needs. So, Levers—developing in step with them—produced for the home such things as *Lifebuoy*... *Vim*... and *Lux Toilet Soap*. This is becoming a story of familiar names, isn't it?



In 1922, Levers started making soaps in Calcutta—encouraged as they were by the increasing demand for their products. In 1934, a second factory went up in Bombay.



In 1926 came Dalda Vanaspati from Holland. And, with it, there started a revolution in India's nutrition—the use of a hardened vegetable oil for cooking. To manufacture *Dalda* in India, a new Lever Company was born in 1932: 'HVM'—the Hindustan Vanaspati Manufacturing Company Limited.

And still the Indian home called for newer and 'different' products. And so there came to India *Pears Soap*, *Erasmic* and *Gibbs* products, *Himalaya Bouquet* toiletries, *Rexona Soap*—familiar members of the Lever family. Marketing of these products led to the formation of yet another Lever Company in 1935: 'UTL'—United Traders Limited.



Now, you can't separate the tale of these products from the tale unfolding within Levers. The people in their factories and offices were changing, for one thing. Foreign experts were joined by the young men of India and today over four-fifths of Levers' executives are Indians.

Meanwhile, Levers were buying all the raw materials that India could offer. These purchases grew as manufacture expanded—till, in 1955, about 88 per cent of the oils and fats that Levers needed was supplied by India's fields and coconut groves.



An international partnership—that's what soon grew up in Levers. Foreign technical and marketing experience linked up with the talents and resources of India. Result? The Indian housewife today is supplied with products that are among the world's best.

Today, we are sixty-nine years from the crate of soap that, almost unnoticed, started Levers in India. Today, a new chapter in our story has opened with the association of Indian and foreign capital in Levers. Indian and British Directors work together on the Board, too. Here's a joint venture that serves the nation and advances with it.

Yes, the future arrives with each tick of the clock. And Levers face that future with a new name: 'HINDUSTAN LEVER LIMITED.' So the stories of HVM and UTL end, in a sense—because they've merged with 'Lever Brothers' to form Hindustan Lever.



But the Lever story goes on. For India's story goes on, and Levers have grown with India's needs and progress. As it has done for sixty-nine years, Hindustan Lever will continue to serve the Indian home.

HINDUSTAN LEVER



SERVES THE HOME

ILL. 1-X109

Finance in India and Abroad

CAPITAL GAINS, DEPOSITS AND COMPANY TAXES

PROVISIONS OF NEW FINANCE BILL

THE Finance (No. 3) Bill, 1956, which was introduced in the Lok Sabha recently, proposes to revive, with some modifications, the scheme which was in existence for the taxation of gains resulting from the sale, exchange or transfer of capital assets during the period 1st April, 1946 to 31st March, 1948. The new scheme will apply to capital gains arising on or after 1st April, 1956. The important points on which the new scheme differs from the old may be outlined as follows. In computing the amount of capital gains, the assessee was given the option to adopt, instead of the actual cost of the asset, its fair market value as on 1st January, 1939. Now the assessee is to be given the option to adopt, instead of the actual cost of the asset, its fair market value as on 1st January, 1954. In the case of non-company assessee, only the excess of capital gains over Rs. 15,000 was subjected to tax. Now it is proposed not to levy a tax on capital gains if (i) the capital gains do not exceed Rs. 5,000 or (ii) the total income, including the capital gains, does not exceed Rs. 10,000. Formerly, in the case of non-company assessee, special rates of tax were prescribed for capital gains, ranging from one anna in the rupee to five annas. The rates of tax were thus not related to the total income of the assessee. Under the new Bill, it is proposed to relate the rate of tax on capital gains to the other income of the assessee. One-third of the capital gains will be added to the other income, and the income-tax rate applicable to the sum so arrived at will be the rate at which the whole of the capital gains will be charged to tax. In the case of companies, tax was not charged if the amount of capital gains did not exceed Rs. 15,000. But where the gains exceeded Rs. 15,000, the whole amount was taxed. It is now proposed to tax the full amount of capital gains. In the case of companies, the rate of tax for capital gains was the ordinary income-tax rate applicable to a company. No change is proposed in this respect.

Some Exemptions Dropped

The following gains were exempt from the tax, but the exemption will now be dropped: gains arising on the transfer of property on compulsory acquisition for public purposes; gains arising on the distribution of assets on the dissolution of a firm or association of persons or on the liquidation of a company; gains arising on the sale of residential property possessed by assessee or his parent for seven years or more; gains arising on the sale of building, plant and machinery belonging to a business, invested in the purchase of a new building plant or machinery within a specified period; and gains on the transfer of assets to an irrevocable trust. The exemptions it is proposed to retain are: gains arising on the distribution of assets on the total or partial partition of a Hindu undivided family; gains arising on the transfer of assets by will, bequest or gift; gains arising on the transfer by a parent company of its assets to a 100 per cent Indian subsidiary; and gains arising on the sale of residential property which had been occupied by the assessee or his parent for two years, the gains being invested in the purchase of new property within one year.

As before, capital losses now can be set off only against capital gains. Formerly, the capital losses of any year which could not wholly be wiped off by the capital gains of that year could be carried forward for a period of six years for set-off against capital gains in the later years. To permit such carry-forward, the capital loss sustained in any 'previous year' was to have exceeded Rs. 15,000 in the case of non-company assessee. Now it is proposed that the capital losses of any year which cannot wholly be wiped off by the capital gains of that year may be carried forward indefinitely for set-off against future capital gains. To permit such carry-forward, the capital loss sustained in any 'previous year' must exceed Rs. 5,000 in the case of non-company assessee. These provisions are covered by Clauses 2, 4, 5 and 7.

Under Clause 3, it is proposed that in the case of companies, the depreciation allowances and development rebates allowed should be added as an item of income, unless the company deposits with the Central Government before the 30th June of the relevant assessment year a prescribed amount depending on its undistributed profits and reserves. The amount deposited will consist of two parts. The first part is a prescribed percentage of the amount by which the available profits of the year (i.e., profits before deduction of depreciation or development rebate less taxes payable less dividends declared) exceeds the sum of Rs. 1 lakh. The second part is a prescribed percentage of so much of the accumulated profits and reserves as are not represented by fixed assets in the business. The percentages referred to above will be prescribed by the Central Government and notified from year to year, but will not exceed 75 per cent for the first part and 25 per cent for the second part of the deposit. The deposit will carry interest at the rate prescribed by the Government and be refundable wholly or in part where the Government is satisfied that the amount refunded will be used in the business for a purpose approved by it. Rules for these and other connected matters will be issued by the Central Government.

Rates of Supertax

Under Clause 8 the effective basic rates of supertax applicable to companies for the financial

year 1957-58 will be the same as are applicable for the current financial year 1956-57, namely:

- For companies which have made the prescribed arrangements for the declaration and payment in India of dividends and for deduction of supertax from dividends paid to shareholders not resident in India:
 - For companies referred to in Section 23A(9) of the Income-tax Act (i.e., companies in which the public are substantially interested) with total income not exceeding Rs. 25,000 ... 1 anna 9 pies
 - Other companies ... 2 annas 9 pies
- Public companies not included in (1), (e.g. foreign public companies):
 - on income other than dividends from a subsidiary Indian company ... 5 annas 9 pies
 - on dividends from a subsidiary Indian company ... 3 annas 3 pies
- Private companies not included in (1), (e.g. foreign private companies):
 - Income other than dividends from subsidiary Indian company ... 5 annas 9 pies
 - on dividends from a subsidiary Indian company ... 3 annas 3 pies

In addition to the basic supertax payable by a company, a special supertax was levied for the financial year 1956-57 on dividends distributed by it in excess of 6 per cent of its paid-up capital. It is proposed to continue this special supertax on dividends in excess of 6 per cent of the paid-up

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capital for the financial year 1957-58 with an alteration in the rates. The rates of special supertax applicable for the year 1956-57 and the proposed rates for the year 1957-58 are as under:

	Present rates a rupee	Proposed rates a rupee
(a) On the amount of dividends in excess of 8 percent but not more than 10 percent of the paid-up capital ...	2 annas	2 annas
(b) On the amount of dividends in excess of 10 percent but not more than 18 percent of the paid-up capital ...	3 annas	4 annas
(c) On the amount of dividends in excess of 18 percent of the paid-up capital ...	3 annas	6 annas

The extra supertax at 2 annas in the rupee for certain companies on the face value of bonus shares issued by them which was levied during the financial year 1956-57, will be continued for the financial year 1957-58 also in respect of bonus shares issued during the relevant previous year. Provision has been made for carrying forward to the financial year 1957-58, the quantum of bonus shares and excess dividends which could not be subjected

to additional supertax during the financial year 1956-57 for want of adequate total income.

Section 23A Companies

Under Section 23A of the Income-tax Act, if a company in which the public is not substantially interested does not distribute to its shareholders as dividends at least 60 percent of its distributable profits within one year from the close of the relevant accounting year, it will have to pay a special additional supertax on the whole amount of its undistributed profits of the year. At present, this additional supertax is payable at the rate of 8 annas in the rupee in the case of an investment company, and at the rate of 4 annas in the case of other companies. It is now proposed to increase the rate for non-investment companies from 4 annas to 6 annas. The rate for investment companies will continue to be 8 annas as at present. Companies engaged in an industrial activity and other companies stand at present on the same footing as regards the minimum distribution of dividends and the rate of additional supertax payable on undistributed profits. It is now proposed that while for other companies the additional supertax will be levied if the distribution is less than 60 percent, such additional tax will not be levied on industrial companies unless the distribution falls short of 50 percent. These proposals are embodied in Clause 6.

All the amendments proposed in the Bill, including the changes in the rates of supertax and additional supertax on companies, will come into force on 1st April, 1957.

THE CALCUTTA MONEY MARKET

I. M. F. PURCHASES SUPPORT STERLING

Wednesday, 12th December.

THE upward trend in demand for advances has persisted in the market this week. The requirements of the cotton and sugar industries are both expanded and the needs of the jute industry remain at a high level. The interbank market has ruled quiet, and it is reported that all demands have been met at the unchanged call rate of 3½ percent.

A steady flow of export documents has been reported from the bill market this week. Turnover has been satisfactory, but probably rather below the level witnessed in the previous week. Remittance has been good. Sterling continues to show a steady improvement, especially in the forward position. A good deal of covering has followed the announcement that the International Monetary Fund is buying sterling against Britain's £1,300 million deposit. The improvement of sterling has taken place in terms of all currencies.

Bullion was quiet on profit-taking. Silver declined from the previous week's level of Rs. 172 to Rs. 171-4, quoted today. The rate for ready delivery was quoted at Rs. 171-10. The London and New York prices have remained unchanged.

In sympathy with silver, gold was quiet and the price fell from Rs. 106 to Rs. 105-12. The sovereign at Rs. 69-8 showed a loss of 8 annas.

During the week ended 7th December, Government of India Treasury bills for Rs. 32,57,50,000 were sold in favour of the Reserve Bank.

Increases of Rs. 25.54 crores and Rs. 8.05 crores to Rs. 1464.08 crores and Rs. 1473.79 crores in active notes and the total note issue, respectively, were notable features of the return of the Reserve Bank of India for the week ended 7th December, 1956. The currency expansion was covered by reducing foreign securities by Rs. 9.94 crores to Rs. 447.30 crores and by increasing rupee securities by Rs. 19.88 crores to Rs. 785.35 crores. Deposits of the Government of India increased by Rs. 2.37 crores to Rs. 52.36 crores, while other Government accounts fell by Rs. 1.90 crores to Rs. 14.04 crores. Balances of commercial banks, at Rs. 51.46 crores, were Rs. 39 lakhs higher. Balances held abroad increased

THE CHARTERED BANK

With effect from 6th December, 1956, the name of the Chartered Bank of India, Australia and China, has been shortened to the Chartered Bank, and this is the name in which its business will now be conducted.

By Rs. 12.72 crores to Rs. 91.01 crores, presumably due to a transfer from the Issue Department. Investments increased by Rs. 57 lakhs to Rs. 60.19 crores. Other loans and advances increased from Rs. 80.84 crores to Rs. 84.57 crores, of which advances to scheduled banks against usance bills stood at Rs. 44.65 crores (Rs. 43.34 crores). These advances amounted to Rs. 389.84 crores since 1st January, 1956. Ways and means advances stood at Rs. 5.20 crores against Rs. 2.96 crores.

The return of the State Bank of India for the week ended 30th November, 1956, shows a rise of Rs. 2.10 crores in total deposits to Rs. 234.90 crores. Investments in Government securities are down by Rs. 2 lakhs to Rs. 95.56 crores, while other authorised investments remain unchanged at Rs. 11.04 crores. Advances, including loans, cash credits and overdrafts, and bills discounted and purchased, have increased by Rs. 1.68 crores to Rs. 129.11 crores. Cash and balances are, in consequence, shown at Rs. 16.63 crores, or Rs. 48 lakhs higher.

The statement of the position of scheduled banks for the week ended 30th November, 1956, shows Demand and Time liabilities at Rs. 650.91 crores (Rs. 11.69 crores on account of borrowings from banks) and Rs. 458.91 crores (Rs. 2.71 crores), against Rs. 647.03 crores (Rs. 12.34 crores) and Rs. 453.52 crores (Rs. 2.51 crores), respectively, in the previous week. Cash has remained unchanged at Rs. 35.89 crores, while balances with the Reserve Bank have increased by Rs. 4 lakhs to Rs. 50.84 crores. There is a drop of Rs. 4 lakhs in investments to Rs. 365.46 crores. Advances and bills discounted, at Rs. 766.33 crores, show a rise of Rs. 4.02 crores. The ratios to total liabilities of cash and balances, and of advances and discounts, are, in consequence, shown at 7.8 percent and 69.0 percent, against 7.8 percent and 69.0 percent.

The following is a statement of the cash balances of the Central Government on the last day of August, 1956:

	Rs.
(1) At the Reserve Bank of India in India	57,69,58,000
(2) At treasuries in India	2,23,32,000
(3) In England (Sterling converted at 18d. the Rupee)	1,53,96,000
Total	61,46,86,000

RESERVE BANK

ISSUE DEPARTMENT

	(In 100's of Rupees)	Week ended 7-12-56	Week ended 30-11-56	Week ended 9-12-55
Liabilities—				
Notes in Banking Dept	...	9,70.54	27,20.30	7,87.44
Notes in Circulation	...	14,64,08.12	14,38,53.85	13,50,86.96
Total Notes issued	...	14,73,78.66	14,65,74.15	13,58,74.40

Assets—				
A Gold Coin and Bullion	...	1,17,76.03	1,17,76.03	40,01.71
Foreign Securities	...	4,47,30.03	4,51,23.78	6,47,06.60
Total, of A	...	5,65,06.06	5,74,99.81	6,87,08.31
B Rupee Coin	...	1,23,37.91	1,25,27.15	1,08,14.40
Rupee Securities	...	7,85,34.69	7,85,47.19	5,63,51.69
Total	...	14,73,78.66	14,65,74.15	13,58,74.40

BANKING DEPARTMENT

Liabilities—				
Capital Paid-up	...	3,00.00	3,00.00	3,00.00
Reserve Fund	...	5,00.00	5,00.00	5,00.00
National Agricultural Credit (Long term) Fund	...	15,00.00	15,00.00	...
National Agricultural Credit (Stabilisation) Fund	...	1,00.00	1,00.00	...

Deposits—				
(a) Central Govt	...	52,36.08	49,38.62	51,18.16
(b) Other Govts	...	14,04.01	13,33.79	5,90.36
(c) Banks	...	51,45.79	51,07.08	57,53.25
(d) Others	...	14,16.95	13,37.07	15,67.06
Bills Payable	...	12,81.99	12,79.98	8,75.97
Other Liabilities	...	1,02,54.10	1,02,07.69	25,15.14
Total	...	2,73,38.89	2,71,24.23	1,77,68.74

Assets—				
Notes	...	9,70.54	27,20.30	7,87.44
Rupee Coin	...	2.91	0.15	8.14
Subsidiary Coin	...	6.68	13.18	6.08
Bills Discounted Int	...	...	...	53.39
Govt of India Treasury Bills	...	8,55.19	7,09.30	6,29.28
Balances held abroad	...	91,00.64	79,29.42	69,55.32
Loans to Govt	...	5,20.35	2,56.35	3,79.00
Other Loans etc.	...	84,57.36	80,83.54	26,45.17
Investments	...	60,18.68	59,61.32	50,52.97
Other Assets	...	14,06.54	14,01.67	12,52.04
Total	...	2,73,38.89	2,71,24.23	1,77,68.74

SCHEDULED BANKS

	(In 100's of Rupees)	Week ended 30-11-56	Week ended 23-11-56	Week ended 2-12-55
Demand Liabilities—				
(a) Borrowings from Banks	...	11,69.08	12,32.89	14,32.67
(b) Others	...	6,29,21.94	6,34,69.13	6,04,23.11

Time Liabilities—				
(a) Borrowings from Banks	...	2,71.00	2,51.00	6,85.50
(b) Others	...	4,56,19.57	4,56,00.15	4,16,47.66
Borrowings from State Bank Demand Liabilities	...	10,48.45	9,62.43	6,45.31
Time Liabilities	...	35,89.15	35,88.77	34,10.76
Cash	...	50,84.20	50,79.84	64,51.17
Balances with the Reserve Bank	...	9,85.47	10,05.70	10,97.41
Balances with other banks in current account	...	15,15.70	18,30.35	23,82.73
Money at call and short notice	...	3,65,45.67	3,65,50.40	3,94,44.74
Investments in Central and State Govt Securities	...	5,97,06.22	5,92,04.07	4,97,34.90
Advances	...	1,16,43.95	1,17,02.19	57,12.11
Inland bills purchased and discounted	...	52,82.67	51,44.46	46,87.85

CLEARING HOUSE RETURNS

	Rs (thousands)	Week ended 7-12-56	Week ended 30-11-56	Week ended 23-11-56
Calcutta	...	72,11.38	67,81.95	64,06.56
Bombay	...	64,06.56	65,78.77	65,29.98
23-11-56	...	61,54.62	65,29.98	63,68.88
16-11-56	...	65,29.98	63,68.88	...

STATE BANK OF PAKISTAN

ISSUE DEPARTMENT

	(In 100's of Rupees)	Week ended 23-11-56	Week ended 16-11-56
Liabilities—			
Notes in Banking Department	...	10,43.90	7,91.39
Notes in Circulation	...	3,04,57.06	3,02,03.29
Total Notes issued	...	3,15,00.96	11,33.41

Assets—				
A Gold Coin and Bullion	...	11,33.41	...	...
Sterling Securities	...	85,17.35	...	...
Government of India Securities	...	16,63.47	...	...
India Notes representing assets receivable from the Reserve Bank of India	...	43,02.28	...	...
B Rupee Coin	...	5,78.00	...	...
Govt of Pakistan Securities	...	1,47,16.29	...	...
Held with Reserve Bank of India pending transfer to Pakistan	...	19.02	...	...
Gold Coin and Bullion	...	4,40.63	...	...
Sterling Securities	...	1,00.90	...	...
Govt of India Securities	...	29.51	...	...
Rupee Coin	...	3,15,00.96	...	...

BANKING DEPARTMENT

Liabilities—				
Capital Paid-up	...	3,00.00	3,00.00	3,00.00
Reserve Fund	...	3,00.00	3,00.00	3,00.00
Deposits—				
(a) Central Government	...	37,45.73	38,69.29	1,95.56
(b) Provincial Government	...	6,31.23	14,63.88	...
(c) Banks	...	2,64.13	3,63.11	...
(d) Others	...	24.12	22.83	...
Bills Payable	...	10,05.87	10,18.73	...
Other Liabilities	...	77,36.40	75,33.50	...

Assets—				
Notes	...	10,43.90	7,91.39	...
Rupee Coin	...	...	...	...
(a) Pakistan	...	12	10	...
Subsidiary Coin	...	...	...	...
(a) Pakistan	...	12	11	...
(b) India	...	...	...	...
Bills Purchased and Discounted—				
(a) Internal	...	...	...	...
(b) Govt. Treasury Bills	...	2,97.99	1,90.97	...
Loans and Advances to Govt	...	...	...	...
Provincial Govt. Debtor Balances	...	9,99.10	7,55.80	...
Other Loans and Advances	...	42,86.56	49,01.44	...
Investments	...	11,06.77	8,97.49	...
Other Assets	...	77,36.40	75,33.50	...

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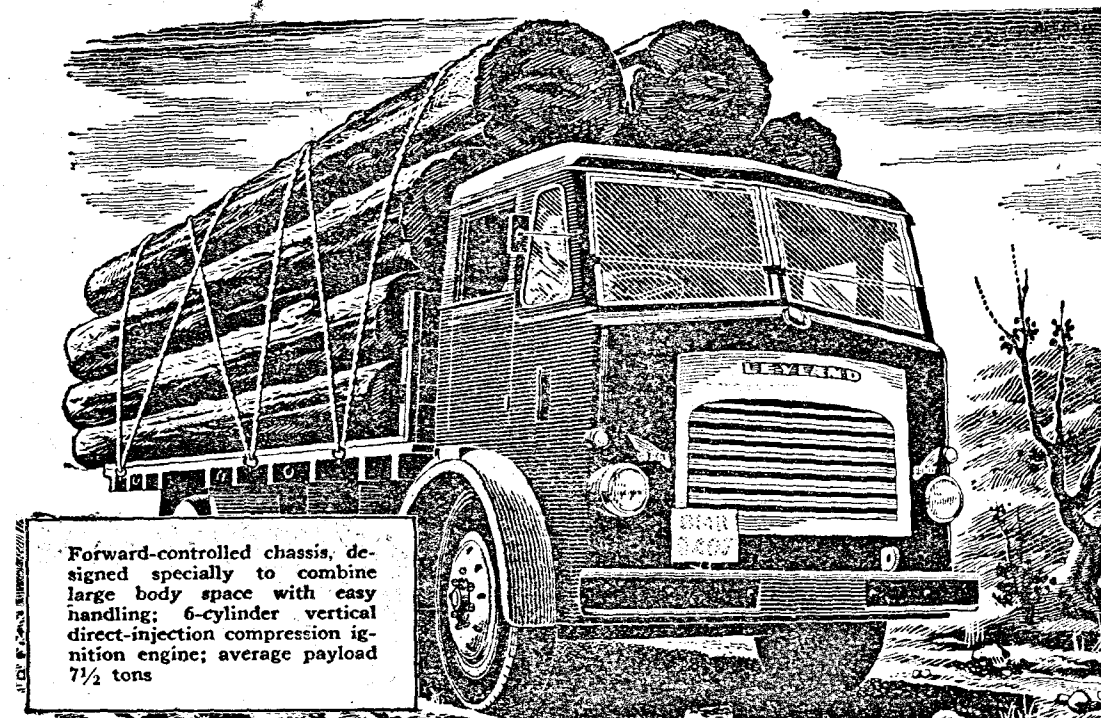
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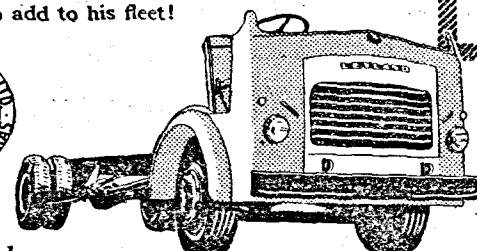
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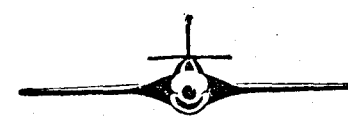
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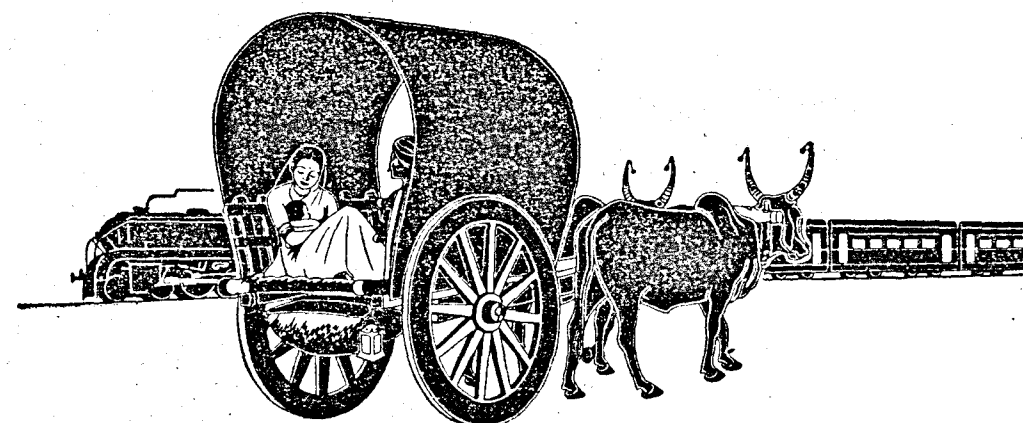
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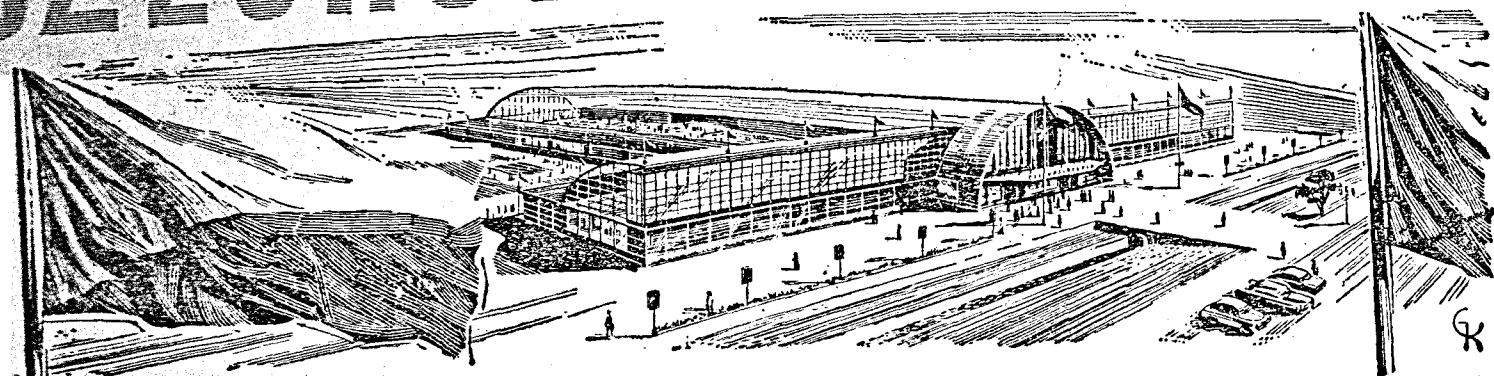


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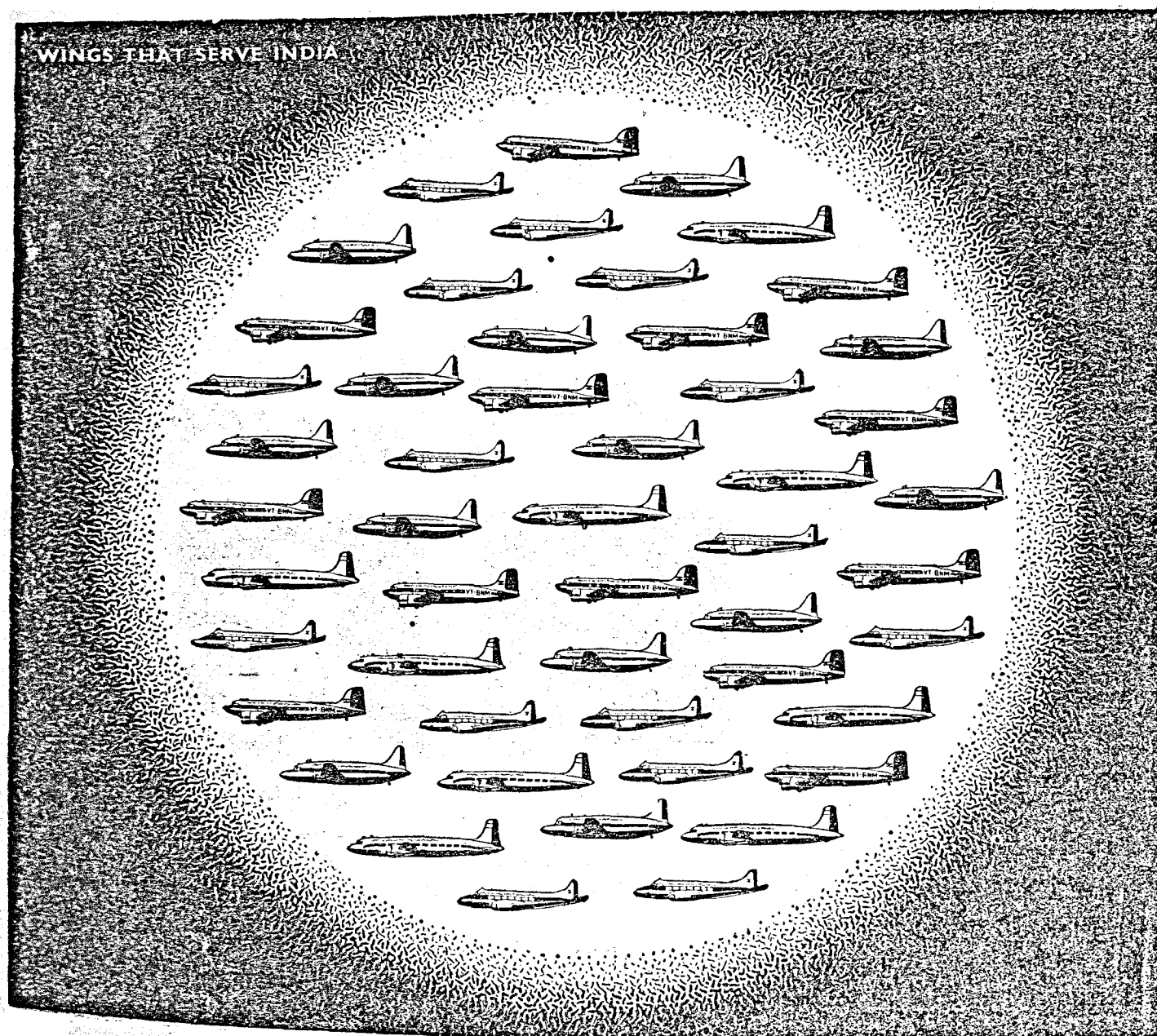
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MARKET CONFIDENCE BADLY SHAKEN

DOWNWARD TREND CONTINUES IN ALL SECTIONS

Wednesday Evening.

THE share market has been quiet and depressed throughout the week. The rather more cheerful tone of the Finance Minister's speech produced scarcely a ripple in a price level which had fallen sharply following the announcement that provisions for the control of senior appointments in banking are to be introduced into the Banking Companies Act. The price of Indian Irons moved narrowly around Rs. 30-9, but fell heavily today on lower Bombay advices and the news that the affairs of the Dalmia-Jain group of companies are to be investigated. The lowest level touched by Irons was Rs. 29-10 in unofficial trading; subsequently this price improved to Rs. 30. The undertone of the market is very uncertain.

Most investment sections of the market have been depressed this week. There is little trading to report among coal shares, with the exception of Burrakur which have risen to Rs. 21-14 on continued interested buying. Jutes have been neglected. Engineering shares have been generally easier in sympathy with Indian Irons, but miscellaneous counters have tended lower. Tea shares have been neglected and prices are lower. Government securities show little change.

Details of the week's trading follow.

The Government security market ruled quietly steady and a fair volume of business was reported. Three percent Conversion Loan was fractionally easier at Rs. 73 and non-terminable paper was quoted at the same rate. In short-dated loans 3% 1957 was taken at Rs. 99-12 as was 3% 1958 at around Rs. 99-9. Among medium-dated issues, 3% 1959-61 changed hands at Rs. 97-15 and 3% 1963-65 was better at Rs. 94-6; 2½% 1961 was asked for at Rs. 93-7 and 3% 1964 had strong buyers up to Rs. 94-6 due to the approach of the interest payment date (15th December). In National Plan issues, 3½% Loan 1961 had sellers at around Rs. 99-5 and 3½% 1964 continued on offer at around Rs. 98-5; 3½% 1965 was marked up further to Rs. 98-8 and 3½% 1967 changed hands at around Rs. 98-6. In long-dated loans, 3% 1966-68 was marked at Rs. 92-6 and 3% 1970-75 had buyers up to Rs. 86-15-6; 3½% 1974 was traded at around Rs. 98-8.

There was a substantial turnover in State loans, but once again business was confined to the new issues. Four percent Madras Loan 1963 had buyers at Rs. 98, but 4% U.P. 1963 were fractionally easier at Rs. 97-15-6 sellers. Four percent Orissa 1963 improved to Rs. 97-12 but 4% Bihar was marked lower at Rs. 97-11. Four percent West Bengal 1967 had small buyers at Rs. 99-10 and 4% West Bengal 1968 was traded at Rs. 99.

Business in preference shares was once again on a very small scale and a mere handful of transactions was reported. No business was reported in jute shares. In the miscellaneous group, Burn & Co., 7% came to hand at Rs. 123 and Calcutta Electric were quoted at Rs. 10-10. Dalmia Cement were marked at Rs. 99 and Elgin Mills "B" Preference at Rs. 9-6. Indian Aluminium were taken at Rs. 79 and Indian Iron & Steel were crossed at Rs. 100-8.

In the banking section, Punjab National were slightly better at Rs. 50 and United Bank of India "D" shares were done at Rs. 4-6.

In railways, Bankura Damodar were placed at Rs. 58-12 and Dehri Rohtas, on rumours of a one-for-three bonus issue, were in demand at the higher rate of Rs. 13-8.

Among cotton shares, Dunbar were marked down sharply from Rs. 232 to Rs. 210 but Kesoram recovered from Rs. 15-12 to Rs. 16-4. New Victoria were quiet at Rs. 1-15 and Jayshree were reported at Rs. 6-4.

In coal, Burrakur continued to meet with special support and improved further to Rs. 21-14. Most other coal shares were unchanged and business was on a reduced scale. Bengal were unchanged at Rs. 448 and Bharat Collieries were marked at Rs. 6-12. A few transactions were reported in Bokaro & Ramgur at around Rs. 12 and Central India changed hands at Rs. 6-13. Equitable was slightly lower at Rs. 26-12 as were South Karanpura at Rs. 10. New Beerbhoom were done at the previous rate of Rs. 16.

Trading in jute shares was extremely narrow and selling orders were difficult to execute. There were, however, a few enquiries for selected shares and in such cases prices showed some improvement. Here is a chart showing representative price movement:

	Opening 6-12-56 Rs.	Closing 12-12-56 Rs.
Anglo-India	150 0	158 0
Birla	15 0	14 11
Bally	165 0	155 0
Delta	130 0	127 0
Ganges	51 0	53 0
Howrah	20 12	21 4
Megna	67 0	70 0
Northbrook	21 8	22 0

New Central Jute, on rumours of a one-for-two bonus issue, improved from Rs. 13-10 to Rs. 14 with few declared sellers.

Only one transaction was reported in electric supply shares, namely in Calcutta Electric, which were crossed at Rs. 13.

In sugar, Belsund were easier at Rs. 11-4 and Balrampur were done at Rs. 5-12. Durbhanga were quoted at Rs. 20-14 and Shree Krishna Gyano-day were marked at Rs. 10-14.

In the engineering section, Indian Iron & Steel shares fluctuated between Rs. 31-3 and Rs. 30-3 to close at the latter rate. Bhartia Steel were better at Rs. 17-1 as were Braithwaite at Rs. 26-7 and Burn & Co. at Rs. 320. Britannia Engineering attracted interest and improved from Rs. 13-14 to Rs. 14-8. Richardson & Cruddas eased from Rs. 23-8 to Rs. 22-8 while Textile Machinery recovered from Rs. 20-12 to Rs. 21-9.

In paper, India Paper Pulp were unchanged at Rs. 22-12 while Titaghur were better at Rs. 37-10 and Orient improved from Rs. 33-7 to Rs. 34.

In cement, Ashoka were placed at Rs. 12. Assam Bengal Cement Ordinary at Rs. 7 and the Deferred at Rs. 1-6. Dalmia Cement were depressed at Rs. 13 as were Orissa at Rs. 13-4. Sone Valley were unchanged at Rs. 8-8.

In insurance, Concord of India were taken at Rs. 11-12 and Ruby General were placed at Rs. 6-2. In shipping, India Steamship were taken at Rs. 9-9 while India General Navigation were unchanged at Rs. 78. Port Shipping changed hands at Rs. 15-12.

In the miscellaneous group, Alkali & Chemical Corporation were unchanged at Rs. 18-12 while Balmer Lawrie were depressed to Rs. 152. Dunlop Rubber recovered from Rs. 25-12 to Rs. 26-4 and Hindustan Motors were offered at Rs. 8-8. Imperial Tobacco were fairly steady at Rs. 14-5 and Indian Aluminium improved from Rs. 15-2 to Rs. 15-10. Indo-Burma Petroleum were easier at Rs. 37-4. Metal Box were better at Rs. 27-8 as were

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RECOVERY ON STOCK MARKETS CONTINUES

CONSIDERABLE GAIN IN OIL SHARES

London, 12th December. ALTHOUGH the Suez question and the situation in the whole of the Middle East are far from settled, there has been a good deal over the past week to help the London stock markets from the international political angle. With the speculative position almost eliminated by the slump since the Suez crisis started, it was assumed that prices would soon respond to any favourable news; the jobbers had kept their books level and little of the good class stock was available. The news of the U.S. oil-for-Europe Plan touched off a recovery, and buyers became bolder when the Anglo-French decision to withdraw from Port Said was announced. This was followed by a vote of confidence in the Conservative Government on its Suez policy, and although there was some hesitancy following Mr. Macmillan's picture of the economic situation, his measures to meet the emergency was accepted as the sign of the Government's determination to weather the storm and prices were soon on the upward move. Perhaps the most important factor responsible for the recovery has been a marked improvement in Anglo-U.S. relations and the U.S. efforts to help Europe. Oil shares gained considerable benefit from the changed atmosphere and prices were substantially higher. The industrial market has been the hunting ground of cheap buyers, but better class issues have been pushed ahead daily. Nuclear power shares have been highlighted by the Government's decision to hasten the atomic power programme, while many other leading equities moved higher. Gilt-edged securities tended to lag behind until the last day or two, when senti-

ment was helped by the November trade figure showing a sharp contraction in the "gap", and the welcome recovery in sterling. The feature of foreign bonds has been a persistent advance in Japanese issues with the stocks offer. Earlier fears that sterling might be devalued again brought in buyers for gold shares, but as the danger receded the market was deserted, and prices steadily deteriorated. Base metals have made a mixed showing with coppers going strongly ahead at one time, only to relapse into quietude when the commodity price lost its firm trend. The rubber and tea shares were quiet, but prices where changed moved in holders' favour.

The Money Market

Reflecting the uncertainties of the U.K. economy due to the closure of the Suez Canal and the disruption of oil supplies, short-loan conditions in the London money market during the past week remained difficult. In view of the unpromising outlook, discount houses revised their bids at the week's tender which resulted in the rates for mixed Treasury bills advancing by approximately 1/32 percent. The higher rate for bills was also a reflection of the 4 1/2 percent cost of money during the 91-day Treasury bills for £220 million worth of 91-day Treasury bills at an average rate of 100s 10.28d percent against 100s 4.69d percent in the previous week. Applications for £60 million worth of 63-day bills totalled £65,550,000 and all were allotted at the average rate of 101s 4.37d percent against 100s 10.79d percent in the week before. This week £290 million worth of bills are on offer, comprising £230 million worth of 91-day bills and £60 million worth of 63-day bills. The Bank of England return for the week ended 5th December showed that notes in circulation were about £31 million higher at around £1,937 million, while

bankers' deposits were unchanged at around £220 million.

Hongkong Gold Soft

After initial steadiness, the Hongkong gold market has continued soft throughout the past week. Contributory factors were the improved international situation, comparative steadiness of switch sterling and the belief that the U.K. has temporarily overcome its dollar shortage. Leading bullion dealers, however, opine that the long-term view is still bearish. After opening at \$(H)273 3/4 a tael, the market improved to \$(H)274 1/4 on the same day, later declining to close at \$(H)271 1/4. Carry-over charges were 400 cents a 10 taels in favour of sellers. The official offtake was 5,390 taels and the unofficial 17,300 taels. Arrivals in Macao were 35,000 ounces, while forward contracts were done at \$(U.S.)37.70 an ounce, c.i.f., Macao.

London Silver Prices Fall

Silver prices took rather a sharp fall in London during the past week. The disruption in supplies caused by the Suez Canal situation had created an artificial rise in the spot which had risen well above the New York level. Another factor tending to affect the market was that supplies bought in New York could not be shipped to the U.K. due to the dock strike on the east and Gulf coasts of America. But supplies arrived from Australia last week which exceeded demand, and caused a reaction in the spot price of 3d on Wednesday. With the prospect of New York supplies being available soon, there was a further price slip on Thursday of 1d so that the total decline on the week was 3d to 801d an ounce. The forward position weakened by 1d to 801d an ounce.

Quicksilver Improves

A slightly harder tone is currently seen in the quicksilver market, according to most dealers, and a price of about £24 a flask ex-warehouse London, is indicated, compared with £23 1/2 previously. This is the first upward price move of the metal since late in August. Prior to that, the price had been declining for some time. Spot supplies are, it is reported, less plentiful than they were and sellers are more reserved, especially in view of the general expectation that not much metal would be arriving from Spain and Italy for the time being, because of good sales in the international market. Moreover, U.K. exports of quicksilver have recently been sizeable.

Vegetable Oil Market Inactive

Trading was slow to get under way in most sections of the vegetable oil market with forward shipments inclined to be softer as sellers were testing for a trading level. Good interest was still noted for early shipments of groundnut oil, but no offers of any quantity were available. However, February-March shipment of Nigerian oil was more freely offered at the lower level of £162 1/2 and March-April at £161 c.i.f., but buyers were holding off. Coconut oil was generally neglected with reselling done at a sizeable discount under original levels. Copra was barely steady, with January-February Philippines traded at \$188 1/2 c.i.f. Linsed oil lacked features with prices admitting little movement from the pre-week-end levels. Castor oil continued to weaken and castorseed suffered a further setback in the virtual absence of buying support. Groundnuts maintained a steady background with offers still small and mainly confined to resale parcels. Linsed and soyabean lacked features, while palm kernels tended lower on an increase in the selling pressure.

Rubber Market Softens

During the week ended 6th December, the London rubber market was unsettled by the international political situation and was reluctant to follow the higher levels ruling in Singapore. Prices eased under Continental selling, but they were marked up sharply on an unexpected upturn in Singapore. After the placing of covering orders at a higher level, values sagged. The expectations of a further reduction in European car and tyre output because of the petrol shortage tended to keep factories off the market as trade buyers were unwilling to book at current levels. Trading was often a matter of strict negotiation, especially so far as December shipments were concerned, as the eastern prices were up to 3d a lb. over the London parity. The scarcity of shipping space also added to trading difficulties. After wide fluctuations, values at the close were about 3d a lb. lower for near positions, while distant were about 3d lower on balance. The sole crepe market was still very short of supplies and prices advanced to a basis of 48 1/2d a lb. for 1 1/2 inch smooth No. 1 on the spot.

Royal Dutch Shell Results

The results of the Royal Dutch Shell group for the third quarter of 1956, subject to audit, show sales proceeds and other incomes at £591,177,000 against £537,949,000 for the third quarter of 1955, making £1,686,334,000 for the nine months to September this year against £1,520,573,000. The net income for the third quarter, after allowing for depreciation, depletion, exploration costs, interest and minority interests and including dividend income, was £48,164,000 against £42,730,000 last year; for nine months it was £132,208,000 against £113,459,000. The company reminds shareholders that the period covered by these figures was prior to the closure of the Suez Canal and of the Iraq Petroleum Company's pipeline to the Mediterranean, the effects of which have been to reduce the quantity of oil available for distribution and to increase costs.

New Delhi

WORLD BANK LOAN PROSPECTS IMPROVE

PARTICULAR PROJECTS FOR WHICH ASSISTANCE WILL BE CONSIDERED

(FROM OUR NEW DELHI CORRESPONDENT)

THE prospects of India getting loans from the World Bank has definitely improved since the exchange of a second series of letters between the President of the Bank, Mr. Eugene R. Black, and India's Finance Minister, Mr. T. T. Krishnamachari. The following is the full text of the letters:

Mr. Black wrote to Mr. Krishnamachari: "Thank you for your letter of 16th September, 1956. As you probably will have learned from Mr. B. K. Nehru directly, we have had several general discussions with him about the second five year plan and the problems connected with the financing of the foreign exchange gap. During these discussions, we have also reviewed the Bank's present operations in India and our possible further contribution to the financing of the plan. I am glad to say that the discussions were conducted in an atmosphere of mutual confidence and frankness. It was a pleasure for us to renew our long-standing association with Mr. B. K. Nehru and with Mr. P. C. Bhattacharyya, and to meet the excellent team of Indian railway experts who came to discuss the railways' investment programme.

Specific Steps

"The present round of discussions has drawn to a close. In my letter to you of 5th September, 1956, I stated that the Bank would 'hope and expect to play an important rôle in providing external financing for your development effort.' Perhaps it would be useful if I now gave to you a brief outline of the specific steps which we are contemplating for the immediate future, provided there are no unduly adverse developments in the general situation. The projects which we have selected, in consultation with your representatives, for early consideration by the Bank include: (a) the second expansion programme of I.S.C.O.; (b) an initial loan in support of the railway investment programme; (c) such additional projects in the field of transportation, notably ports and shipping, as may upon further investigation prove suitable for Bank consideration; and (d) the Koyana and Rihand hydro-electric projects, the two new projects of the Damodar Valley Corporation, and the expansion of the Trombay steam plant.

"As you already know, we have invited the representative of the I.S.C.O. to come to Washington and negotiate a loan for an amount of about \$20 million for the company's expansion programme. Under the arrangements made with our consultants on railways—Coverdale and Colpitts—they will visit India early in January to advise us on some aspects of the operations of the Indian railways. Their report should provide a basis for a first railway loan under the second five year plan. In addition to this immediate programme, we have informed Mr. Nehru that we contemplate making a survey of the development plans in all fields of surface transportation. This survey would give consideration to the long-range problems of transport in India and would indicate whether, in considering further Bank operations in the transportation sector, any specific technical studies would have to be undertaken. The appraisal of specific projects in the transportation sector, such as ports and shipping, will be, of course, carried out in the meantime on the basis of comprehensive project reports which we are now awaiting. When we have completed here our current review of the transportation investment plan, and of any additional information which we may ask for in the meantime, we will inform you about the timing of our survey mission and of its scope. At this time, we are planning to send such a mission in the spring of 1957.

Koyana Project

"Two of our engineers are now in Bombay making a field study of the Koyana hydro-electric project; when their report is completed, we will inform you about our views on that project. We have also made arrangements for two of our engineers to go to New Delhi for discussions with the representatives of the Government of India and of the Damodar Valley Corporation on the implementation of the recommendations contained in the Bank's report on the Damodar Valley Corporation dated 22nd August, 1956.

"We have received from Mr. B. K. Nehru a preliminary report on the Rihand hydro-electric project, and he has asked us to study the two new projects of the Damodar Valley Corporation. We intend to assign the study of all three projects to one group of our experts who could, at the appropriate time, make on-the-spot investigations of these projects. Finally, I should mention that Mr. Narahari Rao has informed us that the Tata Hydro-Electric (Private) Ltd. intends to apply to us for a loan of about \$9 million to finance the third thermal unit for the Trombay plant and that the Government has agreed to guarantee this loan. We will give consideration to this project; at the moment, we are awaiting the technical report on the project. In closing this letter, I would like to send you once more my best wishes for the successful discharge of your most important and difficult

task, and to express the hope that I would have an opportunity of meeting you in the near future."

Reply of Mr. Krishnamachari

Mr. Krishnamachari has replied: "I thank you for your letter of 15th November, 1956, containing the list of projects which the Bank has selected for early consideration and an outline of the programme proposed for the implementation of the financing of these projects. Both the list and the specific steps proposed are perfectly acceptable to me. I would, however, express the hope that the various studies, which have necessarily to be carried out by the Bank before loan negotiations can commence on any of the projects, will be carried out as soon as may be possible. As you are aware, the second five year plan has now been in operation for seven months and has been causing a very considerable drain on our foreign exchange resources. This makes it essential for the flow of funds from the Bank to commence at the earliest practicable date. I should like to express my deep appreciation of the spirit of co-operation and understanding to which your letter bears witness. I need hardly assure you that the possibility of the Bank providing external finance on the scale envisaged will greatly lighten my burden, and will facilitate the economic development of India, in which I know you are greatly interested."

European Free Trade Area

India's first reaction to the plan for the formation of a European free trade area, was favourable, said Mr. Krishnamachari, Finance Minister, in Parliament last week. The main features of the proposal at present, he added, were that it was to be an outer ring of a free trade area around the Customs Union of the six countries of the European Coal and Steel Community; that with the area, tariffs were to be gradually eliminated, but the freedom of levying and varying tariffs on trade with outsiders was to be preserved for each country, and that agricultural products in general, and foodstuffs, feedstuffs, drink and tobacco in particular, were to be excluded from its scope. The proposal was still in a tentative form and fuller details had yet to be worked out. The U.K. Government was in consultation with Commonwealth countries, including India.

Double Tax Avoidance Pact

Replying to another question, the Finance Minister said that the Governments of India and Ceylon had not yet ratified the agreement on the avoidance of double taxation on income. The agreement would become effective after the necessary resolution had been passed by the Ceylon Senate (a similar resolution had already been passed by the House of Representatives of Ceylon), and a notification had been made in the Government of India Gazette as required by Section 49A of the Indian Income-tax Act.

Reinsurance Corporation

The Finance Minister outlined the main features of the Reinsurance Corporation in the Lok Sabha. Preliminary moves are being completed. The registered office of the Corporation will be in Bombay, and its authorised capital will be Rs. 10 crores, divided into 100,000 shares of Rs. 1,000 each. The issued capital will be Rs. 2 1/2 crores, of which 80 percent will be subscribed by Indian insurers carrying on general insurance business, according to the size of each insurer. The number of directors will be 12, of which two will represent foreign insurance interests. Every member will compulsorily cede to the Corporation an agreed percentage of its direct premium income in India during the year.

Russian Credit Terms

The Production Minister, Mr. K. C. Reddy, in a statement to the Lok Sabha said: "The Government of the U.S.S.R. offered to supply industrial equipment for projects, as may be agreed upon, up to a total value of 500 million roubles over a period of three years from 1959-61, on a long-term credit basis. The offer has been accepted by the Government of India. The credit terms offered are (including the period of repayment, rate of interest, etcetera) similar to those for the Bhilai steel plant. According to these terms, the credit raised shall be repaid in 12 equal annual instalments, payable on or before 15th March each year following the year in which each such credit is raised. Interest will accrue at 2 1/2 percent per annum from the date on which each particular credit is raised and will be similarly paid on or before 15th March of the following year."

Constructing Ships in India

Mr. Reddy also told Parliament that the Government had accepted the recommendation of a special committee consisting of the representatives of shipowners on the standard types of ships for construction in India. The broad features of the three standard types of ships are:

1. For overseas trade, a 9,500-tonner open shelter decker (with scantlings for a 11,000-tonner

closed shelter decker), with a speed of about 12 to 17 knots.

2. For coastal trade, a 8,000-tonner open shelter decker (with scantlings for 59,500-tonner closed shelter decker), with a speed of about 12 knots.

3. A 5,000-tonner open shelter decker (with scantlings for a 6,000-tonner closed shelter decker), with a speed of about 13 knots, also for the coastal trade.

Taldih Iron Ore Mines

The project report submitted by an American firm on the development of the iron ore mines in Taldih is being considered by the Government. The preliminary development work, construction of access roads, bridges, etcetera, has already commenced. Work on the mining township and mine installations is scheduled to start early next year. The annual output of these mines is estimated at three million tons.

Ferro-Manganese Production

Seven firms have been licensed to produce ferro-manganese, the estimated installed capacity being 133,800 tons a year. One went into production in April 1956, and was producing about 150 tons a month. The Tata Iron and Steel Company produces ferro-manganese in its blast furnaces for its own use.

Heavy Castings and Forgings Project

An integrated unit for the manufacture of heavy castings of iron and steel, as well as heavy forgings, will be set up by the National Development Corporation, it is officially announced. Competitive quotations, together with detailed project reports, are awaited from three foreign firms—British, German and Czechoslovakian. A final decision will be taken when these have been received. The National Industrial Development Corporation will also set up capacity for fabricating certain categories of structural near the steel plants. Details of the schemes submitted to the Government are being examined.

Manufacture of Calcium Carbide

Licences have been granted to erect plants for the manufacture of calcium carbide during the current year to the Travancore-Electro Chemicals Industries Ltd., Travancore-Cochin; the Industrial Chemical Ltd., Madras; and the Birla Jute Manufacturing Co. Ltd., Calcutta.

Sulphur Requirements

The estimated requirements of sulphur (in tons) during the second plan period are as follows:

1956-57	78,000
1957-58	90,000
1958-59	120,000
1959-60	160,000
1960-61	206,000

At present, no sulphur is produced in India. Although elemental sulphur is not available here, the question of the economic exploitation of some of the combined forms of sulphur, such as iron pyrites and gypsum, is engaging the attention of the Government.

More Money Wanted for Ships

Subject to the availability of foreign exchange, the Ministry of Transport, has asked for a further provision of Rs. 45 crores for buying new ships. It is explained that, as a result of his recent visit to Europe, the Director-General of Shipping has been able to secure offers for ships at reasonable prices for delivery which may go beyond the second plan period. The transport Ministry thus wants more of a commitment rather than an actual payment of money during the plan period. As against the target of one million tons, India has been able to add 600,000 tons of shipping during the first plan. According to reports, 90,000 tons of existing shipping needs replacement. Orders have been placed for 32 ships, 14 in the public and 18 in the private sector. These will have a carrying capacity of 180,000 tons, and will cost Rs 32 crores—the entire provision in the second plan. The gap to be made up is 390,000 G.R.T.

Steel Imports

A question which is being discussed here is whether steel imports are contributing to inflation. In one sense, they may be; by making development possible, they lead to the pumping in of money in various projects, which may help inflation. Alternative was no development. Another view is that steel imports have had an anti-inflationary effect, as they have mopped up money from the market and helped check the rise in prices, not of steel (the price of which is already controlled) but of steel products. India's screened demand for steel is placed at 3.2 million tons, against a home production of 1.2 million tons, leaving a gap of two million tons. To meet this demand 925,000 tons were imported until 31st October, 1956. Of this, 155,000 tons were for rolling mills, 145,000 tons consisted of commercial products, such as pipes, etcetera, and 575,000 tons were imported on purely Government account. Orders have been placed for 1,175,000 tons for delivery during the remainder of 1956. Orders have also been placed for the delivery of 450,000 tons during 1957 and of 120,000 tons during 1958.



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F.I.C.C.I. Criticises New Taxes

In a memorandum submitted to the Government on the latest taxation proposals, the Federation of Indian Chambers of Commerce and Industry has urged that "the need for deficit financing should not be under-estimated." In the view of the Committee of the Federation, the recent price increase is not primarily due to the policy of deficit financing as such. While the money supply in the hands of the public has increased by over Rs. 143 crores over the last 12 months, there has been a greater rise in production. The index of industrial production, based on 1951=100, was 151.4 for July, 1956, as compared with 121.9 for October, 1955. Yet the rise in prices has continued. The index number of wholesale prices has risen from 365 for November, 1955, to over 430 for the week ended 17th November, 1956—an increase of about 18 percent in only one year. The reason for the rise in prices, it is stated, is that production has not increased as fast as the increase in demand.

The only effective remedy, which is also consistent with the aims of the second five year plan, is to provide a much-needed stimulus for an increase in home production. Generally, production follows demand, and it is necessary that the demand for various products should be maintained and stimulated to the level of the targets, and should even exceed them. The task of fiscal policy at this juncture should be to concentrate attention on some specific excesses. Similarly, on the monetary

front, greater emphasis should be laid on allowing credit to expand with the increase in economic activity. Here, again, monetary policy should, if deemed necessary, concentrate on selective controls rather than overall controls which would aggravate the monetary stringency.

Equally important from the point of view of the economy as a whole is the need to check a rise in the costs of production. Inflation generated by excess of demand can easily turn itself into a rising wage-cost-price spiral. The Committee is perturbed to find that while dividend limitation has come to be given pride of place, the demand for wage increases and other benefits for the workers continues unchecked. If, in the interests of the country, controls have to be tightened, it is only fair that any factor that adds to costs should be kept in check. A responsible wage policy should therefore be given high priority.

Additional Revenue

The Committee cannot help feeling that the main object of the taxation proposals seems to be to raise additional revenue for the Exchequer. Under cover of wanting to meet the foreign exchange gap, a considerable additional tax burden is imposed on the business community and the individual taxpayer. The pegging of dividends which the present tax measures imply will further impair the incentive for risk-taking, and divert funds away from equity capital to safer kinds of investments which may not fall within the purview of the plan. If the capital market is to be developed and made broad-based, there should always be created conditions in which fresh issues can thrive and attract the small savings of the investor, who naturally looks not only to safety and regularity in yields, but also to a progressive increase in them along with an appreciation in the value of his investment. This is confirmed by recent trends in the capital market, which show that investors prefer equity participation to preference shares mainly in the hope of getting better dividends. If this trend is reversed, the Committee apprehends that industrial development will suffer.

The capital gains tax will further aggravate the position. Quite apart from the fact that no immediate justification has been given for the introduction of the tax in the present form, the proposals, both in terms of the rates as well as coverage, go much beyond the previous capital gains tax which was levied for two years from 1946. It is not necessary to go into the details of the kind of repercussions which a capital gains tax will have not only on the investors' psychology, but also on the day-to-day transactions. The levy of a tax, which in the immediate future is not likely to yield a very large revenue (it will be recalled that the total yield of the tax in the two years of its operation between 1946 and 1948 was only Rs. 6 crores) or to act as a check on a rise in prices or a fall in foreign exchange resources, can be justified only on political and ideological grounds. The Committee submits that the proposal should be reconsidered in the light of its economic effects. The reaction of the foreign investor reflecting the attractions of investment in India cannot be ignored. The Government itself wants foreign investments of all kinds to take place. The capital gains tax, along with dividend limitation, will greatly discourage new foreign investors.

On the provision in the Finance Bill relating to deposits, the Committee has urged that the "free" reserves of a company, whether industrial or non-industrial, constituted a regular flow. "It will be wrong to assume that they are lying there idle and without being utilised in the way they should be. Even now the working of companies is subject to and regulated by various provisions of the Companies Act and of the Industries (Development and Regulation) Act. The governmental machinery being what it is, the funds may not be available to the company when it is badly in need of them. With the regulations governing companies in many other matters, this is one more which will seriously interfere with the administration and carrying on of business. There may be difficulty in ascertaining the exact amount which is to be deposited with the Government. The amount will depend on the depreciation and other allowances to be granted to the company and the amount of income-tax and supertax payable. There will be a considerable difference of opinion on them between the assessee and the income-tax officer. It may be that the amount of tax or depreciation allowance is the subject matter of appeal. So the amount to be deposited with the company will also not be an easily determinable amount. It should not be forgotten that the working funds of a company form a major part of its total resources, it is stated.

Status of Indian Rupee

Slowly but surely, the Indian rupee is acquiring an international status. For the first time, Indian rupee traveller's cheques can be cashed in Egypt. Egyptians do not accept payment in pound sterling, but they readily exchange the Indian rupee.

Trade Delegations

As many as seven trade delegations are expected here this winter. Following Mr. H. V. R. Iengar's visit to Scandinavia last summer, trade missions are expected from Sweden, Finland and Denmark. Indo-Sudanese trade has improved recently and a Sudanese mission is due here next month. A Pakistani trade delegation is also expected to negotiate the renewal of the agreement, which is due to expire shortly. A trade mission from Australia is expected in April next. A Deputy Minister of Czechoslovakia is here to renew the expiring trade agreement.

London

MR. MACMILLAN'S MEASURES TO MAINTAIN THE ECONOMY

GOLD AND DOLLAR RESERVES FALL HEAVIER THAN EXPECTED

(FROM OUR LONDON CORRESPONDENT)

IT was generally expected that the drain on the sterling area's gold and dollar reserves in November would be heavy, but the worst anticipations were exceeded by the Chancellor of the Exchequer's disclosure that it amounted to as much as \$279 million, or £100 million, to reduce the total to £700 million. With the heavy December demand (\$24 million deficit with E.P.U. and the U.S. and Canadian loan repayments) ahead, it was obvious that the time had arrived when Mr. Macmillan would have to face taking "further measures" to avert what could develop into a serious threat to the economy. For the present he is taking the obvious steps, namely, claiming a waiver of interest on the dollar loans (\$104 million), selling for cash or using as collateral for loans our holdings of American securities (\$30 million worth had already been sold and a like amount would soon be realised) which he revealed, amounted to between \$750 and \$1,000 million, approaching the International Monetary Fund so as to draw on Britain's quota (a sum of as much as \$650 million would be available from this source without much difficulty), and maintaining credit restrictions here and even strengthening them if necessary. Most important of all, however, the Chancellor reaffirmed that the exchange rate for the pound sterling will be maintained at its present parity of \$2.80, announced his determination "to strengthen the internal economy" and, besides imposing an additional 1s. a gallon in the Customs duty on petrol to counter the loss of revenue from this source, hinted that income-tax might also be raised next April. The Suez crisis is to cost us dearly, but Mr. Macmillan approached the problem with realism and his measures have been well received generally.

Whether these measures will achieve success or not remains to be seen, but it is obvious several difficult months lie ahead when there will have to be a lot of revising of ideas. Mr. Macmillan has promised for his part to do all he can to maintain industrial production and increase exports and to expand the volume of world trade. On the other hand, prices are already showing a rising tendency as a result of the increased cost of road transport and labour will probably react with fresh wage claims, even though the pattern for these would appear to have been settled with the Tribunal award of an increase around 6 percent in the case of the loco-men, which could set the pattern if short-time working or even unemployment were to become more widespread. There are indications from the statistics that we are moving that way. The T.U.C. is to consider the question next week, and it is to be hoped will advise restraint. The lack of this in the past has contributed to the recent pressure on sterling, which became too much to bear with the closing of the Suez Canal and the fear of war in the Middle East.

Rise in Private Borrowing

Of the £19.5 million increase in the clearing banks' advances during November, only £5.7 million went to the nationalised industries, available for Treasury loans under this year's Finance Act. The balance represents additional credit extended to the private sector of the economy. The Treasury's latest statement shows that total bank overdrafts of the seven authorities concerned at 21st November, the balancing date, were £95.2 million, against £90.4 million at 17th October, a rise of £4.8 million. Of the November total, £87.9 million was due to the clearing banks and £7.3 million to the Scottish banks. In October the figures were £82.2 and £3.2 million, respectively. Exchequer advances totalling £26.9 million were made to the nationalised industries on 17th November. Their total debt, therefore, appears to have increased by £31.7 million. Last month's increase in the clearing banks' total loans contrast with a decline of £51.5 million registered in November, 1955. But the total of advances, now £1,881.9 million, is still £31.6 million below what it was at this time last year. The fall of £71.6 million, to £1,745.5 million, in the clearing banks' Treasury bill holdings reflects the success of the Government's savings campaign, including the premium bonds.

Record Shipping Freights

Tanker and general cargo freights show no signs of easing. In Transatlantic coal and grain new peaks are being established almost every day, and prices of second-hand ships have also risen sharply. The world-wide shortage of shipping resulting from the closing of the Suez Canal has more than outweighed the release of "mothball" ships by the United States and the de-requisition of 40 vessels by the British Government. The Transatlantic rate for coal has gone up by more than a half since the end of October.

Owners are wondering if the rise will continue and there has recently been an increase in time charter business. This suggests that some "hedging" is taking place. In tanker freights, the advance has tapered off over the past two weeks and British charterers have succeeded to some extent in stabilising the market. The trend of freight markets will depend largely on progress made in clearing the Suez Canal. But the success of this operation would not necessarily lead to a fall. If a channel were to be cleared for

small tankers only, the voyage rate for such vessels might rise and that for large tankers might decline until, of course, a complete clearance had been effected.

Triangular Deals Business

The full effects on Lancashire's business of the triangular deals organised under American aid schemes with Pakistan, Burma and Indonesia have not yet been recorded in the overseas trade returns, for some transactions are still being negotiated and shipments are likely to continue for some months. The latest Monthly Record of the Manchester Chamber of Commerce, however, offers a sort of progress report by surveying the present position. There seems to be no doubt that many Lancashire traders have benefited from these schemes, more especially as in recent years they have not only come up against severe competition from Japan in these markets, but have met with many other difficulties, with the result that trade has been most irregular. The position is illustrated in the following table:

BRITISH EXPORTS OF COTTON GOODS

	1956 Jan./Oct. £	(000's omitted) 1955 £	1954 £	1953 £
Pakistan :				
Yarn	449	391	226	297
Thread	87	213	59	173
Piece Goods	455	689	651	446
Total	991	1,293	936	916
Burma :				
Yarn	404	194	64	312
Thread	189	370	259	353
Piece Goods	383	613	1,466	1,977
Total	979	1,177	1,789	2,642
Indonesia :				
Yarn	193	171	167	101
Thread	684	525	524	423
Piece Goods	384	348	408	921
Total	1,261	1,044	1,099	1,445

The final results for 1956 will make interesting reading, for it certainly looks as though exports to Pakistan and Indonesia will show substantial improvement even though those to Burma may not record much change. The Chamber's survey reports that under the scheme for Burma "some hundreds of individual transactions" have been made in yarn and cloth for shipment between September, 1956, and January, 1957, while the amount of raw cotton contracts arranged exceeded \$1,000,000. Many import licences have been issued in Djakarta for yarn and cloth under the scheme for Indonesia, which covers textiles to the value of \$3,000,000, and there is growing interest in the transactions in raw cotton for which provision is made. The survey mentions negotiations for a possible further block of export business in textiles to be supplied by the U.K. to Pakistan on terms similar to those of the earlier schemes for that country.

Rayon Yarn for India

India's decision to increase the duty on imported rayon yarns as a means of conserving her reserves of foreign currency has not caused as much consternation among Lancashire traders as might have been expected seeing that it will probably increase the price of imported rayon yarn in India by approximately 1s. 6d. a pound. They do not feel, according to inquiries conducted by the Manchester Guardian, that it will serve as a deterrent. India is, next to Australia, Britain's largest overseas buyer of rayon filament yarn, taking 4.41 million lb. in 1955, which was valued at £800,000. This year it is running at an even higher level: 4.56 million lb. being exported in the period January to September. While exports in 1955 formed 16.4 percent of the total by weight, they were only 7.1 percent by value, suggesting that, unlike exports to Australia, much of the yarn was of lower quality. The new specific duty will prove beneficial in one way because it will replace the system which has operated for many years in Bombay, whereby the duty was calculated at the market price prevailing at the time of arrival of the consignment. The resale value was the market value as recorded daily on the Bombay Exchange. Now, however, the import duty will be levied uniformly at all

Indian ports, and the scarcity premiums in Bombay will disappear.

The effect of the increased duty on rayon imports, while being far from clear at present, is not likely to be one of sharp curtailment. Hitherto the allocation of import licences has been well below the demand for them, and the increase in duty is unlikely to reverse this tendency. India is not an important export market for British staple rayon and mixture yarns but its takings of staple fibres have risen again this year. Exports of staples to India rose from 2.51 million lb. in 1953 to 3.55 million lb. in 1954, but they fell to 1.29 million lb. last year. In the nine months ended September this year, however, they were 3.79 million lb. or almost ten times as large as in the corresponding period of 1955. This increase made India once more second in the list of overseas buyers of British staple fibres, as it had been in 1954. The United States remains first in the list, and this year Canada comes third.

Commonwealth Trade

The Commonwealth had a slightly bigger share of world trade last year, thanks mainly to a striking recovery in United States imports, amounting to £177 million, which more than compensated for losses in other principal markets. As a result, the Commonwealth's proportion of the world's exports rose from 26.8 percent to 27 percent. Imports rose from 30.4 percent to 30.9 percent. These facts and figures are shown by the Commonwealth Economic Committee in a report just published, *Commonwealth Trade, 1955-56*. Britain was again the largest market for almost every Commonwealth country, imports increasing by £160 million. But as Britain's total imports rose even more steeply, the Commonwealth's share accordingly showed a slight percentage reduction. It was, nevertheless, still little less than half, amounting to £1,791 million, out of a total of £3,886 million. This is an increase of £160 million from the Commonwealth's share of a total increase of £312 million. British exports to the Commonwealth rose by £98 million, to £1,415 million out of a total to all countries of £2,995 million. The increase here was £231 million. The Commonwealth supplied more than one-third of the record imports into western Europe. Its goods accounted for £1,950 million, an increase of £200 million out of a total of £5,500 million. The trade balance of Britain and Europe deteriorated sharply as a result of much heavier imports. On the other hand, a substantial surplus was earned by the Colonial territories, whose imports from Europe rose only moderately.

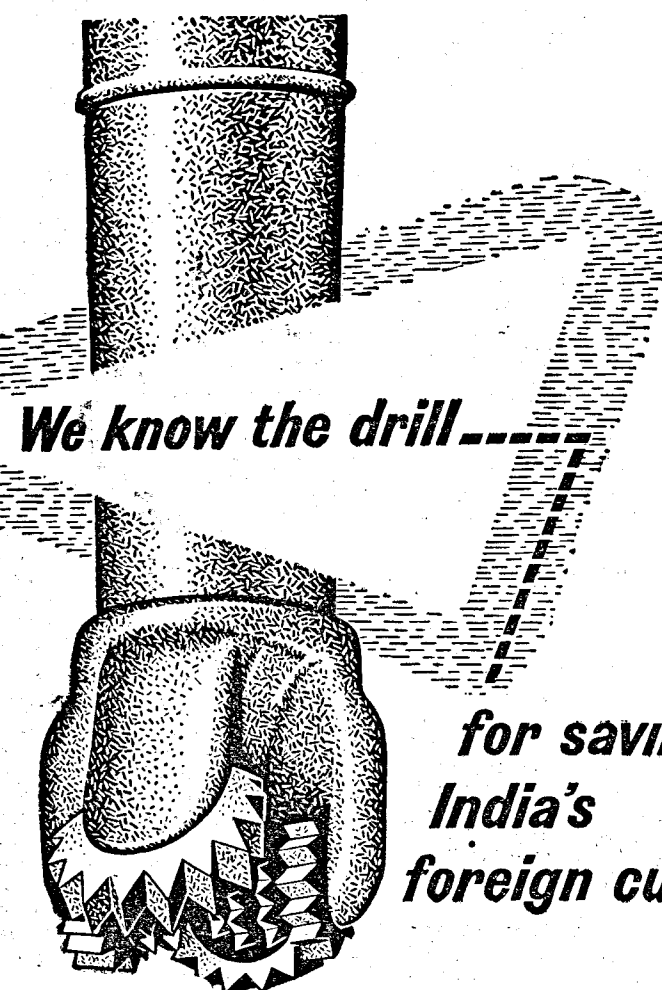
The report also discloses that textiles are still the biggest dollar earner in the sterling area. Textile exports from the U.K. earned \$220 million in 1955. The runner-up was Malaysian rubber, which earned \$156 million. The textile total compares with \$191 million in 1954, while the rubber total compares with only \$89 million in 1954. Other big dollar earners were U.K. vehicles (\$113 million), Malaysian tin (\$97 million), Indian jute (\$92 million), U.K. spirits (\$80 million) and U.K. machinery (\$80 million). The major disappointment of last year was cocoa. Gold Coast cocoa earned only £1 million, against \$50 million in 1954, and Nigerian cocoa earned only \$16 million, against \$35 million.

Brevities

Brooke Bond's offer of 3,000,000 "B" Ordinary 5s. shares at 12s. 6d. each was accepted to the extent of a little over 97 percent. Applications for up to 25 excess shares received allotment in full, but larger applicants were scaled down.

In the last financial year there were total settlements of over £22 million, including £3 million in penalties, from investigations of tax under-assessment resulting from fraud and evasion, according to the report of the Board of Inland Revenue. Of these, the special fraud branch dealt with 534 cases, involving over £7 million in settlements.

The Government has decided to prolong the suspension of import duties on a wide range of iron and steel products until 18th September, 1957. The duties on tinplate and terne plate, however, will be restored after 18th March. The suspension of duty on blast-furnace ferro-manganese and colliery roof-support arches will also continue until 18th September.



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BUSINESS CRITICISM OF NEW TAX PROPOSALS

MINISTERIAL SUPPORT FOR WAGE DEMANDS DEPLORED

(FROM OUR BOMBAY CORRESPONDENT)

A **HIGHLY** critical view has been expressed by a local business interests of the new taxation proposals. The demand for wage increases against a background of rising food prices has also been deplored. The Committee of the Indian Merchants Chamber, Bombay, has stated that the Finance Minister's tax proposals will lead to surprising and far-reaching alterations in the structure and level of taxation. The measures, it says, will have an adverse psychological effect on investment, exercise an upward pressure on costs and prices, intensify the demand for higher wages, and increase the tightness in the supply of money. The capital gains tax will prove a definite disincentive to the small investor, and the scheme of a graduated increase in the rates of super-tax payable by companies declaring dividends in excess of 6 percent of the paid-up capital, will likewise prove harmful to investment.

The Committee's statement further says: "While readjustment of the rates of taxation from time to time to meet the particular exigencies of the changing situation can be understood, steps in the direction of bringing about radical changes in the structure and levels of taxation, as part of a programme of readjusting the budgetary resources of the country, should necessarily be confined to the occasion of the presentation of the annual Budget." Taxation proposals as part of the annual Budget, naturally, are framed and justified on the basis of the overall Budgetary requirements, and in terms of the normal Budgetary procedure, the proposals for additional revenue are voted only if the estimates of the needs and requirements are approved. On the present occasion, there has not been an attempt to place a Supplementary Budget indicating the overall position and, on that basis, justifying the need for additional resources. It, therefore, takes exception to the procedure of mid-year changes in the structure and level of taxation, designed mainly for securing additional revenue resources, without placing before Parliament and the country at the same time a full picture of the overall Budgetary background.

"In his Statement before Parliament," the statement goes on, "while introducing the Finance Bills embodying the taxation changes, the Finance Minister explained the main considerations justifying the step for mobilising additional resources through fresh or increased taxation. He pointed out that the plan outlay would, in the altered context, require Rs. 400 crores to Rs. 500 crores more than the total envisaged in the earlier estimates, partly because of the inadequacy of the earlier provisions, and partly because of the increased cost on account of higher domestic or external prices. The Committee of the Chamber are not aware of any re-evaluation of the needs and requirements of the plan and a consequent re-assessment of the targets and the expenditure therefor. Without such a formal review of the plan

as a whole, it is extremely inappropriate to decide upon the needs on the matter of the additional resources required and to proceed to tax for those resources."

Taxing Capital Gains

"Investors have reacted sharply and discouragingly" the Committee points out. "The heavy losses suffered by them by a fall in the value of their holdings will necessarily cause a definite setback in any future effort to generate enthusiasm in the middle-class population for investments in joint-stock enterprise. In the sphere of indirect taxes, while increased coverage in future through indirect taxation may be considered unavoidable, the operation of the levies and the changes proposed cannot but exercise an upward pressure both on the costs of manufacture and, consequently, on the price levels and the cost of living, thereby increasing the pressure of the demand for higher wage. Coming to the taxation proposals, in deciding to revive the capital gains tax the Finance Minister has ignored the considered views and conclusion of the Taxation Enquiry Commission. In fact, the tax was abolished in 1949, because it was found to have an adverse psychological effect on investment and had hampered the free movement of stocks and shares. The need is for promoting a better climate for investment today, and, therefore, the revival of this tax at this juncture is extremely unfortunate. A tax of this character will bring about a distortion of the transactions of the capital assets, because, in a period of capital gains, there will be resistance to sell and, when there are losses, the inducement to avail of the consequent set-off would act as a stimulus to sell.

"Referring to the increase in Customs duties, the Finance Minister has classified them under two groups, viz., duties on articles ordinarily used by the more well-to-do sections of the population, and duties on articles on which the existing level of duties is low. The levies on both the types will inevitably exercise an upward pressure both on costs and on the price structure. Where the dutiable articles enter into a process of manufacture of articles of daily necessity, the incidence of the increase will prove to be really burdensome. The assessment made by the Finance Minister of the position of the art silk fabric industry for example, is divorced from the actual realities of the situation and as consumers of such fabrics are drawn from the lower middle-class sections of the community, the consequent increase in price may perhaps result in a regression in demand and inflict hardship on the industry.

"The increases proposed in the rates of stamp duty on bills of exchange are abnormal. The bills of exchange are documents of common use in commercial transactions, and the heavy incidence of the increased rates will prove to be a check on the facility of day-to-day dealings for business requirements covered by bills of exchange. The stringency of credit conditions has resulted in pushing up the interest rates, and enhanced stamp charges would be a further indirect addition to the burden of interest charges. Ultimately, the stamp charges have to be fully borne by the borrower. These charges would amount to an increase equivalent to as much as 1 percent in the rate of interest, not per annum but for the duration of the bill."

The President of the Indian Merchants Cham-

ber, Mr. Murarji J. Vaidya, while addressing the third quarterly general meeting of the Chamber said: "If it is the policy of the Government to try to secure all the financial resources required from the public sector for the second five year plan by taxation measures, it is difficult to estimate the repercussions that such a policy will ultimately have on the trade, industry and capital resources of the country. One can only conclude that the rate at which the Government is attempting to absorb all available resources for the public sector in the country is far in excess of the rate at which development of these resources can ever take place."

The Working Committee of the All-India Manufacturers Organisation, in a statement released on the new taxation proposals, has urged the abandonment of what it has described as a "negative policy". It has stressed the view point that expansion of production, along desirable lines, should be actively helped by the Government—not only by tax relief, but by means of tax exemptions for a specified period, if the profits are to be ploughed back into industry.

Stringency in Money Market

The vice-president of the Chamber, Mr. Naval H. Tata, speaking on the labour situation in the country, observed "that a new wave of militancy is sweeping the trade union movement." Agitation for a general increase in wages is "quite unjustified," as the whole problem is currently being considered at the top level. "To make a public demand for an immediate blanket increase in wages as the price for labour's co-operation in the second five year plan" Mr. Tata said, "may well be a smart piece of political strategy, but it certainly is not a sign of responsible trade unionism." The tightness in the money market, he added, was due not only to the normal seasonal demands, but also to the tremendous expansion in the industrial field. There had been strikingly larger imports of steel and capital goods in the past six months as part of the increasing tempo in developmental activity. Mr. Tata urged immediate corrective measures for the current stringency in the money market. All restrictive policies of an ideological nature hampering the expansion of capacity and production by organised factory units should be given up, it demands. Although the Committee is pleased with the considerable emphasis the Finance Minister has placed on the need for "stepping up as much as we can the rate of savings in the economy in order to match it with the investments we are undertaking," it has pointed out that no action has been taken as yet by the Government on the recommendation of the Taxation Enquiry Commission for granting a tax holiday.

Stock Exchanges Protest

In a joint telegram to the Finance Minister, the stock exchanges of Bombay, Madras and Calcutta have criticised the tax proposals and stressed that the proposed taxes will destroy all chances of an "effective contribution of the private sector to the second five year plan." The telegram concludes: "The cumulative effect of these drastic proposals at the time of acute financial stringency and declining stock market prices will be most injurious to investment confidence, will destroy incentive and initiative and jeopardise effective contribution of the private sector to the second five year plan."

Another telegram has been sent by the Bombay Shareholders Association to the Union Finance Minister on the same issue expressing the deep concern of the Association about the imposition of the capital gains tax. The increase in the dividend tax will adversely affect the flow of equity capital. The dividend tax should be levied, it suggests, on the basis of employed capital so as to include capital plus reserves. The proposal to deposit depreciation reserves with the Reserve Bank requires amendment so as to avoid financial hardship to industry.

Wage Claims

The President of the Employers Federation of India, Sir Homi Mody, has deplored the support given by two Central Government Ministers to the I.N.T.U.C. demand for an "adequate" wage increase for workers in seven major industries. Sir Homi says: "I have read the statement made by Mr. Khandubhai Desai, Minister for Labour, and Mr. Gulzarilal Nanda, Minister for Planning, in Ahmedabad at a rally of the textile workers of the city. They have categorically declared that the demand recently put forward by the I.N.T.U.C. for an increase in wages is reasonable, and Mr. Khandubhai has also uttered a sort of admonition to employers in this connection. It is amazing that such a pronouncement should be made by Ministers of Government at this stage. The trade unions have not yet presented their case in any detail and the employers have had no opportunity of examining the questions at issue. Ultimately, if there is no agreement between the parties, the matter would have to go before the wage boards which are about to be constituted. Before any such steps are taken, the two Ministers have lent the weight of their high authority to the demand put forward by the I.N.T.U.C. If this is the way in which important issues concerning labour and industry are to be decided, then the best thing would be to do away with whatever machinery exists for the consideration of the disputes or differences which arise from time to time. Let the trade unions be allowed, in effect, to decide them. If the Ministers have not been correctly reported, or if their statements do not carry any such meaning as an ordinary person would read into them, I hope they will take a very early opportunity of clarifying the position."

Uttar Pradesh

RATIONALISATION OF KANPUR TEXTILE MILLS

OFFICIAL COMMITTEE AGAINST EXTENSION AT PRESENT

(FROM OUR LUCKNOW CORRESPONDENT)

THE Kanpur Textile Mills Rationalisation Committee, of which Mr. Bind Basni Prasad is chairman, has suggested that at present, there should be "no extension of rationalisation or reduction in job requirements" due to certain deficiencies in the physical working conditions and defects in machines. The Committee was appointed by the State Government last year following a strike involving 45,000 workers. It has in view a total eventual reduction of 1,713 to 2,147 workers in the categories of weavers, ring piecers and ring doffers in seven units on the introduction of full rationalisation. Except in the case of ring doffers, the Committee has recommended for the rest the application of the Bombay wage rates, holding that the increase in wages will be well within the gains brought about by rationalisation.

According to the Committee, Kanpur, which is the third largest textile manufacturing centre in India, has both advantages and disadvantages. Among the advantages are its location in the heart of a consuming area, lower dearness allowance, lower wages of skilled and semi-skilled operatives and clerks, cheaper coal and the working of additional shifts. Among the disadvantages, compared with Bombay and Ahmedabad, are higher electricity rates, reduced margins in export cloth, higher insurance rates, higher price for cotton, personal wages to workers, additional railway freight, insurance and octroi on spare parts, etcetera. The committee has unanimously recommended that electricity charges be lowered as it believes that if this is done the advantages and disadvantages may balance each other.

The Committee's main report of 471 pages is increased to 629 pages if the three minutes of dissent and appendices are taken into account. On 21st July, 1955, the agreed date for reckoning the labour strength in the seven mills under review, there was a total working force of 37,717. The total number of looms and frames in the seven mills was 8,153 and 866 respectively. Of these, 29.13 percent of the loomage and 48.6 percent of the frames were already working on a rationalised basis in July, 1955. Rationalisation has been claimed by employers on 95.1 percent of the looms and 85.8 percent of the ring frames. The Committee has found that rationalisation is possible on 66.8 percent of the looms and 41.4 percent of the ring frames after the deficiencies in them have been rectified. One month has been allowed for making good the deficiencies on the already rationalised machines, and extension in others, it has been suggested, should not be permitted without the deficiencies being first removed. The Committee has also rejected the contention of labour that rationalisation should be confined exclusively to new machines.

Work-load and Basic Wages

Dealing with the work-load, the Committee remarks that the notion that the work-load is in direct proportion to the machines to be handled by a worker is misconceived. It holds that the work-load depends on the number of operations which a worker has to perform, patrol and supervision and other miscellaneous duties. If with the allocation of more machines to a worker, the number of operations is reduced, the increase of work involved in patrol and supervision, and miscellaneous duties can be offset. It has unanimously allowed 20 percent of time for relaxation and personal needs, and fixes work-load on the basis of 48 minutes working on one loom.

As the basis of wages in the various mills of Kanpur at present is not uniform, the benefit of the rationalised rates recommended by the Committee will be different from mill to mill. A two-loom weaver is likely to have an increase in his basic wage of between Rs. 37 and Rs. 23, as his present basic wage varies from Rs. 41 to Rs. 55. A weaver already working on four looms in Kanpur earns from Rs. 64 to Rs. 72. He is likely to gain by Rs. 6 to Rs. 14 a month. A ring piecer's wage depends on the number of spindles he looks after. At present, the basic wage of a piecer supervising a single side ranges from Rs. 31.5 to Rs. 36. When going on double sides, the increase in wages will vary between Rs. 12.9 and Rs. 23. The increase in the wages of a piecer already working on double sides will vary from Rs. 4.7 to Rs. 11.11 a month. A ring doffer at other textile centres gets a fixed wage not exceeding Rs. 30. As his basic wage here has been related to work-load, he is likely to gain from nil to Rs. 10.10 a month, according to the spindle doffs done by him. As the wages recommended by the Committee are related to work-load, there is an element of incentive in it. The Committee has recommended "fall-back" wages also.

Dealing with the question of substitutes, the Committee has accepted the demand of labour that "temporaries" who have worked for at least 90 days in two preceding years should be regarded as substitutes. It has, however, rejected labour's claim that substitutes should be given a training allowance. Other recommendations made by the Committee are the repeal of standing order 20(G) which provides for the termination of services of substitutes without assigning any reason and the

widening of the definition of "workman" in the Industrial Disputes Act so as to include substitutes. In its view, substitutes are a necessary second line of defence in the industry. The Committee recommends that there be only one class of clerks, divided into four grades. It has also recommended the abolition of the distinction between non-matriculates and those with higher educational qualifications. The starting salary for a graduate clerk and a stenographer has been suggested as Rs. 76.

Soil Conservation

The Soil Conservation Society of India last week held its annual session in Lucknow. Dr. J. C. Ghosh, member of the Planning Commission, presided. He put forward the interesting proposition that soil conservation in the long run is more profitable than irrigation. He was fortified in his belief by the observations of Mr. Morarji Desai, whom he quoted as follows: "Experiments have shown that bunding increases the yield of rain-fed crops by 25 percent. It also leads to the raising of the subsoil water level in wells. Thus soil conservation is not only important for preserving the gift of nature, but also for immediately increasing food production." Mr. Desai's estimate is that about 25 million acres of cultivable land in Bombay, which are in urgent need of soil conservation, will require Rs. 150 crores or Rs. 60 an acre. Dr. Ghosh suggested that if with an expenditure of Rs. 60 an acre, soil conservation can increase crop production by 25 percent, it is more economical than irrigation works which cost rarely less than Rs. 300 an acre. In U.P., soil erosion has destroyed the fertility of 3 million acres of

land mainly by the ravines of the Yamuna, the Chambal, the Betwa and the Gomati. Erosion has advanced in another 4.5 million acres, reducing fertility by half. According to the State's Agriculture Minister, U.P. loses every year about 2 million tons of foodgrains valued at Rs. 60 crores.

Conference of Statisticians

A joint conference of Central and State statisticians was held in Lucknow last week at which Professor P. C. Mahalanobis stressed the need for training more technicians. The annual output of engineers in India, he said, was 3,000, against 60,000 in Russia and 24,000 in the United States. Dr. Sampurnanand, who inaugurated the conference, was emphatic that the State departments of statistics should remain entirely under the control of State Governments. The conference, which lasted four days, made a number of recommendations relating to the statistics of the second five year plan, the estimation of State incomes, the training of statistical personnel, a common statistical year for the assembling of statistics, compilation of data for the small-scale and village industries, the preparation of district statistical manuals and a revision of the basic statistics of reorganised States. Priority has been given to this last item in the programme of work chalked out for 1957-58. Other priorities include the preparation of economic activity indices, and the evolution of other economic indicators, and the further examination by the State Statistical Bureaux of their experience in implementing the sanctions of the Government of India for State statistical schemes.

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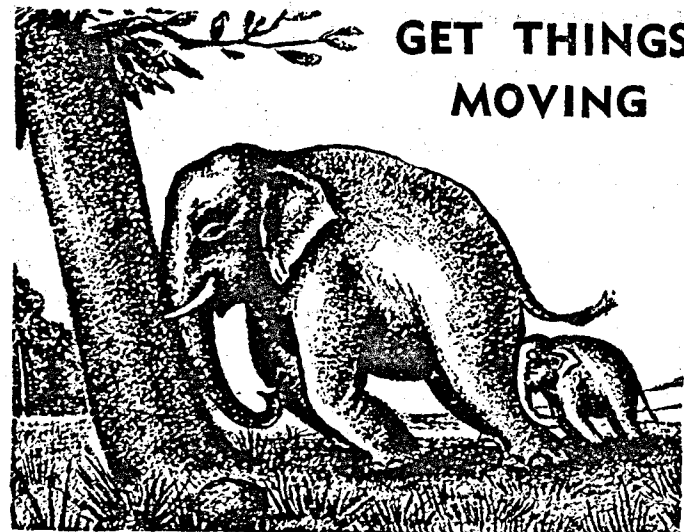
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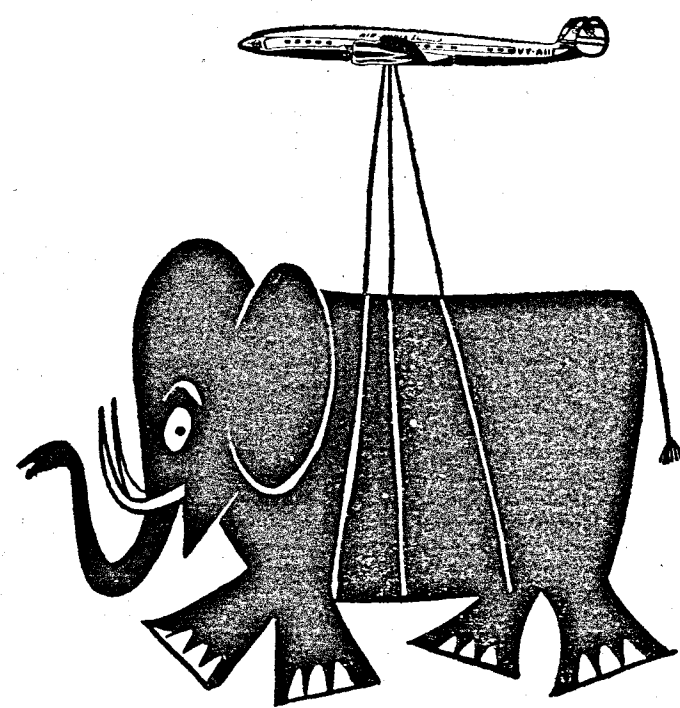
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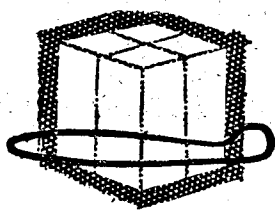
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Plantation Topics

LONDON TEA SALES

AT last week's London tea sales the 61,350 packages on offer realised an average price of 6s 3.61d a lb, against 6s 3.43d in the previous sale and 4s 11.00d a year ago. Plain broken pekoe was quoted at 5s 4.1d a lb, against 5s 4d in the previous sale. Prices obtained by some of the companies are given below:

	No. of packages	Average a lb.
Amgoorie	551	7/3
Anglo-American	426	6/22
Assam	2,023	6/31
Assam Cons.	630	6/2
Assam Frontier	1,119	6/91
Attaree Khat	625	6/13
Borelli	774	6/01
Budla Beta	2,672	7/01
Chubwa	750	6/51
Cons. Tea and Lands	2,041	5/111
Doom Dooma	1,025	6/101
Eastern Assam	671	6/8
Eastern Produce	612	6/8
Empire of India	778	5/11
Imperial	625	5/111
Itakhooli	378	6/11
Jhanzie	396	6/31
Jokai	2,255	6/41
Jorehaut	1,421	6/6
Kanan Devan	2,208	5/81
Lunuvu	1,218	6/51
Makum	486	6/4
Malayalam	2,550	5/101
Pabbajan	403	6/91
Rajawella	144	6/81
Rajmai	493	6/1
Scottish Tea and Lands	499	7/1
Standard	474	7/21
Tingri	384	6/81
Travancore	312	5/91
United Planters	846	6/51
Upper Assam	846	6/41

U.K. Tea Stocks

U.K. stocks of tea on 30th November amounted to 88.8 million lbs, against 119.6 million, lbs a year ago (converted at 110 lbs a package).

NORTH INDIAN TEA CROP REPORTS

The following is the summary of crop and weather telegrams received for the month of November.

Upper Assam: Weather reasonable; the cold weather has set in and the season has closed; plucking stopped on 20th November; outturn last month good.

Central Assam: Weather generally reasonable; cold weather has set in and the season has closed; drought conditions in evidence in Jorhat; plucking stopped on 20th November; despatches seriously retarded in Moran.

Lower Assam: Cold weather has set in and the season has closed; plucking stopped on 20th November; outturn to date slightly over last year in Bishnauth, but less in Mangaldai.

North Cachar: Cold weather has set in and the season has closed; outturn last month normal to good; despatch delayed by rivers drying up; blight not so severe in Lakhimpur; helopeltis prevalent in Happy Valley.

South Cachar: Cold weather has set in and the season has practically closed; outturn last month about normal; outturn to date over last year in Chutlabheel and Hailakandi; despatch delayed by rivers drying up; helopeltis prevalent in Chargola.

Eastern Doars: Weather generally favourable; with few exceptions the season has closed since 20th November; outturn to date considerably over last year; blight negligible.

Central Doars: Season has closed; plucking stopped on 20th November; outturn last month normal; helopeltis prevalent in some districts; blight blight prevalent in some districts.

Western Doars: Weather reasonable; season has closed; outturn last month good.

Darjeeling: The season has closed.

Terai: Weather reasonable; outturn last month normal; cold weather has set in; helopeltis prevalent; blight blight prevalent.

Jute

TOWARDS A BIGGER RAW JUTE CROP

GOODS STOCKS FALL IN NOVEMBER

IN the Indian Central Jute Committee's bulletin for October there is a brief report of the Committee's annual meeting. In his opening address the Union Minister for Agriculture, Dr. Deshmukh, expressed satisfaction at the increased crop which was produced in 1955-56, but went on to say that the scope for increasing output by expansion of acreage was limited by lack of price incentive. He said that "we were not able to give growers economic prices." That is a matter which is open to question. There is general agreement in the trade that the growers are better off than they have ever been and that is borne out by the fact that they have now more holding power and are not forced to market all their crop in the early part of the season as they used to have to do. In fact, to some extent, they are able to dictate prices for, if the price of jute were in accordance with the parity of the world prices obtainable for jute manufactures, it would be considerably lower than it has been for two or three years.

He congratulated the Committee on its successful experiments to improve production of good quality jute and to reduce costs. More important, he stressed the necessity of a concerted drive to get improved methods of cultivation and retting adopted by the growers. That is a matter which was emphasised in these columns some months ago. He also emphasised the need for increasing the yield of jute from each acre by adopting improved methods of cultivation.

In the same issue of the bulletin there is a photograph of part of a crop of jute which had been sown on the line-sowing system and treated with fertiliser. This crop gave a yield of 31.52 maunds an acre compared with 22.05 maunds an acre on the control plot. In its way that was satisfactory, but the satisfaction is very largely offset by the fact that this increase means also an increase of 140 maunds of waste matter to each acre which involves a waste of labour and fertilisers. Of course, the production of waste matter cannot be entirely eliminated in any agricultural crop, but it can be reduced, as has been proved with other crops, by the development of varieties giving a greater yield of usable produce from each plant. That gives the grower a greater weight of merchantable produce from each acre, reduces his costs and so provides the price incentive which Dr. Deshmukh says is lacking. Unfortunately, the Indian Central Jute Committee seems still to be indifferent to this side of research work which, if successful, would enable a bigger crop to be produced without taking land away from other crops. It would thus improve the lot of the cultivator and benefit the country generally. Meantime, it is reported that some progress has been made in this direction in Pakistan. It is also said that Pakistan has developed a hybrid plant suitable for cultivation in dry areas such as Sind. Such a plant would be useful in some of the areas in India where no very successful attempts to produce jute have been made, but the development of the plant leaves unsolved the problem of water for retting.

I.J.M.A. Stocks of Manufactures

At the end of November the total stocks of manufactured goods held by members of the I.J.M.A. and other mills reporting to the Association showed a reduction of 14,800 tons compared with those at the end of October. This makes a total reduction of 25,100 tons since 1st July. Hessian stocks at the end of November were 24,600 tons, a drop of 6,200 tons or 20.1 percent compared with those at the end of October, while sacking stocks at 67,500 tons were down by 9,800 tons or 12.6 percent. On the other hand, there was an increase of 1,200 tons in the stocks of other manufactures. The total stocks are now lower than they have been since March, 1956, but higher by 38,900 tons than they were at the end of November, 1955.

THE JUTE MARKETS

There has been no outstanding feature in the markets during the past week. Overseas enquiry for manufactured goods has been on a reduced scale and, consequently, has not provided the mills with any incentive to buy jute in large quantity. Mills cannot, however, in present circumstances, stay long out of the raw jute market and there has been steady day-to-day buying. We are now in a period of the year when there is normally less jute coming forward for sale in the upcountry markets and that has tended to keep jute sellers in a bullish frame of mind while the continued rise in prices in London and in Pakistan has also encouraged them to expect higher prices in Calcutta. Towards the end of the week under review there has been an easier tendency in the market for manufactures and that has resulted in some easing of jute prices. Most jute sellers are now holding stocks and any lowering of prices in the speculative gunny market brings out offers of jute from weak holders who are nervous and afraid to hold on but, in spite of that there is an underlying feeling of steadiness.

Manufactured Goods: In spite of diminished enquiry from abroad, the fatka markets have shown little change during the week. Hessians, because of covering operations in the bazaar, have maintained more steadiness than sacking. There

was rather a sharp rise on Friday when the I.J.M.A. stock figures became known, but it was not maintained and on Monday and Tuesday prices tended to slip down.

Quotations on Wednesday morning were as under:

	Dec. Rs.	Jan.-Mar. Rs.	April-June. Rs.
40" 8oz.	37	36-4	35-10
40" 10oz.	46-4	45-4	44-10
B Twills	121-14	122	122
Heavy C's (Plain)	121	121-8	121
A Twills	144-4	144-12	144-4
Liverpools	134-8	135-4	134-8
Cornacks	123-8	123-4	122

Raw Jute: Mills bought moderate quantities daily throughout the week, but their interest tended to sag on Monday and Tuesday when the manufactured goods market eased off. Business was reported in Northern and Assam jute at Rs. 31-4 to Rs. 32 basis Bottoms. Daissee was done in fair quantity at from Rs. 32 to Rs. 32-8 basis Bottoms according to the district and Murshidabad Tossa at Rs. 31-8 to Rs. 32. Mesta found buyers at Rs. 28 for jungli and at Rs. 29 for Murshidabad qualities but later on Murshidabad Mesta was done at Rs. 28-8. Local packing was bought at Rs. 31-8 basis Bottoms for Northern and at Rs. 31-4 for Jungli Middles. Biml was sold at Rs. 29 F.A.Q. Pakistani Cuttings were sold at Rs. 135.

Quotations on Wednesday are as under:

Indian Jute:	Landed at Mills Rs. a md. basis Bottoms.	Shipment. Dec. '56-Jan. '57.
Upper Assam	32	"
Lower Assam	32	"
Northern	32	"
Murshidabad Tossa	31-8	"
Daissee	33	"
Daissee Mesta	29-8	"
Local Northern	31-8	"
Biml	F.A.Q. 29	"

Tossa is quoted at 8 annas a maund above the price of White jute.

Pakistani Jute:	Rs. a md.	Shipment. Dec. '56-Jan. '57.
Jat	37	"
District	36-8	"
Northern	36	"

Pucca:	Rs. a bale.	Shipment.
Export Firsts	250	Dec. '56-Jan. '57
Export Lightnings	230	"
Cuttings	136	"

Arrivals in Cossipore during the week were 86 wagons. There has been good demand but prices have begun to ease in sympathy with the gunny fatka. The condition of imports and stocks is very unsatisfactory.

Mofussil: In Assam and Northern Bengal imports are small and prices steady. In Bihar and further west imports are in good quantity and are eagerly bought up for despatch to Cossipore.

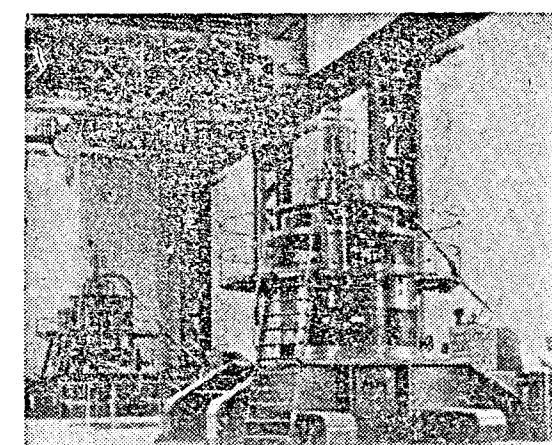
I.J.M.A. PRODUCTION FIGURES FOR NOVEMBER

The Indian Jute Mills Association reports the total production of jute goods for the month of November, as follows:

Description	Quantity
1. Gunny Bags	
(a) Hessian	4,595 tons
	1,31.1 lakh yds.
(b) Sacking	87.8 lakh Nos.
	40,898 tons
	9,45.1 lakh yds.
	3,89.8 lakh Nos.
2. Gunny Cloth	
(a) Hessian	32,249 tons
	12,56.8 lakh yds.
(b) Sacking	851 tons
	21.2 lakh yds.
3. Other manufactures	5,219 tons
4. Total production (above figures combined)	
(a) All kinds	83,812 tons
(b) Hessian (both bags and cloth)	13,87.9 lakh yds.
(c) Sacking (both bags and cloth)	9,66.3 lakh yds.

Summary	(00,000 Yds.)	(000 Tons)
	Nov. 1956	Nov. 1955
Hessian	13.88	13.17
Sacking	9.66	9.50
Others	11.99	11.99
	41.8	46.5
	5.2	5.2
	6.0	6.0
Grand Total	83.8	80.4
Hours worked	209.0	203.5
	209.0	

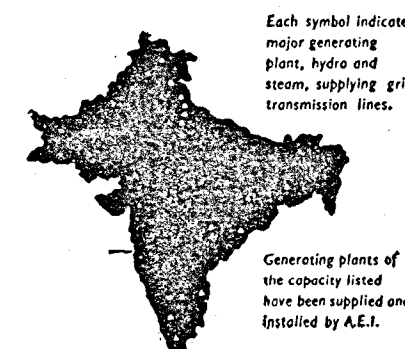
N.B.—These statistics are based on replies received and represent all members of the Association and Gagalbhai with estimates for three non-member mills.



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● Khaperkheda	30,000 KW
● Ramgundam	37,500 KW
● Ahmedabad	1,35,000 KW
● Surat	15,000 KW
● Visakhapatnam	6,750 KW
● Tanagar	55,000 KW
● Kashmir	6,000 KW
● Jogindarnagar	48,080 KW
● Greater Calcutta	1,61,000 KW
● Madras (Basin Bridge)	
● Pykara, Mettur,	2,15,450 KW
● Papanasam and Moyar	
● Mysore (Jog)	48,000 KW
● Travancore	22,500 KW
● U. P. (Harduagang)	
● Bahadrabad, Bhola,	40,600 KW
● Sumera & Muhammadpur	
● Bhakra dam	500,000 KVA

Plant under manufacture



Each symbol indicates major generating plant, hydro and steam, supplying grid transmission lines.

Generating plants of the capacity listed have been supplied and installed by A.E.I.

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L.J.M.A. STOCKS FIGURES FOR NOVEMBER

The Indian Jute Mills Association reports the total stocks of jute goods at the end of November, 1956 as follows:

Description	30th November, 1956	31st October, 1956	Increase over (+) or decrease from (-) last month	30th November, 1955
Lakh Yds. 000 Tons	Lakh Yds. 000 Tons	Lakh Yds. 000 Tons	Lakh Yds. 000 Tons	Lakh Yds. 000 Tons
Hessian Cloth and Bag	8.32	24.6	11.02	27.9
Sacking Cloth and Bag	16.15	67.5	18.68	30.8
Others		9.8	77.3	4.3
			8.6	
Grand Total (000 Tons only)	101.9	116.7	-14.8	63.0

N.B.—These figures are based on replies received and represent all members of the Association and Gagalbhai with estimates for three non-member mills.

PAKISTANI JUTE PRICES RISE IN NOVEMBER

OFFICIAL MOVE TO SET UP FIBRE MARKETING CORPORATION

(FROM A CORRESPONDENT IN EAST PAKISTAN)

NOVEMBER opened on a dull note with an air of uncertainty in the local jute market. The news of the U.N. resolution asking the U.K., France and Israel to withdraw behind the armistice line in Egypt acted as a damper on the Narayan-ganj market, although prices ruled firm. By the middle of the month, a great deal of activity developed and the prices of pucca bales increased in some instances by Rs. 15 a bale. Apart from balers, local mills bought jute, which throws some light on the shortage of kutcha bales and loose jute. Kutcha bale prices advanced, although only small business was finalised. Imports of loose jute were small and only about 15,000 maunds daily arrived in the Narayan-ganj market.

The following prices were paid f.o.b. Narayan-ganj on 17th November, 1956:

Mill Firsts Rs. 215 a bale.
Export Firsts Rs. 180 to Rs. 190 a bale.

Export Lightnings Rs. 170 to Rs. 175 a bale.
Export Hearts Rs. 160 to Rs. 165 a bale.
Dacca Tossa 6 Rs. 185 a bale.
Dundee Tossa 4 Rs. 185 a bale.
Dundee Tossa 2/3 Rs. 175 a bale.

A number of reasons led to hectic activity mainly in the ready section. A sharp reaction in the Calcutta jute goods market, low arrivals, covering against the China and Poland commitments and the bright outlook for Calcutta demand due to the military developments in Egypt, imparted a bullish tone. Calcutta reacted sharply to the developments in the Middle East due mainly to speculation. It was expected that the stockpiling of jute goods would increase. Cuttings went up to Rs. 130 a bale, and raw jute was very firm. Low arrivals were a contributory factor which further strengthened the market. Cultivators were, it was reported, concentrating more on paddy harvesting which would at present fetch them a better return than some time later when prices usually decline. Late harvesting in jute, on the other hand, would pay a higher return.

Recent deals in the region of 30,000 bales of raw jute with China and Poland were also responsible for the bullish developments in the market. Shippers continued to cover against

those commitments even at higher prices. The overseas market, moreover, was very firm and encouraged buying at exorbitant prices. Shipment rates also continued very firm, presumably due to the closure of the Suez Canal. Export Firsts closed the week at £100 a ton, while Export Lightnings and Export Hearts ended the week at £95 and £90 respectively. During the third week of November, the jute market in Narayan-ganj touched this season's record prices.

Fall in Supply

Apart from the other factors responsible not only for the firm tone of the jute market, but also for raising it to unexpectedly high levels, it should be borne in mind that the supply this season is likely to be less than what was earlier expected. By this time in the preceding two years, daily arrivals from the interior into the baling centres used to be 25,000 maunds on an average. This year for the last several weeks, imports have been at the rate of only 15,000 maunds a day.

On 24th November, the following prices were paid f.o.b. Narayan-ganj:

Mill Firsts Rs. 215 to Rs. 225 a bale.
Export Firsts Rs. 190 to Rs. 210 a bale.
Export Lightnings Rs. 175 to Rs. 195 a bale.
Export Hearts Rs. 165 to Rs. 185 a bale.
N. C.'s Rs. 110 to Rs. 120 a bale.

On the whole, overseas buyers did not follow the rise in prices and only restricted business was finalised. There has been a big hold-up in the shipping position and an acute shortage of tonnage is expected this month and in January, 1957. Shippers are, it is reported, already 400,000 bales behind with shipments against sales.

Towards the end of the month, overseas spinners purchased fair quantities, the main buyers being Poland and South America. The following prices have been paid basis c.i.f. U.K.-Continent during the last week of the month:

Mill Firsts £125 a ton.
Export Firsts £112 to £109 a ton.
Export Lightnings £107 to £104 a ton.
Export Hearts £102 to £99 a ton.
Dundee Tossa £109 a ton.

Price Support Proposals

During the month the East Pakistan Government considered proposals for setting up an Internal Jute Marketing Corporation with the complete monopoly of purchase and sale of jute in the internal market. This is with the basic idea of ensuring fair prices to the growers and to stabilise raw jute and jute goods prices in the internal markets. The Government, it is learnt, is also considering the setting up of an Export Control Board to look into the details of raw jute and jute goods exports. The East Pakistan Jute Advisory Board, formed recently with the Chief Minister as its chairman, recommended to the Government a tentative programme envisaging the expansion of the jute market abroad, particularly in eastern countries. The Board has also suggested to the Government that all necessary steps should be taken to increase the present production of jute in the province and the Government, it is understood, has decided to bring another 100,000 acres under jute cultivation in addition to the present stipulated area of 1,500,000 acres (production area being 45 bales). The Board at its recent meeting discussed all aspects of jute cultivation and trade and was of the opinion that by embarking on a programme to increase production, the Government would be able to expand the market. The Board is also reported to be working on a scheme to lift jute from the border areas at the proper time to prevent smuggling.

THE FOREIGN JUTE MARKETS

PRICES UP AGAIN

(FROM OUR DUNDEE CORRESPONDENT)

IT was thought that raw jute prices might decline now that there has been better news of the situation in the Suez Canal area, and the trade was surprised when it was intimated that values of the fibre had been raised by £1 to £2 a ton last week. There has been a quieter tone of late, but no indication of weakness in prices. The strength of the Calcutta goods market, caused by Australia being in the market for a considerable quantity of heavy goods, may have had something to do with the firmer trend of raw jute terms. The failure of shippers to send jute to spinners here and on the Continent is still causing much heart-burning and the Indian mills are also suffering from delay in deliveries of Pakistani jute to them. Spinners here are losing much money by having to cover in their jute ex-spot or affect parcels at well above the shipment rates. If the Pakistani authorities are to increase their sowings of jute next season, they will have to be prepared to keep the prices down to the minimum levels. Offers are not being so freely made for shipment at the higher terms now quoted. Mill Firsts rule from £126 to £131 and Mill Lightnings from £112 to £115, with Mill Hearts from £107 to £110 and Continental Hearts from £101 to £104, and good marks of Daissee-2/3 have been raised to £111 and grade to £108, and grade Tossa-2/3 to £120 and grade fours to £111 lowest, c.i.f. U.K. and Continent, December-January shipment. Spinners are buying very little jute in the meantime, preferring to wait further developments in the hope of a reversion to lower levels.

Business in jute yarns has gone off again, but not before buyers have satisfied their requirements over the next few months. Prices rule very firm at 16.50d a lb. for common 8lb. cops and 17.08d for 8lb. spools. Cloth also is much quieter, but prices are very firmly maintained, as manufacturers' order books are healthy.

Engineering and Transport

FARE COMPETITION IN WORLD AIR TRAFFIC

LACK OF RUNWAYS IN INDIA FOR BOEING PLANES

(FROM OUR NEW DELHI CORRESPONDENT)

A RECENT advertisement in some Indian newspapers has caused a considerable flutter among airlines operating on international routes. The advertisement offers air journeys from Amritsar, Punjab, to London at Rs. 1,212. The route is Amritsar-Kabul-Tashkent-Moscow-Praha-Berlin-Paris-London. This includes 24 hours' free stay in Kabul and overnight free stay in Tashkent. The journey from Amritsar to Kabul will be by the Afghan Airline, Aryana, from Kabul to Moscow by the Russian Airline, Airfloat, and from Moscow to London by the planes of Scandinavian Airlines, Luftanza, or Air France. The fare entitles a passenger to carry 60 pounds of luggage. The normal off-season tourist class fare to London from New Delhi is Rs. 1,414, and during season Rs. 1,747.

The success of this service is likely to affect traffic for other airlines, and particularly for Air India International. It may be added that the Russian Airline, Airfloat, is not yet a member of the international organisation for civil aviation. It is also interesting to note that the Indian Airlines Corporation has recently entered into an agreement with the Russian Airline, Airfloat, for booking through-traffic from New Delhi to Moscow via Kabul.

Service to China

Air Ceylon International, which has a tie-up with K.L.M. proposes to extend its service to China, Colombo-Shanghai and Peking, it is learnt. India-China air agreement, it may be added, is yet to be finalised. The main issue is that of traffic. Will there be traffic enough to pay for an India-Peking service? Enquiries indicate that the Chinese Government does not favour an Indian air-link with Peking. India already has a service up to Canton from where passengers are picked up by the Chinese airlines for the interior. In any case, China cannot deny India what it concedes to Ceylon, that is, an air link with Peking.

Indian Order for Boeings

Air-India International has placed orders for three Boeing jet planes for its India-U.K., or India-Japan, or India-Australia services. The total cost of the planes, together with spares, is placed at Rs. 115 crores. This purchase should remind one of the U.N.E.S.C.O. session, which concluded here during the past week. The Ministry of Education last year invited the U.N.E.S.C.O. to hold this session in New Delhi. The invitation was readily accepted. It was at that stage that the Government discovered that there was neither a conference hall to hold the session nor was there adequate residential accommodation to house the delegates. A conference hall was built. So were Asoka and Janpath hotels. They cost approximately Rs. 3 crores. In the same style, three Boeings have been ordered. They will be delivered by 1960. And just as it was in the case of the U.N.E.S.C.O. session, there might then be no suitable aerodromes to operate these giant aircraft, which will need a very long runway.

As already reported, the battle over the Palam airport is still on. It is not yet known whether it will be controlled by the Indian Air Force or the Directorate of Civil Aviation. Nor a decision has yet been reached to develop Calcutta and Bombay airports, or any of the two. Above all, there is the overall issue of finances. The Planning Commission has made a certain allocation in the second five year plan for the development of aerodromes in India. It is adverse to increasing the allotment. It would like the Ministry of Communications to make adjustments from its own allocations.

It may be that the Boeings, when acquired, will be operated from foreign airports. But will this solve the problem? Almost every international airline has decided to introduce the Boeing type aircraft on international routes. India will have to modernise its aerodromes in order to make them suitable for the new type of aircraft or be removed from the map of international air traffic. The Planning Commission's primary function is to accord priorities. It will have to take a decision whether a national museum and a national theatre should have a higher priority over the creation of an international airport in India. Can a building for a national theatre wait till 1960, when Boeings will be put into service? This is an interesting issue. The theatre will cost at least a couple of crores of rupees.

B.O.A.C. Investment in New Planes

Investment in aircraft by B.O.A.C. when current orders are fulfilled—including the recent application for 15 American Boeings—will amount to over £180 million. This estimate, given by the Government in the Commons, took the combined cost of the Boeings and the new de Havilland jet, airliner, D.H. 118, to B.O.A.C. to be about £100 million. All capital needs, including buildings and equipment would make a total of £200 million. But internal financing would reduce the net requirements below £160 million.

During the next five years, B.E.A. expected to place orders for helicopters, and possibly a small number of jet aircraft for longer routes. The estimated borrowing need of B.E.A. might reach £60 million in the next five years. In addition to

the 33 Britannias, 22 Comets and 14 Viscounts on order, the Corporations had to place new orders for 15 Boeings and a substantial number of the D.H. 118. The Aircraft Corporation Bill, which raises the borrowing limits of the two State airways, and enlarges B.O.A.C.'s borrowing powers, received an unopposed second reading after Ministers had made these points.

Purchases—The two corporations must have the best and most up-to-date aircraft. But there is no real break in the "Buy British" policy where the British planes are fully competitive.

Britannia—It is hoped that the Britannia will go into service very early next year, properly modified, perfectly safe to fly and as a world-beating aircraft.

D.H. 118—The Government looks upon the D.H. 118 as suitable for the U.K.'s needs for a fine and versatile aircraft for the middle years of the 1960's.

Obsolescent aircraft—There were some difficulties in disposing of the 12 Constellations and the light Stratocruisers, which had been bought to replace the Comet, because there was an obligation to sell these for dollars. There was the possibility of a part exchange deal involving the Boeings.

Flying boats—It will be quite wrong to leave unused what might be a very great aircraft.

The bill totals £160 million, B.O.A.C.'s borrowing powers have been raised from £35 million to £60 million. Those of B.E.A. has also been widened. It also makes it possible for B.O.A.C. to borrow from the International Bank for Reconstruction and Development, or from the Export-Import Bank. For the Boeing aircraft, for instance, it will be necessary to pay an advance of possibly a third of their total cost before delivery. In order to minimise the drain on the U.K. dollar reserves and in order to tide over the period before the aircraft started earning dollars, it might be desirable to borrow dollars.

Crisis for European Airlines

The economic crises of the U.K. and France, and to a lesser degree of other European countries,

expected for next 12 months, will hit airline traffic seriously. With austerity conditions in France and Britain, no motoring, etcetera the North Atlantic tourist traffic is bound to recede, as indeed will all tourist business centring on Europe from South Africa, Australia, the east and to a smaller extent Latin America, which has hitherto provided a predominant proportion of business passengers. The Central and South American countries, the Caribbean and Canada may be expected to gain from Europe's loss. It may pay certain European carriers to re-orientate their 1957 schedules to allow for probable changes in the traffic movement.

The economic effects on all carriers engaged in trade with Europe will be serious. As the biggest volume carriers in the North Atlantic trade, P.A.A. will be hardest hit. In Europe, B.E.A. might suffer the worst, since it is the biggest tourist carrier, and apart from the setback to its extra-European passenger business, almost certainly the British balance of payments will be so serious by next summer that the British resident tourist allowance will be cut, and even discontinued. The recession of American tourist trade to Europe during 1957 will seriously affect the main dollar earning business of all European countries, just at the time when they most need the dollars to buy dollar oil.

British Staff of Arab Airways

The British pilots of all Arab airways have had their contracts terminated and the same kind of difficulty will be faced in every Arab country because none of them will allow British pilots to fly over their territory. For a long time, B.O.A.C. held a technical advisory contract with Iraqi Airways, but now the British staff have been discharged, the chief engineer had to leave without notice.

Cyprus Airways operations have been curtailed where they served Arab territories and Aden Airways are in even more difficult straits with so many of their routes overlying what is now hostile country. U.S. companies are likely to fill the gaps. T.W.A.'s advisory and operational group in

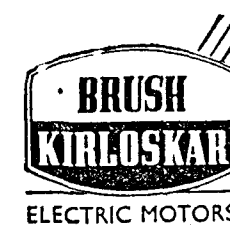
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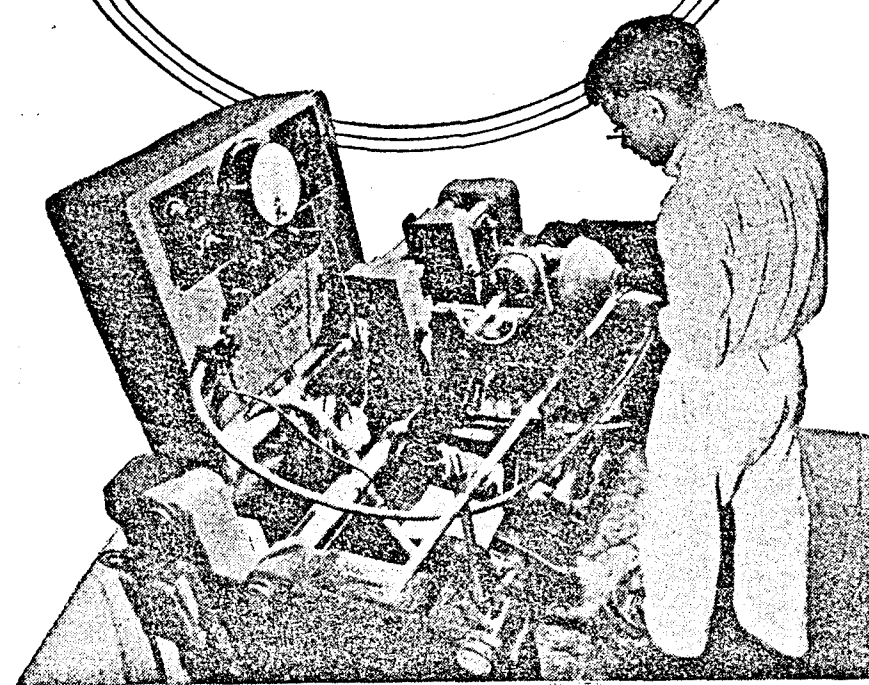
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Saudi Arabia could extend its activities in neighbouring countries and the same may happen with Transocean Airlines group in Teheran running the technical side of Iranian Airways.

NEW OIL FIND IN NIGERIA

An exploration well near Afam, 20 miles east of Port Harcourt, Nigeria, has encountered oil and gas during the first stages of testing, it is announced in London by the Shell Petroleum Company. So far only the lowest prospective sand layer in the well has been tested, and until tests of further layers higher up take place, the full potentialities of the well will not be known. "However, preliminary results indicate that the discovery may be worth appraising by further drilling, and a location for a second well is now being prepared about three-quarters of a mile north of the first." The Shell statement concludes by announcing that the second well will be drilled on completion of testing at the first well if results continue to be encouraging.

INDIAN INSTITUTE OF SCIENCE DEVELOPS ELECTRONIC MULTI-TESTER PROCESS

For testing A.C. meters and relays, engineering firms and utility companies are at present employing expensive rotating machinery. A portable electronic multi-tester which permits testing and calibration of watt-meters, watt-hour meters, power factor meters and relays at line frequencies of 40 to 60 cycles a second, has been developed. The design is based on the principle of phantom loading, the test loads being stimulated by applying rated voltages to the potential coils and variable current leads to the current coils. A two-stage phase shifting network provides smooth control of the phase angle between the current and the voltage vectors, particularly in the zero and the unity power factor regions. The equipment is likely to be of use to engineering colleges, meter and relay testing departments of electricity supply undertakings and in research laboratories. The equipment which can normally be operated on 220 volts, 50 cycles commercial supply can also be operated on 110 volts AC by providing a tap on the in-put

transformer. The tester can be manufactured in any general purpose workshop having a small lathe, an engraving machine, a drilling machine and usual tools for sheet metal and soldering work. The essential components for its manufacture are valves, resistors, capacitors, transformers of small rating, panel meters and wiring materials, etcetera. Parties interested in undertaking commercial production according to this method should write for further details to the Secretary, National Research Development Corporation of India, Mandi House, Lytton Road, New Delhi-1.

INCREASE IN EXPORTS OF U.K. AIRCRAFT INDUSTRY

The British aircraft industry's exports have increased by 137 percent during the past five years. In 1952, the annual total amounted to just over £45 million, while this year's total, based on the January-October average, is estimated at more than £107 million. Since 1954, when the aircraft industry exported £56.1 million, exports have risen by 91 percent, a figure which surpasses the performances of other engineering industries by substantial margins. The export of ships and boats, next on the list, has risen 68 percent in the same period of three years, followed by radio and television equipment (28 percent), scientific instruments (19 percent), railway locomotives and rolling stock (5 percent). The 1956 export total for cars is expected to be about the same as in 1954. September labour figures just issued show that the aircraft industry's heavy commitments abroad are backed by the largest ever peace-time force, no fewer than 257,300 men and women being employed in the "manufacture and repair" of aircraft. This is 2,500 more than in August, the previous record month.

DIRECT RADIO-TELEPHONE SERVICE BETWEEN INDIA AND ETHIOPIA

A direct radio-telephone service between India and Ethiopia has been opened, bringing the total number of countries with which India is so linked to 19. The new service was opened by an inaugural call between the Union Communications

Minister, Mr. Jagjivan Ram, and Mr. Fitaurari Tafassa Haptmical, Ethiopian Minister of Posts, Telegraphs and Telephones. An indirect radio-telephone service between India and Ethiopia, via London, was opened on 26th October during the visit of the Emperor to this country. Tests had since then been conducted in order to establish a direct service. The opening of the new service marks yet another step in the rapid development of the Overseas Communications Service since independence. Before independence, India had only one direct radio-telephone service—to London. This country is now linked by direct radio-telephone services to Indonesia, Iran, Japan, Hongkong, Bahrain, Malaya, Aden, China, Burma, Saigon, Egypt, the U.K., East Africa, Switzerland, Soviet Russia, Poland, Australia, France and Ethiopia. Similar rapid progress has been made in radio-telegraph and radio-photo services. Direct radio-telegraph services are now available to 16 countries as against four at the time of independence and direct radio-photo services to five countries, against none before. The service with Ethiopia would be available to the public between 9.30 p.m. and 10.30 p.m. daily excepting Sundays. The rates will be Rs. 40 for the first three minutes and Rs. 13.5 for each additional minute, besides a report charge of Rs. 2.11 a call.

NEW BRITISH SHIPS FOR ASIAN TRADE

The Peninsular and Oriental Steam Navigation Co.'s new cargo motorship *Salmaria*, of 8,400 tons, was recently put through her trials on the River Clyde, in Scotland, by the builders, John Brown and Company. This is the second ship the firm has completed this year for Peninsular and Oriental (P & O). It is also announced that Scott's Shipbuilding and Engineering Company of Greenock, Scotland, are to put the British India Steam Navigation Company's new turbine steamer *Nyanza* through her trials. This firm has a long association with the British India (B.I.) line, and also has a contract for the building of two tankers, each of 18,000 tons, under the oil-carrying programme of the P. & O group, which includes B.I. B.I. also recently took delivery of the cargo steamer *Nardana*, built for it by Barclay, Curle and Company, on the Clyde. The same shipbuilders are to launch soon the *Woodarra*, another B.I. ship. The five latest cargo ships for the Asian trade, each of 6,500 tons, already announced, are also being built on the Clyde at the Govan (Glasgow) shipyards of Harland and Wolff.

OUTPUT OF T.I.S.CO. WHEEL, TYRE AND AXLE PLANT

The T. I. S. Co.'s wheel, tyre and axle plant completed 15 years of its existence on 28th November. Still the only plant in the country manufacturing these railway requirements, it has turned out to date about 48,350 wheels, 67,850 axles and 357,000 steel tyres, together with 91,500 wheel sets—two wheels ready-mounted on an axle. The present capacity of the plant is about 22,000 tons a year. With the completion of the Company's Rs. 110-crore expansion programme, work on which is already under way, this capacity will be stepped up to 30,000 tons. During the second plan, another wheel, tyre and axle plant will come into operation at the new steel works in Durgapur. It is hoped that these two units will make the country self-sufficient in these important rolling-stock components.

INDIAN PROGRAMME TO PRODUCE BRITISH LIGHTWEIGHT FIGHTER PLANE

A tribute to the faith of the Government of India in the development and capabilities of the Gnat lightweight fighter plane was paid by the Folland Aircraft Company's chairman, Mr. C. L. Hill, in his report to the firm's annual general meeting in Hamble, Southampton. After referring to the Indian Government's decision to place an order for 25 English-built Gnats and a contract for the assembly of a further 15 planes at the Hindustan Aircraft factory, Bangalore and, later, the complete manufacture of the Gnat under licence, Mr. Hill said that these negotiations had been continuing for more than 18 months and had proved very complex. "But the significant thing," Mr. Hill added, "is that eventually, the Government of India decided to re-equip its air force and launch its industry in the production of the light fighter, thus placing its faith in a concept which the Folland Aircraft Company has been pioneering for several years." Mentioning that the value, initially, of these contracts with the Indian Government was nearly £3 million, Mr. Hill added that substantially increased orders should derive from the production of spare parts for the Indian Government and from the provision of parts and components to enable the Indian Government to manufacture its own Gnat fighter planes in India.

In another part of the report Mr. Hill said that, in addition to the interest in the Gnat shown by the Indian and other governments, it was very likely that Folland would shortly be in a position to announce at least one further contract for the Gnat supersonic fighter plane. He explained that the signing of contracts with the Indian and other governments would necessitate a complete review of the company's capital requirements, in view of the production expansion involved. The directors, therefore, proposed to make a "rights issue" to shareholders of half-a-million 10s shares at a price to be settled. At the same time, 50,000 shares are to be offered to Folland's employees.

Commodity Markets

WHOLESALE PRICE INDEX RISES

THE official wholesale price index (base year ended August, 1939=100) advanced by 0.6 percent to 433.2 during the week ended 24th November, 1956, compared with 430.5 (revised) for the previous week. The index was higher by 3.9 percent and 18.7 percent respectively when compared with the corresponding weeks of the previous month and of a year ago. The average index for November, 1956 worked out to 427.5, compared with 417.8 for October, 1956, and 365.0 for November, 1955. Higher prices of gram in Patna (+8%), wheat in Amritsar (+6%), gur in Ahmednagar (+4%), tea (+3%), rice (+2%) and bajra and sugar (+1% each) raised the index for Food Articles by 0.8 percent to 421.7 despite a decline in the prices of gur in Muzaffarnagar (-14%), salt in Calcutta (-7%), gram and dal arhar (-2% each) and wheat (-1%) all the three in Hapur. The index for Industrial Raw Materials moved up by 2.0 percent to 529.7, compared with 519.2 (revised) for the previous week as a result of an increase in the prices of manganese ore (average export price) (+11%), linseed in Calcutta (+8%), raw jute and copra (+6% each) castorseed in Bombay (+5%), rapeseed (+4%) and raw cotton in Bombay (+2%); prices of lac (-4%), groundnuts (-3%), raw silk in Bangalore (-2%) and ginglyseed in Bombay (-1%) were marked down. The index for Semi-Manufactures also advanced by 0.2 percent to 419.4, compared with 418.6 (revised) for the previous week. Items which showed noticeable variations were: Coconut oil (+5%), copra cake (+4%), coir yarn (+3%), linseed oil in Calcutta and mustard oil (+2% each), gingly cake (-5%), groundnut oil in Bombay and Calcutta, and copper in Calcutta (-3% each). An increase in the price of jute manufactures (+2%) raised the index for Manufactures from 386.1 to 386.3. The index for cotton manufactures, however, witnessed a slight fall. Because of a decline in the prices of turmeric (-%) and chillies (-4%) the index for the Miscellaneous group moved down by 0.4 percent to 586.6 although prices of cashewnuts (+2%) and black pepper (+1%) showed advances.

INDEX NUMBERS BY GROUPS AND SUB-GROUPS (Base : Year ended August 1939=100)

Groups and Sub-Groups	24-11-56	17-11-56	27-10-56	26-11-55
I Food Articles :	421.7	418.3	392.2(R)	323.5
Cereals	542*	533	510(R)	384
Pulses	425	420	387	332
Others	269	271	246	237*
II Industrial Raw Materials :	529.7	519.2(R)	496.8(R)	422.2
Fibres	521	504	473	424*
Oilseeds	572	571	550(R)	406
Minerals	532	521	533	437
Others	430	432(R)	421	463
III Semi-Manufactures :	419.4	418.6(R)	408.3(R)	340.3
Leather	443	443	410	385
Mineral oils	210	210	210	202
Vegetable oils	634	627	584	397
Cotton yarn	503	502(R)	497	415*
Metals	327	327	325	277
Oilcakes	486	492	472	365
Others	364	362	362	330
IV. Manufactures :	386.3	386.1	386.8(R)	373.7
Textiles	417	417	418	406
Jute	459	448	423	427
Cotton	415*	417*	426*	399*
Rayon and silk	421*	421*	413*	479*
Woollen	266	266	266	278
Metal products	390	390	390(R)	371
Others	296	296	295	284
V Miscellaneous :	586.6	589.1	589.1(R)	542.4
All Commodities :	433.2	430.5(R)	417.1(R)	365.1

*=Estimated

R=Revised

Groups and Sub-Groups	November, 1956	Monthly Average October, 1956	November, 1955
I. Food Articles :	411.2	392.5(R)	326.5
Cereals	529	510	390
Pulses	413	386	325
Others	262	247	237
II. Industrial Raw Materials :	513.9	502.4(R)	418.9
Fibres	496	479	422*
Oilseeds	565	557(R)	403
Minerals	528	539	430
Others	428	421	455
III Semi-Manufactures :	416.3	405.6(R)	338.1
Leather	439	396	376
Mineral oils	210	210	202
Vegetable oils	616	576	392
Cotton yarn	501	493(R)	411
Metals	327	326	277
Oilcakes	483	470	366
Others	362	362	330
IV. Manufactures :	387.6	387.9(R)	373.3
Textiles	419	420	405
Jute	446	426	422
Cotton	421*	426*	399*
Rayon and silk	421*	429*	479*
Woollen	266	266	278
Metal products	390	390(R)	371
Others	296	295	284
V. Miscellaneous :	588.8	585.2(R)	543.3
All Commodities :	427.5	417.8	365.0

*=Estimated

R=Revised.

AREA UNDER COTTON INCREASES

The all-India second estimate of cotton for 1956-57 puts the current year's area at 15,955,000 acres, against the corresponding adjusted estimate of 15,422,000 acres for 1955-56, according to the Directorate of Economics and Statistics, Union Ministry of Agriculture. This shows an increase of 513,000 acres or 3.3 percent in area during the current year, over that of last year. Details according to (i) trade description and (ii) staple lengths of current and previous year's estimates are given below :

Staple	Area (Thousand acres)			Increase (+) or decrease (-) of Col. (2) over Col. (3)
	1956-57 (Second Estimate)	1955-56 (Adjusted Second Estimate)		
	(1)	(2)	(3)	(4)
Long Staple	5,002	4,767		(+) 235
Medium Staple	7,695	7,296		(+) 399
Short Staple	3,258	3,379		(-) 121
Total	15,955	15,442		(+) 513

The overall increase in acreage during the current year has been shared mainly by Hyderabad, Bombay, Madhya Pradesh and Punjab, and to a lesser extent by Saurashtra, U.P., Pepsu, Ajmer and Rajasthan. The increase has been attributed generally to favourable weather conditions at the sowing time and to efforts made under the cotton extension scheme. The increase has, however, been offset to some extent by decreases reported by Madhya Bharat, Andhra, Kutch, Bhopal and Bihar. As between different varieties of cotton, the increase in area has occurred mostly in Jarilla (including Virnar), American and Broach-Vijay. Decrease in acreage has, however, been reported mostly in Malvi and Omras varieties. In staple lengths, increases have been shared by medium and long staple cotton.

The information given in this estimate generally relates to the period up to the end of September, 1956. Till then, the condition of the crop, it was reported, was on the whole, satisfactory except in parts of Hyderabad, Bombay, Madhya Pradesh and Bhopal, where the crop was adversely affected by excessive rain and attack of insects and pests. This estimate does not cover the entire area sown in this crop during 1956-57. Past experience has shown that the area at the second estimate stage

forms roughly 75 percent of the area under the crop finally reported. The information given in this estimate antedates the re-organisation of the States.

FORWARD TRADING IN NON-FERROUS METALS

The Forward Markets Commission has examined the question of regulating futures trading in copper, zinc, lead and tin and has recommended that forward trading in these metals be permitted throughout India under Section 15 of the Forward Contracts (Regulation) Act, 1952. The Commission has further recommended that the Bombay Metal Exchange Limited, Bombay, granted be recognition for conducting futures trading in these metals throughout India for a period of three years, on the exchange carrying out modifications in its Articles of Association and bye-laws to the satisfaction of the Commission. The Government of India has considered the Commission's recommendations and has decided to give effect to them for a period of three years in the first instance. Recognition to the Bombay Metal Exchange Limited will be granted as soon as it has carried out the necessary modifications. The Government proposes to review the position after one year from the date of the grant of recognition in the light of the working of the forward market and other developments.

INCREASED PRODUCTION OF SUGAR

The production and despatches of sugar from indigenous factories amounted to 42,000 and 63,000 tons up to 15th November, in the current season, against 34,000 tons and 64,000 tons respectively, in the corresponding period of last year. The stocks with the factories on the same date stood at 503,000 tons, compared with 381,000 tons last year.

INSURANCE ON DURGAPUR STEEL WORKS

One of the largest contractors' all-risks insurances ever placed has just been arranged for the British project for the supply and erection of an integrated steelworks in Durgapur, West Bengal, according to agency reports. The insurance cover totals £100 million. The consortium (the Indian Steelworks Construction Co. Ltd.), jointly with the Government of India, has taken out this insurance, in which many British insurance companies, including Lloyd's, and Indian insurers are participating.

INVEST WISELY AND WELL

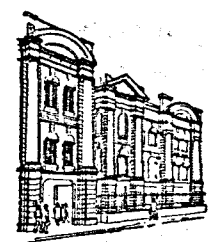
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METAL NEEDS PROTECTION

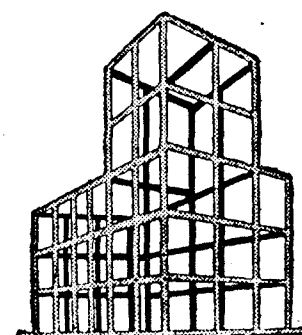
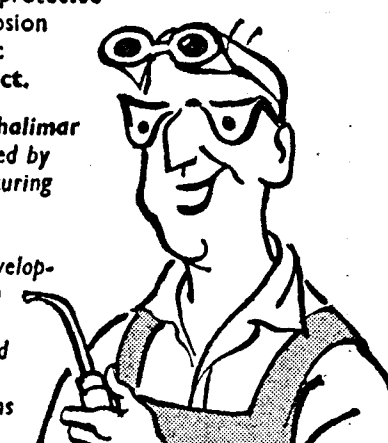
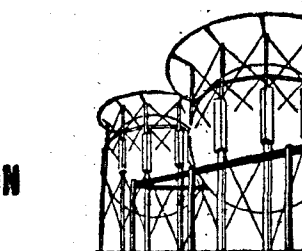
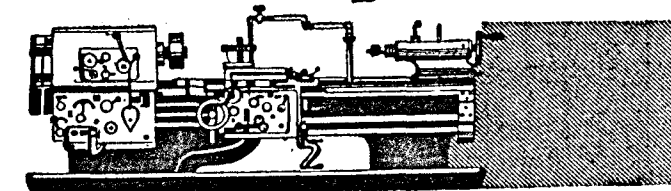
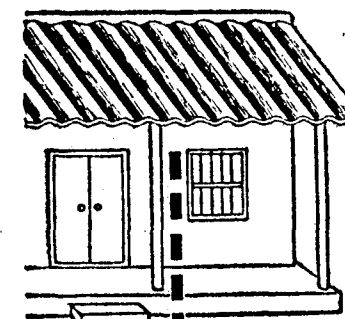
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"CAPITAL" STOCKS AND SHARES INDEX*

The Capital Stocks and Shares Index (Base: 1939) has now been brought up to October, 1956. Compared with September, the October index for Government securities shows a drop of 0.4 points, while that for preference shares indicates a rise of 0.2 points.

There were decreases in banks 0.3 points, cottons 7.0 points, coals 0.6 points, jutes 6.4 points, minings and oils 6.5 points, cements 5.6 points, engineering 19.5 points, papers 35.2 points, sugars 12.7 points and Miscellaneous 11.9 points, while teas increased by 14.3 points.

Combining all the factors, the Capital variable yield securities index shows that the index for stock prices in these classes of shares declined by 10.0 points during October, 1956.

	Weights.	Index of Govt Securities.	Index of Preference Shares	Variable-Yield Securities.											Combine Index.
				Banks	Cotton Mills	Coals	Jute Mills	Mining and Oil	Cement, Lime etc.	Eng. and Metal Works	Tea Shares.	Paper Mills.	Sugar Shares	Others	
				7	12	9	11	10	6	17	4	7	9	11	
1952.															
November	98.1	87.8	128.8	189.7	181.2	159.5	94.7	89.1	156.2	192.2	522.1	144.9	217.2	175.6	
December	98.1	87.4	131.4	188.5	175.1	150.0	92.2	89.6	159.3	166.7	517.5	139.5	216.2	173.2	
1953.															
January	98.0	86.4	131.9	188.9	167.5	144.0	105.4	88.9	162.6	179.1	517.5	133.5	223.9	176.0	
February	97.9	87.8	133.5	199.6	175.6	147.2	101.4	91.9	165.3	189.7	549.3	148.9	234.2	182.3	
March	98.2	86.4	136.7	204.1	184.8	144.6	96.8	92.1	165.3	196.0	569.2	155.9	224.4	183.1	
April	98.1	85.1	135.9	203.7	181.2	144.0	95.3	92.1	168.7	192.2	548.6	153.9	219.3	181.9	
May	98.1	86.4	136.7	208.7	183.2	148.0	99.6	94.3	173.4	179.1	569.2	164.1	222.9	186.3	
June	97.8	86.8	133.5	199.2	179.2	144.4	97.1	93.2	166.0	203.7	560.6	161.9	213.6	181.9	
July	97.6	88.6	135.1	199.2	172.6	140.4	90.7	90.9	164.6	192.6	550.6	161.2	213.1	178.7	
August	97.6	88.5	134.0	197.6	156.3	135.3	88.8	88.3	162.0	177.8	539.4	162.6	215.1	175.2	
September	97.7	88.6	131.7	192.6	160.3	132.1	97.1	89.3	160.9	204.1	547.3	169.9	216.3	177.1	
October	97.5	88.7	135.1	223.9	164.9	136.1	109.4	93.0	173.7	207.1	583.1	171.9	227.0	189.8	
November	96.1	88.7	134.0	201.7	167.5	144.4	112.5	97.5	180.0	247.4	628.1	171.9	230.1	193.4	
December	97.8	88.3	138.8	209.5	169.5	140.0	108.5	97.1	184.8	236.8	610.1	168.2	232.2	193.8	
1954.															
January	97.8	88.2	135.6	217.7	175.1	135.7	130.3	95.4	192.2	244.0	681.2	178.6	239.9	203.3	
February	97.8	88.0	132.7	228.1	176.6	142.0	148.8	92.8	205.3	242.7	713.0	181.6	254.9	212.4	
March	97.9	88.3	130.1	223.1	171.5	134.1	140.8	94.1	207.6	258.4	753.4	178.9	248.7	211.6	
April	97.8	87.6	134.8	222.7	176.6	136.9	134.9	92.4	221.8	261.4	781.2	183.9	255.9	216.8	
May	97.8	86.9	133.2	220.7	180.7	133.7	153.7	95.4	217.4	288.9	835.5	188.9	261.6	222.8	
June	98.0	90.7	128.0	238.4	199.5	148.4	171.5	103.3	244.6	314.4	862.7	192.5	289.6	239.8	
July	98.3	89.3	127.7	236.7	200.5	146.0	162.9	108.5	253.0	350.9	926.3	196.9	294.1	246.1	
August	98.2	92.6	126.7	238.4	215.3	158.3	179.2	115.4	266.4	379.7	1009.8	198.6	309.5	260.4	
September	97.9	90.0	129.1	240.8	203.1	163.8	183.8	118.0	270.1	381.0	987.3	206.3	309.0	262.0	
October	96.9	90.2	128.8	243.4	193.4	136.9	173.1	120.9	255.0	384.0	1012.5	205.3	299.7	253.2	
November	98.6	90.4	122.8	233.5	179.7	149.2	150.6	109.2	242.6	377.6	916.4	201.6	275.0	238.6	
December	97.8	90.0	122.8	217.7	185.8	155.1	159.2	107.7	248.3	371.7	936.3	207.0	279.1	242.5	
1955															
January	97.9	90.3	126.7	218.2	191.9	150.7	160.2	112.8	301.1	399.3	1019.7	205.3	286.3	259.6	
February	97.8	88.3	122.5	209.5	185.8	146.0	158.0	107.4	297.4	376.8	984.0	202.6	278.6	252.4	
March	97.8	89.0	120.7	214.0	189.9	153.1	157.7	112.4	309.5	392.1	1040.3	212.6	285.3	260.8	
April	97.9	89.2	121.2	216.1	199.5	152.7	148.2	114.3	304.1	373.8	1054.2	201.3	289.4	259.2	
May	98.0	89.0	119.1	215.7	192.9	146.4	152.5	112.4	302.7	347.1	1042.3	195.6	283.2	255.2	
June	98.1	89.8	118.8	224.3	202.6	150.3	179.8	113.9	315.5	391.2	1105.2	190.3	289.4	271.1	
July	98.2	87.7	112.8	249.1	211.7	150.3	204.1	121.0	322.9	378.9	1148.3	210.6	302.3	281.8	
August	98.0	87.8	124.1	241.3	214.3	156.3	231.8	126.8	351.1	366.2	1147.0	224.3	303.3	293.3	
September	98.1	87.7	119.9	242.5	206.1	149.6	222.3	120.4	336.0	354.7	1099.3	217.3	297.2	283.0	
October	98.3	87.1	120.1	257.8	203.1	142.8	225.0	130.3	363.9	353.0	1176.8	224.3	317.8	296.8	
November	98.1	87.7	125.4	278.0	222.4	147.6	219.2	136.3	375.0	349.2	1304.7	223.6	350.3	311.9	
December	98.3	87.1	131.9	261.5	216.8	140.0	234.2	131.1	356.5	291.1	1301.3	218.6	332.2	302.4	
1956															
January	98.3	88.4	129.9	245.8	218.4	136.0	225.9	124.4	334.3	292.8	1258.9	198.3	312.1	288.5	
February	98.3	86.4	122.0	246.6	206.7	132.9	217.0	120.6	331.6	286.4	1242.4	193.6	301.8	282.6	
March	97.9	86.2	123.3	277.1	207.7	119.8	229.0	124.1	355.5	331.8	1310.0	185.6	298.2	295.6	
April	98.0	86.7	123.5	275.1	202.1	115.8	226.9	124.2	345.4	321.2	1287.4	181.9	296.6	290.5	
May	98.2	85.6	127.7	274.7	206.1	121.8	228.4	136.1	356.2	324.2	1361.0	182.9	298.7	298.8	
June	98.2	86.9	125.4	261.9	202.6	117.0	233.3	127.5	325.9	337.7	1332.5	188.9	294.2	290.9	
July	97.9	86.0	128.3	283.7	201.1	112.7	226.6	124.9	330.0	313.6	1365.6	189.3	297.7	291.7	
August	98.0	84.5	134.0	295.7	204.1	119.4	212.4	128.5	337.3	303.8	1342.4	191.9	309.0	294.5	
September	97.4	83.6	132.5	277.1	206.7	121.0	230.0	130.7	331.3	294.9	1347.1	191.3	320.4	294.5	
October	97.0	83.8	132.2	270.1	206.1	114.6	223.5	125.1	311.8	309.7	1311.9	178.6	308.5	284.5	

Calcutta Markets

MIXED PRICE TREND AT TEA EXPORT SALE

DUST PRICES DECLINE

AT Sale No. 25, held on 10th and 12th December, offerings at the export auction consisted of 60,656 packages. The market opened with an easier tendency, but the demand improved as the Sale progressed. Doars and Assams with good cup quality and clean appearance were keenly competed for and were from 1 to 2 annas dearer, especially the Fannings grades. The poorer liquoring sorts on offer, however, were 1 anna easier and the higher priced medium B.O.P.s and O.F.s. were generally up to 2 annas easier. C.T.C. teas were in good demand at lower rates, a few selected invoices being fully firm, but the majority were 2 annas easier. Stylish Whole Leaf grades were a strong feature of the Sale and were up to 2 annas dearer, while well made B.P.s also received good support and were fully firm. A few selected lines of Darjeeling teas sold well, but the majority from this district were 2 annas to 4 annas easier and tippy teas also showed a decline of about 4 annas.

Quotations

	1956	1955
Clean Black Pekoe	Rs. 2 7 0	Rs. 2 4 0
Plain B.P.	2 4 0	1 9 0
Medium Assam B.P.	2 6 0	1 11 0 to 1 11 6
Best C.T.C. Assam B.P.	3 0 0	2 10 0 to 2 14 0

At the Internal Sale, Dust offerings consisted of 25,216 packages. There was a quieter tone in the room than in recent weeks. Demand eased as the Sale progressed, and the majority of the offerings sold at lower rates. The clean black exportable types received much less support and were often as much as 3 annas easier. The greater number of C.T.C. Assams on offer met with less demand and were up to 2½ annas easier, while the remainder including Commons, Doars and Orthodox Assams were 2 annas lower at the commencement of the Sale, but at the close were 2½ annas easier.

For the other grades offered amounting to 2,427 chests, there was a fairly good general demand at about 1 to 1½ annas below last rates.

Quotations

	1956	1955
Medium Doars Dust	Rs. 1 13 6 to 1 14 0	Rs. 1 6 6 to 1 7 0
Medium Assam Grainy Dust	1 14 6 to 1 15 0	1 7 6 to 1 8 0
Medium Assam CTC Dust	2 6 0	2 3 0 to 2 7 0
Best Assam CTC Dust	2 16 0 to 2 11 0	2 3 0 to 2 7 0

FREIGHT RATES CONTINUE TO RISE

THE American coal trade was again the market pointer last week, with \$(U.S.)16.75, i.e. 120s paid for December and January loading. Other markets moved up in sympathy, and Cuban sugar to the U.K. paid 220s which compares with 157s 6d paid only two weeks ago for the same business. Grain rates soared to 152s 6d for U.S. Gulf-U.K., \$(U.S.)34 Gulf-Karachi and 200s Pacific Coast-Bombay. Vizagapatnam-Northern Range was fixed at \$(U.S.)29 for ore and Koilthottam-Sayreville at \$(U.S.)26.50. Bulk sulphur was arranged from Port Sulphur to Cochin-Madras-Cuddalore and/or Calcutta at 250s. Fertilisers Antwerp-Colombo paid 200s f.i.o. The time charter section was firm with a 10,000 ton oil burner obtaining 70s for the trip out to Port Sudan with delivery the U.K. in December. In the sale and purchase market, an 11,000-ton coal burner sold in 1950 for £41,500, resold in 1952 for £202,000, has just changed hands again for the remarkable figure of £337,500.

SUGAR MARKET STEADY

During the week ended 12th December, sugar sales in the Calcutta market averaged 3,000 bags daily. Arrivals a day were 1,000 bags and stocks totalled 110,000 bags. Rates for ready sugar, ex-Kantapur delivery, were Rs. 31-6 for ordinary grain and Rs. 32-12 for big grain. The market was steady.

HIDES AND SKINS STEADY

The market in skins was steady. Stocks were higher than in the previous week.

Bazaar Sales

(Between 4th December and 10th December, 1956)

Cowhides: Wet salted (Ord.) 28,000 pcs. on the basis of annas 11-3; Wet salted (Ord.) 12,000 pcs. on the basis of Rs. 7-8 to Rs. 10; Wet salted (Slaughtered) 17,800 pcs. on the basis of Rs. 13-8 to Rs. 21.

Goatskins: Wet salted (Daissee, Killed) 49,600 pcs. on the basis of Rs. 260 to Rs. 275, Rs. 280 to Rs. 300 and Rs. 375 to Rs. 385; Purneah-Kissenganj 31,800 pcs. on the basis of Rs. 247-8 to Rs. 270; Muzafferpore-Patna 56,600 pcs. on the basis of Rs. 280 to Rs. 312-8; Muzafferpore (killed) 5,700 pcs. on the basis of Rs. 355.

Bazaar Stocks

(10th December, 1956)

Cowhides: Wet salted 2,24,000 pcs.
Goatskins: Wet salted (Daissee, Killed) 28,000 pcs.; Assam-Dinajpur-Murshidabad 49,000 pcs.; Muzafferpore-Pakur-Purneah-Kissenganj 441,000 pcs.

LINSEED STEADY

A slight reaction to the previous week's firm trend was observed early in the past week and values displayed a small decline; a general steadiness has since been in evidence, although trading has been only on a small scale. Ready goods were very scarce and buyers and sellers alike have been cautious. In the oil section, buyers were more reserved following a decline in overseas values. Local prices have been maintained by purchases for ready shipment by a leading Calcutta shipper. Latest quotations were as follows: November-December Rs. 26-2 a maund; April-May Rs. 22-4 a maund.

SHELLAC MARKET DULL

During the week ended 11th December, the market was dull. The range of quotations was as follows:

Pure Buttonlac	Rs. 125 buyers, 125 to 123 value.
Lemon No. 1 Shellac	Rs. 126-8 to 124 buyers.
Lemon No. 2 Shellac	Rs. 124 to 119 buyers.
F. O. Std. 1 Shellac	Rs. 120 to 116 buyers.
Pure TN Shellac	Rs. 116 basis done and buyers, 114, 112-8 buyers, 111 basis done and buyers.
4% I. T. N. Shellac	Rs. 107 to 102-8 buyers.
No. 1 Kusmi Seedlac	Rs. 114-8 to 111-8 value.
No. 2 Kusmi Seedlac	Rs. 111 buyers, 110 to 106-8 value.
Fine Bysaky Seedlac (Manbhum)	Rs. 105 buyers, 105 value, 104 to 100 buyers.
Fine Bysaky Seedlac (C.P.)	Rs. 101 buyers, 100-8 value, 101 to 95 buyers.
Ordinary Bysaky Seedlac (C.P.) under 5%	Rs. 90 to 82-8 buyers.
Ordinary Bysaky Seedlac (C.P.)	Rs. 85-8 to 78 buyers.
Kireelac	Rs. 36-8 to 36 buyers.

Shipments during December until the 7th were 4,736 packages comprising shellac 3,671 packages, seedlac 345 packages, buttonlac 228 packages and others 492 packages.

THE INDIAN BANK LTD.

(ESTABLISHED 1907)

Head Office: North Beach Road, MADRAS. 1

Branches throughout South India. In Bombay, Calcutta, New Delhi, Colombo, Singapore, F.R.S. & 6 Local Offices

CAPITAL	
AUTHORISED	Rs. 1,00,00,000
SUBSCRIBED	Rs. 72,00,000
PAID-UP	Rs. 62,02,615
RESERVE & OTHER FUNDS	Rs. 79,75,000
DEPOSITS (30-6-56)	Rs. 32.08 Crores

COMPANY AND PUBLIC NOTICES

DEJOO VALLEY COMPANY, LIMITED.

NOTICE is hereby given that the 49th Annual General Meeting of the Shareholders of Dejo Valley Company, Limited, will be held at McLeod House, No. 3, Netaji Subhas Road, Calcutta, the Registered Office of the Company, on Thursday, the 10th January, 1957, at 4-00 P.M., for the following purposes:—

1. To consider the Profit and Loss Account for the year ended the 31st December, 1955, and the Balance Sheet as at that date, and the Reports of the Directors and the Auditors.
2. To declare a Dividend.
3. To appoint a Director in place of Mr. O. N. Goenka who retires by rotation and who, being eligible, offers himself for re-appointment.
4. To appoint Auditors for the year ending 31st December, 1956, and to fix their remuneration.

The Share Transfer Books of the Company will be closed from 24th December, 1956 to 10th January, 1957, both days inclusive.

By Order of the Board,
McLEOD & CO. LTD.,
A. T. DOIG,
Managing Director,
Managing Agents.

3, Netaji Subhas Road,
Calcutta, 10th December, 1956.

NOTE: 1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member.

2. Payment of the proposed Dividend, if declared, will be made on or after 17th January, 1957, only to those members whose names are registered in the Books of the Company on the 10th January, 1957, or to their Mandatees.

No application for Warrants will be necessary. Claims on behalf of holders of Shares on blank transfer will not be entertained.

THE SALEM-ERODE ELECTRICITY DISTRIBUTION COMPANY LIMITED.

NOTICE is hereby given that the Preference Share Register of the Company will be closed from 22nd December, 1956 to 29th December, 1956, both days inclusive.

A dividend at the rate of 6½% per annum free of income-tax on the Preference share capital of the Company for the half-year ended 31st December, 1956 has been declared payable on 2nd January, 1957.

OCTAVIUS STEEL & CO. LTD.,
Managing Agents.

Calcutta, 10th December, 1956.

THE TINNEVELLY-TUTICORIN ELECTRIC SUPPLY CO. LTD.

THE Directors have decided to recommend to the forthcoming Annual General Meeting of the Shareholders a dividend at the rate of 10% on Ordinary Shares, for the year ended 31st March, 1956 payable without deduction for income-tax payable by the Company.

OCTAVIUS STEEL & CO. LTD.,
Managing Agents.

Calcutta, 5th December, 1956.

The Central Bank of India, Ltd.

(Incorporated in India. Liability of Members is Limited.)
(Established—December, 1911.)
Head Office—MAHATMA GANDHI ROAD, FORT, BOMBAY-1.

Authorised Capital	Rs. 6,30,00,000
Issued Capital	Rs. 5,77,50,000
Subscribed Capital	Rs. 5,76,66,125
Paid-up Capital	Rs. 3,14,54,250
Reserve Fund and other Reserves	Rs. 4,01,81,217
Deposits as at 31-12-55	Rs. 1,28,96,40,383

DIRECTORS:

Sir Homi Mody, K.C.S.I. (Chairman), Cooverji Hormusji Ghosh, Esqr. (Vice-Chairman), Dushave B. Komer, Esqr., Dharamsey Mulraj Khatau, Esqr., Manmohandas Madhavdas Amarsey, Esqr., C. P. Wadia, Esqr., Chimanlal B. Patil, Esqr., Framrose J. Ganiy, Esqr., Sir Jamsetjee Jejeebhoy, Bart., His Highness, Sir Jivrajji Madhavrao Seindhia, G.C.S.I., G.C.I.E., Maharaja of Gwalior, Mr. N. K. Karanjia, General Manager.

Branches and pay offices throughout India, Pakistan, Burma and in London.
London Branch—15, Fenchurch Street, London, E.C.3.
New York Branch—The Guaranty Trust Co. of New York, The Chase Manhattan Bank.
Banking Business of every description transacted on terms which may be ascertained on application.

LOCAL BRANCHES:

Calcutta—33, Netaji Subhas Road—Ballygunj—200/2C, Rash Behari Avenue, Barrabazar—71, Cross Street, Dhowani—3A, Russa Road—Hatkola—10, Sovla Bazar, Street, New Market—10, Lindsay Street, Shambazar—133, Cornwallis Street, Howrah—18-A, Grand Trunk Road.
Branches in West Bengal—Asansol, Bankura, Burdwan, Jalpaiguri, Kalimpong, Puri, Rajganj and Siliguri.
Branches in East Pakistan—Chittagong, Dacca, Dinajpur, Khatusang, Mirakim, Mymensingh, Narayan-ganj, Rangpur.
Branches in Orissa—Sambalpur.

THE CHUNDEECHERRA TEA COMPANY, LIMITED.

THE Annual Ordinary General Meeting of the Shareholders will be held at the Registered Office of the Company, No. 14, Old Court House Street, Calcutta, on Saturday, the 29th day of December, 1956, at 12-15 p.m. for the following purposes:—

- (1) To receive and adopt the Directors' Report and the audited Accounts for the year ended 31st December, 1955.
- (2) To elect a Director in place of the retiring Director.
- (3) To elect Auditors for the ensuing year, and to fix their remuneration.

And as Special Business:—

- (4) To consider and if thought fit to pass the following resolution, namely:—

"That the Books, Registers and other documents required to be kept by the Company and referred to in Sections 49, 144, 163, 196, 301, 304, 307 and 372 of the Companies Act, 1956, shall be available for inspection at the Registered Office of the Company, by the persons respectively referred to in those Sections as being entitled to inspection, between the hours of 10 a.m. and 12 noon on each business day, upon twenty-four hours' written notice of intention to inspect, such notice indicating what books, documents and registers are intended to be inspected."

The Share Transfer Book of the Company will be closed from 22nd December, 1956 to 29th December, 1956, both days inclusive.

OCTAVIUS STEEL & CO. LTD.,
A. H. GALLOWAY,
Managing Director,
Managing Agents.

Calcutta, 7th December, 1956.

NOTE:—

A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and, on a poll, to vote instead of himself and the proxy need not be a member.

EXPLANATORY STATEMENT

With reference to the resolution relating to inspection of Books, Registers and other documents referred to in the accompanying notice, the Companies Act, 1956 provides that the Company may impose reasonable restrictions on such inspection but so that not less than two hours in each day are allowed for inspection, and the resolution is being moved in order to comply accordingly with the Act.

THE LOOBAN CO. LIMITED

THE Annual Ordinary General Meeting of the Shareholders will be held at the Registered Office of the Company, No. 14, Old Court House Street, Calcutta, on Saturday, the 29th day of December, 1956, at 12-15 p.m. for the following purposes:—

- (1) To receive and adopt the Directors' Report and the audited Accounts for the year ended 31st December, 1955.
- (2) To elect a Director in place of the retiring Director.
- (3) To elect Auditors for the ensuing year, and to fix their remuneration.

And as special business:—

- (4) To consider and if thought fit to pass the following resolution, namely:—

"That the Books, Registers and other documents required to be kept by the Company and referred to in Sections 49, 144, 163, 196, 301, 304, 307 and 372 of the Companies Act, 1956, shall be available for inspection at the Registered Office of the Company, by the persons respectively referred to in those Sections as being entitled to inspection, between the hours of 10 a.m. and 12 noon on each business day, upon twenty-four hours' written notice of intention to inspect, such notice indicating what books, documents and registers are intended to be inspected."

The Share Transfer Book of the Company will be closed from 22nd December, 1956 to 29th December, 1956, both days inclusive.

OCTAVIUS STEEL & CO. LTD.,
A. H. GALLOWAY,
Managing Director,
Managing Agents.

Calcutta, 7th December, 1956.

NOTE:—

A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and, on a poll, to vote instead of himself and the proxy need not be a member.

EXPLANATORY STATEMENT

With reference to the resolution relating to inspection of Books, Registers and other documents, referred to in the accompanying notice, the Companies Act, 1956, provides that the Company may impose reasonable restrictions on such inspection but so that not less than two hours in each day are allowed for inspection, and the resolution is being moved in order to comply accordingly with the Act.

THE INDIAN IRON & STEEL CO., LTD.

AT the adjourned Annual General Meeting of the Indian Iron & Steel Co., Ltd., held on Friday, the 7th December, 1956, the following resolution was passed:

"That a dividend of Re. 1/- per share without deduction of Income Tax be declared in respect of each of the Company's 51,83,708 Ordinary shares of Rs. 10/- each and that such dividend (other than that retained by the Company under the agreement dated 6th December, 1952, relative to the shares held on Investment Realisation A/c.) be paid on or after the 17th December, 1956, to Ordinary shareholders whose names appear on the Company's Register on the 30th day of November, 1956, or to their mandatees."

The Shareholders added a rider to the above resolution that they wish to place on record that they passed the dividend resolution under protest and without prejudice, to their case to be put forward by a representative deputation of shareholders which will shortly present itself to Government in Delhi for the purpose of fully explaining their views.

THE INDIAN IRON & STEEL CO., LTD.,

MARTIN BURN LTD.,
A. G. GIDLEY,
Secretary,
Managing Agents.

STATE BANK OF INDIA.

NOTICE

NOTICE is hereby given that the Principal Register and the Branch Registers of the State Bank of India will be closed for transfer of shares from Wednesday, the 2nd January, 1957 to Saturday, the 26th January, 1957, both days inclusive.

B. P. PATEL,
Managing Director.

Bombay, the 5th December, 1956.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	Hour I.S.T.
Jubbulpore Electric Supply Co. Ltd.	13-12-56	11 a.m.
Hasimara Tea Co. Ltd.	14-12-56	12-15 p.m.
Octavius Steel & Co. Ltd.	14-12-56	Noon.
Amluckie Tea Co. Ltd.	15-12-56	10-30 a.m.
Duncan Brothers & Co. Ltd.	15-12-56	11 a.m.
Titagarh Paper Mills Co. Ltd.	19-12-56	3 p.m.
Indian Cable Co. Ltd.	21-12-56	11 a.m.
Mozufferpore Electric Supply Co. Ltd.	21-12-56	11 a.m.
Grob Tea Co. Ltd.	21-12-56	3 p.m.
Krishnabehari Tea Co. Ltd.	21-12-56	3 p.m.
Kingsley Golaghat Assam Tea Co. Ltd.	22-12-56	1 p.m.
McLeod & Co. Ltd.	24-12-56	4 p.m.
Agre Electric Supply Co. Ltd.	26-12-56	11 a.m.
Bor Pukhuri Tea Co. Ltd.	27-12-56	11 a.m.
Gohpur Tea Co. Ltd.	27-12-56	11-15 a.m.
Calcutta Steam Navigation Co. Ltd.	27-12-56	11-30 a.m.
Dimakusi Tea Co. Ltd.	27-12-56	11-30 a.m.
Seajuli Tea Co. Ltd.	27-12-56	11-45 a.m.
Chamong Tea Co. Ltd.	27-12-56	Noon.
Union Coal Co. Ltd.	27-12-56	12-15 p.m.
Tukvar Co. Ltd. (Tea)	27-12-56	12-30 p.m.
Bisra Stone Lime Co. Ltd.	28-12-56	10-30 a.m.
Dufflaghur Tea Co. Ltd.	28-12-56	11 a.m.
Lingia Tea Co. Ltd.	28-12-56	11-15 a.m.
Soom Tea Co. Ltd.	28-12-56	11-30 a.m.
Nagri Farm Tea Co. Ltd.	28-12-56	11-45 a.m.
Anglo-India Jute Mills Co. Ltd.	28-12-56	Noon.
Nilpur Tea Co. Ltd.	28-12-56	Noon.
East India Tea Co. Ltd.	28-12-56	12-15 p.m.
Bishnuth Tea Co. Ltd.	28-12-56	12-30 p.m.
Salem-Erode Electricity Distribution Co. Ltd.	28-12-56	3-10 p.m.
Tinnevely-Tuticorin Electric Supply Co. Ltd.	28-12-56	3-25 p.m.
Patna Electric Supply Co. Ltd.	28-12-56	3-40 p.m.
Hindusthan Housing & Land Development Trust, Ltd.	28-12-56	4 p.m.
National Rolling & Steel Ropes Ltd.	29-12-56	11 a.m.
East Indian Coal Co. Ltd.	29-12-56	11 a.m.
Upper Jumna Valley Electricity Supply Co. Ltd.	29-12-56	11 a.m.
National Insulated Cable Co. of India Ltd.	29-12-56	11-30 a.m.
Kaliti Tea Co. Ltd.	29-12-56	Noon.
Looban Co. Ltd. (Tea)	29-12-56	12-15 p.m.
Chundeecherra Tea Co. Ltd.	29-12-56	12-15 p.m.
Calcutta Silk Mfg. Co. Ltd.	29-12-56	1 p.m.
Dejoo Valley Co. Ltd. (Tea)	10-1-57	4 a.m.
Rajahbhat Tea Co. Ltd.	10-1-57	4-10 p.m.

DIVIDENDS DECLARED OR PROPOSED—Chamong

Tea Co. Ltd.—Nil; Bore Pukhuri Tea Co. Ltd.—10 p.c.; Tukvar Co. Ltd.—Nil; Lingia Tea Co. Ltd.—15 p.c. (f); Hooghly Mills Co. Ltd.—Nil; Patrakola Tea Co. Ltd.—35 p.c. (o); Dauracherra Tea Co. Ltd.—20 p.c.; Telapara Tea Co. Ltd.—25 p.c.; Midnapore Zemindary Co. Ltd.—Nil; East India Coal Co. Ltd.—Rs. 1-12 per share (d); Indian Wood Products Co. Ltd.—10 p.c. (Int.); Agarpara Co. Ltd.—2½ p.c. (o); Blue Mountain Estates, Ltd.—15 p.c. (o); Kothari Textiles, Ltd.—10 p.c. (o); Waterfall Estates, Ltd.—15 p.c. (o); Tata Locomotive and Engineering Co. Ltd.—6 p.c. (o); Central Hydraulic Press Co. Ltd.—10 p.c. (o); Patna Electric Supply Co. Ltd.—7½ p.c.; Indian Iron & Steel Co. Ltd.—Re. 1 per share (o).

O.—Ordinary Dividend.	Int.—Interim Dividend.
P.—Preference Dividend.	I.—Less Income Tax.
P.O.—Preferred Ordinary Dividend.	F.—Final Dividend.
D.—Deferred Dividend.	Cm.—Cumulative.
f—Less Tax at 85 00 in the &	

THE CALCUTTA SILK MANUFACTURING COMPANY LIMITED.

NOTICE is hereby given that the 37th Ordinary General Meeting of the Shareholders of THE CALCUTTA SILK MANUFACTURING COMPANY LTD., will be held at the Registered Office of the Company, 37, Vivekanand Road, Calcutta-7, at 1 P.M. on Saturday, the 29th day of December, 1956 for the purpose of receiving the Directors' Report, passing the Audited Accounts for the year ended 31st March 1956, and for transacting any other Ordinary Business of the Company.

The Share Transfer Register of the Company will be closed from the 22nd day of December, 1956 to 29th day of December, 1956, both days inclusive.

By Order of the Board,

KEDAR NATH PODDAR,
Managing Agents.

37, Vivekanand Road,
Calcutta, 7th December, 1956.

NOTE:—A member entitled to attend and vote is entitled to appoint a Proxy to attend and vote instead of himself and that a Proxy need not be a member of the Company.

THE TINNEVELLY-TUTICORIN ELECTRIC SUPPLY COMPANY LIMITED

NOTICE is hereby given that the Preference Share Register of the Company will be closed from 22nd December, 1956 to 29th December, 1956, both days inclusive.

A dividend at the rate of 6½% per annum free of income-tax on the Preference share capital of the Company for the half-year ended 31st December, 1956 has been declared payable on 2nd January, 1957.

OCTAVIUS STEEL & CO. LTD.,
Managing Agents.

Calcutta, 10th December, 1956.

THE PATNA ELECTRIC SUPPLY CO. LTD.

THE Directors have decided to recommend to the forthcoming Annual General Meeting of the Shareholders a dividend at the rate of 7½% for the year ended 31st December, 1955 payable without deduction for income-tax paid by the Company.

OCTAVIUS STEEL & CO. LTD.,
Managing Agents.

Calcutta, 5th December, 1956.

RESIDENTIAL, OFFICE &

FACTORY BUILDINGS:

ROPEWAY TRESTLES &

STATIONS: BUCKETS &

HANGERS: BUNKERS:

CONVEYORS & TOWERS:

FOOT OVER-BRIDGES:

TEA GARDEN STRUCTURES:

PIT HEAD FRAMES, ETC...

LIGHT AND MEDIUM STRUCTURAL STEEL WORK

STRUCTURAL DEPARTMENT

MARTIN BURN LTD

12 MISSION ROW CALCUTTA 1

BRANCHES

BOMBAY NEW DELHI KANPUR

MSDX 2

JOINT STOCK COMPANIES PREFERENCE SHARES

Dividends are cumulative and shares carry a preferential claim on the property for the payment of capital and on the profits for dividend except in case of companies marked otherwise. Months against names of companies indicate approximately times of payment of dividends.

Year of Issue	NAMES	Amount Issued in 000's	Rate per cent	Paid-up per Share	Market Quotations 12-12-56	A year ago	Year of Issue	NAMES	Amount Issued in 000's	Rate per cent	Paid-up per Share	Market Quotations 12-12-56	A year ago
		Rs.		Rs.	Rs.	Rs.			Rs.		Rs.	Rs.	Rs.
BANK.													
1901	Allahabad Bank (May Nov.)	15.00	6	100	113	135	1920	Birds' Investments (Dec.)	24.00	5 1/2	100	76 1/2	80
COAL.													
1905	Bengal Nagpur (Feb. Aug.)	11.25	7	100	105	118	1918	Bombay Steam Navigation (July)	15.00	6 1/2	250	15 1/2	15
1896-97	Borra (June Dec.)	4.00	6 1/2	100	103	103	1920	Britannia Biscuit (Feb. Aug.)	15.00	6 1/2	10	15 1/2	15
1901-20	Burakur (June Dec.)	22.90	7	100	114 1/2	127	1920	British Ceylon Corporation (Apr. Mar.)	1.50	6	5	9 1/2	11 1/2
1904	Burakur (June Dec.)	4.50	6 1/2	10	8 1/2	8 1/2	1920	British India Corporation (Feb.)	81.00	9	100	121	138
1895	Equitable (May Nov.)	4.00	6	100	104	117	1909-11	Burn Eng (1st & 2nd) (Feb. Aug.)	13.00	7	100	123	141
1931	Khas Kaira (Mar. Sept.)	1.93	5	10	5	2	1937	Calcutta Electric Supply (Mar. Sept.)	15.00	6	100	112	124
1920	New Beerhoom (Jan. July)	2.00	7	10	12	13 1/2	1938	Calcutta Silk Manufacturing (July Jan.)	2.00	6	100	55	60
1898-99	Ondal (June Dec.)	2.00	6 1/2	100	110	115	1938	Calcutta Tramways (Jan. July)	2.50	5 1/2	10	8 1/2	8 1/2
COTTON MILLS.													
1906	Ahmedabad Advance (Apr. Oct.)	10.00	5	100	110	110	1905-24	Carew & Co (January)	8.00	8 1/2	100	127	106
1894	Bangalore (Jan. July)	6.00	6	100	125	128 1/2	1946	Cawnpore Sugar Works (Feb. Aug.)	10.00	8	100	143	143
1938	Basanti (Oct.)	5.00	6 1/2	10	8	8	1940	Chandien Mica Industries Ltd.	30.00	5 1/2	100	57 1/2	57 1/2
1896	Bengal Nagpur (Apr. Oct.)	3.00	7	100	99	116	1937	Dacca Electric Supply (July)	6.00	6	100	99	101
1900	Bowreah "A" (Apr. Oct.)	6.00	8	100	140	135	1937	Dalmia Cement (Bharat)	2.372	6	40	39 1/2	36 1/2
1919	Bowreah "B" (1) (Apr. Oct.)	6.00	8	100	140	135	1945	Delhi Flour Mills (Oct.)	90	7 1/2	100	133	133
1919	Bowreah "B" (2) (Apr. Oct.)	6.00	8	100	140	135	1916	Deshwarah Power Supply "A" (Jan.)	16.00	5	100	102	107
1919	Bowreah "B" (3) (Apr. Oct.)	6.00	8	100	140	135	1938	Deshwarah Power Supply "B" (Jan.)	12.00	4 1/2	100	97	97 1/2
1919	Bowreah "B" (4) (Apr. Oct.)	6.00	8	100	140	135	1940	Duncan Brothers & Co. Ltd.	45.00	4	100	60	60
1919	Bowreah "B" (5) (Apr. Oct.)	6.00	8	100	140	135	1940	Dunlop Rubber "First" (Jan. July)	30.00	6	100	124	126
1919	Bowreah "B" (6) (Apr. Oct.)	6.00	8	100	140	135	1926	Dunlop Rubber "Second" (Apr.)	40.00	6 1/2	100	93 1/2	72
1919	Bowreah "B" (7) (Apr. Oct.)	6.00	8	100	140	135	1928-29	East India Distilleries (Jan. July)	2.00	7	100	17 1/2	17 1/2
1919	Bowreah "B" (8) (Apr. Oct.)	6.00	8	100	140	135	1897	Eastern Investments Ltd (Apr.)	2.50	5 1/2	100	...	...
1919	Bowreah "B" (9) (Apr. Oct.)	6.00	8	100	140	135	1928	General Investment & Trust (Feb. Aug.)	1.00	5	100	75	77 1/2
1919	Bowreah "B" (10) (Apr. Oct.)	6.00	8	100	140	135	1947	General Investment & Trust (Feb. Aug.)	1.00	5	100	75	77 1/2
1919	Bowreah "B" (11) (Apr. Oct.)	6.00	8	100	140	135	1946	Gilanders Arbuthnot (Apr. Oct.)	2.50	5 1/2	100	69 1/2	72 1/2
1919	Bowreah "B" (12) (Apr. Oct.)	6.00	8	100	140	135	1948	Gladstone Lyall & Co. Ltd.	15.00	6 1/2	100	66	66
1919	Bowreah "B" (13) (Apr. Oct.)	6.00	8	100	140	135	1948	Godfrey Phillips India Ltd.	30.00	5 1/2	100	68 1/2	72 1/2
1919	Bowreah "B" (14) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Redeemable) (Dec.)	6.75	7	100	68	66
1919	Bowreah "B" (15) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (16) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (17) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (18) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (19) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (20) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (21) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (22) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (23) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (24) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (25) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (26) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (27) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (28) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (29) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (30) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (31) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (32) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (33) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (34) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (35) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (36) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (37) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (38) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (39) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (40) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (41) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (42) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (43) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (44) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (45) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (46) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (47) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (48) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (49) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (50) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (51) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (52) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (53) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (54) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (55) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (56) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (57) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (58) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (59) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (60) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (61) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (62) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (63) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (64) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (65) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (66) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (67) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (68) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (69) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (70) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1919	Bowreah "B" (71) (Apr. Oct.)	6.00	8	100	140	135	1946	Gwalior Sugar (Dec.)	5.00	7	100	68	65

COAL COMPANIES

O. P. F. and Dd. indicate Ordinary Preferred Ordinary Founders' and Deferred shares respectively. P. next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	12-12-56	5-12-56	A year ago
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954 1955 1956	Rs.	Rs.	Rs.	Rs.	Rs.
25,50,000	26,43,478	24,50,000	6,60,570	Amalgamated	3-9	236	6,83,393	28,953	31-5 61-71	10	21	21	26	26
1,00,00,000	1,96,15,288	1,40,49,223	18,85,659	Bengal P	4-10	2	26,18,986	7,31,563	71-71 81-81	200	450	458	581	581
4,49,350	3,08,193	70,000	2,24,303	Bengal Bhaldee	6-12	2	15,149	4,951	11-11	10	6	6	6	6
2,25,000	2,48,198	5,30,654	3,64,478	Bengal Nagpur P	6-12	2	50,568	1,07,984	Nil-Nil Nil-Nil	10	16	16	12	12
15,97,000	14,16,665	6,91,475	13,32,071	Bhalkorah	9	152	8,13,899	39,978	...	10	6	6	6	6
40,00,000	68,01,474	20,23,257	32,65,320	Bharat Collieries P	9	335	2,52,221	27,433	...	10	6	6	6	6
7,15,000	15,63,201	14,29,045	68,704	Bharatbarree	6-12	106	1,21,936	79,196	Nil-Nil Nil-Nil	10	14	14	14	14
38,37,275	16,18,638	7,189	11,60,066	Bokare & Ramgur	6-12	815	2,14,682	84,207	10-10 10-10	10	24	24	24	24
7,30,000	18,56,889	24,29,026	11,60,066	Borra P	6-12	106	1,21,936	79,196	...	10	14	14	14	14
90,92,480	2,38,29,968	1,75,17,502	25,32,133	Burrakur P	6-12	21	11,90,330	1,15,376	21-31 31-31	10	21	21	20	20
49,97,000	34,53,430	750	3,65,960	Central India	3	166	2,45,758	9,927	21 21	5	10	6	6	6
16,07,573	13,30,512	1,43,676	7,32,536	Central Kurkud P	6-12	223	34,743	82,768	...	10	12	12	10	10
6,00,000	24,00,428	Nil	50,309	Churulia	6-12	106	1,21,936	79,196	...	10	14	14	14	14
10,00,000	24,00,428	Nil	50,309	Dhemp Main	6-12	19	60,039	1,31,318	Nil-Nil Nil-Nil	10	7	7	7	7
2,24,000	1,15,25,712	83,59,049	24,17,090	East Indian	6-12	128	2,137,640	259,767	131 221	21	31	31	31	31
29,63,760	6,74,708	3,32,977	4,93,444	Equitable P	6-12	19	8,87,453	82,379	71-71 71-71	10	26	26	26	26
10,00,000	5,06,856	3,15,558	7,32,425	Ghusick & Muslia	6-12	20	24,150	2,401	...	10	15	15	16	16
6,50,000	3,17,780	5,68,618	1,407	Jardar Kajora	6-12	20	24,150	2,401	...	10	15	15	16	16
8,00,000	6,31,200	5,68,618	1,407	Hurridadi	6-12	19	2,70,524	45,985	71-10 121-121	10	21	21	25	25
3,50,000	3,17,780	5,68,618	1,407	Kalapanari	6-12	2	1,56,130	2,21,237	Nil-Nil Nil-Nil	10	20	20	20	20
15,00,000	3,17,936	24,32,396	25,61,314	Karapura Development	6-12	21	49,116	17,839	Nil-Nil Nil-10	100	17	17	22	22
20,00,000	24,09,896	1,77,175	26,967	Karapura Collieries P	1-7	21	2,26,982	6,965	Nil-10 21	5	100	119	164	164
5,00,000	10,29,548	16,60,000	11,25,332	Katras Jheriab	6-12	326	5,92,347	1,33,475	28-28 25-30	10	63	63	66	66
1,38,400	6,75,000	95,000	11,80,294	Khas Kajora P	6-12	326	49,776	1,918	...	10	91	91	94	94
5,65,750	10,84,977	85,000	10,14,303	Mundulpur	6-12	326	79,868	79,868	Nil-5 5	10	21	21	21	21
7,48,240	3,46,939	2,00,000	10,14,303	Nazira	6-12	347	92,517	31,201	...	10	61	61	7	7
7,00,000	5,13,918	26,617	61,641	New Bansdeopur	3-9	8	59,011	6,071	31-71 71-71	10	10	10	10	10
17,76,230	31,15,787	20,01,763	3,78,536	New Beerboom P	4-10	2	2,64,716	94,383	31-31 31-31	10	16	16	23	23
6,00,000	11,71,607	75,000	40,447	New Manbhum	3-9	202	25,330	2,233	Nil-Nil Nil-Nil	10	11	11	13	13
2,50,000	7,69,623	1,75,500	10,12,916	North Damuda	1-7	306	7,954	32,184	...	10	21	21	21	21
1,57,500	4,42,488	2,85,193	1,53,246	North West	3-9	2	51,420	15,950	Nil-Nil 61 71	10	19	19	22	22
1,57,500	1,20,000	12,19,987	23,26,757	Ondal P	6-12	106	22,197	56,646	5-5 5-5	10	15	15	18	18
8,34,000	9,21,342	10,862	13,60,015	Paras P	6-12	207	1,08,072	4,018	31-31 31-31	10	14	14	15	15
15,75,000	12,40,000	16,30,000	12,21,654	Pench Valley	6-12	2	4,18,450	12,343	81-71 71-71	10	18	18	26	26
2,50,000	2,62,405	7,500	11,339	Pure Sitalpur	6-12	5	2,008	18,881	...	10	6	6	6	6
23,99,500	37,59,038	19,17,105	39,198	Raneegunge	3-9	79	1,83,814	15,846	21-21 21-31	10	6	6	6	6
13,50,000	7,98,001	9,28,385	14,29,643	Rewa	6-12	236	4,96,775	26,029	71-61 81-121	10	23	23	22	22
20,00,000	23,74,261	7,52,021	1,01,427	Samia	12	48	1,80,660	31,543	71 71	10	14	14	15	15
2,50,000	1,56,194	1,34,374	1,35,566	Seemole	1	352	88,009	11,078	21 30	15	21	5	16	16
2,80,000	1,02,193	8,28,598	7,87,728	Seepore P	6-12	106	2,42,112	49,299	142/-14/- 17/-1/-	10	7	29	29	30
8,00,000	23,624	5,29,306	6,32,757	Sendra	6-12	106	2,42,112	49,299	11-11 11-11	10	9	9	11	11
17,50,000	22,81,985	10,75,016	63,654	South Karapura	2-8	21	59,079	51,533	Nil-11 11-11	10	10	10	13	13
8,00,000	1,43,000	13,69,395	21,89,890	Standard	6-12	106	47,444	17,347	71-71 5-5	10	23	23	20	20
10,00,000	15,58,085	15,075	1,910	Talcher	9	277	22,689	3,85,056	Nil-5 21	21	21	21	4	4
3,50,000	4,66,000	3,53,000	8,176	Union	6-12	279	4,033	44,167	5-21 21	10	14	14	15	15
49,98,000	33,66,550	50,000	2,17,164	Western Bengal	6-12	106	4,09,468	2,262	31 31	10	6	6	7	7
7,00,000	32,65,173	21,569	61,480	West Jamuria	6-12	19	2,72,772	1,45,650	Nil-Nil Nil-Nil	10	11	11	15	15

N = Nominal

COTTON MILLS

Paid-up Capital Ordinary	Number of		Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	Spindles	Looms									Rs.	Rs.	Rs.		1953	1954	1955
Rs.			Rs.	Rs.	Rs.				Rs.	Rs.				Rs.	Rs.	Rs.	Rs.
15,00,000	14,108	356	14,62,919	1,73,478	11,90,008	Basanti P	12	49	1,97,268	41,227	21	10	61	61	51	51	51
32,72,340	22,197	505	27,69,676	23,18,919	24,351	Benares P	3-9	120	1,27,187	4,79,347	..	10	11	11	1	1	1
7,11,280	36,000	932	17,17,120	2,20,369	30,842	Bengal Luxmi	3	27	3,66,176	47,818	..	10	40	40	40	38	38
17,00,000	31,476	624	23,53,000	15,50,000	3,84,224	Bengal Nagpur P	5-12	236	5,23,389	18,199	21-Nil	Nil	10	93	93	11	11
15,00,000	38,764	992	31,35,500	1,09,84,251	21,32,642	Birla Cotton	3	42	5,23,382	4,25,221	30	30	10	30	30	30	385
6,00,000	42,872	841	37,54,142	22,72,588	1,44,348	Bowree P	6-12	138	84,028	23,47,372	Nil-Nil	Nil-Nil	30	100	139	139	95
30,00,000	32,000	510	8,43,453	29,51,420	1,00,393	Cawnpore Textiles	3	25	6,73,253	36,767	11	10	Nil-5	100	81	81	101
1,27,02,900	1,01,808	2,762	9,94,63,168	2,74,48,393	2,84,83,803	Delhi Cloth & Genl. P.	6	238	1,81,41,278	82,759	9	9	5	25	401	401	37
1,00,563	42,944	518	34,12,181	25,71,925	1,53,894	Dunbar	6-12	138	9,92,376	1,37,951	Nil-Nil	Nil-Nil	Nil-21	100	205	248	321
36,00,000	54,000	1,200	22,44,751	68,33,360	43,06,583	Elgin P	9	25	32,80,464	93,386	15	10	10	20	27	27	26
1,20,00,000	59,250	1,872	2,38,99,575	1,60,53,952	47,29,289	Kesoram P	3	22	37,41,719	2,45,435	11	81	81	20	16	16	18
33,96,288	35,864	864	17,48,143	9,75,679	74,08,655	Mohini P	12	45	9,53,316	5,158	..	..	..	10	..	..	..
30,00,000	88,000	1,825	47,44,546	52,19,601	32,65,058	Muir P	12	208	18,77,941	7,77,290	..	..	..	100	85	85	118
22,89,882	78,848	1,367	43,25,577	26,00,968	1,45,701	New Victoria P	12	237	18,83,371	13,76,473	Nil	..	210	11	11	21	21
3,07,095	18,948	1,367	43,25,577	26,00,968	1,45,701	New Victoria P	12	237	18,83,371	13,76,473	Nil	..	210	11	11	21	21
19,47,150	23,196	795	22,57,946	18,38,739	2,02,179	Rampooria Cotton	6	4	616,936	1,094	..	61	10	10	153	153	14
5,00,000	1,14,836	2,077	2,83,77,688	2,65,04,931	32,30,412	Swadeshi (Cawnpore) P	12	333	43,18,838	7,09,026	Nil	Nil	34	1	21	21	101
1,57,50,000	..	..	..	..	..	..	..	..	..	..	5	71	71	100	123	123	101
Po	1,14,836	2,077	2,83,77,688	2,65,04,931	32,30,412	Swadeshi (Cawnpore) P	12	333	43,18,838	7,09,026	9	11	11	100	123	123	101
40,50,000	48,754	1,310	91,31,708	1,89,73,217	43,89,979	Bangalore W C Silk P	12	26	56,34,938	2,38,640	25	30	100	552	569	580	580
1,78,47,800	1,20,012	2,770	3,20,71,600	1,87,39,278	23,80,514	Buckingham Carnatic P	12	26	1,01,86,075	2,38,445	10	10	100	186	185	181	181
20,00,000	28,000	..	18,03,003	20,32,074	11,26,239	Cambodia P	12	210	1,98,274	27,593	71	10	100	153	141	131	131
12,00,000	23,864	..	8,41,058	9,00,000	36,53,502	Coimbatore Cotton	12	186	5,53,750	61,404	..	..	100	384	395	353	353
20,76,900	72,832	407	47,91,212	7,98,681	22,227	Coimbatore Spg & Wvg	6	46	7,52,942	10,23,340	..	..	50	91	88	84	84
6,50,000	50,640	295	12,25,505	17,90,900	58,77,434	Kaleeswarar	12	139	2,05,789	1,677	Nil	..	100	335	335	290	290
24,00,000	30,512	200	32,88,668	16,25,000	7,43,157	Kothari Textile P	6	141	3,25,924	29,392	..	5	10	10	16	17	18
23,64,000	48,756	..	15,01,051	21,70,200	78,350	Lakshmi	12	186	11,41,248	2,209	..	..	50	255	240	195	195
1,75,02,480	4,65,324	..	2,15,02,107	4,13,91,878	31,04,631	Madura	12	108	77,85,509	18,86,813	20	20	20	15	48	47	52
12,00,000	21,856	..	8,43,189	10,35,863	19,31,755	Malabar Spg & Wvg	12	240	85,193	84,039	..	..	20	113	113	111	111
60,00,000	24,252	603	29,49,899	69,00,000	19,31,755	Mettur Industrie	3	29	48,44,863	45,823	22	31	42	430	430	400	400
13,61,780	6,000	..	14,15,992	8,90,279	1,34,663	Mysore Spun Silk	3	142	1,753	3,986	Nil	Nil	10	7	71	41	41
4,00,000	20,137	Nil	8,36,608	5,00,000	24,224,908	Palani Andam P	12	30	7,39,437	2,687	..	..	50	172	172	170	170
7,76,700	15,540	416	5,42,118	2,43,421	2,65,911	Sitarom Spg & Wvg	12	164	87,724	3,083	..	..	50	..	..	..	..
7,00,000	28,104	270	12,98,563	18,23,501	11,71,924	Vasanta E	12	47	16,37,459	..	..	..	100	340	340	266	266

TEA COMPANIES

O. Po and Dd indicate Ordinary Preferred Ordinary and Deferred Shares, respectively. P next to the name of the company indicates that the Company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Accrual under Tax	Outturn and Average Price per lb. realized for crop	Estimated 1956	NAMES	Accounts closed	Managing Agents	Net Profit or Loss after taxation	Dividends per cent	Paid-up Capital	Latest Market Quotations as available until
Rs.	Rs.	Rs.	Rs.	1954 1955	Lbs.				Rs.	1953 1954 1955	Rs.	12-12-56 5-12-56 1-12-56
CACHAR												
3,00,000	5,40,887	1,75,000	862	2,89,040	39-11	..	..	..	1,72,877	Nil	..	12 12 14
4,00,000	5,26,269	49,878	465	..	..	..	..	..	43,307	..	..	101 101 111
10,00,000	17,71,499	3,13,800	784	4,80,263	40-10	..	..	..	5,98,904	Nil	..	671 671 136
2,50,000	57,743	Nil	1,480	7,00,456	4-2 2 1/2	..	..	..	66,346	Nil	..	68 89 116
7,00,000	7,07,109	11,000	645	1,91,320	39-6	..	..	..	33,000	Nil	..	911 911 9
12,90,000	17,92,487	11,50,000	2,153	17,59,920	24-1	16,00,000	..	..	2,46,355	25	46 71	171 191 251
4,50,000	4,91,000	1,65,222	586	..	..	..	..	..	91,071	Nil	..	102 102 150
3,50,000	2,40,000	2,51,794	399	5,40,507	48-6	..	..	..	3,68,196	Nil	271	101 101 191
7,00,000	1,25,000	5,50,000	1,368	7,33,267	47-6	7,86,038	26-7	8,00,000	3,68,196	Nil	20	264 264 264
2,59,500	3,18,608	Nil	500	3,68,000	38-0	4,05,080	23-11	4,80,000	2,494	Nil	Nil	111 111 191
2,50,000	1,90,457	1,16,926	611	3,34,400	38-4 1/2	..	..	..	4,33,78	Nil	10	22 22 24
5,25,000	8,87,291	10,42,956	688	6,76,800	41-11	7,25,980	29-3	6,00,000	2,98,825	20	35	114 114 144
4,00,000	6,88,316	5,52,313	662	4,49,316	36-7 1/2	..	..	..	3,73,677	Nil	121	191 191 231
3,75,000	5,02,307	4,31,250	1,050	4,63,320	..	..	..	..	5,22,670	Nil	20	12 12 10
DARJEELING												
3,99,750	7,05,059	6,936	562	1,14,311	29-11	1,31,680	30-11	..	-99,904	Nil	Nil	10 21 21 4 1/2
2,79,000	4,72,261	1,25,000	407.5	1,41,174	62-0	..	..	..	1,34,249	Nil	20	151 151 171
3,75,000	3,75,800	3,11,928	991	..	..	..	..	..	1,15,698	71	40	175 175 290
2,00,000	1,84,414	1,62,639	488	1,35,760	52-5	1,27,760	38-9	1,28,000	-27,865	Nil	21	100 100 315
2,00,000	5,08,900	3,44,549	500	2,84,204	49-11	2,35,761	33-9 1/2	2,64,000	-62,814	Nil	25	190 190 431
1,00,000	6,25,000	1,10,771	1,049	6,53,146	48-11	..	..	..	6,25,171	20	50	10 10 311
10,32,000	1,50,576	11,11	761	1,26,515	48-11	..	..	..	8,04,822	10	20	111 111 111
3,00,000	3,12,081	4,00,225	616	3,39,040	57-11	3,53,520	36-7	3,68,000	36,658	71	30	161 161 221
3,39,000	2,06,770	3,00,239	463	1,82,080	62-4	1,65,440	50-6	1,84,000	65,269	10	40	281 281 377
2,39,000	3,40,000	3,00,000	688	4,35,016	53-4 1/2	..	..	..	5,44,268	20	50	271 271 331
1,00,000	2,23,710	97,647	505	1,81,152	55-3	1,68,126	38-4	1,80,000	-55,958	Nil	371	600 600 560
2,50,000	3,40,688	2,61,118	776	..	..	..	..	..	-82	10	30	141 141 241
2,50,000	2,53,067	2,09,507	500	1,58,741	58-8	1,27,541	35-11	1,60,000	-60,682	21	15	10 10 311
2,05,000	3,30,000	2,07,813	970	4,30,000	48-11	..	..	..	1,59,553	Nil	10	101 101 16
1,40,000	1,69,062	4,65,653	341	1,89,121	48-0	1,67,840	41-4	1,76,000	33,455	171	50	408 408 450
3,00,000	3,33,822	1,86,462	389	1,77,704	53-3	1,59,385	35-0	1,68,000	-1,07,336	21	15	171 171 20
6,25,000	3,38,413	1,454	741	2,05,035	47-4	..	..	..	45,44	Nil	Nil	381 381 491
9,00,000	9,08,557	1,54,418	683	2,64,900	50-4 1/2	..	..	..	39,380	Nil	5	6 6 6 1/2
3,00,000	2,89,000	3,90,000	382	2,89,738	50-3 1/2	..	..	..	4,43,350	30	50	30 30 301
6,25,000	12,36,873	5,74,585	554	3,76,900	54-5	3,74,800	39-31	3,84,000	-57,683	Nil	71	111 111 111
8,20,000	4,70,000	10,86,284	7181	4,40,947	48-8 1/2	3,70,473	41-11 3/4	4,00,000	99,088	15	40	381 381 441
8,01,350	10,96,000	2,80,000	1,666	7,11,945	50-5 1/2	..	..	..	3,99,993	Nil	10	141 141 15
DUARS												
27,00,000	19,11,197	24,25,000	2,540	30,81,680	51-2	30,69,361	31-9	33,20,000	11,23,882	45	120	322 318 370
1,00,000	1,23,853	43,70,000	1,105	13,13,230	41-10	14,18,240	29-8	13,60,000	18,94,614	30	55	491 491 621
9,00,000	9,80,500	16,53,306	1,112	14,15,840	41-10	14,18,240	29-8	13,60,000	18,94,614	30	55	491 491 621
9,00,000	9,80,500	16,53,306	1,112	14,15,840	41-10	14,18,240	29-8	13,60,000	18,94,614	30	55	491 491 621
6,00,000	4,88,764	7,74,645	902	6,04,104	35-10	6,10,033	29-7	5,60,000	1,28,962	221	25	71 175 175 266
6,00,000	6,91,673	10,50,000	903	10,68,498	49-4	10,82,880	31-11	11,60,000	3,98,498	25	20	313 311 520
3,00,000	4,47,806	3,00,102	900	4,01,294	43-8	3,84,267	30-7	4,48,000	-51,689	Nil	15	Nil 272 272
1,20,000	1,95,171	2,64,000	265	2,24,800	49-1	2,12,720	26-9	2,40,000	-4,282	Nil	110	Nil 300 300 577
3,50,000	5,70,483	3,00,000	447	4,75,841	39-5	4,65,428	30-3	5,40,000	-59,765	Nil	50	15 15 341
5,00,000	1,48,428	3,50,000	1,253.5	7,42,121	47-4	..	..	..	10,21,307	16	70	268 268 350
10,00,000	17,49,550	22,55,503	1,022	12,26,097	47-11	12,20,160	27-11	..	1,93,197	25	60	213 213 321
24,00,000	30,00,000	4,48,782	2,427	30,88,842	44-11	..	..	..	3,97,785	25	60	301 311 391
32,00,000	55,65,929	64,68,285	4,236.5	63,71,277	44-11	60,72,776	36-2 3/5	62,56,000	5,25,271	25	60	10 10 391
6,25,000	10,98,000	17,14,718	1,452	16,07,368	42-6	17,67,246	26-11	17,20,000	2,77,456	221	30	271 281 38
7,00,000	5,18,309	5,15,000	807	4,86,497	47-4	4,62,400	28-7	5,60,000	-2,13,207	25	65	Nil 213 213 26
9,00,000	1,15,000	1,12,233	391	1,14,614	39-1	..	..	..	10,39,752	10	411	221 221 251
2,00,000	1,12,000	3,50,000	620	4,73,830	45-7	..	..	..	5,69,188	25	65	781 781 800
9,00,000	15,71,067	18,15,032	1,125	1,69,538	44-10	9,78,988	28-1	10,00,000	2,03,071	190	25	190 281 285
14,00,000	8,81,963	18,45,000	1,163	15,52,400	49-3	16,35,520	31-2	16,00,000	6,83,263	45	100	315 284
3,20,000	3,20,920	3,80,000	978	6,29,200	44-2	6,65,680	27-1	6,40,000	1,29,376	20	75	121 251 98
2,50,000	3,14,994	3,59,080	349	2,56,097	42-0	2,38,935	28-5	2,56,000	-29,439	10	30	Nil 245 245 245
6,00,000	8,77,189	11,43,550	1,635	10,69,520	47-11	10,14,720	39-11	11,08,000	4,69,454	15	..	251 251 38
7,48,400	22,28,247	29,20,000	1,766	19,10,000	48-6 1/2	..	..	..	26,997	Nil	30	21 21 221
4,46,400	5,45,381	6,97,500	663	6,01,920	46-4	..	..	..	26,16,913	50	100	80 80 931
TERAI												
4,50,000	10,63,145	1,64,527	697	3,99,840	44-7	..	..	..	5,20,393	Nil	15	81 81 111
2,50,000	1,59,000	10,44,545	450	2,23,610	29-8	..	..	..	3,65,487	30	40	100 59 441
8,40,000	6,06,045	17,07,494	1,589.9	13,20,702	48-7	..	..	..	18,94,392	30	60	207 207 365
9,00,000	8,69,205	9,98,794	524	4,15,634	29-7	4,80,000	..	..	1,43,139	25	25	10 221 271
3,00,000	3,89,676	7,66,350	509	4,30,542	49-8	4,63,382	26-5	5,20,000	19,474	25	55	15 10 441
4,50,000	4,50,000	3,50,671	972	..	..	..	..	..	19,256	10	40	201 201 311
3,90,000	2,98,140	3,99,145	870	..	..	..	..	..	6,13,739	..	..	61 61 671
1,00,000	1,00,000	1,64,733	263	1,85,179	58-5	..	..	..	2,09,040	10	..	551 551 48
2,20,000	5,17,592	7,00,250	549	5,69,280	42-2 2/2	6,86,800	30-11	6,40,000	3,43,549	10	40	351 351 341
CHITTAGONG												
1,25,000	1,25,000	1,59,950	473	..	..	..	..	..	28,517	..	..	10 321 321
2,40,000	2,40,000	2,59,992	537	..	..	..	..	..	31,038	..	..	121 121 181
2,00,000	2,00,000	3,13,660	846	..	..	..	..	..	4,118	..	..	15 15 16
STLHET												
3,00,000	5,00,603	4,80,000	614	6,23,340	39-5	..	..	..	8,27,447	30	30	10 301 301
6,00,000	4,50,000	4,48,656	544	4,13,880	50-0	..	..	..	1,87,432	10	5	15 15 161
2,40,000	2,58,834	Nil	432	..	..	..	..	..	96,410	Nil	..	81 81 81
4,00,000	6,39,368	4,26,113	1,199	9,35,280	37-0	..	..	..	1,149,308	10	10	361 361 23
5,63,390	5,18,418	57,896	550	..	..	..	..	..	2,83,105	Nil	Nil	361 361 23
4,00,000	5,20,001	10,08,000	984	10,13,200	31-8	9,78,280	34-10	9,20,000	7,15,421	Nil	25	251 251 221

MISCELLANEOUS COMPANIES—Contd.

O, Po, C and Dd indicate Ordinary, Preferred Ordinary, Contributory and Deferred Shares respectively. P next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary		Net Block Account	Reserve & other Funds Premiums & Forfeited Shares If any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
Rs.	Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954	1955	1956	Rs.	12-12-56	5-12-56	A year ago
SUGAR BREWERIES, ETC.																
11.00.000	6,45,722	3,75,000	10,90,564	New Savan Sugar and Gur	5	140	95,437	52,205					10	61	61	61
9.00.000	1,28,559	17,54,369	58,734	Purtabpur Sugar P.	10	25	5,08,340	6,871	71	71			10	161	161	176
16.59.820	26,52,127	35,00,000	4,84,050	Ramnugger Cane & Sugar P.	8	1	18,11,504	20,350	15	20			10	24	25	26
19.99.000	25,62,553	39,88,218	13,92,915	Raza Sugar	10	92	10,78,193	3,144					10	20	20	20
8.00.000	4,42,619	6,54,762	1,85,115	Ryan Sugar P.	6	25	1,43,788	24,340	5				10	20	20	20
11.99.000	15,94,321	18,37,529	98,312	Samastipur Central Sugar	7	325	12,99,571	34,046	15	17			10	13	13	14
20.00.000	72,62,286	36,68,708	1,63,444	Shree Krishna Gyanoday Sugar P.	7	335	12,99,571	34,046	15	17			10	10	12	14
7.94.500	13,54,858	11,05,175	11,16,368	Shree Sitaram Sugar	6	140	1,90,057	7,991					10	14	14	14
9.99.950	14,54,274	1,54,304	1,42,636	Sitalpore Sugar	6	94	1,39,515	1,39,515	Nil	Nil			10	41	41	
16.00.000	6,07,804	7,99,778	4,22,572	United Provinces	9	341	4,23,380	39,061	12				10	21	21	22
8.00.000	38,92,308	21,57,555	3,60,236	Upper Ganges Sugar P.	6	227	10,24,525	82,931	25	25			10	94	94	70
14.00.000A	14,24,740	23,74,426	10,72,924	Upper India Sugar	4	302	16,80,986	86,393	15	20			100AC 121BC	280	280	127
7.00.000B																15
MISCELLANEOUS																
8.00.000	2,20,232	1,56,200	9,53,526	A Firpo (Restaurateurs)	10	85	84,518	4,475					10	4	4	8
1,20,00,000	1,40,80,594	6,21,715	51,061	Air India Ltd.	12	269	6,02,785	14,30,401					100			
2,00,00,000	2,58,39,656	68,01,534	50,022	Air India International Ltd.	12	322	10,51,340	30,205					100			
2.50.000D	1,31,03,534	15,00,000	5,97,941	Aluminium Corp P.	3	132	12,82,024	32,582	Nil	Nil			100 21Dd	111 6	111 6	111 6
20.00.000	42,38,502	14,50,000	54,97,530	Anderson Wright, Ltd. P.	12	1	89,042	18,284	71	Nil			10	11	11	11
30.00.000	10,11,675	37,63,779	14,41,315	Angelo Bros.	5	268	11,84,131	34,961	12	20			10	20	22	26
30.00.000	17,54,434	27,66,265	5,49,634	Assam Match	12	274	8,35,902	1,18,395	12	12			10	20	20	19
13.99.998	21,25,615	28,30,285	64,182	Assam Saw Mills & Timber	9	21	97,445	5,14,537	Nil	Nil			3	31	41	6
20.00.000	61,61,507	23,00,000	61,84,607	Associated Hotels of India P.	3	204	8,82,993	32,683	2	4			10	103	103	5
80.01.400	33,50,000	1,09,53,000	1,12,08,422	Balmer Lawrie & Co.	12	304	32,12,152	5,03,129	13	12			100	154	159	202
12.00.000	2,25,000	8,24,390	1,30,023	Barates Coke	3-9	128	2,16,123	22,708	71-7	71-7			10	19	19	22
6.00.000	76,411	Nil	30,72,471	Bengal Timber Trading P.	6	128	6,43,164	1,19,103					100	41	41	43
50.00.000	19,53,822	Nil	19,59,059	Bharat Airways Ltd.	6	22	3,19,589	3,19,229					10	51	51	41
20.00.000		7,95,433	62,81,006	Birds Investments P.	3	160	5,89,372	1,15,707	12	12			10	17	17	19
45,97,020	31,11,814	31,11,814	2,09,476	Britannia Biscuit P.	3	50	8,14,261	1,79,277	10	10		10	10	14	14	15
12.50.000	13,98,796	43,18,775	3,38,973	British Ceylon Corporation P.	12	8	27,75,299	1,85,955					7	8	8	11
6,25,00,000	59,89,738	1,18,60,524	2,50,83,650	British India Corporation P.	12	33	30,23,593	27,36,584	11	Nil			5	9	9	13
22.50.000A	2,16,659	3,24,161	6,46,589	Calcutta Gas Co (Propr.) Ltd. P.	9	235	60,996	1,550	5	6	5	10A	71	71	71	8
22.50.000B	5,92,780	2,40,684	1,02,376	Calcutta Silk Manufacturing P.	3-9	213	45,711	22,586			Nil	10				5
5.00.000																
90.00.000	17,81,146	80,09,268	2,06,11,689	Duncan Brothers & Co. Ltd.	12	169	43,51,864	49,914	12	11			100	121	121	133
1,60,00,000	2,94,69,046	3,14,86,174	4,04,73,335	Dunlop Rubber Co. (India) P.	12	96	96,72,154	11,71,685	15	15			10	26	26	35
1,12,00,000	54,12,312	1,24,35,723	1,49,34,351	Eastern Investments Ltd. P.	12	21	12,82,240	3,08,138	9	9			100	14	14	17
75.00.000	13,79,337	4,33,826	1,02,21,711	F & C Oster (India) Ltd. P.	3	84	4,26,249	5,26,954					10	9	10	17
90.00.000	12,88,300	21,97,641	86,55,360	French Motor Car	3	51	8,97,594	1,26,757	12	12		20	20	20	20	20
14.00.000	14,92,000	10,02,000	11,384	Ganges Rope	3-9	19	89,571	27,194	71-71	71-71			100	186	186	196
2,25,00,000	55,893	5,26,702	General Investments Trust P.	2-8	21	26,644	8,637	6	3	3			75	43	43	43
65.00.000	34,18,813	42,00,000	1,09,15,528	Gillanders Arbuthnot & Co. Ltd. P.	3	105	29,71,809	1,51,300	71	14			10	13	13	17
20.00.000	27,68,042	5,00,524	12,84,351	Gladstone Loyal & Co. Ltd. P.	12	209	7,02,192	34,255	10				10	12	12	12
40.00.000	31,71,333	7,81,000	98,384	Godfrey Phillips (India) Ltd. P.	12	31	19,01,201	11,96,811	10	20			10	25	25	20
90.00.000	32,90,010	17,22,203	6,22,424	Great Eastern Hotel	3	225	5,30,579	16,373					250	250	250	240
10.00.000	17,38,764	1,61,173	9,221	Hindusthan Ice & Cold Storage	9	..	43,377	24,274					5	11	11	1
35.20.000	30,42,899	20,00,000	19,98,958	Hoare Miller & Co. Ltd.	12	294	2,05,330	1,33,076	Nil	Nil			10	6	6	7
15.16.00,000	7,42,66,399	7,88,86,728	5,50,32,187	Imperial Tobacco	3	325	3,66,59,515	24,94,274	6	8			10	14	14	14
1,60,00,000	2,41,97,563	53,33,999	10,13,114	Indian Aluminium Co., Ltd. P.	12	293	26,79,662	14,18,074	10	12			10	15	15	14
1,52,89,220	1,27,97,878	1,57,00,000	11,88,406	Indian Cable P.	3	34	1,21,59,493	32,04,214	10	12	15		10	21	21	35
5.00.000D	22,07,260	2,21,280	11,69,467	Indian National Airways	12	93	36,302	12,62,971					100	61	61	51
1,25,00,000													100D			
1,62,57,970	7,44,398	5,38,000	17,67,876	Indian Rubber Manufacturers P.	3	173	1,79,618	32,616	5	5			10	18	18	13
20.00.000	4,64,735	18,15,487	10,03,705	Indian Wood Products	9	88	17,28,038	2,76,619	27	30			10	45	45	45
5.00.000	2,55,728	12,72,554	Investments and Finance P.	2-8	21	27,880	51,001	21-21	31-21	31-21			100	65	65	65
2,40,000	15,362	4,46,244	3,20,757	Ivan Jones Ltd.	9	194	1,39,321	36,496					2	3	3	3
5,57,500D	2,16,659	3,24,161	6,46,589	James Wright P.	12	281	60,996	1,550	5	5			50	41	41	41
1,17,50,000D	51,37,813	57,00,000	4,02,27,618	Jardine Henderson Ltd. P.	3	39	31,24,445	5,11,852	71	71	71		100	90	93	111
6,34,00,000	3,17,363	6,02,958	3,21,617	Macfarlane & Co.	3	133	14,078	4,849					50	3	3	21
66.00,000D													100D			
1,50,00,000	88,50,000	63,33,428	2,57,13,417	Macneil & Barry Ltd. P.	3	334	52,06,340	6,31,124	71	71	11		10			
1,37,53,000	36,41,510	54,56,063	1,85,74,341	Martin Burn Ltd. P.	9	309	7,18,708	2,03,456	13	18			10	24	24	24
40.00,000	37,19,459	72,01,900	2,34,00,554	McLeod & Co. P.	12	282	25,04,502	1,87,834	17				100C	240	240	240
1,15,00,000	1,10,37,201	69,74,249	7,33,589	Metal Box Co. of India Ltd. P.	3	167	62,82,608	16,24,249	10	12	16		100D	271	261	261
20.00.000	19,89,407	74,12,035	11,31,121	National Insulated Cable P.	3	7	30,26,600	2,22,282	10				10	26	26	22
10.00.000	31,74,413	40,40,000	2,57,969	National Rolling & Steel Ropes	6	7	18,65,549	31,724		15			10	10	10	10
79.97,000	61,97,295	78,53,576	23,37,205	National Tobacco P.	12	79	12,06,160	9,03,400	5				10	11	11	12
32,32,100	2,322	5,11,187	29,55,297	New India Investment Corp.	12	35	1,38,595									

BOMBAY MISCELLANEOUS COMPANIES

O P o F Dd G and R indicate Ordinary Preferred Ordinary Founders' Deferred Guarantee and Rebate Shares respectively P next to the names of the company indicates that the company also has Preference Shares Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Cash & securities	NAMES	Accounts closed	Managing Agents	Net Earnings	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	12-12-56	1-12-56	1-12-56
Rs	Rs	Rs	Rs				Rs	Rs	1954	1955	1956	Rs	Rs	Rs
CEMENT														
42,67,59,333	16,16,27,689	6,15,51,096	1,90,26,918	Associated Cement	7	53	1,71,77,960	5,62,770	8	10	..	100	156	227
ELECTRIC LIT. POWER														
6,99,95,600	11,08,94,307	69,91,218	20,82,149	Ahmedabad Electricity	9	148	35,75,580	188	64	5	..	100	92	106
2,92,83,500	1,18,62,358	52,34,507	65,40,599	Andhra Valley Power Supply F	6	267	16,19,171	25,735	7	7	..	1,000	1,211	1,332
1,74,99,700	1,14,85,121	39,32,448	5,79,834	Bombay Suburban Elec. Sup.	3	146	19,21,739	45	7	7	..	100	111	125
38,08,200	17,49,053	4,75,323	14,87,551	Bombay Electric Supply P	12	229	3,96,015	..	7	7	..	100	146	146
2,34,45,225	1,37,85,356	63,82,055	58,39,871	East Hydro Elec. Power sup. F	6	267	17,75,567	21,171	7	7	..	1,000	1,257	1,391
6,02,78,750	1,98,37,405	1,41,56,578	1,29,22,549	East Power P	6	267	77,32,961	27,352	7	7	..	1,000	1,257	1,400
ENGINEERING & METAL														
83,42,200	17,06,292	44,16,374	1,54,08,311	Alcock Asadown	12	268	8,79,666	1,35,820	12	..	..	100	296	410
6,00,000	29,341	4,43,904	59,338	East Engineering	3	115	92,291	1,508	15	5	..	50	96	96
40,00,000	11,26,513	16,00,000	9,74,664	Larsen & Toubro P	3	351	14,60,756	28,740	10	10	..	100	19	131
40,95,100	61,25,753	2,02,500	49,335	Machinery Mfgs. Corp. Ltd. F	3	330	2,02,000	64,978	..	..	..	100A	..	..
1,10,00,000	15,00,978	16,66,104	7,06,250	McKenzie	7	283	1,49,085	64,938	..	..	..	100	96	96
2,50,00,000	5,834	1,00,53,052	1,79,52,042	Premier Construction P	12	284	3,35,178	59,102	25 5/6	28 1/2	..	300	196	213
1,31,25,000	1,80,59,980	26,78,959	44,49,493	East Locomotive & Eng. P	3	69	3,303	50,350	..	..	..	100	171	164
1,18,72,400	..	..	..	East Locomotive & Eng. P	3	69	3,303	50,350	..	..	..	100	171	164
1,63,75,000	32,44,110	10,63,00,530	12,34,33,210	East Iron & Steel P.	3	289	9,26,44,872	4,04,945	14	14	14	750	180	268
INSURANCE COMPANIES														
20,00,000	..	23,84,912	95,96,333	British India General	12	297	4,24,629	1,18,606	..	..	..	10	13	13
5,15,000	..	11,04,54,687	3,36,48,481	Empire of India Life	12	253	..	..	..	..	..	100	675	675
8,46,120	..	36,33,399	46,36,802	Indian Mercantile	12	25	..	1,13,109	..	..	..	20	45	45
18,74,940	25,01,134	2,88,81,155	2,61,49,442	Justus General P.	12	55	38,451	4,65,316	..	..	..	15	91	91
1,06,81,500	..	1,68,81,793	27,25,18,452	New India	12	179	43,38,653	71,250	16 2/3	..	..	200	3,660	5,515
6,00,000	..	57,83,74,430	63,48,44,421	Oriental Life	12	398	..	..	..	..	..	10	15	15
15,99,270	..	29,41,600	59,88,789	Vulcan	12	255	6,05,803	2,81,242	10	..	..	10	15	15
MISCELLANEOUS														
90,79,065	11,95,468	3,97,409	12,61,996	Air Service of India	6	336	15,61,405	37,22,790	..	..	..	15	..	..
47,97,250	21,34,989	35,75,182	78,59,334	Belapur Sugar	9	42	33,89,000	61,389	..	..	..	50	251	371
50,00,000	2,20,64,302	1,12,66,155	2,67,27,639	Bombay Burmah Trading	6	285	47,93,172	61,990	16	21	..	125	672	630
42,00,000	..	..	..	Bombay Burmah Trading	6	285	47,93,172	61,990	16	21	..	125	672	630
45,00,000	1,21,04,053	31,74,431	31,14,908	Bombay Steam Navigation P.	6	256	4,54,215	30,135	..	..	..	25	..	..
99,99,250	..	..	..	Bombay Steam Navigation P.	6	256	4,54,215	30,135	..	..	..	25	..	..
11,99,900	..	..	..	Bombay Steam Navigation P.	6	256	4,54,215	30,135	..	..	..	25	..	..
1,57,71,400	..	..	..	Bombay Steam Navigation P.	6	256	4,54,215	30,135	..	..	..	25	..	..
9,39,98,068	18,36,63,413	1,81,13,445	2,10,16,957	Chemical Stearn Navigation	12	352	33,19,604	5,72,076	10	..	..	200	213	213
1,00,000	..	..	..	Chemical Stearn Navigation	12	352	33,19,604	5,72,076	10	..	..	200	213	213
1,39,95,990	2,25,39,547	37,30,000	11,27,098	Shivrajpur Synd. (Manganese)	11	146	15,49,059	21,561	80	80	..	10	91	113
70,07,475	75,25,791	13,22,272	4,37,991	East Chemicals P.	6	269	16,84,483	34,425	..	..	..	10	171	171
2,75,00,000	1,49,45,903	2,43,20,936	1,50,49,201	East Chemicals P.	6	269	16,84,483	34,425	..	..	..	10	171	171
..	..	..	..	East Chemicals P.	6	269	16,84,483	34,425	..	..	..	10	171	171

*1956 Liquid Assets

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Block Account	Reserve & other Funds	NAMES	Accounts closed	Managing Agents	Net Earnings	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	12-12-56	1-12-56	1-12-56
Rs	Rs	Rs				Rs	Rs	1954	1955	1956	Rs	Rs	Rs
CALCUTTA													
17,24,000	20,62,356	2,00,894	Ahmedpur Kutwa S.S.G.	3	165	29,367	..	2 1/2	2 1/2	..	100	60	61
21,69,300	33,40,889	6,00,104	Arrah Sasaram D.B.G.	3-9	32	2,57,676	33,735	3-3	3-3	3-3	100	71	75
34,00,000	41,30,202	3,11,943	Bankura Damodar River S.S.G.	3	165	46,607	..	2 1/2	2 1/2	..	100	58	59
19,00,000	29,09,643	1,91,171	Barasat Dastribal D.B.G.	3-9	331	18,843	1,18,863	..	..	..	100	10	19
17,80,000	21,78,786	2,20,877	Burdwan Cutwa S.S.G.	3	165	78,839	..	2 1/2	2 1/2	..	100	59	60
31,00,000	35,46,011	..	Chaparmukh Sighat S.S.G.	3-9	32	62,834	10,949	1 1/2-1 1/2	1 1/2-1 1/2	1 1/2-1 1/2	100	52	45
4,75,000	3,20,040	4,75,399	Cherra Chhatrak Roadway	3	38	9,917	..	1 1/2	1 1/2	..	100	7	7
2,47,650	2,75,015	65,026	Darjeeling Roadway	3	101	18,097	4,549	1 1/2	1 1/2	..	100	7	7
22,50,000	62,20,813	13,52,000	Debri Road	3	335	6,42,311	37,814	10-12 1/2	10-12 1/2	10-12 1/2	100	13	14
11,49,700	20,10,843	1,68,143	Putwan Islampur S.S.G.	3-9	32	33,018	5,917	98-98	99-1	..	100	63	56
16,00,000	50,82,188	17,87,954	Howrah Amta D.B.G. (P)	3-9	32	1,18,351	90,009	3-3	3-3	3-3	100	62	72
4,43,410	13,57,138	4,43,410	Howrah Sheekhala D.B.G.	3-9	32	28,627	20,122	3-3	3-3	3-3	100	65	65
19,50,000	27,95,689	2,47,135	Kalighat Falta S.S.G.	3	165	1,99,473	..	2 1/2	2 1/2	..	100	60	61
8,91,100	15,16,175	10,351	Katakhal-Lala Bazar S.S.G.	3	165	31,257	..	4	4	..	100	72	74
15,00,000	62,56,929	28,77,041	Shabdar Dehi Saharanpur	3-9	32	6,26,073	17,25,546	6-6	6-6	6-6	100	129	129
1,75,000	5,41,779	2,43,441	Tezpur Bailpara Tramway P	3-9	165	43,574	5,944	..	..	..	100	..	..

Managing Agents Managing Directors and Secretaries with their Respective address—(Contd.)

320. F. W. J. Penn—United Breweries Ltd., Bangalore-1.	329. Sri G. D. Bhagat—15, Shib Thakur Lane, Calcutta.	339. M. G. Investment Corp., Ltd.—127, Mahatma Gandhi Road, Fort, Bombay.	348. Sahu Jain, Ltd.—11, Clive Row, Calcutta.
321. F. O. Williams—14, Old Court House St., Calcutta.	330. Manindra & Manindra Ltd.—Gateway Building, Apollo Bunder, Bombay.	340. K. O. Cheriyan—Travancore.	349. Chandmull Batia—7, Canning Street, Calcutta.
322. Messrs. Tata Sons Ltd.—New India Assurance Buildings, Manama, Gandhinagar, Fort, Bombay.	331. N. C. Roy & Sons—Canning St., Calcutta.	341. James Finlay & Co., Ltd.—2, Netaji Subhas Road, Calcutta.	350. K. & Agarwal—Empire House, Hornby Road, Fort, Bombay.
323. Anderson Wright & Co.—7, Wellesley Place, Calcutta.	332. M. Pasupati—21, Ravelin Street, Fort, Bombay.	342. U. N. Chatterjee—2, Royal Exchange Place, Calcutta.	351. L. & F. (Management) Private Ltd.—J. K. Building, Douglass Road, Ballard Estate, Bombay.
324. Indo Corporation Private Ltd.—5, Swinhoe St., Calcutta.	333. Jaipura Bros., Ltd.—33, Netaji Subhas Road, Calcutta.	343. Eastern Smelting & Refining Co., Ltd.—10, Clive Row, Calcutta.	352. C. G. Manjani—Ewart House, Bruce Street, Fort, Bombay.
325. John Rutherford Blake—Virginia House, 9, Chowringhee, Calcutta.	334. B. Latimer—2, Fairlie Place, Calcutta.	344. V. J. Pillai—Victoria Bunder, Colaba.	353. N. K. Jha—14, Netaji Subhas Road, Calcutta.
326. Berwala Bros.—63, Netaji Subhas Rd., Calcutta.	335. Sahu Jain Ltd.—Daimanagar.	345. The National Tea Corporation—130, Cotton Street, Calcutta.	354. L. C. Khosla—P-8, Mission Row Extension, Calcutta.
327. Marwar Textiles (Agency) Ltd.—Wardby Road, Fort, Bombay-1.	336. Dulsidas Khandani—Scindia House, Douglass Road, Bombay.	346. Seshasayer Brothers (Travancore), Ltd.—Eloor Factory Aiywa.	355. G. G. Robertson—16, Strand Road, Calcutta.
328. John Taylor & Sons (India) Ltd.—Mysore, Oorangan, South India.	337. S. R. Sons, Ltd.—Borah Road, Fort, Bombay.	347. Associated Commercial Co., Ltd.—16/24, Harrison Road, Calcutta.	356. B. Bajaria—10, Clive Row, Calcutta.

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CAPITAL

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SCOTT & PICKSTOCK PRIVATE LTD.
5, Fairlie Place, Calcutta.
THERMAL INSULATION ENGINEERS

THE ROAD BACK FOR BRITAIN

REPAIRING THE ECONOMIC DAMAGE OF THE SUEZ CRISIS

ONLY history can decide whether the Egyptian adventure was in fact a wise attempt to preserve world peace in line with the experience of the 'thirties, but it requires no great powers of prediction to decide that it is going to have serious consequences for the United Kingdom economy. These go further than the immediate embarrassments of an oil famine and a short-term threat to the pound sterling. They involve the entire future of Britain as a great power, as the world's leading trader and as a nation with a growing economy and a rising standard of living. Emergency measures have already been announced to deal with the consequences of a blocked Suez Canal and a flight from sterling. Some are sound, others are doubtful. But they will need to be followed by more permanent adjustments if the British economy is not to slip back to the vulnerable position in which the Suez incident found it. With the Canal in the hands of a dictator like Nasser, the world's economy, and that of Britain in particular, may have many hazards to face before the lessons are learned and this vital waterway taken from his hands. If Russian influence is allowed to continue its progress in the Middle East, it may even be necessary eventually to do without the Canal altogether. It will be Mr. Macmillan's job in the next few months to see that the British economy is put through a process of adaptation, or at least that the necessary conditions are created for it. That will not be easy for a Chancellor whose Government has been accused of causing the damage in the first place. But Britain's economic weakness dates from long before the Suez crisis. If the Conservatives are interested in justifying themselves before history as well as the electorate, they will show the same courage as they claim to have used in Egypt and will set to work on the economy—the source from which all modern political power flows.

The two main factors which have called for immediate attention are the pressure on sterling and the shortage of oil. The first has not proved as difficult as might have been expected. The sharp run on the pound which took place last month seems to have ceased; the gold and dollar reserve figures for December may even show that it has been reversed. The reason for this is that confidence has reacted sharply to Mr. Macmillan's promise to maintain present parties whatever happens. The loan raised from the International Monetary Fund to finance dollar oil imports has also helped. But what has probably influenced speculators' thinking more than anything else is the absence of inflation as the predominant factor in this particular crisis. It is not going to be the high price of sterling which will prevent British goods from being sold abroad, it will be a shortage of ships to carry them. Not that this situation, together with the need to import oil against dollars, is any less of a long-term threat to the pound as an international currency. But it does mean that devaluation is not at present a satisfactory answer to the problem and that Britain, whether she likes it or not, will have to find other solutions.

With devaluation ruled out completely for the time being and emergency oil imports secured against a substantial I.M.F. dollar loan, Mr. Macmillan has imposed one new tax on petrol, threatened another on income, invoked the waiver provisions on Britain's American and Canadian loans and borrowed from the Export-Import Bank. Significantly, he has not raised bank rate. The increased petrol tax is probably a mistake, even if it proves as temporary as has been promised. To raise transport costs at the moment is likely further to curb industrial output and increase the price of exports: even if the main problem is the shortage of shipping and not an over-valued pound, Britain cannot afford to do that. Whether this tax proves deflationary, as the Government appears to hope, or inflationary through its effect on the price level and therefore the thinking of the trade unions, remains to be seen. What it has done already is

to persuade the Continental speculator that the internal situation is more inflationary than it is in fact and to antagonise the British public when solid support for the Government—any Government—is what is now most needed in the national interest. The only thing that can be said in its favour is that it may help to curb demand for petrol and therefore economise on newly-borrowed dollars. Also mistaken is the decision to use the waiver. Britain's credit, and therefore the prestige of sterling, depends on her ability to meet existing debts. The small saving gained from postponing these obligations may well be lost many times over if the country's reputation for prompt and steady repayment is thereby damaged.

The absence of any bank rate adjustment from the array of measures taken raises some interesting points. It is reasonable to assume that the Conservative Government is by now impressed with the fact which many economists recognised some time ago—that bank rate has long since ceased to be an efficient method of economic regulation. But it is unlikely that it has abandoned it altogether as a weapon against inflation and, more important, as a means of attracting funds to the London money market. That the Government still considers the main danger to the economy an inflationary one is proved by the increased taxes. The neglect of bank rate must therefore be accounted for by a decline in its popularity as a means of attracting short-term funds from abroad. It is clear why this should be so. Interest rates are high throughout western Europe and even the United States at the moment. It would take a large jump in Britain's bank rate to persuade capital to move in any significant scale, and an increase of that size would almost certainly send the economy into a recession whether the present tendencies are still inflationary or not. One important fact which must have weighed with the Chancellor in deciding against an adjustment of bank rate is the effect it would have on the price of the floating debt and the payments to existing foreign holders of sterling assets. On the whole, Mr. Macmillan has acted wisely in ignoring this instrument.

been made in a section of the Press of the fact there were points in common between Indian and U.S. reactions to Anglo-French action in Egypt. That there have been unfortunate breaches in the Anglo-American alliance is true enough, and that certain Commonwealth countries, including India, have seriously misunderstood, with some reason, the British action in Egypt is also true. But those who have proceeded to see in these facts the beginnings of fundamental changes have obviously attached far too little significance to Mr. Dulles's anxiety to repair the western alliance as early as possible and Mr. Nehru's welcome iteration of his faith in the Commonwealth. The task for statesmanship today is not to emphasise and thus accentuate occasional differences among the democracies but to strengthen the existing bonds, and both Mr. Nehru and President Eisenhower can be trusted to address themselves to it with all the power of the one and all the prestige of the other.

It should not have been necessary to make these obvious points over again except for a specious thesis which has been current in Europe for some time and has now reached this country. It is that concurrently with de-Stalinisation in Communist Europe the United States is now engaged in an operation called de-Trumanisation, implying that America's need for military alliances is now less urgent and so, having put an end to the cold war, both America and Russia will now begin to woo Asia. The thesis is the more dangerous because it conforms to the unstated wishes of some Asian nations, who may be eager to accept the proposition without scrutiny. Closer examination will certainly reveal the many gaps in the argument, and whilst, given peace for some years, Asia can confidently look forward to her place being assured in the international scheme of things, its being achieved through a relegation of western Europe to a position of unimportance seems unlikely. More, this would not perhaps be in the best interests of India, even of America. None but the Soviet Union can look upon a weakened western Europe with satisfaction, and both Mr. Nehru and President Eisenhower are too conscious of the Communist menace to countenance any such proposition.

In spite, therefore, of stresses and strains—and, let us face it, there have been many in the recent past—in what we still like to call the free world, it is premature to conclude that the world is going to look a very different place on the morrow of Mr. Nehru's departure from Washington. Coming then to the particular problems the two leaders may have discussed, there is reason to hope that a good deal may in fact have been achieved. Even if India thinks that military alliances do not do anybody any good, America is unlikely to dismantle hers in the near future. Mr. Nehru's reluctance to accept that position is capable of exaggeration, and he will certainly welcome the additional assurances the U.S. President may have given him on the permissible uses of American arms by their recipients, one of them a neighbour of India. On China it would be naive to expect an early reversal of the well-known American stand, for, as Mr. Walter Lippmann has recently pointed out, America has vital strategic interests in the Far East, and their continuance as they are depends not a little on the continuance of much else in the area. It is unnecessary to catalogue those interests, or their conditions for existence, to make the point that expectations of fundamental changes should be restrained—however strong the theoretical arguments may be in favour of Red China's inclusion in the United Nations.

The crisis in the Middle East will assuredly have figured prominently in this week's talks between the U.S. President and the Indian Prime Minister, and this is neither surprising nor sad. Both have much to contribute to an early ending of the tension in that explosive part of the world, on which the Soviet Union is not pouring much water. Indeed, it can be argued that the crisis in west Asia might not have arisen at all if all the Powers concerned had given the region the attention it cried for ever since the coming of Colonel Nasser to power and especially after his seizure of the Suez Canal. What is the picture of west Asia Mr. Nehru and President Eisenhower have in mind? Again, in seeking an answer to the question, it will be as well to reject the thesis of de-Trumanisation we have discussed above. There is not, and there will not be for a long time, that basic identity of purpose between the U.S.A. and Soviet Russia which this thesis takes for granted. An additional contribution to realism in the discussion must have been India's own dependence on the Suez Canal, a fact New Delhi can never have forgotten in spite of its denunciation of what some others have done in an attempt to keep it open for international navigation. The extent of New Delhi's influence on Cairo is unknowable, but it will be surprising if Mr. Nehru does not exercise such influence as he has with that one end in view, namely the continued freedom of the Canal from the political stresses of a single country. President Eisenhower can assist the Indian Prime Minister's efforts in this behalf by bringing into

play his own authority and his country's ability to render economic help.

Both America and India are countries in which there is a long tradition of idealism, and it will cause very little disappointment in either if the results of the latest talks turn out to be no more specific, concrete or substantial than has been outlined in the foregoing. Indeed, there is in both countries an innate preference for abstractions; and in this field, hard to define but a most useful background against which to discuss particular problems, the talks may well have achieved something worthwhile for both countries. America's former rigidity of attitude towards neutralism deprived her of valuable friends in Asia, India included, and if Washington can now be made to see less immorality in the Indian view of world affairs it will be a service to democracy itself in Asia. If, on the other side of the account, Mr. Nehru leaves the United States with a firmer conviction that the democracy he is striving so nobly to entrench in this continent can gather greater strength only from other democratic countries, and not from those totalitarian, that will be a considerable gain too for the free world. It is now for these two great democracies to assist other democracies in the world—in Asia and in Europe—and not to undermine them. Not as though we entertain the slightest doubt that either Mr. Nehru or President Eisenhower is ever capable of acting otherwise.

CURRENT COIN

Index of Industrial Activity.—Corrected for seasonal fluctuations, *Capital's* Index of Indian Industrial Activity shows a decrease of 1.4 points during July, 1956. Mainly contributing to the decline were cotton consumption, jute manufactures, cement and electricity. Notes in circulation dropped.

Transport of Coal.—The presidential speech of Mr. D. C. Driver at the annual general meeting of the Coal Consumers Association in Calcutta last Friday indicated some interesting possibilities of relieving the shortage of transport for coal. According to him, speedier electrification of the railways is ultimately the only solution to the problem, and schemes for it should anticipate rather than follow the growth of traffic. Electric locomotives have many advantages over steam ones, and an important consideration is that inferior grades of coal can be used for the production of electricity.

Contents

India, America and the World ..	837
Foreign Exchange Scarcity ..	855
Indian Fiscal and Monetary Policy ..	847
Sir Anthony Eden Returns ..	857
Power Needs in Bombay State ..	858
Banking Expansion in Madras ..	859
Textile Exports from India ..	861
Manganese Ore Exports ..	867
London Insurance Letter ..	845
Revaluation Possibilities for Gold ..	848
Industrial Activity Index ..	850
Ditcher's Diary 841 ..	Plantation Topics 860
Without Prejudice 844 ..	Jute 861
City Cable 846 ..	Engineering 862
Money 847 ..	Commodity Markets 864
Stocks and Shares 851 ..	Calcutta Markets 868

The D.V.C.'s Durgapur Canal, Mr. Driver said, would take time to complete, and being mainly an irrigation canal, its construction and operation would have to be adjusted if it was to carry coal speedily to Calcutta. The D.V.C. authorities, he suggested, should consult some expert body about whether the Canal could be used for carrying large cargoes of steel, coal, bricks, etcetera, by the beginning of the third five year plan; and also whether there might be economic justification for constructing another broader canal from the Asansol area through Durgapur to Calcutta. In a representation to the Railway Board, the Association had pointed out that the cost of coal transported from the Raniganj coalfield to the Madras and Saurashtra areas by the rail-cum-sea route was nearly double the cost of the coal sent direct by rail. It had suggested that a subsidy of Rs. 30 a ton be given on the 150,000 tons of coal moved annually for industrial purposes by the rail-cum-sea route. The subsidy would cost the Railway Board Rs. 45 lakhs, but it would save Rs. 10 lakhs by not having to use locomotive and wagon capacity for such long-distance and uneconomic coal traffic. The net cost of the subsidy would therefore be only Rs. 35 lakhs. The matter had been referred to the Rail-Sea Co-ordination Committee. Discussing the transport of coal by diesel trucks, Mr. Driver said that the only important coalfield and coal consuming centre to consider at present were the Raniganj field and the Durgapur industrial area. The best of the Raniganj coals, the Laikidih and the Dishergarh types, were available about 75 miles away

from the Durgapur area. Their importance would be greatly increased by the industrial development proposed in this area; and also by the discovery that these coals, either blended among themselves or with Jharia coal, could provide good metallurgical coke for the Durgapur steel works. With the increase in railway charges for short-distance traffic, the use of diesel trucks would become more attractive. At present, an important handicap was that trucks were not allowed to carry more than five tons of coal, and the condition of the roads in the Raniganj-Durgapur area was bad. Mr. Driver felt that since the West Bengal Government was preoccupied with floods and refugees, the Centre should encourage road transport in the area by strengthening roads, and culverts, removing restrictions on the weight of coal carried by a truck, and arranging with manufacturers the provision of modern trucks equipped with suitable loading and unloading facilities.

More Vessels for India Steamship.—Sir A. Ramaswami Mudaliar, chairman, told shareholders of the India Steamship Co. Ltd. in Calcutta last week that the company had earned more freight during the year ended last March because new ships were added to the fleet and the turn-round of vessels took slightly less time. (A fuller version of the speech appears on a later page.) The delay in ports, however, had not materially decreased. Most of the recommendations made by the Vast Committee about dock labour had been implemented. In Bombay, the piece-rate system of payment had been introduced and was stated to be working fairly satisfactorily. But the system has yet to be introduced in Calcutta and Madras. In addition to the unsatisfactory working of dock labour, difficulties are being faced in getting berths for ships. The capacity of the ports for handling freight and for berthing ships is limited. There is an urgent need for more mechanical equipment, railway sidings, mobile and electric crane facilities for the mechanical handling of certain types of cargo, and berths. Sir Ramaswami pointed out that there were now 12 ships in the company's fleet; one was added in March this year and another in June, while an old one had been sold. The aim is to have 18 ships operating on the India-U.K.-Continent route before 1960, so orders have been placed for the construction of six more ships which are to be delivered at the rate of two a year over the next three years. An order has also been placed with the Hindustan Shipyard Ltd. for a vessel of 5,500 tons, which could be used in either the coastal or the overseas trade. Since March this year, the company has undertaken to put two of its ships regularly on the India-Black Sea route to carry cargoes to and from Russia, especially the large quantity of plant, machinery and materials required for the Bhilai steel plant. This has reduced the number of ships available for the India-U.K.-Continent trade. Referring to the Suez crisis, Sir Ramaswami spoke of problems connected with the readjustment of sailing schedules, insurance, and the obtaining of bunkers and water at new ports of calls on the route via the Cape of Good Hope. But these problems were being dealt with satisfactorily.

Greater Optimism in Electricity.—Mr. K. G. Milne's presidential address at last week's meeting of the Federation of Electricity Undertakings of India (a fuller report of which appears on a later page) reflects the greater optimism now prevailing among electricity producers. The main reason for the optimism is that the Electricity Supply (Amendment) Bill, 1956, is about to become law. Under the Bill, the standard rate of return for electric supply undertakings is to rise from 5 percent to 5½ percent on the capital base (after allowing for taxation). Actually, the Bill fixes the standard rate at 2 percent above Bank rate (which at present is 3½ percent); but, as Mr. Milne pointed out, there seems to be no great likelihood of Bank rate being reduced. If it is, the reduction would affect the value of all other investments equally; on the other hand, if Bank rate is raised, not every industry will be able to increase its return correspondingly, although electric supply concerns would do so. The amending Bill also provides for the electric supply industry to retain the tax savings resulting from the development rebate which was given as a concession to assist companies in expanding their business. Previously, in its case, these tax savings misaccrued to consumers. The new provision will not enable electricity concerns to earn any more on their investors' money, apart from the ½ percent allowed as a sort of handling fee on the amount of the resulting development reserve. Nor will the development reserve itself be permitted to add to the ultimate property of the investor. But Mr. Milne thought that the change should help the industry to some extent in its task of raising the additional Rs. 70 crores or Rs. 80 crores which it will need to complete its programme during the second plan. Referring to investors' fears that electricity supply might be nationalised, he said: "It appears evident to me that the Central Government has now no such intention. The whole scheme of the Electricity (Supply) Act is directed towards harmonious co-existence of electric supply undertakings owned by the

State and operated by electricity boards on the one hand, and electric supply undertakings owned and operated by constituents of the Federation on the other."

Cost of Living Index for Gauhati.—The lack of any satisfactory middle-class cost of living index for industrialised areas in Assam has been rectified, by the statistical department of *Capital*. A middle-class cost of living index has been constructed based on the retail prices of commodities bought in Gauhati by clerical employees of mercantile firms, Government departments and by other similar middle-class people. It covers families with incomes between Rs. 100 and Rs. 500 a month. The index is based on survey conducted in August, 1956. The budget enquiry schedules were filled in by a random sample of middle-class employees. Filled-up forms were scrutinised for possible discrepancies and wrong entries. A small number of schedules were rejected due to unexplained disparities between family income and expenditure. Family budgets were classified according to the expenditure level for each adult equivalent in eight groups ranging from Rs. 50 a month to Rs. 171 and above a month, with an interval of Rs. 20 for each group. The scale for calculating adult equivalent is a modification of a similar scale prepared at the Nutrition Research Laboratory, Coonoor, by Dr. Akroyd to suit Indian climatic and dietetic conditions. The scale is given as: men above 14=1, women above 14=8, men between 5 and 14=6, women between 5 and 14=5 and children under 5=3. The average expenditure pattern was then calculated for each group of families by adding together the expenditure for all families in a group on a particular item. Weighted averages of group averages of percentage expenditure on each item have been obtained. These weighted averages represent the average expenditure pattern of all groups taken together (generally for middle-class families with monthly expenditures between Rs. 100 and Rs. 500) and they have been used as weights in the calculation of the cost of living index. The table of the results is published on page 864 of this issue of *Capital*. In November the combined middle-class cost of living index stood at 107 compared with its highest level of 118 in August (Base 1954=100). The largest falls have been in the food item, from 129 to 113, and in fuel and lighting from 103 to 87.

Outlook for Tea.—Addressing the 70th annual general meeting of the Calcutta Tea Traders Association, held last week, Mr. K. Ghosh, chairman, reviewed the conditions of the tea trade and industry during the current season. The trend of this year's market, said Mr. Ghosh, had shown how uncertain and unpredictable the trade could be, subject as it was to numerous influences which were not only economic but also political in nature. Referring to the present price recovery from the uneconomic levels of 1955, he said that very little tea was now selling below Rs. 1-12 a lb. The reason for this was possibly the fear of shortage which the restriction on the north-east Indian crop and the closure of the Suez Canal had created in some of the outmarkets. Nevertheless, added Mr. Ghosh, the price which the producers of common teas, and even of teas in general, have been receiving is low by modern standards of cost, tax and duty. Speaking about the ceiling prescribed by the Government on the export of unsold teas to London auctions, Mr. Ghosh recalled that the ceiling fixed in the 1955-56 season was 140 million lbs which, however, was lifted in February, 1956. But at the beginning of the following September, the Government announced a ceiling again restricting such exports to 160 million lbs. This fact, together with the estimated large increase in the Assam and Doar crops "will certainly have considerable effect on the attitude of overseas buyers," while it was not clear to what extent the present crop restriction and the political situation in the Middle East would "counteract those influences." So the outlook remains uncertain. Mr. Ghosh noted with some disappointment that the two States—West Bengal and Assam—which have been receiving most benefits from the tea industry on account of the employment provided for the local population, should have chosen to impose many burdensome levies irrespective of the industry's economic condition. He reminded the West Bengal Government of its promise made during the last Budget session of the Legislature to remove its sales tax after the entry tax had been enforced. Dealing with the Central export duty, Mr. Ghosh said that the present policy of linking this to the London average price (on which the existing slab system of the duty is based) was creating a "grave uncertainty." Mr. Ghosh observed that a slab system with as big a gap as four annas could give rise to occasions "when a possible rise or fall in the export duty can upset the stability of the whole of the tea market." He suggested therefore that the basis of the system be changed so as to take into account "the prices which the bulk of the crop is obtaining in Calcutta and Cochin."

Problems of Oil Mills.—The growing importance to the Indian economy of the oilseeds crushing

industry was stressed at some length by Rai Bahadur G. V. Swaika, president of the Bengal Oil Mills Association, at its recent annual general meeting. As the present lack of modern plant and equipment constitutes serious handicaps for the industry, he suggested that the West Bengal State Finance Corporation grant loans to oil mills to help rectify the matter. His other suggestions related to the case for the Association securing its representation on the Export Advisory Council and the Indian Central Oilseeds Committee, and the need for an export promotion council for this industry. He complained about the wayward course of the Government's vegetable oils export policy. This policy, he said, had "prevented the industry from making any long-term programme whether for production or for exports"; the vacillating policy also affected the foreign buyer's confidence, ultimately leading to a setback in exports. He therefore urged that a stable policy relating to the export of vegetable oils and oilcakes be laid down on a long-term basis. The Rai Bahadur thought that the imports of palm and tung oil were harming the indigenous producers' interests, so suggested that these be completely stopped. He also pleaded for the total abolition of export duty on all oils. The import of mustard seed should be allowed without any duty levied on it, and this would enable oil mills "to supply mustard oil to the consumers at a fair price."

Sales Tax in Andhra.—In view of the fact that the provisions in the enactments regulating sales or purchase taxes in the Andhra and Telengana regions of Andhra Pradesh differ in many respects, including those relating to rates, mode of levy, (i.e., single-point or multi-point), minimum taxable turn-over, etcetera, the Government of Andhra has announced its intention to unify these laws. The Government has received representations pointing out that because there are at present two different sets of tax laws in force in the two regions, some concessions should be granted on the levy of sales or purchase tax in the new State from 1st November. After considering these representations, the Government has decided to grant, pending unification of the sales tax laws of the two regions, the following concessions. In the case of commodities on which a single-point sales

NOTICE

There will be no issue of **CAPITAL** on 27th December, 1956, due to the markets being closed for the Christmas holidays. The first issue of the New Year will be published on Thursday, 3rd January, 1957.

or purchase tax is leviable under the old Hyderabad Act, the first purchase or sale, as the case may be, of goods in the Telengana area after 1st November will be exempted from the tax, provided the goods have already borne the sales or purchase tax in the composite Hyderabad State prior to 1st November. This exemption is to be valid up to 31st December only. Again for goods on which a single-point sales or purchase tax is leviable in both regions under the respective Acts applicable to those areas, there shall not be levied in either of the areas any further tax when a single-point sales or purchase tax has already been levied. It may be mentioned in this context that after the formation of Andhra Pradesh, the Madras General Sales Tax Act of 1939, the Andhra General Purchase Tax Act of 1956, and the Madras Tobacco (Taxation of Sales Registration) Act of 1953 apply to the levy of sales tax and purchase tax in the Andhra area, while the Hyderabad General Sales Tax Act continues to apply in the Telengana area. It may also be recalled that there had been considerable agitation in the composite Hyderabad State against the levy of a multi-point sales tax. The Hyderabad (Deccan) Chamber of Commerce and Industries made a strong representation to the Central Finance Minister requesting him to bring about uniformity in the application of sales tax throughout India in order to keep the incidence as low as possible. It stated that the cumulative effect of the sales tax and excise duties, etcetera, had adversely affected trade as there had been no corresponding increase in purchasing power.

Non-voting Shares Again.—There is to be no veto by the London Stock Exchange on the much discussed and growing practice of issuing non-voting shares. This is made plain in an article on this thorny topic in a recent issue of the Stock Exchange's quarterly journal which reflects the Council's views. The case against drastic action by the Stock Exchange, such as the withdrawal of quotations from all equity shares without voting rights, is argued with great cogency. As the Stock Exchange authorities point out, there would have to be many exceptions and a policy of veto would inevitably involve "severe headaches." They also give a reminder that nothing, short of an amendment to the Companies Act, could remedy

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SOUTH EASTERN RAILWAY TENDERS
The Controller of Stores, Garden Reach, Calcutta-23 invites tender No. CS22/56/117/52TLR (56) for supply of 580 plywood seat moulding 5 Ply. 1" thick x 6"-6" long. Tender forms are obtainable from his office (I. B. Section) on remittance of Rs. 2/- per copy (not refundable) by Money Order to him direct in the case of outside firms and on production of Cash Receipt from the Chief Cashier, Garden Reach by local firms. Closing date is 8-1-1957 at 12 noon. Firms not on the Railway's list of approved contractors must enclose a valid Income Tax Clearance Certificate with the tender.

SOUTH EASTERN RAILWAY TENDERS
The Controller of Stores, Garden Reach, Calcutta-23 invites tender No. CS20/56/KG/39 (57) for undertaking various types of repairs to approximately 2000 Cast Steel Carriage and Wagon Axle Boxes during 1957 on Rate Contract basis. Tender forms are obtainable from his office (I. B. Section) on remittance of Rs. 2/- per copy (not refundable) by Money Order to him direct in the case of outside firms and on production of Cash Receipt from the Chief Cashier, Garden Reach by local firms. Closing date is 8.1.1957 at 12 noon. Firms not on the Railway's list of approved contractors must enclose a valid Income Tax clearance certificate with the tender.

THE Finance (No. 3) Bill, 1956, which was introduced in the Lok Sabha recently, proposes to revive, with some modifications, the scheme which was in existence for the taxation of gains resulting from the sale, exchange or transfer of capital assets during the period 1st April, 1946 to 31st March, 1948. The new scheme will apply to capital gains arising on or after 1st April, 1956. The important points on which the new scheme differs from the old may be outlined as follows. In computing the amount of capital gains, the assessee was given the option to adopt, instead of the actual cost of the asset, its fair market value as on 1st January, 1939. Now the assessee is to be given the option to adopt, instead of the actual cost of the asset, its fair market value as on 1st January, 1954. In the case of non-company assessee, only the excess of capital gains over Rs. 15,000 was subjected to tax. Now it is proposed not to levy a tax on capital gains if (i) the capital gains do not exceed Rs. 5,000 or (ii) the total income, including the capital gains, does not exceed Rs. 10,000. Formerly, in the case of non-company assessee, special rates of tax were prescribed for capital gains, ranging from one anna in the rupee to five annas. The rates of tax were thus not related to the total income of the assessee. Under the new Bill, it is proposed to relate the rate of tax on capital gains to the other income of the assessee. One-third of the capital gains will be added to the other income, and the income-tax rate applicable to the sum so arrived at will be the rate at which the whole of the capital gains will be charged to tax. In the case of companies, tax was not charged if the amount of capital gains did not exceed Rs. 15,000. But where the gains exceeded Rs. 15,000, the whole amount was taxed. It is now proposed to tax the full amount of capital gains. In the case of companies, the rate of tax for capital gains was the ordinary income-tax rate applicable to a company. No change is proposed in this respect.

Some Exemptions Dropped

The following gains were exempt from the tax, but the exemption will now be dropped: gains arising on the transfer of property on compulsory acquisition for public purposes; gains arising on the distribution of assets on the dissolution of a firm or association of persons or on the liquidation of a company; gains arising on the sale of residential property possessed by assessee or his parent for seven years or more; gains arising on the sale of building, plant and machinery belonging to a business, invested in the purchase of a new building plant or machinery within a specified period; and gains on the transfer of assets to an irrevocable trust. The exemptions it is proposed to retain are: gains arising on the distribution of assets on the total or partial partition of a Hindu undivided family; gains arising on the transfer of assets by will, bequest or gift; gains arising on the transfer by a parent company of its assets to a 100 percent Indian subsidiary; and gains arising on the sale of residential property which had been occupied by the assessee or his parent for two years, the gains being invested in the purchase of new property within one year.

As before, capital losses now can be set off only against capital gains. Formerly, the capital losses of any year which could not wholly be wiped off by the capital gains of that year could be carried forward for a period of six years for set-off against capital gains in the later years. To permit such carry-forward, the capital loss sustained in any "previous year" was to have exceeded Rs. 15,000 in the case of non-company assessee. Now it is proposed that the capital losses of any year which cannot wholly be wiped off by the capital gains of that year may be carried forward indefinitely for set-off against future capital gains. To permit such carry-forward, the capital loss sustained in any "previous year" must exceed Rs. 5,000 in the case of non-company assessee. These provisions are covered by Clauses 2, 4, 5 and 7.

Under Clause 3, it is proposed that in the case of companies, the depreciation allowances and development rebates allowed should be added as an item of income, unless the company deposits with the Central Government before the 30th June of the relevant assessment year a prescribed amount depending on its undistributed profits and reserves. The amount deposited will consist of two parts. The first part is a prescribed percentage of the amount by which the available profits of the year (i.e., profits before deduction of depreciation or development rebate less taxes payable less dividends declared) exceeds the sum of Rs. 1 lakh. The second part is a prescribed percentage of so much of the accumulated profits and reserves as are not represented by fixed assets in the business. The percentages referred to above will be prescribed by the Central Government and notified from year to year, but will not exceed 75 percent for the first part and 25 percent for the second part of the deposit. The deposit will carry interest at the rate prescribed by the Government and be refundable wholly or in part where the Government is satisfied that the amount refunded will be used in the business for a purpose approved by it. Rules for these and other connected matters will be issued by the Central Government.

Rates of Supertax

Under Clause 8, the effective basic rates of supertax applicable to companies for the financial

pliers and retailers have been busy completing plans to defeat widespread price-cutting of proprietary goods when the collective enforcement of resale prices became unlawful under the Act and the use of "stop lists" and boycotts of dealers were prohibited and private trade courts banned. Insurers, individual manufacturers have the power to seek injunctions in the civil courts against traders knowingly infringing price conditions. Manufacturers of most banned commodities have already made it clear to traders that the power will be used. Retailers generally support price maintenance as "an orderly system of trading." As a result of the Act, however, some trade associations have been wound up while others have altered their constitutions so as to end agreements which gave them their collective powers. Mr. R. L. Sich, Registrar of Restrictive Trading Agreements, has made regulations specifying which documents must be sent to him to enable him to register agreements for which justification is claimed, and bring them before the Restrictive Practices Court, which has not yet been set up. The onus will be on the parties to agreements to satisfy the court, which will have High Court status, that they are not contrary to the public interest. Papers to be submitted include the agreement, any document forming part of it, a memorandum setting out its terms and the names of any parties associated with it. The Four copies of each will be required, one for the Registrar and the others for registers in London, Edinburgh and Belfast. They must be sent in by 28th February but a register will not be prepared until a substantial number has been examined. It will be open to public inspection on payment of a small fee.

Cotton Fashions for 1957.—The periodic displays of trends in cotton cloth manufactures arranged by the Cotton Board Colour Design and Style Centre are of great interest both to manufacturers as well as users of these products. The latest of these took the form of two fabric walls at the sixth National Fabric Fair held at the Albert Hall in London. They comprised nearly a hundred new cotton dress fabrics chosen to illustrate cotton's range in the dress field and to draw attention to new design themes, finishes and fabric types which will be important in dress ranges and in piecegoods departments next year. All those who are concerned will find much of interest in the following technical description of this display: Two print themes stand out, illustrated in a wide variety of ways and representing a strong feeling for richness in design. First, there is "the oil painted look". These prints frequently use many tones of the same colour to produce an effect of depth, of light and shade. Flowers are often a motif but are subsidiary to the printed effect of richness with texture. Colours here tend to follow the established yellow-gold-orange-tan range, often with a sharp green, or to develop the new strong feeling for several reds in combination. Many of the effects are very sombre indeed. Brown and greys frequently provide the dark background against which smaller, brilliant flashes of colour appear. Second comes "the Oriental look" reflected most strongly in Paisley motifs of all sizes; sometimes these are printed in stripes or border effects while other fabrics are given an Eastern character by the choice of colour or the use of gold. A return to clear, delicate colours in both prints and weaves counterbalances these sombre, rich effects. Large-scale abstract stripes in pastel shades are important in prints, and large-scale stripes and checks of colour in both weaves and prints. Pink predominates in combination with blue, green and white. Woven designs follow closely the trends set by the prints as, for example, the pastel coloured stripe effects. There are suggestions, too, of Eastern themes in the choice of woven motifs, for example, no-iron embroidered lawn and a white formal patterned black cotton. Peasant style weaves in sombre colours are new. Grey ground Jacquard weaves, peasant-style "embroidered" black and white border weaves and tiny dobby woven, stylised floral stripes are part of this theme. Mix and Match is new in weaves too. A pair of blue striped white cottons with dobby woven motifs are shown in two sizes to be used together. There are more suit-weight cottons and cotton mixtures. The new cloths include two 50/50 cotton and wool mixtures; one a light tropical weight check, the second a cotton ground wool and cotton pile square cut velvet. A crease-resistant, lightweight needle corduroy is also new. New finishing techniques have become increasingly important in print. Schreiner finishes to give lustre, finishes have been used for dirt and stain repellency, water-resistant finishes, like non-shrink finishes, are now almost universal.

Marine Insurance in Ceylon.—The report of the Colombo Marine Insurance Agents' Association gives each year a useful picture of the problems of marine insurance in that island. The insurance of the export tea shipments makes up a large

part of the business of marine insurers in Ceylon. The tariff of rates on W.A. and F.P.A. conditions on tea shipments has been abandoned since lower rates on fuller cover on tea were being quoted at some destinations. In particular this occurred in Australia after the Australian Government's bulk buying was abandoned. In order to protect local underwriters, the Association has decided to follow the example adopted when similar circumstances arose with rubber shipments, and consequently tea insurances are now, like rubber, non-tariff. The report adds that local insurers have thus maintained the bulk of their established business without adverse effects on their underwriting. This information does suggest that possibly their tariff rates have become out-moded, always a danger when tariffs are in force. The incident also suggests that the "catastrophe" rate, both for hull and cargo insurances, is now definitely lower. Owing to its sensitivity, a free market quickly adjusts itself to such changes even if the reason is not immediately appreciated, but in a tariff-ridden one changes are not made so easily and may be made too late. The Ceylon Association has apparently, however, acted in time. The theft and pilferage record in the port of Colombo has been very bad and is still bad, even though slightly improved. A predominant cause is, in the view of underwriters and surveyors, the fact that discharging into lighters is necessary, which, together with lack of godown space, gives considerable opportunity for thieves to operate. Congestion has been a feature of Colombo for years, and is still, though the construction of new quays, now in progress, may reduce this to some extent. These difficulties, the prevalence of pilferage and the growth of congestion, aggravated by governmental priority for its own bulk imports, are typical of many ports. Though intensely annoying to those concerned, they must be regarded as symptoms of a growth in trade and of a desire for the satisfying of increased needs, which suggests that, wisely handled, the island's economy may continue to expand.

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We also acknowledge with thanks the receipt of a collection of toys from L.M.F.

A TEA AMALGAMATION

WE observe that Messrs. McLeod & Co. of this city have issued a circular which we print in the usual column, suggesting the amalgamation of 14 tea companies with gardens situated in Darjeeling, the Terai, Duars, Sylhet, Cachar and Assam into one London Company with a capital of £1,000,000. The area of the gardens is 37,386 acres of which 8,768 acres are under plant, and 2,360 acres are estimated to have been put out in 1896, making a total planted area of 11,128 acres. The circular puts the matter very clearly before the shareholders, and the scheme seems to us an excellent one. The price to be paid for these gardens is £473,820, which works out a trifle over £42-10 per acre under plant and varies from £20 to £60 acre under plant. The capital is to be divided into 25,000 cumulative 5 per cent Preference Shares of £10 each, and 75,000 Ordinary Shares of the same amount. It is intended to reserve one-third of the Preference and Ordinary Shares for the vendor companies, the balance being offered to the public so as to obtain a Stock Exchange quotation but such of these shares as are not taken up by the public will be allotted to the vendors, and individual shareholders can apply for as many as they want. The scheme should materially improve the shares of the various companies interested, and we wish it every success.

FROM

CAPITAL

23rd December, 1896.

AFTER all I have said in the past few weeks about the ways of Calcutta's traffic jungle, it would be ungracious of me not to applaud the spirit behind the Safety First and Courtesy Week now in progress. But that does not mean I attach much importance to it. Nobody who has been run into the curb by a State bus or forced to give way to a speeding taxi crossing from the left will accuse me of being cynical if I say that penalties and their enforcement are likely to be more effective than exhortation. What I would like to see is a "vehicle" week. By that is meant a week in which all contraptions using Calcutta's highways are examined and their road-worthiness pronounced upon. I know this would be an open invitation to some owners to keep their vehicles off the road for that period. That is why a further proposal to extend the time to a year might be considered. The present state of India's motor-cars, especially the new ones, being what it is, the tests would not have to be too severe. But it is time there was an end to the dawdling rattle-trap which breaks down at every traffic light and the pounding lorry with only half its back wheels on the ground. I can foresee in this idea infinite possibilities for obstruction, harassment, corruption, or even civil commotion after the unhappy incident on the Grand Trunk Road a few months ago. But I hope to avoid the charge of inciting public violence when I submit that it is time something was done about the taxis, lorries, buses and private cars which should not be on the road at all. It is not just a question of reliable brakes and efficient horns; the other day I witnessed the sorry spectacle of a car being forced to swerve into oncoming traffic to avoid a mudguard which had fallen off the lorry in front because the string holding it had broken. Tyres are another problem, and one which lends itself to quick and in-expert inspection. If no vehicle were allowed on the road without a recognisable tread on all its tyres, that in itself would probably make a bigger contribution to improving things than all the Safety First and Courtesy Weeks we can find time for.

Not being either a Benjamin Franklin or a Paraday I find the ways of electricity quite mysterious, and when on the rare occasions I have had to call in the services of an electrical mistri, and he has done his job without being electrocuted, I have tended to regard him as nothing short of a monster of ingenuity. My previous experiences of power failure in this city, however, were nothing like the one we had on Monday. In the affected area, in which my own office is inevitably located, it lasted throughout working hours, and for a spell we were all back in the age of candles and kerosene lamps which, of course, are still the rule in most Indian villages today. For the first thirty minutes or so it was not too bad. But soon afterwards it began to tell on my eyes and nerves as well, and the situation did not improve when million-tongued rumour, for which Calcutta always provides such a fertile ground, got down to work. A caller brought me the frightening story that the Prinsep Street sub-station had been bombed by a pack of goondas and that a new and unaccountable wave of terrorism was sweeping the neighbourhood. A mere telephonic enquiry at the Electricity Corporation's head office, of course, was enough to discredit such a wild story. As I was returning home, earlier than usual, I noticed with some surprise that quite a few buildings on Bentinck Street were shining like little islands of light amid the surrounding gloom. How was it? Had the tenants of the adjacent ones forgotten to switch on their lights? In the Tuesday morning papers I found the answer:

A DITCHER'S DIARY

power was returning gradually. But, I must confess, the incident has not helped me get over my feeling of mystery towards electricity.

I see Dr. Keskar had his way with the Rajya Sabha over the question of referring the Press Council Bill to a select committee. And by a superb exercise of prevarication he also succeeded in depriving journalists of their right to anonymity. He thus dealt one of the severest blows which democracy in this country has sustained so far. To say that the powers to demand sources of information will only be used in "exceptional" circumstances is simply begging the question. Just what circumstances are likely to be regarded as exceptional by a body whose chairman will be a Government nominee and which will depend for its existence on public funds? Journalism is not the only profession possessing principles which experience has taught are necessary to its proper functioning. It is easy enough for an exasperated official to decide he is being obstructed when a newspaper man refuses to divulge his sources. But the convenience of one man, or even one Government for that matter, is not to be confused with the long-term public interest. That is best served by a strong and independent journalistic profession—although of course, one fully versed in its own responsibilities—not a body of men who go in fear of the code under which they work being violated whenever the Government finds it convenient to do so. That is not the way to encourage the growth of a free and healthy Press in India. Perhaps this is only one aspect of a wider problem which is fast developing—the tendency of the Government of the day to accumulate extraordinary powers on the pretext that it intends to use them only when some undefined emergency warrants it. The fourth amendment to the Constitution is the classical example. Before the trend goes too far it would be as well to give some thought to its consequences and if the Party in power is not impressed by considerations of what might be in the country's long-term interests, no doubt it will be for what are obviously in its own. The powers the Government is busy taking unto itself will some day, given the normal process of democratic change, pass to one of another colour. To take this attempt to intimidate the Press for example (and that is what it amounts to), what will be the chances of the Congress Party ever regaining power if a ruthless successor Government should use such a weapon against it?

I have read in the papers that little Minou Drouet is causing a big flutter in the literary dovecots of France and England. This nine-year-old slip of a Breton girl is being credited with producing verse which, by reason of its mature feeling and technical virtuosity, can make critics in both Paris and London gape in wonder. In the first week of this month when she was in the latter capital launching the English translation of her first volume of poetry, the B.B.C. arranged for her to be viewed on T.V. And a profound impression she is reported to have made too. Obviously, an infant prodigy indeed. But I shall point out, even at the risk of appearing slightly cynical, that such creatures have rarely been known to go very far. Alexander Pope, of course, "lisped in numbers for the numbers came." His work certainly acquired a wonderful polish quite early in his career. But then, his medium was the heroic

couplet, a form of verse with only limited possibilities. The height of his achievement was a literary bivalve oyster containing either a core of truism or of biting sarcasm. Byron, Shelley and Keats, all of whom died young, were none of them a child prodigy, and the greatest figures in literature as well as the other arts—Shakespeare, Milton, Dante, Leonardo da Vinci, Michelangelo, Goethe, Tagore—ripened slowly like the heart of an oak. Perhaps only the sphere of music can be cited as an exception, for here there have been a few whose subsequent achievements have matched their early promise. Chopin, Mozart and Brahms, all come into this category. To mention a couple of literary freaks, John Stuart Mill is said to have learnt Greek between the ages of three and five, and Bankim Chatterjee to have mastered the Bengali alphabet in the course of a single day. As for Macaulay, his precocity is well-known. Before he was eight, he had prepared a compendium of "Universal History" from the Creation to his own time.

That outstanding example of Indo-British co-operation, The Bank of India Limited, is celebrating its golden jubilee this year. Congratulations are certainly in order because, in that short time, and pursuing a policy which is well known for its caution and soundness, the Bank has increased the Rs. 70-lakh working capital with which it started business, to nearly Rs. 100 crores today. Even allowing for price changes, this represents rapid growth indeed in the banking world. In the same period, a staff of fifty people has expanded to 2,500. These are no mean achievements, and they are not the only ones the Bank can boast, as I see from an illustrated brochure commemorating this fiftieth anniversary which has just arrived on my desk. The Bank has been fortunate in its choice of managers and general managers, of which there have been only four, including the present one, Mr. D. R. Thom, in the whole of its existence. The turnover in chairmen has been no less restricted. Counting the first, Sir Sassoon David, who held the office for twenty years, there have been just six including the present one, Sir Cowasjee Jehangir. If Mr. Ambalal Sarabhai, who held the post for only eight months, is excluded, that leaves five; surely we have no more reassuring indication of continuity in policy and standards of banking than this. There seems every chance things will stay that way. To quote the words of Sir Cowasjee Jehangir: "I hope that the guardians of the Bank's destinies will always see that its policy continues to be conservative, while serving in an adequate manner the best interests of commerce and industry in India." May I say I hope so too. But it is not going to be so easy in the next few years unless some permanent answer can be found to today's besetting problem of credit stringency.

I have not seen the Russian circus, but it brings to mind this story:

First the tightrope walker blindfolded his eyes. Then, with his eyes bandaged he rode along the rope on a bicycle. Then he did the same thing backwards. Then with eyes still blindfolded he rode backwards playing The Caprice Viennois by Kreisler on a violin.

An old lady bent forward and whispered to her husband, "All the same, you know, he's not as good as Menuhin."

THE DITCHER.

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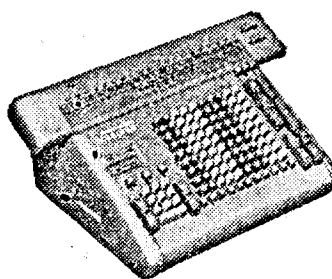
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INDIA STEAMSHIP COMPANY LIMITED

CHAIRMAN SIR A. RAMASWAMI MUDALIAR'S REVIEW

The Twenty-eighth Ordinary General Meeting of the Shareholders of the India Steamship Company Ltd., was held on Wednesday, the 12th December, at the Registered Office of the Company, 'India Steamship House', 21, Old Court House Street, Calcutta. Sir A. Ramaswami Mudaliar, KCSI, DCL (Oxon), Chairman, presided.

The proxies received for the meeting were placed on the table and the notice of the meeting was read by the Assistant Secretary. The Chairman delivered his Speech and thereafter asked the Shareholders whether they had any questions to put with reference to the Directors' Report and the Audited Balance Sheet and Profit and Loss Account for the year ended 31st March, 1956.

In answer to a question regarding the sale of the Company's vessel—the 'INDIAN IMPORTER', the Chairman said that as the vessel was built in 1929 and was due for special survey shortly, the Directors decided to sell this vessel. No loss was incurred by the sale.

Another shareholder wanted to have a statement of the tonnage carried by the vessels of the Company. This information was supplied and further reports will show both the tonnage and freight earnings.

Certain items in the Balance Sheet were referred to by one of the shareholders, who wanted information about these items which were furnished. The increase in the salaries and wages was referred to and this was explained, as due to the increase in the number of the vessels of the Company as also the revision of the salaries and wages of the staff and more amenities which had to be provided after negotiation with the Unions concerned.

The following resolutions were unanimously adopted—

The Directors' Report and the Audited Balance Sheet and Profit and Loss Account. The dividend of 5% tax free on Preference Shares and an interim dividend of Rs. -/8/- per share and a final dividend of a further Rs. -/8/- per share on the ordinary shares was adopted.

The Meeting adopted the resolution that Sir A. Ramaswami Mudaliar do continue as a Director of the Company and that the age limit under Section 280 of the Companies Act shall not apply to him.

It was also resolved that both Sir A. Ramaswami Mudaliar and Sir Bijoy Prasad Singh Roy who are Directors and members of the Managing Agency Company do continue as Directors of the India Steamship Company Ltd.

It was further resolved that the Maharajahdhiraj Sir Udaychand Mahatab Bahadur of Burdwan, Mr. S. C. Roy and Mr. R. K. Mitra, ICS., be elected Directors of the Company.

Messrs G. Basu & Co., and Messrs. Singhi & Co., Chartered Accountants, were appointed Auditors for the current year and their remuneration fixed.

The vote of thanks to the Chair and to the Managing Agents for their excellent management of the Company were adopted unanimously.

CHAIRMAN'S SPEECH.

The following is the text of the Chairman's Speech:—

Gentlemen,

The Audited Accounts and Directors' Report for the period ending March 31st, 1956, has been in your possession for some time. With your permission I shall take them as read.

Trading Experience

The Directors' Report shows that the freight earned during the year is Rs. 5,26,11,831/- against Rs. 4,01,00,132/- the freight earned in the previous year. The increase in freight is partly accounted for by the new ships which were added to the fleet by your Company and partly by the slightly less time taken in the turn-round of the ships. The delay in ports, however, has not materially decreased, a fact to which I shall make reference later. It must, therefore, be a matter of satisfaction to you that in spite of these handicaps the Company made a profit of Rs. 80,22,918/- before providing for depreciation and a net profit of Rs. 38,72,859/- after providing the full amount of depreciation of Rs. 41,50,059/-.

Delay in Ports

I referred in my Speech last year to the report of the Vaisit Committee which dealt with conditions of Dock Labour in the various ports in India and made certain recommendations to improve the position of Dock Labour and promote the better turn-round of ships in these ports. These recommendations were accepted by the Government of India and most of them have since been implemented. In the port of Bombay the piece-rate system has been introduced and is stated to be working fairly satisfactorily. This system has yet to be introduced in the ports of Calcutta and Madras. To the difficulty of getting a satisfactory out-turn of work from Dock Labour in these ports has been added the further difficulty of finding berths for ships both for import and for export. The capacity of these ports to handle freight and to berth ships is limited. The plans of the Government to increase industrialisation both in the public and in the private sector and to force the pace of progress in other directions has necessarily resulted in a greater volume of traffic which has to be handled at these ports and in a larger number of ships entering these ports for which the ports are not adequately equipped. It is a matter of some satisfaction that the Government has become aware of this aspect of the question and

that the Transport Department through its Secretary and other officers and through the Chairmen of the various Port Trusts is taking active steps to improve the capacity of these ports. Mechanical equipment, adequate railway sidings, mobile and electric crane facilities for mechanical handling of certain types of cargo and more berths in all the ports are urgently required and I trust that these will be provided for, at a very early date.

Labour at the ports, both Dock Labour and Port Labour have no doubt to be kept in a contented state and Shipping Companies have expressed their willingness more than once to make any reasonable contribution for the satisfaction of the legitimate demands of labour. It must, however, be regretfully pointed out that certain sections of labour are prone to put forward what should be considered as unreasonable demands and frequently their alarms and excursions to which the Shipping Companies are subjected have a detrimental effect on the international trade and commerce of the country. I do trust that Labour Leaders and those administrators in charge of labour both in the States and at the Centre will devote equal attention to securing the legitimate rights of Labour and enforcing their patent obligations.

Progress

At the last meeting I referred to the fact that the two ships which had been ordered in 1954 were on commission and were added to your fleet and that two more ships of the same class were under construction. These ships have now been delivered, one in March, 1956 and the other in May. The 'INDIAN IMPORTER' a second-hand ship of 1929 has been sold and the loan which was taken from the Government for the purchase of the Coastal vessel, the 'INDIAN COMMERCE' has been fully paid-up. There are, therefore, twelve ships including the 'INDIAN COMMERCE' in the Company's fleet. Your Directors aim at having a fleet of eighteen ships before 1960 all operating on the INDIA/U.K./CONTINENT route, and orders have been placed for the construction of six more ships which will be delivered at the rate of two per year during the next three years.

The Company has also placed an order with the Hindustan Shipyard Ltd., for a vessel of 5,500 tons which may be utilised either in the Coastal trade or in the trade Overseas.

The assistance which the Government of India has readily given by way of loan has enabled the Directors to plan this programme, and in a period where the shipbuilding yards in foreign countries are fully booked, to take advantage of the offer of the German shipbuilding yard of Howaldtswerke, to order these ships.

Since March, 1956, your Company has also undertaken at the instance of the Government to put two of your ships regularly on the India/Black Sea route to enable exports to and imports from the Soviet Union and in particular to afford shipping facilities for the large quantity of plant, machinery and material required for the Bhilai Steel Plant. This undertaking has naturally reduced the number of ships available for the INDIA/U.K./CONTINENT trade.

I should like to repeat that the Directors have kept the financial commitments of your Company, in regard to the loans taken from the Government, closely under review and are confident that there will be no difficulty in meeting these commitments provided of course there are no serious upsetting developments beyond our control.

The loans granted by the Government for the construction of ships overseas require exchange facilities for payment of instalments to the shipbuilding yards as they become due. I should like, however, to point out that ships of Indian companies engaged in Overseas trade earn and save enough foreign exchange to meet the requirements for transmission of the instalments due to the shipbuilding yards abroad. It is needless to add that this is a continuous source of foreign exchange earning and that, therefore, the sooner the tonnage of the Indian companies expand the greater will be the foreign exchange earned by them. These invisible earnings are a considerable factor for every maritime country in dealing with the exchange problem.

Public and Private Sector

The industrial policy statement of the Government of India declares that sea transport belongs to the second category of industries which will be developed both by private enterprise and by the State, so as to accelerate progress. The need for Indian Shipping to operate on various routes on which at present there are no Indian ships operating is unquestionable. The two Shipping Corporations that have been recently promoted in the public sector have, therefore, a free field in which they can operate without any way jeopardising the interests of the Shipping companies in the private sector. I am glad, therefore, to bring to your attention that the Hon'ble Minister for Transport has stated at the last Annual Meeting of the Indian National Steamship Owners' Association, as follows:—

"I may state it very clearly that it is not our intention that Shipping in the public sector should run in competition on routes in which existing private Shipping companies have established themselves."

I trust this categorical statement of the Hon'ble Minister will continue to be a basic policy in the expansion of Shipping in the public sector.

Suez Crisis

I feel bound to refer to the serious problem which has emerged during the last few weeks owing to the fact that the route through the Suez Canal is not now

available and will not be available for some considerable period. It will be inappropriate for me on this occasion to deal with the political and other aspects of the crisis which resulted in the closure of the Suez Canal. The Company has had, however, to face a series of problems of readjustment of the sailing schedules of your fleet, problems of insurance and of obtaining bunkers and water at new ports of call consequent on the diversion of your ships to the longer route via Africa. These problems, I am glad to state are being satisfactorily dealt with by your Company.

The policy of your Directors in providing a speed of 17 to 20 knots in the new ships has not only contributed considerably to increased freight earnings but has also enabled the Company to keep its sailing schedule in line with the requirements, a factor which is of so vital importance at a time like the present when the Company's vessels have to take a longer route on account of international developments.

The events which have led to the Suez Canal problem, the conferences that have been convened from time to time, to consider the issue, and the position that certain maritime countries have taken with reference to the Suez Canal, all emphasize the need for building up the country's fleet as rapidly as possible. Our status and our dignity as a maritime country seem to require possession of a sufficiently large mercantile fleet despite our position in the international trade of the world, if we desire to have a tangible share in the settlement of these grave problems.

I feel certain that the expanding policy which your Directors have adopted will be appreciated whereby there will be at least 18 ships on the INDIA/U.K./CONTINENT trade apart from the two ships earmarked for the Black Sea Trade by the end of 1960.

Government Loans

I have referred to the loans that have been sanctioned by the Government enabling us to launch on the expansion of your fleet. We are grateful to the Government for the assistance given so far and we trust that this assistance will continue in the same measure for a further and quicker expansion of the fleet of Indian companies. It is further hoped that some of the terms and conditions of these loans may be liberalised to a reasonable extent. I must take this opportunity of stating that the achievements of the Indian Mercantile Marine have been by no means inconsiderable. National Shipping has established itself in the Overseas trade, against heavy odds, by maintaining a high standard of efficiency and service and has in no small measure assisted the development of India's National Overseas trade.

In the matter of training Indian personnel as well, for key positions in the Mercantile Marine, the Indian companies have done their best and in the coming years the dearth of technical personnel I am sure, would not be so seriously felt in this industry. In these circumstances, I have no doubt that the development of National Shipping in the private sector will continue to be encouraged by the Government and any suggestions which would adversely affect such development will not be looked upon with favour by the authorities.

Earnings and Dividend

The earnings of the Company have been noted in the Directors' Report. I have had during the last two years the not very pleasant duty of informing the shareholders that the Directors were unable to declare dividends on Ordinary shares. It is, therefore, some relief and consolation to me that this year we are able to announce the payment of an interim dividend of Rs. -/8/- per share and are now proposing to pay a further final dividend of Rs. -/8/- per share on Ordinary shares.

I should like to take this opportunity of thanking the shippers both here and abroad for the very generous support that they have given to your Company. Thanks to the fast ships which form our fleet and to the courteous and prompt service which is forthcoming at all ports, the India Steamship Company holds a very high position in the esteem of shippers in different parts of the world. Our shippers have recognised this by their patronage.

Transport Minister's Resignation

I cannot conclude this Speech without reference to the resignation of Sri Lal Bahadur Shastri, Minister-in-charge of Railways and Transport. I do not wish to make any comments on the constitutional propriety which necessitated such resignation or on the parliamentary traditions which it is stated to have helped in building up. I can only refer to the deep regret which is felt almost universally in India at this resignation. The contribution which Sri Shastri has made to the cause of Indian Shipping, his earnest and enthusiastic support in expanding the Indian fleet and his deep understanding of the problems of Indian Shipping companies has been widely recognised. The personal characteristics of Sri Shastri, his modesty, unassuming manners and his desire to avoid publicity have been appreciated widely. I have no doubt that he will shortly be called upon to fill again high and important posts in the Cabinet of the Government of India. I should like to extend to him on your behalf our good wishes.

New Director

It gives me great pleasure to inform you that the Board has been strengthened by the addition of another Director Mr. R. K. Mitra, ICS., Chairman of the Commissioners for the Port of Calcutta. His knowledge of port working and its conditions has been of great help to the Board.

Tribute

The Company has been well served by all its officers afloat and ashore of all ranks and by its Agents and brokers. On your behalf and on behalf of the Directors I wish to convey our thanks to all of them for their good and enthusiastic work throughout the year.

It only remains for me now to thank you gentlemen for your attendance at this meeting and to join you in the hope that the Company will prosper in the years to come thanks to the good and enthusiastic work of our staff.

I shall be glad to answer any questions which shareholders may wish to ask regarding the Accounts.

THE FEDERATION OF ELECTRICITY UNDERTAKINGS OF INDIA

MR. K. G. MILNE'S SURVEY

The following is the speech of Mr. K. G. Milne, President of The Federation of Electricity Undertakings of India, at the Twelfth Ordinary General Meeting held on 12th December, 1956.

Gentlemen,

Once more it is my privilege to welcome you to the Annual General Meeting of this Federation and to thank particularly those who have come here from afar.

The thought uppermost in all our minds today is the progress which is being made in Parliament at this time with amendments to the Electricity (Supply) Act, 1948. Now at last the fruit which has been growing for the last six years upon the legislative tree appears ready to be picked. We have tended it through all this time with anxious care. Many journeys have been undertaken and many have been the letters and discussions between us and Government representatives as to what should be done for the best. Investors too will be eagerly watching to see whether, in the midst of their sore preoccupation with new and crushing loads of general taxation, they may yet once again find some solace here with us.

By and large investors have not much liked the look of us during the last few years and have progressively been diverting their attention to other directions. Investors were worried lest Government might finally decide towards the general nationalisation of the Electric Supply Industry, or that they might renege terms of compensation upon acquisition which might be of a confiscatory nature. They have been worried too that the maximum rate of return allowed to our industry was incommensurate with the risks involved and the opportunities afforded for investment in other countries. There had furthermore been signs of undue interference by State Governments and by Electricity Boards, with the day to day working of Undertakings, and in particular with their rate making policies.

What therefore can I tell you, and investors, about the ripe legislative fruit which is about to be picked? Is it fair and luscious and such that investors may be encouraged to come forward once again to enable our industry to maintain its rightful place at the base of all advancement of the living standards of the people? Or is it corrupt and maggoty and an object of despair?

Amendment Bill

From all I am able to gather—and a great deal has actually been happening during the last week—I am glad to be able to tell you that I believe the Electricity (Supply) Amendment Bill 1956 as it emerges from Parliament in the next few days is likely to meet most of the points which our Federation had desired. It is true that the new Standard Rate of permissible return which is proposed to be granted cannot be regarded as a matter of any great excitement. On the other hand a return, allowing for taxation, of 5½% upon the Capital Base of an Electric Supply Undertaking is not in my opinion a return which should be lightly regarded, or cast aside as completely unworthy. While it will be for the various undertakings within our membership to apply the new formula to their own financial structures in each case, I am under the impression that even allowing for the fact that certain previously available advantages under the law are being withdrawn, the final return to investors is likely to be somewhat improved under the new dispensation.

Besides the return to the Electric Supply Industry will now be linked with the Reserve Bank Rate. True this is not a very scientific basis for calculating the return upon an industrial investment, but at least I for one do not at present foresee any great likelihood of the Reserve Bank Rate being reduced, and even if it were so, the reduction must then affect the value of all other investments equally. Contrariwise, it is not every industry which will lay in a position, should the Bank Rate be raised, to follow it upwards with an enlarged return as will be the case with the Electric Supply Industry in the future. This is an element of the new situation which investors would I think do well to consider carefully.

The amended Act will, as I understand it, provide also for our industry to retain the tax savings resulting from the Development Rebate given by the Taxation Authorities as a concession to assist companies to expand their business. Previously in the case of this industry these tax savings were misaccruing to consumers. This new provision will not enable Electricity concerns to earn any more upon their investors' money, apart from 1 of one per cent as a sort of handling fee on the amount of the resulting Development Reserve, nor will the Development Reserve itself be permitted to add to the ultimate property of the investor. Nevertheless it should help the industry in some measure in its task of raising the additional Rs. 70 or 80 crores which it will require to complete its programme during the Second Five Year Plan.

Deferred Taxation Reserve

Here I must mention a maggot which I understand has just fallen out of our allegoric fruit, but which unfortunately will take with it a part of the fruit itself. I refer in fact to a permission to go into all the details here as to why a Deferred Taxation reserve was necessary in the case of our industry; I have been into it in almost every speech I have made bearing upon this industry's affairs for years. The point I am going to make here is that the Government were finally favourably disposed towards allowing the industry to do something about bringing this Reserve into being, but as the proposed permission clause emerged from Select Committee it was in a form which could have done tremendous harm to units of our industry. It was pointed out to Government that in our opinion the clause needed considerable redrafting to attain the precise objects in view. Since however time did not permit a full and proper consideration of the various points involved before the Lok

Sabha came to vote on the Bill, it has been proposed to drop the clause. This however does not mean to say that the Government will not be prepared ever to reopen the question. Indeed I am advised that Government will be only too willing to make sure that justice is ultimately done in this matter.

In the context of investors' fears about general nationalisation of this industry or confiscatory terms of acquisition, it appears evident to me that the Central Government has no such intentions. The whole scheme of the Electricity (Supply) Act is directed towards harmonious co-existence of Electric Supply Undertakings owned by the State and operated by Electricity Boards on the one hand, and Electric Supply Undertakings owned and operated by constituents of this Federation on the other. Indeed the reports are that the Central Government has been much distressed at the attitude of certain States of the Union who are unwilling to set up Electricity Boards to co-ordinate electrical development in their areas and who have spoken instead of local measures of nationalisation. It is, I firmly believe, the policy of the Centre to discourage such tendencies and to insist, with the fullest support of all constituents of this Federation, upon the desirability of setting up State Electricity Boards in all the States of the Union and fully to implement the policy for which the Electricity (Supply) Act was enacted. This policy is declared to be rationalisation, and certainly did not and does not include nationalisation.

The Central Government has made no attempt, nor do I believe it intends to make any attempt, to alter the general terms for acquisition of Electric Supply Undertakings, which remain as they were set out in the Electricity Act 1910; namely fair market value of assets at the time of expiration of the relevant Licenses.

A matter of particular alarm to investors during the last year was an attempt made by some State Governments to declare that dividends should be limited to 3% in certain circumstances, except with the State's sanction. I am glad to be able to say that the new amendments are taking care of this, and should make it quite clear, in case there was ever any real doubt, that State Governments have no powers to interfere with dividends.

I will only touch on one other amendment, also of major importance. This will ensure that State Government or Electricity Boards as the case may be, will in future have no powers to impose Rating Committees on Electricity Undertakings unless there has first been established a breach of the Electricity (Supply) Act regulations in regard to their financial obligations. Furthermore, if there is any dispute about whether or not there has been such a breach it must be referred to arbitration of the Authority before any Rating Committee can function. This amendment will do away with one of the greatest obstructions to financial viability in the case of Electrical Undertakings whose position required increases in rates. Now such Undertakings are to be enabled to increase their rates in accordance with law and without any improper interference. Of course if it is afterwards shown that they acted incorrectly, restitution will naturally have to be made to consumers, but that is very unlikely to happen.

Happy Outcome

Taken all in all I, therefore, think we may say that we are pleased with the outcome of our six years' effort; hard and worrying as this has been. We will, of course, not relinquish our endeavours to obtain a final fair settlement in regard to the major outstanding point of Deferred Taxation, but meantime I am hopeful that the principal law governing the well-being of the Electric Supply Industry may be said to have been cleared of its major obstacles.

Of course only the investors themselves can tell us, and the Government of India, whether the return which the amended law is now proposing to give will be sufficient to attract their money. If it is not, then it will inevitably mean that the Government of India must think again; for our industry can under no circumstances be allowed to stagnate if the country is to continue to grow forward.

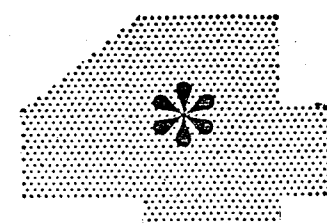
I fear that a great deal too much emphasis is being placed upon taxation for the sake of financing the Public Sector. Probably few will be prepared to accept what I say. We are accustomed now to being unheard in such matters. I will only suggest with the remote hope that there may be those who are willing to agree, that we would do well to watch with great heed the rate of growth of demand for electricity in the country. This figure of demand for electricity is the index of progress here as elsewhere. It costs on the average between Rs. 4,000 and Rs. 10,000 invested in other plant and productive machinery to make use of 1 Kilowatt (just over 1 Horse Power) of electrical power. If all the people who have been planning to use the money in development are still able to do so then the demand for electricity will continue to grow. But if this money is diverted into the pockets of the State to too great an extent, the rising curve for demand for electricity must begin to fall. I pray that the country's plans may be so laid as to avoid so fateful a reversal of trend, and its dismal implications for the future of the people.

Before I conclude I must refer briefly to a few other matters of individual moment. The Bombay High Court has ruled, in suits before it during the year, that the levy of "additional income tax" on dividends was ultra vires, and the cases have been appealed to the Supreme Court. Meaning that there has not been any further progress in determining the legality of denial of dividend gross-up for tax relief purposes where a company has no income tax profit; and thus there continues this satanic reward to those who have done their duty to their countrymen by expanding fastest! To these problems, both stemming from the different depreciation allowances of the Electricity (Supply) Act and of the Income Tax Act, there

may now be added another in the latest requirement that the tax allowances be deposited with Government before they can be used for capital purposes. Constituents of the Federation not being allowed by their Act even to earn all the tax allowances, and having in any event to invest such depreciation allowances they do get as soon as they are earned, are thus in danger of again being caught, as it were, between God and Mammon. Which Act one may associate with God and which with Mammon in this context may perhaps best be left to the imagination! The Federation has of course strongly represented the special position of this industry to the Finance Ministry, and hopes for responsive action.

This industry is dependent upon a large volume of consumer goodwill; perhaps more than any other industry, and towards this end the Federation has given great attention and will continue to do so. Apart from our industry's own problems such as regulation and control we must, for the good of the country, make it electricity conscious and so that the benefits of this civilizing influence will enlarge as years go by.

Note: This does not purport to be a record of the proceedings of the Annual General Meeting which will be sent separately to Members.



New Topics

included in

The

Times of India

DIRECTORY

& YEAR BOOK

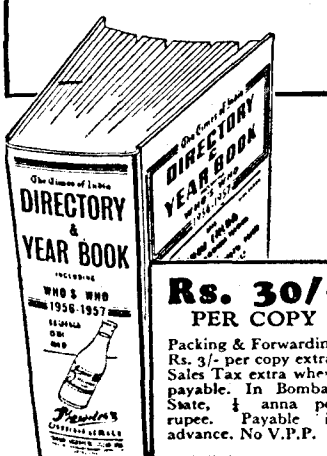
(incl. WHO'S WHO)

1956-57

THIS peerless reference book presents authoritative, comprehensive information about India, and Political, Administrative, Financial, Commercial, Agricultural, and Social Organisations activity in the country. Biographical notes and photographs of Indians of distinction are given in the WHO'S WHO section.

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- 2 Brief statistical notes on the new States where available
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- 4 A detailed summary of the Second Five-Year Plan.



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Without Prejudice

CONVICTION FOR HOLDING
STOLEN GOODSHIGH COURT RESTORES SENTENCE
ON HAWKER

(FROM OUR LEGAL CORRESPONDENT)

PARKASH SINGH was, and (save for a temporary and unavoidable cessation of business for a period of six months, during which he was otherwise rigorously occupied) no doubt still is, a hawker carrying on his avocation in the district of Ambala; and Parkash Singh has stood upon his constitutional rights. He has done so before a magistrate, a sessions judge and a High Court, with the object of preserving his liberty as guaranteed to every citizen of India by Article 21 of the Constitution, which ordains that "no person shall be deprived of his life or personal liberty except according to procedure established by law." Incidentally, it may be noted that Article 21, with very slight textual variation, follows exactly Article XIV of the Constitution of the United States and that Article XIV is simply a presentment in writing of the common law of England. England, or perhaps one should say Britain, though Professors Dicey, Jaski, Finer and Bryce do not, is the only considerable country in the world, one believes, which does not possess a written constitution. It did have one once. It was in fact the agreement of the Parliamentary Army and Cromwell, and lasted 11 years, until in 1660 the "people" had had enough of it.

The Restoration put an end to written constitutions in England, and no one has ever contemplated their revival. A written constitution is essential in a federation of States such as India and the United States, but it has at least one disadvantage, and that is illustrated in the case of our pertinacious hawker. It results in a multiplicity of litigation in a country already notorious for the law's delays. In the index of the A.I.R. for one month, from which we unearthed the case of Parkash Singh, we find no less than about a hundred reports of cases cluttering up the Supreme Court and the High Courts, all turning on contested interpretations of various Articles in the Constitution. One believes that a condemned murderer in the United States also can delay his ultimate punishment for years while his lawyers involve his alleged constitutional rights in a succession of courts. The same citizen's conviction and final sentence would occupy a matter of three months and no more under the unwritten constitution of Great Britain. India has emerged into freedom as a new world power and a federal State, and, as such, it was obviously necessary that its citizens should have their charter in written form. All it is desired to emphasise here is that those citizens would possess the same personal rights in Britain, and that as long as liberty is secured, it matters nothing whether we say that individuals are free from arbitrary arrest because liberty is guaranteed by a written constitution or because such freedom is secured to him by the ordinary law of the land.

And that digression brings us back to Parkash

Singh and his stand upon the Constitution of India, upon which he relied to rescue him from the consequences of what to him, in his capacity of an innocent citizen of blameless rectitude, must have seemed a series of maleficent coincidences. To begin with, he was a hawker of high class and his stock in trade, with which he proposed rather hurriedly to catch the 3 p.m. train from Ambala station on a certain day, comprised goods of a character more usually found in substantial shops than in the equipment of a peripatetic pedlar. There were three thermos flasks, a large number of packets of Gold Flake and Scissors cigarettes (the latter popular among the military and often stocked in canteens), new vests and "most noteworthy of all", as Falshaw J. put it later, "two bottles of Scotch whisky on which, in addition to the ordinary labels, were also labels showing that they were only issued to the army and marked 'for canteen service only'."

Now, for the convenience of troops stationed in Beas, there was a canteen, and it was a further malignant coincidence that the manager thereof, on visiting the canteen on the morning of 20th August, 1954, found that it had been burgled. The burglary was reported to the O. C., Captain Anthony David, who the same afternoon gave information to the police with a list of the missing articles which, worst coincidence of all, included three thermos flasks, two bottles of Scotch whisky and various articles of clothing. Parkash Singh was arrested the next day in Ambala city railway station when a trunk in his possession was opened with a key taken from him. As for the contents of the trunk, their lordships of the High Court observed later: "There does not appear to be any doubt whatever that most of the contents were, in fact, property stolen from the canteen in Beas less than 48 hours before the apprehension of the accused in Ambala." "Not so," Parkash Singh had said before the Magistrate. "The articles were my stock in trade as a hawker. I have been falsely implicated by an unscrupulous head constable; and I am an honest man"; in support of which latter asseveration he called witnesses as to his virtuous conduct as a hawker.

The magistrate in Ambala was not impressed. He convicted Parkash Singh under Section 411, Penal Code, and sentenced him to six months' rigorous imprisonment; whereupon the hawker appealed from his conviction to the sessions judge on the ground that he had been deprived of his personal liberty in contravention of Article 21 of the Constitution of India: a ground, incidentally, which, if it were sustained, would mean that in probably seven cases out of ten, it would be impossible to secure a conviction on a charge of receiving goods well knowing them to have been stolen. Nevertheless, the ground was sustained and the sessions judge reversed the conviction and sentence of the magistrate, and acquitted the accused.

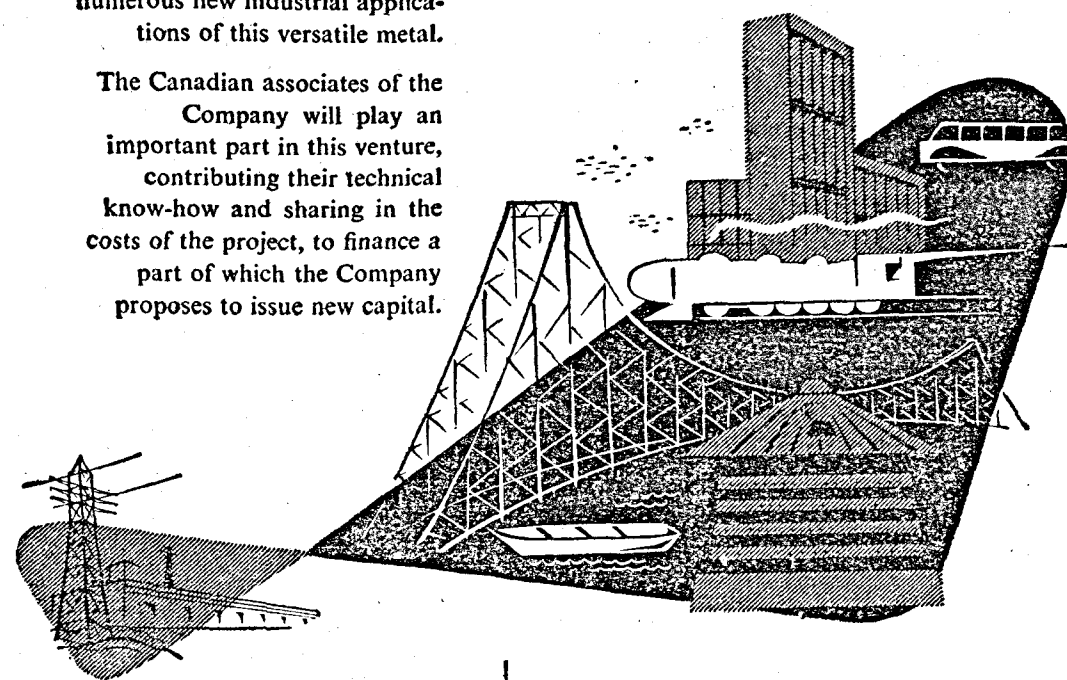
The acquittal involved the neat driving of a coach-and-four through Section 114 of the Indian Evidence Act, a performance which was duly executed, producing the dry comment later from Kapur J. that it rendered the matter one of "some importance." The State, being of a like opinion, appealed to the High Court against the acquittal, and asked that the conviction and sentence of the magistrate be restored. These were the grounds on which the learned sessions judge had set aside the conviction. Section 114 of the Evidence Act enacts, and, incidentally, has so enacted for well over 80 years before the written Constitution of India was drafted, that a man who is in possession of stolen goods soon after the theft, is either the thief or has received the goods knowing them to be stolen, unless he can account for his possession of them. A presumption, you will note, a presumption rebuttable by the possessor on his showing that his possession was innocent. The sessions judge held that this venerable statutory presumption contravenes the provisions of Section 21 of the Constitution, and that therefore Parkash Singh, having been unlawfully deprived of his personal liberty, must be freed.

"I must confess," said Falshaw J. (Kapur J. concurring) at the hearing of the State's appeal, "that I am entirely unable to understand this view. All that is laid down in Article 21 of the Constitution is that no person shall be deprived of his life or personal liberty, except according to procedure established by law. As far as I am able to understand it, all that is meant by this is that in order to be deprived of his liberty, a man has to be tried according to the provisions of the Code of Criminal Procedure on a charge relating to some offence specified in the Indian Penal Code, or some other statute containing penal provisions, and that the rules governing the evidence at his trial must be those laid down by the Indian Evidence Act. It seems to me that the view of the learned sessions judge would only be well founded if it had been specifically provided in the Constitution that no presumptions of any kind were to be drawn against any persons accused of an offence. I am, therefore, of the opinion that the reason given by the learned sessions judge for acquitting the accused is wholly unfounded in law, and since I am of the opinion that the evidence conclusively shows that the accused was found within 48 hours of the theft in possession of a considerable quantity of stolen property, for which I do not find his explanation at all satisfactory or convincing, I consider that he was properly convicted and sentenced under Section 411, Penal Code, by the learned trial magistrate." The appeal of the State was accepted, the order of acquittal set aside, and the magistrate's conviction and sentence restored.

[State v. Parkash Singh. 1956. 43. A.I.R. (Punjab). 224.]

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LONDON INSURANCE LETTER

EFFECTS AND ADJUSTMENTS

By Air Mail.

THE decision of the Export Credits Guarantee Department to curtail further its insurance of business with Middle East caused no surprise. Cover for the Egyptian market was withdrawn at the beginning of August and has not, of course, been restored. In view of the aggravation of the crisis in November, the Department restricted its terms for new business with Israel, Jordan, Saudi Arabia, and Syria, so that the only transactions covered would be those backed by confirmed irrevocable letters of credit, and these terms are no longer easily arranged. However, to many exporters the problem seemed academic, for communication with customers in the area had become so difficult that little trade could be done anyway. The reaction of Lloyd's underwriters to the general situation was more surprising. They made the unusual decision that they would reduce from 12 months to three months the period over which they would insure vessels against war risks at a basic rate. The decision means that if a vessel is insured, for non-danger areas, for a period of 12 months the rate of premium will be reviewed at quarterly intervals. The previous arrangement protected underwriters against risk of war in specific areas, for 10 danger areas were excluded from it; otherwise a basic rate of 4s per £100 applied for a year. The change suggested that some underwriters had become apprehensive of a general war.

The troubles in the Canal itself have had surprisingly little effect on Lloyd's. The dozens of vessels sunk by the Egyptians could not be subjects of claims, if only because they belonged to the Canal Company, which bore its own insurance; in any case, claims arising from deliberate sinking would be strongly disputed. Claims on vessels immobilised in transit are not so obviously excluded, but no claims under hull war risks are admissible if the vessels are released within a reasonable time and undamaged. Anyway, no owners would want to abandon ships as total losses in the present state of the market. It might be thought that numerous claims would arise from insurance against the risk of diversion round the Cape, but in this matter the timing of the troubles was singularly fortunate for underwriters. The anxieties arising from President Nasser's nationalisation subsided before any substantial amount of cover had been arranged, and many of the policies that had been arranged had expired when the real crisis broke. When the Canal was actually closed, cover of this type—against the risk that it could not be used—became, of course, irrelevant.

Car Policies in Abeyance

At home, the most obvious difficulties arising from the troubles are in car insurance. Petrol became scarce so promptly that some motorists decided immediately to lay up their cars—a not uncommon practice in the winter anyway. If insurers are notified in advance of such an intention they will grant a rebate on the insurance premium for a minimum period of four weeks. This arrangement applies, of course, at any time, but it is usually brought into effect as a consequence of individual, not of national, or international, circumstances. This rebate applies only to accident insurance, while insurance against risks of fire and theft will remain in force. On the road, the number of accidents has already been reduced by the very noticeable thinning of traffic (due, of course, much more to economy of petrol than to withdrawal of cars from service), and the companies' experience this year may be, for this reason, more favourable than was expected. It is already suggested that the much-discussed increase in premium rates for motor insurance will be deferred until conditions are restored to their congested normal.

There is no clear sign of general improvement in the fire departments. At home, recent figures include what is believed to be the largest single loss on record fully covered by insurance, arising from a big fire at a refrigerator-manufacturing plant in Crewe, where damage estimated at £1.4 million occurred. (The nearest comparable figures are about £1 million each for a cycle-accessory warehouse in Birmingham last year and a cotton mill in Roshdale in 1952.) Abroad, the all-important American figures are still inflated by claims for additional risks, such as windstorms. How serious one fire can be is shown by the fact that the total U.K. damage in October was not very much more than that caused by the single fire in Crewe, which occurred in September. The estimated 10 months' total, at £22.4 million is not quite as large as the figure for the same period of 1955, £23.4 million, but it is appreciably more than that for the same period of 1954, £21.6 million. There is still a reasonable hope that this year's experience at home will be at least no worse than last year's.

In the United States, on the other hand, losses this year have exceeded last year's in almost every month, and the estimated total for the first three quarters of the year, at \$731.2 million, is considerably larger than the figure of \$668.4 million recorded for the same period of last year; which was almost the same as the corresponding figure for 1954. In other overseas countries there have also been substantial losses, and it does not appear that final figure for 1956 will show a general improvement in the trend. In a different field, however, the overseas departments can record one of the largest all-risks insurances ever written. It covers West Bengal's projected steel works in Durgapur, for a value of £100 million. This insurance is not, of course, exclusively a British undertaking, for Indian insurers are also important participants.

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IRREGULAR TREND IN STOCK MARKETS

GOLD, RUBBER AND TEA SHARES IMPROVE

London, 19th December.

THE pace of the recent recovery in the stock markets has slowed down in the past week, and in fact, the markets as a whole have turned irregular as demand has contracted. The Middle East situation, coupled with the approaching holidays, has restrained further buying. As a result, prices have been generally little changed, compared with those prevailing a week ago. The main exception are gold shares which have recorded modest gains on the week. Gilt-edged securities have responded to the improvement of sterling in foreign exchanges, but the advance has proved short-lived, and prices have subsequently fluctuated within narrow limits to record little change on balance. Foreign bonds have been well maintained and have been occasionally better on balance. Dollar stocks have generally followed the downward trend of Wall Street. The recent recovery in industrials has been brought to a halt with the contraction in buying and with prices moving irregularly and within narrow limits generally, there has been little alteration in prices on the week. The Kafir section of uranium shares has been supported on the decision to release more information about atomic developments. Coppers and other base metals have weakened reflecting the fall in metal prices. Oils generally have lost some of their recent gains on profit-taking. A firm undertone has been maintained in rubbers and teas.

The Money Market

There was no improvement in the tight credit condition which has been a persistent feature of

the London money market during the past week. Seasonal factors kept the credit base restricted. Although the market requirements were lighter as a result of a small intake of 91-day Treasury bills, the amount of credit available fell short of the needs and the authorities had to provide a fair amount of help to cover the gap. Shortages during the past week were perhaps less distressing, and the high cost of money declined to 4½ percent from 4½ percent in the previous week. The failure of the money market to secure a reasonable quantity of 91-day Treasury bills at the previous week's tenders, was the cause for a sharp revision in its bid last week, which had the effect of pulling the average Treasury bill rate down by around 3/32 percent, while the market secured a much larger allotment of the bills. Applications for £230 million worth of 91-day Treasury bills totalled £361,850,000 and £220 million were allotted at the average rate of 98s 1.54d percent against 100s 10.28d percent in the previous week. Applications for £60 million 63-day bills totalled £63,005,000 and all were allotted at the average rate of 98s 11.65d percent against 101s 4.37d percent in the previous week.

Stock Market Prospects

The *Investor's Chronicle* market newsletter writes: The rally in the London gilt-edged market continues with improving demand. A strong technical rally in British industrials was helped by Wall Street, but may have some consolidation. Gold shares are consolidating after a brisk rally which took back all the pessimism since the end of September. Wall Street is coming under some selling pressure. In the past few days, British industrials have regained more than half of their losses incurred between the Suez nationalisation at the end of July and the year's low at the end of last month. Helpful factors have been the general shortage of stock and the easing of the international tension and a more benevolent U. S. attitude. Bear sales after the news of the big November drop in the reserves

proved unprofitable perhaps because of the Government's swift and bold plans to defend sterling. The arrangement for up to \$1,300 million from the International Monetary Fund is shrewd psychology. Even allowing for delayed imports, Britain's November trade figures were good with exports at record daily rates. There are grounds for feeling that the present troubles are being vigorously tackled and will be successfully overcome.

Hongkong Gold Active

The Hongkong gold market was very active during the early part of the week on heavy short selling and liquidation by tired longs. The sharp rise in carry-over charges in the early period also tempted short covering. At one stage, the market was working on the basis of a forecast by prominent dealers about next day's switch rates. Towards the week-end, bears' profit-taking and indications of the still serious Middle East situation helped the market recover some of its earlier losses. The carry-over charge was 260 cents in sellers' favour. The official offtake was 4,500 taels and the unofficial 15,300 taels. Arrivals from Macao totalled 50,000 ounces. Forward contracts were done at \$(U.S.) 37.70.

Vegetable Oils Featureless

The oilseeds market was generally featureless, but in spite of the lack of buying interest, sellers were less inclined to make price concessions. Coconut oil was fractionally steadier for Straits with hints of buyers around £93½ c.i.f. and resellers were reluctant to go below £93½. However, Ceylonese oil was completely neglected, and bids at sharply discounted levels for affoil oil were likely to be successful. Groundnut oil was scarcely mentioned on trading terms with the sellers of Nigerian generally repeating the recent rates and awaiting developments. Groundnuts were in a similar position, although sellers were more difficult to locate. Linseed oil received scant support, but due to the shortage of nearby oil, sellers were preferring not to talk the market lower. Original advices on castor oil were a shade firmer, but resellers were still numerous at discounted rates, claiming no response from buyers. Castorseed was less freely offered with sellers at the origin having generally withdrawn. However, North European interest was negligible. Palm kernels were generally 10s a ton cheaper on slow trading, while other items were lacking features.

Free Sugar Trade in U.K.

On 1st January, 1957, the sugar trade in the U.K. reverts from Government to private account under the Sugar Act of 1956. The Board of Trade announces that from that date, imports into Britain of raw and refined sugar from International Sugar Agreement countries will be allowed under open individual licences. These will be valid for one year without restrictions on quantity. Imports of refined and raw sugar from countries outside the Agreement will be allowed under a quota fixed in accordance with it. Imports of certain sugar-containing goods from the sterling area will be allowed under an open general licence.

London Raw Sugar Futures

Raw sugar futures trading in London will be resumed on 2nd January. It was suspended during the last war. The trading standard will be raw cane non-preferential sugar of 96 degrees polarisation. Trading will be January to October inclusive and December.

Operations of Turner and Newall

Sir Walter Shepherd, chairman of Turner and Newall Limited, in his annual statement said he expected that demand for the African grades of asbestos fibre of medium length which the company produced, would continue to increase. Studies were, therefore, being made with a view to expanding operations at some of the company's mines in South Africa. Trading conditions in overseas markets had become progressively more difficult. Nevertheless, the company's exports had increased in the past year, he added. Demand in India had greatly exceeded the capacity of the subsidiaries there. A new factory had been completed in Bombay which would help meet the growing demand. The factory would manufacture, among other things, clutch linings, compressed asbestos fibre jointing, certain asbestos textiles and magnesia insulation, he added.

Labour Shortage in Lancashire

Most textile producing countries are enjoying a trade revival in cotton goods but with most of them—including Lancashire—the revival is mainly the result of better demand from their own home markets. The review of the International Cotton Federation—whose headquarters are in Manchester—states that the prospects in Lancashire are somewhat brighter than for some time, except in the coarse section of the industry, where competition from imported textiles free from import duty continue to have a depressing effect. Lancashire has more textile machinery than any country in the world, and makes the least use of it. The review points out that the average number of hours worked by each national industry a week varied from 36.87 in the U. K. to 146.66 in Hongkong. This means that Hongkong mills run non-stop for six days a week, and that some of them put in a Sunday shift. Of the 313,000 looms in Lancashire, only 40,000 are automatic, whereas 72,000 of France's 136,000 looms are automatic. The U. K. is still the only country where the single shift system predominates. Although the trend towards double shifts is growing it is only fair to point out that there are not enough workers fully to staff the single shifts.

Finance in India and Abroad

THE CALCUTTA MONEY MARKET

Wednesday, 19th December.

THE seasonal increase in credit requirements is now in full swing and the offtake of most of the main industries has increased. Funds are still being required in large amounts by the sugar mills and on behalf of cotton and jute storage. The interbank market has been extremely tight this week on account of demand for money against quarterly tax payments. The call rate has increased to 4 percent.

There has been a good supply of export documents in the market this week. Tea bills have been most numerous, but a fair amount on account of gunny and ore shipments has also passed. Remittance has been fairly good. Spot sterling remains firm, but the weakness in the forward position has increased this week and the gap between the two has widened considerably. The improvement in the spot position appears to be due chiefly to the short-covering and speculative sales made in November and earlier this month. Sterling is stronger in terms of the American and Canadian dollars.

During the week ended 14th December, Government of India Treasury Bills for Rs. 43,96,25,000 were sold in favour of the Reserve Bank.

Bullion was steady on replacement buying. Silver advanced from the previous week's level of Rs. 171-4 to Rs. 172, quoted today. The rate for ready delivery was quoted at Rs. 172-4. The London price and the rate for foreign silver in New York remained unchanged.

Gold was steady in sympathy with silver and the price increased from Rs. 105-12 to Rs. 106. The sovereign, at Rs. 69-8, showed a gain of 2 annas.

An increase of Rs. 2.78 crores to Rs. 1,466.86 crores in active notes was the notable feature of the return of the Reserve Bank of India for the week ended 14th December, 1956, while the total note issue was Rs. 11 lakhs lower at Rs. 1,473.68 crores. Notes held in the Banking Department have, in consequence, declined by Rs. 2.89 crores to Rs. 6.82 crores. Deposits of the Government of India and other Government accounts declined by Rs. 67 lakhs and Rs. 2.84 crores to Rs. 51.69 crores and Rs. 11.20 crores, respectively, while balances of commercial banks, at Rs. 54.26 crores, showed a rise of Rs. 2.80 crores. Balances held abroad dropped by Rs. 5.38 crores to Rs. 85.63 crores. Investments increased by Rs. 34 lakhs to Rs. 60.53 crores. Other loans and advances increased from Rs. 84.57 crores to Rs. 89.44 crores, of which advances to scheduled banks amounted to Rs. 47.52 crores against Rs. 44.65 crores. These advances totalled Rs. 399.90 crores since 1st January, 1956. Ways and means advances stood at Rs. 8.09 crores (Rs. 5.20 crores).

The statement of the position of scheduled banks for the week ended 7th December, 1956, shows Demand and Time liabilities at Rs. 646.80 crores (Rs. 10.31 crores on account of borrowings from banks) and Rs. 461.69 crores (Rs. 3.11 crores), compared with Rs. 650.91 crores (Rs. 11.69 crores) and Rs. 458.91 crores (Rs. 2.71 crores), respectively in the previous week. Cash has increased by Rs. 76 lakhs to Rs. 36.65 crores, while balances with the Reserve Bank have decreased by Rs. 92 lakhs to Rs. 49.92 crores. There is a rise of Rs. 9 lakhs in investments to Rs. 465.55. Advances and bills discounted, at Rs. 771.99 crores, show an increase of Rs. 5.66 crores. The ratios to total liabilities of cash and balances, of advances and discounts, are, in consequence, shown at 7.8 percent and 69.0 percent, against 7.8 percent and 66.9 percent.

The return of the State Bank of India for the week ended 7th December, 1956, shows a drop of Rs. 43 lakhs in total deposits to Rs. 234.47 crores. Investments in Government securities are down by Rs. 9 lakhs to Rs. 95.47 crores, while other authorised investments are up by Rs. 37 lakhs to Rs. 11.41 crores. Advances, including loans, cash credits and overdrafts, and bills discounted and purchased, have risen by Rs. 3.52 crores to Rs. 132.63 crores. Cash and balances are, in consequence, shown at Rs. 16.08 crores, or Rs. 55 lakhs less.

According to the returns received in the Department of Commercial Intelligence and Statistics, the total gross sea and land customs revenue collected in the Indian Union during October, 1956, amounted to Rs. 1,489 lakhs, compared with Rs. 1,284 lakhs in the corresponding month of the previous year. The comparison in the following should be taken to refer to that of the current figures with those of the corresponding period of the preceding year. Of the total customs revenue collections, import duties accounted for Rs. 1,170 lakhs as against Rs. 968 lakhs, export duties for Rs. 280 lakhs as against Rs. 304 lakhs and land customs and miscellaneous for Rs. 39 lakhs as against Rs. 12 lakhs. The total gross collection of Union excise duties amounted to Rs. 1,615 lakhs as compared with Rs. 1,109 lakhs. During the seven months, April to October, 1956, the grand total of gross customs and Union excise revenue realised was Rs. 19,752 lakhs, compared with Rs. 17,789 lakhs during the corresponding period of the preceding year. Of this amount, import duties accounted for Rs. 7,815 lakhs as against Rs. 7,031 lakhs, export duties for Rs. 1,526 lakhs as against

Rs. 2,117 lakhs, land customs and miscellaneous for Rs. 203 lakhs as against Rs. 91 lakhs and Union excise duties for Rs. 10,208 lakhs as against Rs. 8,550 lakhs.

RIGHT APPROACH TO FISCAL AND MONETARY POLICY
ENCOURAGING THE USE OF BANKING FACILITIES

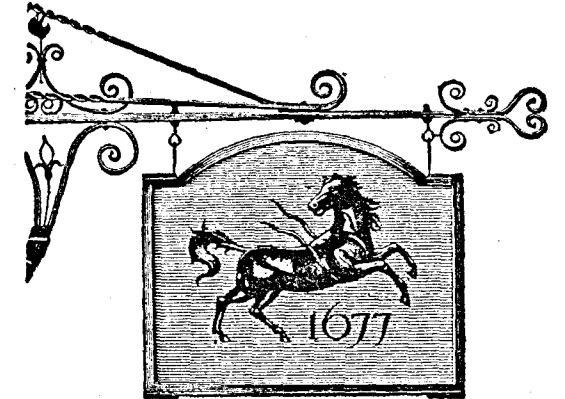
(By R. M. Mitra)

THE Finance Minister's recent speeches have reflected a sense of urgency and anxiety about the Indian economic situation. It has been implied that vested interests might try to obstruct his supposedly progressive measures of taxation. Regret has been expressed that bankers are unable to offer any constructive suggestions to deal effectively with the problems of money and credit. The taxation and other proposals contained in the two Finance Bills brought forward in Parliament on 30th November have caused much controversy. But it can hardly be said that "vested interests" have worked themselves into a state of frenzy where "emotion seems to dominate reason", as happens in the U.S.A. whenever the capital gains tax comes up for discussion. Again, it is doubtful whether any banker in India has echoed the statement made by the chairman of the City National Bank of Chicago in November, 1940, that "repeal or drastic reduction of the capital gains tax" was necessary "as the first step in unshackling private business." It is unfair to say as has been said, that bankers have failed to formulate practical measures for meeting economic problems in general, and monetary problems in particular, arising in the course of the five year plans. The report of the Committee on Finance for the Private Sector (popularly known as the Shroff Committee) published in April 1954, is clear proof of this.

It seems that the problems require fundamental remedies and not temporary palliatives. The reason why bankers seem incapable of practical suggestions, and also why they do not agree among themselves on the suggestions which are made, may be that there is no agreement on the character of the problems facing the country.

Premature Experiments with Taxation

One can readily agree with the Taxation Enquiry Commission that the proportion of Indian tax revenues to national income, at 7 or 8 percent, "is lower than in many other countries, including some in south-east Asia", that "there has been an increase in taxable capacity" in India; and that "there is justification for some increase in Indian taxation". However, the warning given by the Commission, that the premature imposition of a tax on capital gains may tend to defeat the "need



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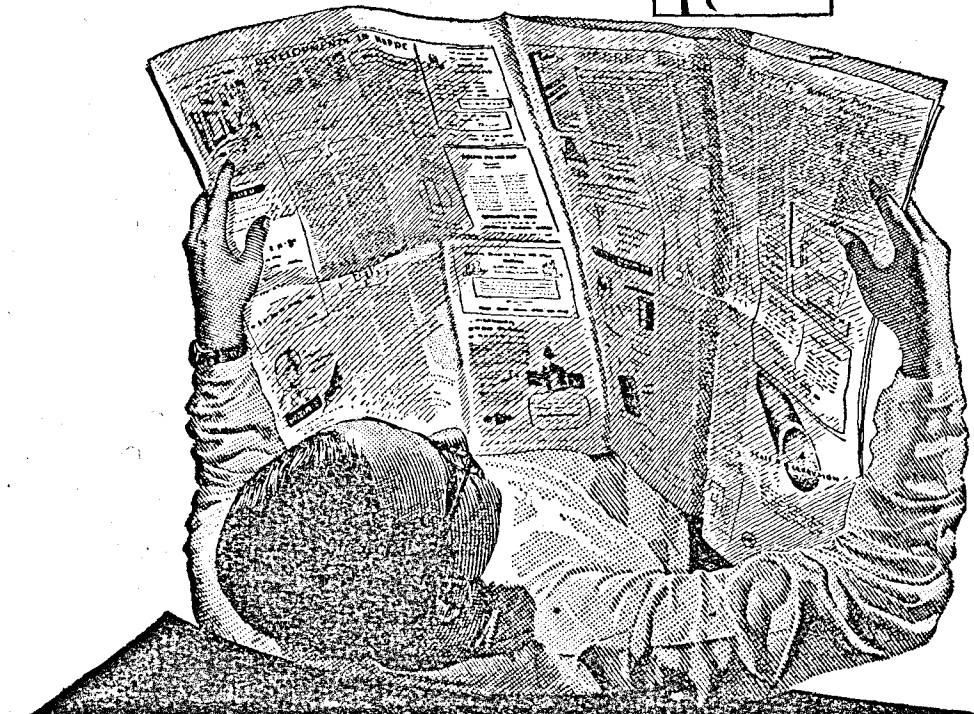
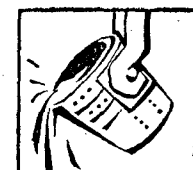
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for promoting a better climate for investment", has gone unnoticed. The warning applies equally to the combination of stiff rates for dividend super-tax and unappropriated profits tax. It should not be regarded as being merely obstructive to suggest that the situation of "continuously rising prices and profits and capital values," in which a capital gains tax was contemplated by the Taxation Enquiry Commission, has not yet arisen.

In spite of the rising trend of prices, profits have not reached proportions large enough to build the internal resources required by industrial concerns. The index number of industrial share prices in India, which stood at 69 in 1953 (base year, 1948), compared with 156 in the U.S.A. and 102 in the U.K., does not indicate the possibility of large capital gains. Although there has been an appreciable rise in share prices in India in 1955 they were only 31 percent above the 1953 level (when they were depressed). They rose by 67 percent in the U.S.A., and 55 percent in the U.K., from the already high levels of 1953. Therefore, though the capital gains tax is not expected to yield much revenue, it will introduce an unnecessary element of restraint in the equity market.

Value of Shares

The value of shares is based on dividend experience, and the funds employed in business include the undistributed profits on which shareholders can legitimately expect a fair return. Already the index of industrial share prices in India is much lower than in some important countries. The proposed increases in rates of dividend super-tax seem to be calculated to give a fresh jolt to security prices. The proper course would have been to await further developments, or at least to relate super-tax to the normal level (based on, say, a five-year average) of dividends paid by individual companies and not an arbitrary six percent, so that a further depreciation in the value of investments might have been prevented.

Similarly, it is reasonable to ask whether the requirement for companies to deposit with the authorities a specified portion of their profits, in excess of the prescribed minimum, may not further strain credit supplies, especially when profits in many cases are not reflected in a rise in cash holdings. It may, of course, be pointed out that there would be no increase in the credit demands of the public and private sectors taken together, as the deposit held by the Government or the Reserve Bank would be used in meeting the credit needs of the public sector and would thus help reduce the Government's need to borrow. But, as is well-known, the credit system (especially the organised banking system) responds differently to the differing needs of the public sector and the private sector. Direct participation by a bank in

a Government loan forms part of its liquid assets, whereas an indirect contribution to the Government's funds through a loan to a business concern in the private sector would be regarded as increasing the volume of its non-liquid assets which con- tains a potential threat to the stability of the sys- tem.

The increase in stamp duty is badly timed. Suggestions are being made to improve the bill market in India and to bring genuine trade bills within the purview of the Reserve Bank's bill market scheme. The growing volume of bills pur- chased and discounted by scheduled banks in India, which now constitute about 20 percent of the scheduled banks' total advances, would seem to provide a suitable opportunity for promoting a properly functioning bill market in India. But the heavier stamp duty will act as a handicap.

As for the higher Customs and excise duties, it is likely that in some cases the weight of "superfluous" profits will be neutralised and infla- tionary forces checked. But it is equally possible that, in many cases, the prices of goods will rise. This will not only defeat the attempt to check infla- tion, but also thwart the Government's efforts to find resources for development. Higher prices will tend to push up the estimates of financial requirements for the second plan beyond the al- ready revised total of Rs. 5,300 crores.

It is possible that conditions might arise when the measures contained in the two Finance Bills can be successfully operated in India. But it has to be realised that these measures produce different effects in different conditions of economic growth, monetary behaviour and psychological reactions. There is no machinery in India to measure and interpret these effects correctly. It seems, there- fore, not only premature but highly risky to in- crease further the rates of dividend super-tax, and to introduce a capital gains tax.

Taxation and Borrowing

Of course, money has to be found for the second plan. Taxation, borrowing and deficit financing have from time to time been examined in this con- nection. Deficit financing introduces new money, and may be justified as long as it is supported by new production. But securing the return of this money from circulation when the supporting pro- duction disappears in use or in consumption is difficult. Taxation and borrowing, when feasible, are, therefore, to be preferred to deficit financing. The orthodox view is that taxation should be used for current expenses and borrowing for develop- ment expenses. Development expenses create assets for future use, and a large part of their cost should, therefore, be met by future generations; the present generation should not be called upon to sacrifice the use of its money for their benefit.

But to the extent that present money is not enjoy- ed in consumption and the creation of new money is avoided, taxation and borrowing are equally effective. The only difference is that, in one case, the money-holder is deprived of all benefits of his money; in the other, he is assured of a future return since he refrains from present consumption.

As both borrowing and taxation serve anti- inflationary objectives, and as taxation, wrongly applied, could bring hardship to the poor or tend to disrupt investment and production, it seems that in the present conditions, when the machinery for studying the results of fiscal measures is imper- fectly developed, the better method would be to promote the monetisation of the economy and to bring money under the control of the monetary authorities through the organised banking system. The quantity of money supply in India is not a real factor in inflation. It is actually the uncontrol- led behaviour of money and non-monetised trans- actions which causes inflation. Money supply in India, at Rs. 2,000 crores to Rs. 2,200 crores, is only about 20 percent of the national income, whereas in the U.S.A., at about \$140 billion, it is more than 40 percent of the national income.

Monetary Discipline and Confidence

The immediate need, it seems, is to strengthen the apparatus for the collection of taxes, and to bring money more under the discipline of the monetary authorities. As control over the behav- iour of money grows, it might be possible to devise machinery for estimating trends in savings and consumption, investment and cash preference, business risk-taking and speculative ventures, and similar economic and psychological forces. The opportunity may then arise to consider even tax- ation measures which have complicated results. Meanwhile, the more energetic collection of taxes from orthodox sources, and a more rational use of borrowed money would meet the needs of both the public and the private sectors.

It seems, therefore, to be a matter of imperative necessity that money supply should be channelled through the organised banking system. The in- creasing supply of money produced by develop- ment expenditure now circulates largely outside the system. The uncontrolled and unpredictable behaviour of this money presents a serious threat to the successful operation of new fiscal and mon- etary measures. Money flowing through the bank- ing system, on the other hand, can be brought under competent supervision, and will help the growth of resourceful banking. A resourceful banking system will not only be in a position directly to provide funds for the legitimate needs of the two sectors, but will also promote savings. A wider distribution of investment holdings will be facilitated by an active and extensive banking organisation; this will enable the authorities to deal effectively with many problems of inflation and concentration of economic power. Banking in India requires, therefore, not only to expand the territorial area of its operations, but also to con- vert a larger section of the money-using public to the use of its services. It will be noted that, small as the number of banking offices in India is com- pared with other countries, the number of accounts served by a banking office in India is also small, and averages less than 1,500, as against about 6,000 in the U.S.A.

The factors inhibiting banking expansion in India have been analysed by the Shroff Com- mittee, and it has suggested useful remedies. It is unfortunate that one of its most important re- commendations has been ignored. Confidence in bank money is crucial in a fast-changing economy, and it can be built only on the basis of a collec- tive guarantee of bank money. The history of banking in Britain, the U.S.A., Australia and other countries with organised banking systems shows that such collective guarantees have operated in them directly or indirectly. The amalgamation and absorption of weaker banks served almost the same purpose as insurance of deposits in the ab- sorbed banks. It was the U.S.A., however, which deliberately adopted a proper scheme of deposit insurance. Such a scheme is necessary to sustain confidence in bank money in India. The recom- mendations of the Shroff Committee on it might, therefore, be appropriately given renewed atten- tion.

COMPETITION IN EXPORT CREDIT

IT is unfortunate for the European countries im- peded by problems of oil and shipping that both America and Russia have lately been extend- ing the credit facilities offered to buyers of their goods. For a country in the U.K.'s position the strengthening of competition implicit in this development is peculiarly inopportune. It is the more regrettable because the threat of a "trade war" fought with export credits seemed earlier this year to have receded. The new threat is much more serious from America than from Russia, be- cause America is much the stronger trading nation. American prices are, generally, high, and shortage of dollars is a special impediment to purchasing from America. But a difference of years in the period of payment for costly capital equipment can easily outweigh any disadvantages of import- ing from America.

Most other exporting nations have arranged a *modus vivendi* whereby their facilities for export- credit insurance are restricted to a formula which regulates competition, for credits cannot generally be arranged without appropriate insurance. Ame-

rica is not a party to this agreement and American exporters can obtain official backing for much longer credits than any European (excepting Russian) exporter could negotiate. The maximum term of payment that these other countries can grant, even for big projects, is normally about five years, whereas the length of some American credits is more than 10 years—although it would be an exaggeration to suggest that the average Amer- ican term was twice as long as the average Euro- pean. The danger to competitors is in the recent lengthening of American terms, which has the approval and the active support of the American authorities. The principal medium for implemen- ting this policy is the Export-Import Bank. In some cases general credits are provided, on the condition that the money be spent entirely in America; in other cases, American firms themselves are enabled to tender on easy terms for specific contracts. Whichever form the credit takes, the period of payment is very favourable to the borrower.

U.S. Export-Import Bank Loans

The Export-Import Bank is now competing very effectively with the International Bank for Reconstruction and Development. Since the con- ditions of lending by the Export-Import Bank were relaxed some months ago, borrowers have found it easier to satisfy their requirements through that bank than through the International Bank; and for America there is the important advantage that loans provided by the Export-Import Bank are expendable only in America, whereas loans provided by the International Bank cannot be so restricted. In 1955-56 the Export-Import Bank's loans (\$376 million) were larger than ever before, and in 1956-57, they have been running at approxi- mately double last year's rate. The Russian threat is not so serious at present, if only because most of the Russian export effort is still directed towards the other communist countries. In the past year or two, however, the Russian Government has shown increasing interest in developing non-communist countries; particularly, large credits have been made available to India and Indonesia. The annual rate of such credits seems to be about £50 million—not a very large sum in itself but obviously capable of increasing. These Russian credits have generally been limited to a few years, but there has been a significant tendency recently to extend the period of payment to terms comparable with the American. A more striking characteristic of the loans is their very low rate of interest, nor- mally 2½ percent—with which, in present circum- stances, no "capitalist" rates can compare. The rate of interest is a particularly important con- sideration in the case of relatively poor countries which are reluctant to burden their future balance of payments with a heavy commitment.

Long-term Credit

When the restraint of competition in terms of export-credit insurance was agreed, the borrowing countries seemed generally aware that long-term credits were a danger to their balance of payments, because they encouraged excessive borrowing. But the attraction of these payment-periods of 10 years and more is not easily resisted when such terms are actually offered, and exporters of capital goods in countries which do not offer such terms are, undeniably, at a disadvantage. Is it, then, likely that other countries will be forced to extend their terms? Such a development is not in present circumstances, likely if only because Europe is in no condition to grant long-term credits. The U.K. especially, needs prompt payment so that she can finance her imports without excessive strain on her reserves. Expansion of exports is eminently de- sirable, but long-term considerations such as the preservation and development of markets are necessarily subordinate to the need to earn foreign currency for immediate use.

It is, however, precisely because they are thus hampered by circumstances that British exporters resent the encroachments of long American and Russian credits, and of low Russian interest rates. These exporters are waiting anxiously for a reduc- tion of interest-rates in the U.K. so that such credit as can be made available will be more effective. At the high rates now operative, indeed, many overseas importers do not want credit at all; they prefer to pay promptly and in full or to defer their purchases until the terms are less onerous. Mean- time, the European countries are losing trade in capital goods to the United States in Latin Amer- ican countries and to Soviet Russia in Asian countries, and these competitors, moreover, are spreading their long credits over a widening range—America even into Europe itself, Russia into the Middle East. It is a movement that can proceed much further, for the United States has actually and Soviet Russia has potentially a huge capacity for exporting, and for providing credit. Both coun- tries, moreover, wish to strengthen their interests in the less-developed areas.

CONFLICT IN THE POLICY FOR GOLD

POSSIBILITIES OF REVALUATION

IT is a remarkable fact that in the crisis month of November, the price of gold in the London market reached the lowest level since the market was reopened more than two and a half years previously. In one of the most menacing political crises since the war there had, indeed, been an appreciable demand for gold by hoarders, but the consequent rise in its price col- lapsed very quickly. Prices vary some- what, according to local conditions of supply

and demand, but the London market is the largest and the most elastic in the world, quoting the finest prices. There were no abnormalities to account for the decline to levels distinctly below the official U.S. buying price of \$35 an ounce—nearly offsetting the cost, some 12-15 cents an ounce, of sending gold bullion across the Atlantic.

However, before it is assumed that the world has lost interest in gold a few salient facts should be considered. The free price of gold in recent years has been remarkably stable, generally a few cents above the official U.S. price. This stability is convenient for hoarders, who can satisfy their wants without paying a significant premium, but it precludes any reasonable possibility of making profits on holdings of gold unless the price is raised officially. Even before 1933, when the Inter- national Monetary Fund abandoned its efforts to keep newly-mined gold in official channels, pre- miums of a few dollars an ounce brought substan- tial supplies of new gold to the free markets by surreptitious ways; now, with restraints removed, such supplies would soon be sufficient to extinguish the premium. Gold has still an appeal for those who expect a general devaluation of currencies, but it is otherwise an unprofitable investment. In not-distant memory, French hoarders have sold their gold, which was earning nothing, to invest the proceeds in securities, which were yielding quick capital profits; but some of them may have later regretted their incautious policy. The virtues of an assured value have lately been recognised again; but hoarders' demand has focussed rather on gold sovereigns, which are portable, than on gold bars, which are cumbersome. The price of coins continued to rise while the price of bars was falling. It seems, therefore, that the recent weak- ening of the price of gold was due to lack of de- mand as well as to abundance of supply. But a pressure of selling was certainly a factor in the movement. Not only were the British authorities using the gold market as an indirect means of supporting sterling; also some continental—Euro- pean central banks were selling gold to prepare for imports of oil from the dollar area.

Medium of International Settlement

As a medium of international settlement, gold is certainly not losing its importance. On the contrary, the gradual move towards multi-lateral payments is increasing the need for gold, since the generally-accepted equivalent of gold, the dollar, is too scarce to act as a widespread medium for national reserves and international exchanges. Considered from this point of view, the monetary position is more difficult than it was decades ago when sterling was an accepted gold-equivalent; for sterling then (as, generally, now) was plentiful. The world has economised gold by working on margins of credit. However, the outstanding credit-medium, the European Payments Union, has steadily increased the proportion of gold required for members' monthly settlements, and the arrangements that replace E.P.U., when currencies are convertible, will require full settlement of balances in gold or the equivalent. Between the two world wars, gold was economised by the gold-exchange system whereby many countries held a part of their reserve—as they now hold dollars—in currencies convertible into gold; but this system became incoherent and ineffectual in the early 1930s, when the fixed-exchange-parities which were the necessary basis of the system collapsed.

At the same time, various countries were eco- nomising gold internally—with profound effects on their monetary systems. It was in 1932 that the British authorities began to divert an in- creasing proportion of the gold reserve from the Bank of England to the Exchange Equa- lisation Account, where it now resides (in an accounting sense, wherever it may be located phys- ically). By this change the quantity of gold ceased to determine the quantity of currency and credit—or the change was an open recognition that the traditional relation between gold and money had been abandoned. "Management" of money is now generally accepted, but its results have disillusion- ed some competent critics. There are some advo- cates these days for a direct relation (though not necessarily a rigid relation) between the reserve of gold and the quantity of currency and credit. However, such ideas are not officially favoured, and it must be assumed that gold will not again be needed in appreciable quantities as a regulator of internal finances.

Value of World Trade

It is the international function of gold as a means of settlement that has to be considered whenever the demand and supply and price of gold are under discussion. And the simple and accept- ed fact is that the supply, scarce enough now, will become more and more inadequate as the value of international transactions increases. The effective world price of gold, \$35 an ounce, was fixed as long ago as 1933 and in the interven- ing period, the purchasing value of the dollar has been approximately halved. In a normal prewar year, 1937, the value of the world's gold reserves, more than \$25,000 million, exceeded by about one-fifth the value of the world's international trade, nearly \$21,000 million. By 1955 the estimated value of reserves had increased nearly to \$37,000 million, but it was considerably less than one-half of the value of the world's trade, some \$81,000 million. This year the proportion has deteriora- ted further. And, of course, the reserves are very unequally distributed. The Americans argue that an increase in the price would benefit mainly those with the biggest reserves (including Russia); but the broad facts seem to point unwaveringly to ultimate revaluation.

RESERVE BANK

(ISSUE DEPARTMENT)
(In 100's of Rupees)

	14-12-56	7-12-55	16-12-55
Liabilities—			
Notes in Banking Dept.	6,81.52	9,70.54	8,99.37
Notes in Circulation	14,66,86.07	14,64,08.12	13,50,04.57
Total Notes issued	14,73,67.59	14,73,78.66	13,59,03.94
Assets—			
A Gold Coin and Bullion	1,17,76.03	1,17,76.03	4,00.71
Foreign Securities	4,47,39.03	4,47,39.03	6,57,00.33
Total A	5,65,00.06	5,65,00.06	6,97,02.06
B Rupee Coin	1,23,26.84	1,23,37.91	1,08,43.94
Rupee Securities	7,85,34.69	7,85,34.69	5,52,57.94
Total	14,73,67.59	14,73,78.66	13,59,03.94

BANKING DEPARTMENT

	30-11-56	30-11-55	9-12-55
Liabilities—			
Capital Paid-up	3,00.00	3,00.00	3,00.00
Reserve Fund	3,00.00	3,00.00	3,00.00
Total	6,00.00	6,00.00	6,00.00
Deposits—			
(a) Central Govt.	51,69.52	52,36.08	60,12.59
(b) Provincial Govts.	11,20.23	11,20.23	7,45.60
(c) Banks	54,23.93	54,23.93	55,99.46
(d) Others	13,61.93	14,16.95	16,79.36
Other Payable	15,47.52	12,81.96	8,41.35
Other Liabilities	1,02,99.29	1,02,99.29	26,08.49
Total	2,75,22.42	2,73,38.89	1,84,88.46
Assets—			
Notes	6,81.52	9,70.54	8,99.37
Rupee Coin	1,23.26	1,23.37	1,08.43
Subsidiary Coin	7.75	6.91	4.44
Other Liabilities	1,02.99	1,02.99	5,52.57
Total	2,75,22.42	2,73,38.89	1,84,88.46

SCHEDULED BANKS

	14-12-56	30-11-56	9-12-55
Liabilities—			
(a) Borrowings from Banks	10,30.80	11,69.08	12,15.10
(b) Others	6,36,48.95	6,39,21.94	6,03,52.95
Total	6,46,79.75	6,50,91.02	6,15,68.05
Assets—			
(a) Borrowings from Banks	3,11.00	2,71.00	6,20.50
(b) Others	4,58,58.20	4,56,19.97	4,16,14.60
Total	4,61,69.20	4,58,90.97	4,22,35.10
Liabilities—			
Borrowings from State	10,82.37	10,48.45	6,93.64
Bank Demand Liabilities	36,65.37	25,89.15	34,45.71
Cash	49,92.44	50,84.20	57,28.41
Balance with the Reserve	10,02.73	9,85.47	10,40.89
Money at call and short notice	13,69.80	15,15.70	21,48.61
Investments in Central and Provincial Securities	3,65,54.53	3,65,45.67	3,93,52.25
Advances	5,99,81.05	5,97,06.22	4,98,68.74
Finance Bills purchased and discounted	1,19,21.88	1,16,43.95	58,52.49
Foreign bills purchased and discounted	52,95.61	52,82.67	46,69.50
Total	2,75,22.42	2,73,38.89	1,84,88.46

CLEARING HOUSE RETURNS

	Week ended	Rs. (thousands)	Calcutta	Bombay
14-12-56	67,18.32			
7-12-56	72,11.96	67,81.95		
30-11-56	64,06.56	65,78.77		
23-11-56	67,54.62	65,39.98		

STATE BANK OF PAKISTAN

(ISSUE DEPARTMENT)

	(In 100's of Rupees)	Week ended	Week ended
		30-11-56	23-11-56
Liabilities—			
Notes in Banking Department	10,40.40	10,40.40	
Notes in Circulation	3,07,65.50	3,07,65.50	3,04,57.06
Total Notes issued	3,18,05.90	3,18,05.90	3,15,00.96
Assets—			
A Gold Coin and Bullion	11,33.41	11,33.41	
Sterling Securities	16,83.47	16,83.47	
Government of India Securities	16,83.47	16,83.47	
India Notes representing assets receivable from the Reserve Bank of India	43,02.28	43,02.28	
B Rupee Coin	5,53.94	5,53.94	
Govt. of Pakistan Securities	1,52,69.72	1,47,16.39	
Field with Reserve Bank of India pending transfer to Pakistan	19.02	19.02	
Gold Coin and Bullion	4,40.63	4,40.63	
Sterling Securities	1,00.50	1,00.50	
Govt. of India Securities	29.51	29.51	
Rupee Coin	3,18,05.90	3,15,00.96	

BANKING DEPARTMENT

	30-11-56	23-11-56
Liabilities—		
Capital Paid-up	3,00.00	3,00.00
Reserve Fund	3,00.00	3,00.00
Total	6,00.00	6,00.00
Deposits—		
(a) Central Government	38,13.20	37,45.73
(b) Provincial Government	6,72.59	6,31.25
(c) Banks	14,20.94	13,65.29
(d) Others	3,61.68	3,64.15
Other Payable	32.89	24.12
Other Liabilities	10,47.05	10,05.87
Total	79,48.32	77,36.40
Assets—		
Notes	10,40.40	10,40.40
Rupee Coin	12	12
(a) Pakistan	12	12
(b) India	12	12
Total	79,48.32	77,36.40
Bills Purchased and Discounted—		
(a) Internal	2,97.89	2,97.89
(b) Govt. Treasury Bills	2,97.89	2,97.89
Loans and Advances to Govt.	—	—
Provincial Govt. Deposit Balances	11,22.33	9,99.10
Other Loans and Advances	43,48.12	42,88.50
Investments	11,22.34	11,06.77
Total	79,48.32	77,36.40

ECONOMIC RESEARCH

- is an essential part of modern commerce. But it is
- not always easy to obtain. The ordinary business
- house does not usually possess the records, statistics
- and archives which are the raw material of research.
- CAPITAL'S RESEARCH & STATISTICAL DEPARTMENT
- has a long record of service to Chambers of Commerce,
- Industrial Associations and private business concerns.
- It does not undertake trade inquiries, but its facilities
- and advice are available for all kinds of research
- proper into the problems of Indian commerce
- and industry.
- CAPITAL'S RESEARCH & STATISTICAL DEPARTMENT
- has constructed and maintains seven cost of living
- indices for various classes and communities in India
- and Pakistan. It offers the industrialist and business
- house its experience in
 - consumer market surveys
 - industrial prospecting
 - readership analysis
 - economic indices
 - business research

P. O. Box 14, Calcutta, or 5, Mission Row, Calcutta, India.

"CAPITAL" INDEX OF INDIAN INDUSTRIAL ACTIVITY **

The Capital Index of Indian Industrial Activity (Base: 1935) has now been brought up to July, 1956. Compared with the preceding month, there were decreases in cotton consumption 7.7 points, jute manufactures 12.8 points, cements 14.9 points,

papers 0.3 points and electricity 2.9 points, while increases occurred in steel ingots 4.0 points, pig iron 3.3 points, coals 5.6 points and wagons loaded 1.4 points.

The indices for cheque clearances and notes in

circulation also declined by 0.3 points and 5.4 points, respectively.

Combining all the factors, the Capital Index of Indian Industrial Activity declined by 1.4 points during July, 1956.

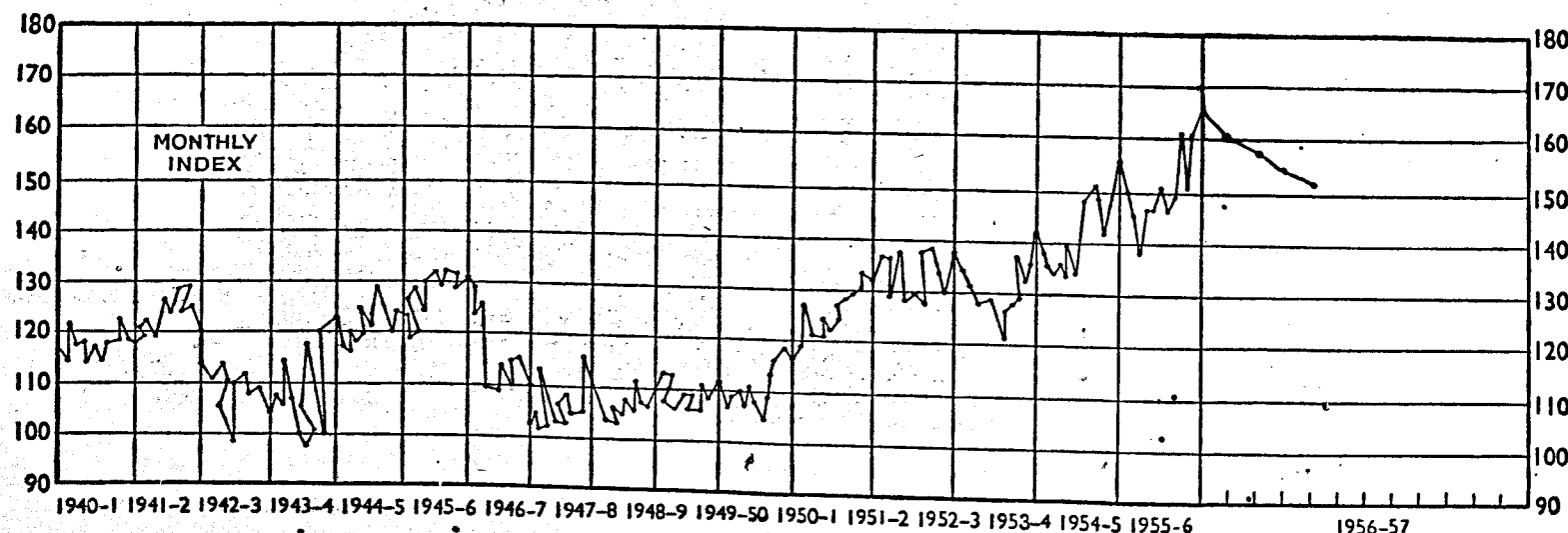
		Industrial Production.						Mineral Production	Total Number of Wagons Loaded (t)	Financial Statistics	Trade. Foreign & Coastal		Trade. Foreign & Coastal.		General Monthly Index
		Indian Cotton Consumption	Jute Manufactures	Steel Ingots	Pig Iron	Cement	Paper	Coal		Cheque Clearances	Exports	Imports	Tonnage Entered	Tonnage Cleared	
1940-41*		128.2	110.8	139.1	136.5	*	183.6	124.5	118.9	91.2	...	107.3(c)	...	138.1(d)	117.3
1941-42*		150.3	122.1	157.3	141.6	*	193.2	116.6	117.0	94.0	...	109.2(c)	...	166.5(d)	122.7
1942-43*		154.4	117.8	144.2	130.6	*	153.9	114.7	103.1	70.7	...	135.5(c)	...	...	108.8
1943-44*		167.3	99.7	149.2	136.3	*	148.0	109.7	104.8	71.7	...	137.7(c)	...	...	109.2
1944-45*		139.2	103.2	128.0	125.6	*	155.9	112.1	112.4	95.4	...	180.9(c)	...	...	120.7
1945-46*		161.0	106.0	151.8	95.9	*	151.3	127.0	112.2	112.6	...	126.5(c)	...	...	127.5
1946-47*		127.5	100.7	139.8	95.5	*	141.2	123.0	101.6	104.5	...	199.8(c)	...	...	115.0
1947-48*		126.2	100.7	140.7	105.4	97.6†	125.1	127.7	96.7	82.6	...	178.9(c)	...	100.7	107.0
1948-49*		149.7	101.8	138.7	99.2	100.1	136.6	126.2	98.6	79.5	...	166.2(c)	...	108.3(d)	107.6
1949-50*		123.5	90.2	157.9	116.4	143.4	146.1	146.0	114.5	67.8	...	122.4(c)	...	132.1(d)	109.4
1950-51*		113.1	82.1	165.7	112.4	168.7	155.9	154.9	135.3	84.7	...	129.5(c)	...	137.6(d)	125.7
1951-52*		126.6	93.2	175.9	125.4	207.8	170.6	169.2	134.1	83.1	...	154.6(c)	...	145.7(d)	132.4
1952-53*		141.7	91.0	184.0	119.5	223.6	169.2	172.5	139.6	88.9	...	145.6(c)	...	159.1(d)	130.4
1953-54*		145.9	86.5	178.1	115.5	251.4	166.1	170.8	137.0	83.1	...	158.5(c)	...	179.5(d)	141.3
1954-55*		152.3	97.2	196.2	112.2	275.9	206.0	179.4	144.2	91.8	...	178.9(c)	...	203.7(d)	151.2
1955-56†		157.6	105.2	193.4	122.7	281.2	221.1	184.0	156.4	101.5	...	...	...	...	...
December 1952-53		157.7	92.4	191.3	119.3	239.4A	164.3	182.8	145.1	87.9	151.9	152.4A	136.2	136.2	136.2
January		147.1	85.2	192.2	129.7	219.3A	165.3	177.4	150.3	86.9	154.2	146.8A	135.5	135.5	135.5
February		136.8	89.3	179.9	121.1	204.6A	156.2	163.2	140.5	81.1	153.9	145.3A	137.6	137.6	137.6
March		137.8	93.9	189.8	121.1	221.8A	159.4	165.1	150.7	97.0	157.6	150.3A	137.6	137.6	137.6
April 1953-54		142.9	96.6	178.3	116.6	213.1A	173.3	182.1	141.0	90.6	159.8	147.4A	134.4	134.4	134.4
May		146.2	83.3	179.6	130.1	242.9A	181.2	179.5	137.4	81.5	153.9	152.6A	132.0	132.0	132.0
June		146.4	88.3	169.2	107.9	239.2A	185.1	170.8	125.9	80.4	146.5	151.7A	126.2	126.2	126.2
July		148.3	87.9	142.7	87.5	252.0A	202.3	169.0	129.9	82.5	136.9	159.3A	125.2	125.2	125.2
August		145.0	76.5	135.9	83.0	230.5A	190.8	168.3	129.9	70.1	135.6	162.1A	118.4	118.4	118.4
September		144.3	89.1	144.5	94.0	233.2A	199.2	172.6	131.5	78.1	137.4	161.9A	124.5	124.5	124.5
October		148.0	79.6	181.2	120.6	247.0A	177.2	171.4	134.6	75.7	138.3	156.9A	127.6	127.6	127.6
November		136.4	82.1	204.7	131.3	253.6A	151.2	162.6	133.5	79.2	141.6	162.4A	128.9	128.9	128.9
December		150.1	91.3	200.1	127.1	277.4A	150.8	179.3	147.3	91.1	137.3	166.7A	138.9	138.9	138.9
January		148.7	78.4	206.6	133.9	272.2A	123.6	165.5	146.7	83.2	147.2	161.9A	134.3	134.3	134.3
February		146.8	89.0	189.0	128.9	264.0A	116.9	163.2	137.2	86.7	156.4	160.0A	132.4	132.4	132.4
March		147.1	95.3	205.7	125.0	291.8A	141.6	164.8	149.6	98.3	158.1	165.8A	142.1	142.1	142.1
April 1954-55		150.6	97.4	185.8	117.6	269.9A	209.5	170.2	140.1	89.1	154.7	170.3A	137.7	137.7	137.7
May		150.2	81.9	183.6	124.4	280.1A	214.7	166.9	137.0	82.2	158.3	174.7A	134.5	134.5	134.5
June		150.7	90.5	192.1	120.4	264.4A	208.7	169.3	133.6	81.0	160.3	174.0A	133.7	133.7	133.7
July		154.1	90.7	195.2	117.6	273.9A	176.9	181.2	137.4	88.7	160.1	171.9A	132.9	132.9	132.9
August		152.1	88.6	200.5	122.3	256.4A	167.4	180.4	137.4	84.4	154.7	175.2A	137.3	137.3	137.3
September		152.9	96.2	187.3	115.8	271.2A	178.1	184.1	134.4	90.7	150.0	181.6A	134.7	134.7	134.7
October		145.6	89.6	185.3	120.3	279.3A	194.3	170.5	137.6	81.2	150.2	174.5A	147.8	147.8	147.8
November		156.7	105.6	199.8	126.6	275.9A	227.2	199.6	145.7	100.6	154.2	182.8A	153.3	153.3	153.3
December		157.8	110.7	207.2	130.3	298.6A	238.3	198.8	156.4	101.7	159.1	188.9A	153.7	153.7	153.7
January		149.8	98.2	211.0	127.6	282.0A	227.2	179.8	159.1	93.0	161.5	183.7A	147.4	147.4	147.4
February		149.2	105.2	196.5	123.9	272.8A	210.6	174.2	150.1	93.1	164.3	181.5A	144.2	144.2	144.2
March		158.0	111.4	208.1	120.1	285.3A	218.7	178.3	161.1	116.0	174.6	194.9A	156.7	156.7	156.7
April 1955-56		154.7	110.2	208.2	129.3	227.8A	216.5	181.4	152.0	100.6	182.3	191.9A	149.4	149.4	149.4
May		151.1	94.4	205.1	130.3	281.6A	206.3	178.3	146.0	100.0	186.0	193.2A	147.5	147.5	147.5
June		154.4	103.7	195.0	125.5	247.2A	208.4	180.3	140.2	96.7	183.3	198.2A	139.0	139.0	139.0
July		160.4	94.7	189.7	119.4	262.0A	222.2	180.7	147.0	98.5	178.5	197.3A	146.4	146.4	146.4
August		155.3	92.4	195.4	118.3	280.3A	224.3	189.6	148.4	100.6	177.1	195.7A	146.8	146.8	146.8
September		164.9	106.3	191.2	114.6	255.0A	231.8	196.0	146.9	107.8	177.1	201.5A	151.0	151.0	151.0
October		165.6	94.1	177.7	100.7	293.7A	209.3	179.9	151.6	95.1	172.4	200.6A	144.7	144.7	144.7
November		151.6	107.7	186.3	113.6	293.3A	222.2	186.7	157.3	99.7	170.1	201.9A	150.0	150.0	150.0
December		167.3	114.7	214.6	130.6	317.6A	232.2	192.2	169.9	106.4	172.4	217.3A	161.5	161.5	161.5
January		151.0	104.2	208.1	133.9	300.6A	221.2	182.3	171.8	86.9	175.1	208.3A	151.8	151.8	151.8
February		159.2	118.4	205.4	131.6	295.0A	228.6	179.8	167.9	110.6	181.8	215.1A	160.9	160.9	160.9
March		155.9	124.0	215.5	125.0	320.5A	229.9	181.3	178.3	114.8	190.6	223.1A	165.8	165.8	165.8
April 1956-57		154.5	120.1	203.7	124.3	296.3A	217.3	189.8	166.9	109.7	193.3	216.3A	160.8	160.8	160.8
May		158.6	118.4	201.4	125.9	314.6A	221.9	186.4	160.6	104.5	196.8	226.3A	158.5	158.5	158.5
June		160.8	119.6	196.8	117.3	317.0A	223.5	187.1	152.4	99.4	193.4	220.5A	153.8	153.8	153.8
July		153.1	106.8	200.8	120.6	302.1A	223.2	192.7	153.8	99.1	188.0	217.6A	152.4	152.4	152.4

(a) April 1935 to March 1936-100
(b) Averages of eleven months, April to February
(c) Notes in Circulation
(d) Electricity Consumption

(e) Estimated
(f) Railway Earnings before April 1952
* Figures not available
† Official year

‡ Average of February and March
§ Annual indices represent averages of monthly figures.
|| Provisional.
** For construction and earlier figure see Capital 17th ch. 1938.
A Base January 1948.

"CAPITAL" INDEX OF INDIAN INDUSTRIAL ACTIVITY (1935)



Stocks and Shares

SPECULATIVE ISSUES IMPROVE AT THE CLOSE

INVESTMENT SUPPORT ALMOST NON-EXISTENT

Wednesday Evening.

UNCERTAINTY about fresh taxes has given the speculative section of the stock market another bad week. It is quite clear that the Finance Minister's habit of announcing new measures whenever he thinks they are required, without waiting for the Budget, is going to have a most unsettling effect on the market. Although no taxes were announced on Monday, the fact that Mr. Krishnamachari was due to speak in the Lok Sabha was enough to give bears the opportunity of a quick raid and to force speculative prices down. Indian Irons touched their lowest level since March 1954—Rs. 28.8. A slight recovery has taken place since on news from America about the financial possibilities of Mr. Nehru's visit there, but the undertone remains distinctly uneasy. Prices went ahead again after hours this evening on the news that Mr. Krishnamachari, while pressing his new Bill for power to tax before obtaining Parliament's approval, had said that he does not intend to impose fresh measures unless needed and will not necessarily introduce the suggested 50 percent increase in excise duties all at once. Indian Copper shares have moved against the trend this week on rumours of a favourable interim dividend announcement. Other speculatives have eased in sympathy with Irons.

Investment scrip have remained dull throughout the week, with only nominal business passing. There have been reports from the market that the Life Insurance Corporation has shown some interest in selected preference shares. Government securities have remained quiet.

Details of the week's trading follow.

Due to continued stringency in the money market, there was virtually no enquiry for Government securities, and consequently prices moved down further. Three percent Conversion Loan 1986 was unchanged at around Rs. 73 and non-terminable paper was quoted at the same rate. In short-dated loans, 3% 1957 was quoted at around Rs. 99.12 and 3% 1958 was unchanged at Rs. 99.9. Medium-dated loans were generally easier with 3% 1959-61 at Rs. 97.14 and 3% 1963-65 at Rs. 94.3. Three percent 1964 was taken up to Rs. 94.6 ex-voucher and was later marked at Rs. 94.4 ex-voucher. In National Plan Issues, 3% 1961 was easier at Rs. 99.4 and 3% 1964 shed one anna at Rs. 98.3; 3% 1965 was marked back to Rs. 98.6 as was 3% 1967 to Rs. 98.5. In long-dated loans, 3% 1966-68 had sellers at the lower rate of Rs. 92.4 and 3% 1970-75 relapsed to Rs. 86.14; 3% 1964 was traded at around Rs. 98.8.

State loans were quotably unchanged and sellers predominated. Four percent U.P. 1968 was offered at Rs. 97.15 as was 4% West Bengal 1968 at Rs. 99. Among other loans, 4% Orissa 1968 changed hands at Rs. 97.12 and 4% Bihar 1968 had sellers down to Rs. 97.11.

After a long interval there was a moderate revival of interest in jute preference shares particularly Belvedere, Northbrook, Kinnison and National. Anglo-India were marked at Rs. 100.8 and Auckland 1st were crossed at Rs. 80.8. Hukumchand were done at Rs. 102 and Shree Ambica at Rs. 95. In the miscellaneous group, Calcutta Electric changed hands at Rs. 10.9 and a small odd lot of Dalmia Cement Rs. 40 paid-up came to hand at Rs. 36.8. Duncan Brothers were crossed at Rs. 60.12 and Indian Iron had buyers at Rs. 100. Jardine Henderson were marked at Rs. 61.8 and Shaw Wallace at Rs. 70.8. After a long lapse, Tezpor Tea reported business at Rs. 12.6.

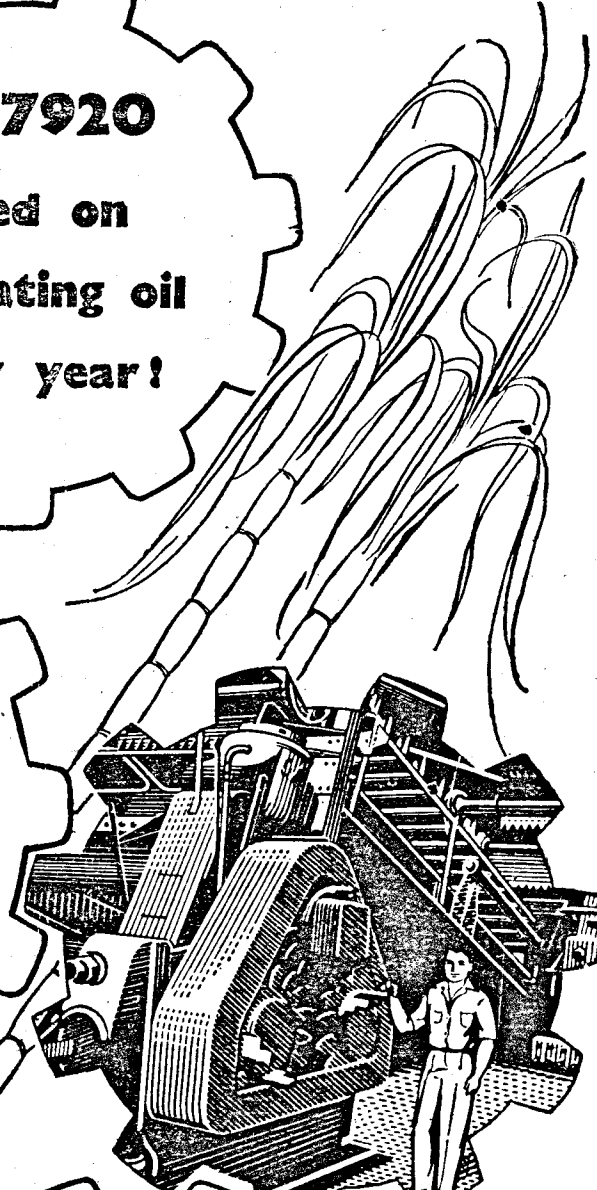
In the banking section, Punjab National were easier at Rs. 48.8 as were United Commercial at Rs. 53. Hind Bank were reported at the lower rate of Rs. 34.8 and Bank of Bikaner were placed at Rs. 23. United Bank of India "D" shares were marked at Rs. 4.7.

In railways, a small lot of Bankura Damodar was crossed at Rs. 59.6 and Dehri Rohtas were dull at Rs. 13.4.

Cotton shares were extremely quiet with Jay-shree dipping to Rs. 6. Kesoram were lower at Rs. 15 and Elgins were marked back from Rs. 27 to Rs. 26. Bowreah eased to Rs. 130 but Dunbar recovered today to Rs. 206. New Victoria were shaded at Rs. 1.14.

In sympathy with the general trend, prices of coal

STANDARD-VACUUM OIL COMPANY (Incorporated in the U.S.A. with limited liability)



R V
**ball &
 roller
 bearings**

**THE
BANK OF BARODA
LTD.**

Capital Authorised	Rs. 2,40,00,000
Capital Issued & Subscribed	Rs. 2,00,00,000
Capital Called Up and Paid Up	Rs. 1,00,00,000
Reserve Funds	Rs. 1,28,00,000

HEAD OFFICE: BARODA
SAFE DEPOSIT LOCKERS
AVAILABLE AT OUR
VARIOUS BRANCHES.

Sterling and Dollar credits arranged
and foreign bills negotiated for
approved customers.

General Banking Business Transacted.
N. M. CHOKSHI, *General Manager.*



Commodity Prices :—	VALUE
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N.B.—Average price is given in all cases wherever more than one quotation for a commodity is obtained. Prices are not available where left blank. M—Medium
A—Maximum Buying Rate. B—Ballon No. 1. C—Cents E—“Expeller” quality. F—per tin of 38 lbs. H—Household
I—Controlled Rate. K—Kurtus and C—Cents M—Nominal. P—per lb. R—Maximum Controlled Price.
S—These are mill rates for chief stations throughout India. F—Inclusive of Freight.
* Exclusive of the Sales Tax of As. 1-6 per gallon. *per candy of 531 lbs. †—Ex-ship. ‡—per candy of 500 lbs.
‡—for Mills. H—per cwt of 112 lbs. 1—per candy of 656 lbs. §—per md. of 82-2/7 lbs. †—Mills. V—New.
X—Plus Excise Duty at *Rs. 5 per ton. ‡—Ex-wholesale distribution centre. Unless otherwise stated prices are of Calcutta.

PROJECTS FOR 1957-58 BEING RE-EXAMINED

(FROM OUR NEW DELHI CORRESPONDENT)

India's three principal foreign exchange earners are jute goods, cotton textiles and tea. The jute industry is now running with 12% percent of its total loomage sealed. Exports of cotton textiles have fallen because home demand has increased. Tea exports have also declined. One of the Patel committees has been discussing various methods of boosting exports. It has been examining the possibility of exporting fixed quotas of various commodities, such as groundnut oil and raw cotton. An early policy decision is expected. This may lead to a rise in internal prices. If it is the first, that is, the world price, in line with the Government's policy to introduce a certain amount of austerity and thereby, that it would cause prices to move up to the world level, thereby providing an incentive for stepping up home production.

The foreign exchange requirements for the various projects mentioned in the recent correspondence between the Indian Finance Minister, Mr. T. T. Krishnamachari, and the World Bank President, Mr. Eugene Black, have now been estimated as follows:

Rs. 536.53 crores. At the end of November, 1955, the net foreign exchange reserves had stood at Rs. 767.64 crores, the sterling balances then being Rs. 719.69 crores.

Priorities for Imports

Because of the increasing pressure on shipping space, it has become necessary to regulate and fix priorities for the import of goods. For this purpose, a high-level committee, consisting of the Secretaries of the Ministries of Finance, Works, Housing and Supply, and Transport, has been set up. Various undertakings have been asked to furnish the following information:

1. Cargoes which are ready for shipment, but are known to be waiting for shipping space.

2. Cargoes expected to become available for shipment during December, 1956, and January, February and March, 1957.

Expansion in Dyestuffs

The Government has invited dye manufacturing firms in India to indicate the kinds of developments they are willing to undertake during the second plan, so as to ensure the production of most of the dyestuffs needed for domestic consumption. A reference has been made to the three project reports—one each by the Italian firm of Montecatini, the German firm of Bayer and the British firm of I.C.I.—all of which agree on one fundamental point—that there is ample scope and an urgent need to develop a dyestuffs industry in India on sound, economic lines in the immediate future. The first need is to assess the demand. A Government study estimates that domestic consumption of dyestuffs will increase by 30 percent by 1960—to a level of 7,000 tons in weight or Rs. 20 crores in value, as compared with 5,000 tons in weight, and Rs. 15 crores in value at present. I.C.I. however, places requirements at 10,000 tons by 1965. The Government says: "This estimate is particularly useful because plans for developing the manufacture of dyestuffs, and more particularly their intermediates, take several years to materialise. Considering the trend in the demand for cloth in recent months and the time lag between the planning of a project and its going into full production, it seems safer to proceed with a target of 10,000 tons rather than with the lower figure of 7,000 tons."

As for the pattern of production of intermediates, the Government says that it cannot be rigidly defined "at this stage". The broad picture, however, is fairly clear. Many of the complex and late intermediates can be advantageously developed by the very factories which undertake their final processing into finished or other products. It would, however, be advantageous to undertake the production of primary organic intermediates on a centralised basis in the sense that the capacity for them is linked not to the production programme of one single unit but is intended to supply the requirements of industry or industries as a whole." The Government, it is stated, is prepared to invest capital in this field to ensure the balanced development of the dyestuffs industry. The present intention is that as soon as replies from dye manufacturing firms have been received and studied, the Government will hold discussions with them in order to plan the programme of production.

Automobile Prices

The Minister for Heavy Industries, Mr. Morarji Desai, presumably did not wish to anticipate the findings of the Tariff Commission which he told Parliament last week that the comparison of the prices of the indigenous automobiles with those of similar imported vehicles is not possible because completely built up automobiles are not allowed to be imported into India on a commercial basis." The Tariff Commission, which has already submitted its report, was specifically asked to make recommendations on prices. It may be added that even during the last war, category by category, prices of automobiles were lower than they are today. An import duty of Rs. 6,000 a car should also offer an indication of what the prevailing landed prices in India of imported cars would be.

The Minister said that in the current year, the sale of automobiles in India was about 30,000, as compared with 23,000 in 1955. It was the policy of the Government to develop the manufacture of commercial vehicles in the country. The real issue was how this consumer compares with that in the period before protection, and what would have been the annual turnover, had prices of motor vehicles been on pre-protected duty basis, considering the rise of 11 per cent in the national income. Another point for consideration is the durability of Indian-manufactured cars compared with imported cars. The consumer is interested not only in the price but also in the durability and road-worthiness of a motor vehicle. In examining the obstacles to the healthy development of an automobile industry in India, some attention should be given to high prices and poor durability.

Indian experience of protection has not been very happy. It has implied not only high tariffs

but also quantitative controls, if not a total ban on imports. In a planned economy, such a course may sometimes be understandable. But will it happen when an industry has developed fully? Does the consumer, who by his sacrifices has built an industry, get any relief? The case of the sugar industry should provide the answer. Indian sugar is almost the dearest in the world. If there was any chance of it becoming cheaper, the advantage would go only to the foreign buyer, because a reduction in prices would be merely for the export market. Such are the boons of the socialist pattern of society. In the shape of things to come, as far as the automobile industry is concerned, may easily be visualised.

D.D.T. Factory in Alwaye

The contract for setting up a second D.D.T. factory in Alwaye, Kerala, has been given to the American firm of Singmaster and Breyer in New York. The total value of the contract is ₹737,100, of which the rupee expenditure may be equal to about ₹150,000. The firm has guaranteed to put up the complete plant and bring it to full production in a period of 18 to 23 months. There is a provision for bonus for each day that the firm shows full production before 18 months, and a penalty for each day of production delayed after 23 months. The factory, which is expected to cost about 100 lakhs, will have a capacity of 1,400 tons of D.D.T. a year. It is expected to go into production by the middle of 1958.

Schemes for a synthetic corundum factory and for the expansion of the Travancore Rubber Works are being examined.

Automatic Looms in Textile Mills

The Government of India has now allotted 10,512 automatic looms to cotton textile mills out of the total of 18,000 looms it is proposed to install for the production of 350 million yards of cloth for export under the textile policy announced in June this year. The decision to allow mills to install automatic looms was taken in view of the keen competition which exports of Indian cloth are meeting from other countries. Following this, it was decided to allow automatic looms only to these categories (a) where the Government has agreed to the allotment made would be exported; and (b) were already in the export trade and gave a guarantee that they would continue to export at least 87½ per cent of their past exports, in addition to the entire production on the automatic looms that may be allotted to them. Any mill which does not fulfil the guarantee will have to pay a penal excise duty on the cloth which is diverted for home consumption. The Government has marked out the following list which shows the State-wise allocation of automatic looms:

Name of State.	Number of Automatic Looms Allotted.
Bombay	3,840
Madras	3,696
Kerala	144
West Bengal	960
Madhya Pradesh	576
Uttar Pradesh	240
Rajasthan	96
Punjab	288
Mysore	356
Delhi	43
Orissa	240
Andhra	
	10,512

Estimates Committee Discusses Tourism

Another report of the Estimates Committee was presented to Lok Sabha last week. It was on tourism. Two recommendations are worth quoting. One is: "The Committee understands that a proposal for the creation of a Directorate-General of Tourism is now under consideration. While appreciating the good work that has been done by the Tourist Traffic Division for the promotion of tourism, the Committee is definitely of the opinion that there is no adequate justification for the creation of a Directorate-General of Tourism. One reason advanced in favour of setting up a Directorate-General of Tourism was that, at present, the policy-making and executive functions are combined in the existing staff of the Tourist Division of the Secretariat and that these should be separated. While, in general, this is a good principle to serve as a guide, in the case of tourism the Committee does not consider it of vital importance, for the simple reason that the subject of tourism has not yet developed to such an extent as to require an immediate separation of these two functions. Moreover, this point of separation of policy-making and executive functions will be adequately met when a board or a corporation is set up for tourism on the lines indicated by the Committee."

The second point made in the report is as follows:—"The present tourist organisation in the Ministry of Transport consists of a Deputy Secretary, assisted by two Under-Secretaries and other office staff. The Committee does not consider that it is wholly a Secretariat function to promote and develop tourism departmentally, though it is desirable for the Government to render all possible facilities for this purpose. It is for this reason that the Sargent Committee which examined the question of tourism in 1945 recommended the formation of a statutory corporation for the promotion and regulation of tourism. During the course of discussions, the representative of the Ministry of Transport agreed that ultimately, when the industry had developed, it might be proper to set up a corporation. He, however, felt that that stage had not yet been reached. He was, however, of the

COMMODITY STATISTICAL TABLES

INDEX NUMBERS OF WHOLESALE PRICES OF GROUPS OF ARTICLES IN CALCUTTA

(Prices in July 1914=100)

Commodity/Group	1955					1956							
	July	Aug	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	April	May	June	July
Cereals	293	311	311	335	351	343	343	341	325	351	342	348	354
Pulses	323	335	326	369	396	389	403	398	388	373	386	377	384
Sugar	350	358	357	382	394	352	353	343	362	353	351	362	364
Tea	485	408	328	377	340	290	303	260	316	204	297	290	306
Other Food Articles	868	859	871	874	894	907	909	848	811	836	866	818	868
Oil Seeds	386	404	405	422	479	501	520	534	578	571	579	611	646
Mustard oil	243	243	236	243	263	272	263	260	323	366	371	371	386
Raw Jute	278	256	248	256	271	286	295	295	277	271	263	271	279
Jute Manufactures	327	315	302	301	322	317	318	312	303	301	291	288	293
Raw Cotton	258	266	272	278	295	299	296	306	300	309	330	314	324
Other Textile Wool													
and Silk	512	509	506	496	504	480	496	504	504	518	490	524	518
Hides and Skins	189	193	195	199	199	209	217	225	217	203	197	199	189
Metals	358	361	362	376	378	383	384	386	388	386	384	424	422
Other Raw and Manu-													
factured Articles	353	349	352	360	358	354	339	337	313	307	325	346	366
All Commodities	411	412	410	424	437	437	440	429	422	424	430	432	437

RAW COTTON

Bales of 400 lbs. each

		BOMBAY	
		1956-57	1955-56
Receipts	{ Week ended 6-12 1-9 to 6-12	29,770 1,43,587	16,058 1,80,198
Exports	{ Week ended 6-12 1-9 to 6-12	1,539 33,078	.. ..
Consumption	1-9 to 6-12	3,56,868	3,37,332
Stock held by exporters Dealers and Mills in Bombay	{ On 6-12	4,21,117	5,42,735

INDEX NUMBERS OF WHOLESALE PRICES IN INDIA (GENERAL PURCHASE)

(Base: August 1929=100)

	1937	1938	1939	1940	1941	1942	1943	1944	1945	1946	1947	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959	1960
Food Index	309.7	317.5	313.0	315.7	326.5	323.7	333.4	335.4	351.6	360.9	350.5	366.2	380.6	397.0	406.0	411.0	415.0	418.0	420.0	421.0	422.0	423.0	424.0	425.0
Industrial Index	309.7	317.5	313.0	315.7	326.5	323.7	333.4	335.4	351.6	360.9	350.5	366.2	380.6	397.0	406.0	411.0	415.0	418.0	420.0	421.0	422.0	423.0	424.0	425.0
Materials Index	309.7	317.5	313.0	315.7	326.5	323.7	333.4	335.4	351.6	360.9	350.5	366.2	380.6	397.0	406.0	411.0	415.0	418.0	420.0	421.0	422.0	423.0	424.0	425.0
Semi-manufactured	309.7	317.5	313.0	315.7	326.5	323.7	333.4	335.4	351.6	360.9	350.5	366.2	380.6	397.0	406.0	411.0	415.0	418.0	420.0	421.0	422.0	423.0	424.0	425.0
Articles Index	309.7	317.5	313.0	315.7	326.5	323.7	333.4	335.4	351.6	360.9	350.5	366.2	380.6	397.0	406.0	411.0	415.0	418.0	420.0	421.0	422.0	423.0	424.0	425.0
Manufactured	309.7	317.5	313.0	315.7	326.5	323.7	333.4	335.4	351.6	360.9	350.5	366.2	380.6	397.0	406.0	411.0	415.0	418.0	420.0	421.0	422.0	423.0	424.0	425.0
Articles Index	309.7	317.5	313.0	315.7	326.5	323.7	333.4	335.4	351.6	360.9	350.5	366.2	380.6	397.0	406.0	411.0	415.0	418.0	420.0	421.0	422.0	423.0	424.0	425.0
Miscellaneous Index	309.7	317.5	313.0	315.7	326.5	323.7	333.4	335.4	351.6	360.9	350.5	366.2	380.6	397.0	406.0	411.0	415.0	418.0	420.0	421.0	422.0	423.0	424.0	425.0
General Index	309.7	317.5	313.0	315.7	326.5	323.7	333.4	335.4	351.6	360.9	350.5	366.2	380.6	397.0	406.0	411.0	415.0	418.0	420.0	421.0	422.0	423.0	424.0	425.0

JUTE				EXPORTS						Imports		COTTON YARN lbs			
		1956-57	1955-56			Coal*	Ores and Scrap Iron	Iron & Steel	Iron & Steel	Production		July (Apl.-July)	1956-57 1,450 lakhs 5,984 lakhs	**	
						Rs.	Rs.	Rs.	Rs.						
Exports ..	July ..	..	..	July 1956 ..	32.28 lakhs	1.86 crores	..	..	10.00 crores						
	Apl.-July ..	..	..	July 1955 ..	24.20 lakhs	2.30 crores	..	..	3.51 crores						
Exports ..	July ..	Rs. 9.47 crores	Rs. 11.71 crores	Apl.-July 1956-57 ..	95.54 crores	6.59 crores	2.44 lakhs	14.74 crores	42.55 crores						
Manufac. ...	Apl.-July ..	Rs. 36.79 crores	Rs. 42.30 crores	Apl.-July 1955-56 ..	82.75 crores	7.91 crores	..	..	..						
TEA		600 lbs.		COTTON MANUFACTURES											
		1956-57	1955-56					July		Apl.-July					
								1956	1955			1956-57	1955-56		
								Rs.	Rs.			Rs.	Rs.		
Exports ..	July ..	..	..												
	Apl.-July ..	6.44 crores	8.37 crores												
	..	27.51 crores	19.49 crores												
		Packages													
	11th Dec.	58,310	44,397	Production	..	..	..	4,780 lakhs yds**	4,478 lakhs yds**			18,029 lakhs yds**	..		
	Upto, 11th Dec. '56	117,313	11,01,345	Imports	..	..	..	38.06 lakhs Rs.	23.67 lakhs Rs.			1.83 crores	1.01 crores		
				Exports	..	..	..	4.75 crores Rs.	5.63 crores Rs.			19.78 crores	20.97 crores		
				Including Coke											

opinion that the executive functions should be separated from the policy-making functions.

"In order to achieve this end, and also to achieve more flexibility in the day-to-day work of promoting and regulating tourism in the country, the Committee recommends that a board of managing directors should be set up for the promotion and regulation of tourism. The board may consist of four or five members, including the representatives of the Department of Archaeology, Ministry of Information and Broadcasting, and the Ministry of Transport. At least one of the members should be a person of experience in financial matters. The chairman and members of the board should work collectively and on a functional basis. The chairman should have, in exceptional cases where conditions demand, sufficient power to exercise his discretion, so that there is no delay or waste of expenditure. The chairman of the board should be directly responsible to the Minister and should not be subject to the control of the Secretariat of the Minister."

The model selected by the Committee, it seems, is the board of a nationalised industry. Such a board is an autonomous body, not only in the day-to-day administration of the undertaking but also in the use of finances. A nationalised undertaking, like its counterpart in the private sector, has authorised, subscribed and working capital of its own. It is subject to audit and ultimate control by Parliament. How the proposed board for tourism will balance its budget is not indicated by the Committee. Perhaps it will be meant to operate on a "no profit, no loss" basis, receiving the taxpayer's money as a contribution from the Government and allocating it among its various functionaries.

Life Insurance Corporation Investments

The Life Insurance Corporation has invested Rs. 10,45,80,684-3-6 in various categories of stock between 1st September, 1956 and 22nd November, 1956. This includes Rs. 8,20,53,020-13-6 in Government securities; Rs. 22,43,000 in other approved securities; Rs. 33,77,031-4 in debentures of joint-stock companies; Rs. 58,84,074-14 in preference shares of joint-stock companies; and Rs. 1,10,21,557-4 in ordinary shares of joint-stock companies.

Import of British Textiles

"The Government does not consider that any measures to check the import of British textiles into India are necessary at this stage," the Commerce Minister told the Lok Sabha last week.

Manufacture of Sulpha Drugs

It is proposed to manufacture the following sulpha drugs and their derivatives in India: sulphapyridine, sulphathiazole, sulphadiazine, sulphaguanidine, sulphamethazine, sulphasomidine and sulphacetamide. Some new sulpha drugs which are also being considered for production are disulphurmine, ethazole and urosulphan.

Steel Expansion in Third Plan

The Ministry of Iron and Steel is already thinking of the third five year plan. It has set up a Planning Section, with which its consultants are working in the closest collaboration. Bokaro, in the Damodar Valley area, is one of the sites which are being considered for the fourth new steel plant.

Textile Handlooms and Powerlooms

While the dust raised by the controversy over the modernisation of textile mills has not yet settled, the advocates of full employment have raised another storm in the handloom industry. Automatic looms became a live issue at the meeting of the Handloom Board held here last week. Many foreign importers want handloom products of greater width and length. The Government is anxious to improve the wages of handloom weavers. The old handlooms can neither produce cloth suited to foreign requirements nor improve the earnings of the weavers. So there is a proposal to set up 30,000 powerlooms to manufacture 300 million yards

of cloth, as against the 700 million yards produced by the orthodox type of handlooms.

Raw Film Project

A team of East German experts is due here next month to discuss the details of a raw film project. A report on it by the experts is already being examined. Meanwhile, an American firm of raw film manufacturers has also shown some interest in the project.

Plans for Oil from Assam

Provided the final draft reflects the broad heads of agreement so far reached, the 18-month-old negotiations between the Government of India and the Assam Oil Company will pave the way for fuller utilisation of oil, most of which still lies underground in the newly found oilfields of Nahorkatiya in Assam. Since the Government of India has rejected the normal type of integrated company responsible for the prospecting, production, refining and transport of oil, negotiations have been confined to the setting up of three limited liability undertakings, one for oil production, the second for refining and the third for the pipeline. In June last year, the Government reached an agreement on the capital structure of the production company, limiting its own share in the equity capital to 33-1/3 percent. The question of the size and location of the refinery was referred to an expert committee which, according to reports, has favoured Calcutta as the site.

The agreement will provide for Government control over the prices and disposal of crude oil, over the bringing in of non-Indian personnel by the company and over agreements with the non-Indians. The Assam Oil Company will be responsible for providing all the foreign exchange requirements out of its share of 66 2/3 percent. The articles of association of the company will provide for a pipeline, which will be a non-profit making enterprise, financed largely from loans. The Government will thus have 33 1/3 percent of the profits, plus income tax, plus a 10 percent royalty from the proposed production company. After a week's discussions, the Assam Oil Company's director, Mr. R. P. Smith, left for London to submit a final draft of the agreement for the production company for approval by his firm. The production company cannot function unless some decision is reached on the size, location and capital structure of the refinery. Presumably for political reasons, no decision is expected on the location of the refinery until after the general elections.

Finance Bills Passed

The two Finance Bills introduced on 30th November were passed by both Houses of Parliament last week. During the discussion in the Rajya Sabha, the Finance Minister, Mr. T. T. Krishnamachari, made some important observations, which are summarised below:

(1) The Government is determined to implement the second five year plan, without either scaling down its size or lengthening the plan period.

(2) It is wrong to imagine that deficit financing is being given up. "We have assigned a particular place for deficit financing in the plan. Created money should be used for the purposes of an expanding economy until such time as the money can be brought to back it by savings or taxation or loans. Deficit financing is now the sheet-anchor of the five year plan. It is of the same nature as poison—to be administered in small doses only when and as the economy develops a tolerance for it in its system", said Mr. Krishnamachari.

(3) Bank rate will not be raised.

(4) The administrative machinery will be strengthened, particularly to check tax evasion. If the joint Hindu family is used for tax evasion—and Mr. Krishnamachari is sure that it is—the remedy is not to find means of checking evasion through that source but to block the source itself. The Finance Minister admitted that the quantum

of tax evasion is much larger than the department has admitted. But the difficulty is the tendency of law courts to come in the way.

(5) The total needs of foreign exchange for the second plan, as estimated now, will be more than covered if all the foreign exchange reserves are used, including the Rs. 400 crores maintained as backing for the currency. The stability of a currency depends not so much on foreign exchange reserves, as on the stability of the internal economic structure. "I do think that at the end of the five year plan the Government will have enough tools in the country which can produce goods for export, if necessary, and for covering any foreign exchange deficit that might occur in the latter part of the plan period."

(6) The Finance Ministry is at present engaged in devising a system of "efficiency audit". The Finance Minister agrees with his critics that there is room for economy. The Government must put its house in order when it is making fresh demands on the people and is not reducing the burden of direct taxation. The Finance Minister gave instances from his own Ministry to show how some economy measures had already been affected.

(7) The proposed overhauling of the tax structure will take note of the need to give incentives to industry. The Finance Minister has indicated that at some stage the Government might have to come to Parliament for powers to stop courts from interfering with the normal methods of assessment and collection of taxes.

It is refreshing to hear the Finance Minister talking of economy. Over the past three years, even the urge for economy has been destroyed and expenditure on administrative personnel has been rising. Before levying additional taxation, democratic Governments are normally expected to convince the country that they have done all they can to economise. With the peculiarities of the Indian party system, this aspect of the problem has so far been neglected.

Expenditure on Ambar Charkhas

The following statement on Ambar Charkhas was made in the Lok Sabha by the Production Minister, Mr. K. C. Reddy.

Item	Amount apportioned Grant Rs.	Loan Rs.
Expenditure on Ambar Charkha trainees and on opening of new Parishramalayas:		
(a) Vidyalyas (30)	15,40,300	
(b) For running, 100 old Parishramalayas opened under the Ambar Charkha pilot project during 1955-56	21,60,000	
(c) For running 100 new Parishramalayas (for one year)	23,10,000	
(d) For running, 100 new Parishramalayas (for six months)	12,75,000	
(e) Supply of 10,500 Ambar Charkhas to training institutions	13,60,000	
Expenditure on the manufacture of 64,500 Ambar Charkhas (excluding those supplied to training institutions)		
Saranjam Karyalayas	8,90,000	
Expenditure on administrative matters:		
Functional offices	87,720	
Miscellaneous Expenditure:		
(a) Discretionary grant	25,000	
(b) Setting up of five main and 10 sub-production centres	2,75,000	
(c) Revolving credit for trading operations connected with the Ambar Charkha programme, including production and sale of yarn and cloth	50,00,000	
(d) Rebate for the sale of Ambar Khadi	20,08,980	
(e) Grant to Atira for research on the Ambar Charkha	62,000	
(f) Experiments on Ambar Charkha through the Khadi Board	5,000	
(g) Opening of a small Ambar Charkha workshop	46,000	
(h) Working capital for:		
(i) Production and sale of Ambar Charkha yarn and cloth and manufacture of Ambar Charkhas	100,00,000	
(ii) Purchase of cotton	40,00,000	
(i) For supply of Ambar Charkhas to spinners on a hire-purchase basis	76,80,000	
	170,45,000	216,80,000

Thus, in the name of employment, the taxpayer has been made to pay Rs. 387,25,000 to finance this ideological programme.

London

SIR ANTHONY RETURNS TO AN IMPROVED ATMOSPHERE

CHANGE IN U.S. ATTITUDE MAINLY RESPONSIBLE

(FROM OUR LONDON CORRESPONDENT)

THE Prime Minister returned from his Jamaican holiday on Friday last to find a situation very different in some respects from what it was when he left here three weeks ago. The least change in outlook was perhaps in the purely political sphere, though even here the intervening developments, on the economic front as well as in international affairs, have led to the appearance of a more reasoned and less hysterical opposition to the Government's policies. The largest and most significant contribution to this change has been made by the adoption of a completely different attitude on the part of the American administration, and it is at least pertinent to wonder whether had it been made evident earlier much of the intervening trouble might not have been avoided completely. As it is, the various crises which threatened us only a few weeks ago no longer dominate our thoughts and actions as they did; we can look forward with greater confidence; and, it is to be hoped, devote the new breathing space to a new consolidation of the position and the creation of a general determination to maintain such progress as we have made and to avoid any pitfalls which may lie ahead. A more realistic appreciation of our problems all round would help a great deal, and not least of all the abandonment of personalities and a more willing acceptance of the austerities which the situation imposes.

Within hours of Mr. Macmillan's disclosing to the House of Commons the measures he intended taking to maintain our gold and dollar reserves the International Monetary Fund had been approached for a loan and had approved an immediate drawing of \$561.47 million which will now become part of our gold and dollar reserves, besides agreeing that the U.K. Government would have an automatic right to draw a further sum equivalent to \$728.53 million in foreign currencies against sales of sterling at any time during the next twelve months. Taken together, this addition to our reserves which stood at \$1,965 million at the end of last month now stand at a de facto level of over \$3,000 million. This welcome reinforcement will go a long way towards making sterling safe against speculative pressure for a considerable time ahead. We have suffered from this pressure since last July, and the closing of the Suez Canal had the effect of aggravating the situation and giving rise to devaluation fears. Britain's determination to maintain the pound at its present value has been demonstrated, and the effect on the exchange market has been only too evident recently. As the bears start covering their earlier sales the improvement should be cumulative.

Other Measures

One of the conditions applicable to short-term credit loans from the I.M.F. is that the country receiving accommodation follows strict fiscal and credit policies. This, it has been disclosed by Mr. Jacobsson, Managing Director of the Fund, Britain has promised to do, and it probably explains our request to the U.S. and Canadian Governments for waiver of the interest payments due on their loans this month—a move which has been criticised seeing that the total involved is comparatively small, the negotiations with the Export-Import Bank for a loan reported to be in the region of \$500 million to finance our imports of American oil and certain other essential dollar commodities; the firmer attitude now being adopted with Western Germany in the matter of the cost of maintaining our forces in that country; the Government's revised ideas on defence expenditure to which the Chancellor of the Exchequer gave prominence at the N.A.T.O. meeting in Paris; the new petrol tax in this country to offset the fall in revenue from rationing; and not least of all Mr. Macmillan's warning that his credit squeeze measures will be maintained and might well be further tightened in the coming year.

Mr. Jacobsson did us one further good turn when he announced the I.M.F. help. He reported that the trading position of Britain continues to be essentially sound. The pressure exerted on the balance of payments position from the end of July was not caused by weakness in current accounts, but reflected a decline in confidence which caused remittances of sterling to be delayed and payments through sterling to be accelerated. He pointed out that sterling, since it serves as a means of payment for half the world's commercial transactions, is "particularly susceptible" to these influences, and concluded by declaring that it is "for the purpose of reversing this trend against a world-wide trading currency that the International Monetary Fund has today approved support on such a massive scale."

Good Trade Returns

Britain's trade gap, measured by the excess of imports over exports, narrowed appreciably last month. Exports at £291.8 million were only slightly below the October record and with re-exports, totalling £14.8 million at the highest level this year and imports sharply reduced at £322.8 million, the November gap was only £16.3 million. This was over £30 million less than in October and nearly £36 million below the monthly average for the first 10 months of this year. Last month's gap was, in fact, the smallest since November, 1950, excluding October, 1954, when the import-export pattern was

distorted by the dock strike. These are the first returns really affected by Middle East events, and in view of the fewer working days in November, the cutting-off of sales to Egypt and reduced sales to other Middle East countries, the export total is remarkable, and would be still more encouraging if it bore less of a resemblance to previous war scare booms. The steep fall of £314 million in imports was doubtless affected substantially by delays in the arrival of shipping diverted round the Cape. An undoubtedly encouraging feature in the performance of British exporters last month was the sharp rise to £43 million in sales to the dollar area. Excluding a further £2.7 million silver bullion re-payment, exports to North America were £2 million more than in October and 22 percent above the average of the first 10 months of this year. Exports to the U.S. at £25.1 million reached a new monthly record. Sales to Canada at £17.8 million were £1.5 million up on October and over 19 percent above the monthly average rate for the first 10 months of 1956.

Hire-Purchase Sales

Household goods shops' sales on hire-purchase rose by 14 percent in October compared with September. This increase was mainly seasonal, but it was also the result of a further small rise in the proportion of goods sold on hire-purchase. This does not mean, however, that the Chancellor's restrictions in this respect are not working. The latest Board of Trade figures on hire-purchase allow comparison to be made for the first time with the corresponding month of last year, when the information began to be collected. The index value for October at 88 (base Dec. 1955=100) goes against 77 in September, but it stood at 119 in October, 1955, the month of the emergency Budget. Total hire-purchase debt which was more than £451 million at end-1955, fell further in October. The index figure (Dec. 1955=100) is given as 81, against 83 in September. Old debt is still being paid off faster than new is being incurred.

Atomic Power Stations

Three of the four nuclear engineering combines set up recently at the instigation of the Atomic Energy Authority were awarded contracts on 13th December for the building of two atomic power stations in England, in Bradwell in Essex and in Berkeley in Gloucestershire, and one in Scotland, the first two being worth around £35 million each and the third between that figure and £40 million. The fourth combine, which was unsuccessful in tendering for these initial stations in the Government's original programme for the development of nuclear power, is negotiating with the Central Electricity Authority for the erection of a further station in Inkle Point in Somerset. This will probably mark the first move of a considerably expanded programme of nuclear power development which, it is expected, the Government will announce this week, for a fifth combine (Richardsons Westgarth/International Combustion (Holdings)/Crompton Parkinson) has now been formed—and it is safe to predict that there will be plenty of work to keep them all busy. The Atomic Energy Authority is anxious to spread atomic knowledge as widely as possible and has arranged a special course at the Harwell reactor school to give those in industry a further opportunity to acquire a basic knowledge of nuclear energy. The course, which will last six weeks, will start on 3rd June. About 60 places will be available. In addition to covering the basic principles of the physics and engineering of reactors, the course will provide lectures on such subjects as reactor metallurgy, shielding and health physics. Emphasis will be placed on special topics, such as the instrumentation of reactors and the use of radio-isotopes in industry.

The Tea Outlook

Tea prices may be expected to move back somewhat in January when supplies diverted via the Cape start arriving in London. That is the opinion of Sir Eric Miller, chairman of Harrisons and Crosfield, who informed the shareholders at the annual meeting of the company that there is plenty of tea to come forward. As a result of a prolonged drought, the 1956 production in Ceylon may be about 10 million pounds below 1955. South Indian and Indonesian crops are estimated to total 10 million pounds less than last year, but probable increases in North India and Pakistan indicate that 1956 world output may be only 10 million pounds less than last year. Meanwhile, Britain's average weekly consumption in the first 10 months at 9.75 million pounds compares with 9.28 million pounds last year. The U.S. however, has barely maintained its average imports of recent years, and any marked increase in other important markets is unlikely.

On the question of take-over bids, Sir Eric found it heartening that "shareholders generally seem to be supporting their boards." He expressed doubt on whether the acquisition of tea and rubber estates by local interests would prove advantageous in the long run. Sir Eric cited exorbitant export duties, wage demands and crippling taxation in the traditional tea-growing countries as the real reasons why responsible entrepreneurs have in recent years sought land suitable for tea-growing in Africa and are prepared to invest upwards of £250 an acre on new planting. This was in striking contrast to the fact that shares in good Indian tea companies could now be purchased at less than the value of their current cash resources, with their estates thrown in for nothing "quod est absurdum" as Euclid would have emphatically said, according to Sir Eric.

Government to Sell Lead and Zinc

The Board of Trade announces that it is about to make arrangements for reducing its stocks of lead and zinc. This is in accordance with the policy, announced in February in the Defence

White Paper, of running down the strategic holdings of industrial raw materials. The Board says it is anxious to make its disposals of lead and zinc without unduly disturbing markets, and will shortly be discussing with trade representatives how this can best be done. The rate at which disposal will be made will not be decided until these discussions have taken place. No sale will be made before the middle of January, 1957.

Brevities

The Directors of Champion Reef Gold Mines of India and Nundydroog Mines, to facilitate distribution of compensation money, propose restoring control and management to the U.K.

It is announced that Jordan wishes to move the headquarters of the Jordan Currency Board from London to Amman.

Mr. A. Lawrence Hughes has been elected president of the Manchester Cotton Association for the ensuing year. Mr. F. Dunkerley and Sir Leslie Roberts have been elected vice-presidents.

The Ministry of Labour has announced that at 13th November the official index figure which measures changes in the average level of retail prices (the cost of living index) compared with the level at 17th January (taken as 100), was 103, the same as at 16th October.

Bristol Britannia propeller-turbine airliners are to go into regular service with B.O.A.C. on the London-Johannesburg route on 1st February and on routes to Australia, Hongkong, Japan, Aden, Ceylon and Singapore in the latter part of 1957.

Correction.—In last week's despatch it was stated that the Tribunal had awarded an increase of 6 percent in the locomen's wage claim. This should have been 6 shillings, which would be 3 percent.

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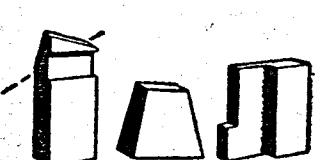
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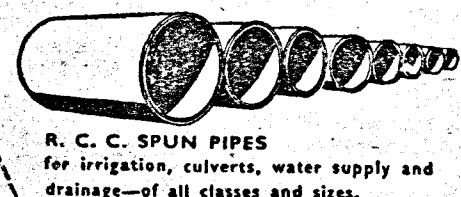
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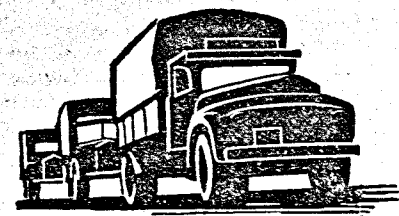


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Bombay

NEED TO INCREASE POWER OUTPUT IN BOMBAY

THERMAL ENERGY CONSIDERED IMMEDIATE ALTERNATIVE

(FROM OUR BOMBAY CORRESPONDENT)

ADDRESSING the sixteenth annual general meeting of the Association of Electrical Undertakings, Bombay State, Mr. J. A. Colaco, president, stressed the need to increase the output of thermal power for the Bombay-Poona area. Until power from the Koyna project became available, a thermal project could increase supplies, and it should be completed without loss of time. Mr. Colaco said that electricity rates had risen only slightly since prewar days. This increase was insignificant when compared with the rise in the prices of almost all other commodities. He also underlined the need for healthy competition between the State Electricity Board and other licensees in order to secure maximum efficiency and economy in the industry. As an example, he cited the Ahmedabad Electricity Co. Ltd., which was able to supply 100,000,000 kWh of bulk energy to the State Electricity Board's north Gujarat grid scheme at about 10 percent less than the rate at which the London Electricity Board bought some 7,000 million kWh from the U.K. Central Electricity Authority in 1955-56. He asserted that the financial provisions contained in the electricity law—as amended by the Electricity (Supply) Bill—were seen as a yardstick which the Legislature intended should initially be left for application by the undertakings themselves.

He deplored the possibility of electric traction being abandoned in Bombay as a mode of transport, and urged that the proper step would be to modernise the city's system. The transport of large masses of the people—in the quickest possible time—could only be achieved by electric transport. Mr. Colaco suggested that the possibility of utilising the trolley bus—in conjunction with an up-to-date tramway system—be carefully explored. Mr. Mohamed Husein Hasham Premji, chairman of the Bombay Electricity Board, has stated: "At the moment we are busy establishing the main transmission lines. We have a plan to establish inter-provincial boards with a central authority to arbitrate in disputes" over the sharing of waters, etcetera. "The major power house, near Surat, is to be expanded. Transmission lines are to be built in north Gujarat—an extension to our grid system from Surat to Baroda. The major transmission line will operate from the Koyna power house to Karad, and from Karad to Sholapur, Satara and Kolhapur. We are also planning a major power house in Bhusawal."

Criticism of Taxation Proposals

Criticism of the new taxation proposals continues. Mr. A. D. Shroff sees in them a "definite and continued trend towards the gradual disappearance of democracy in India." Speaking in Bombay at a recent function organised by the Democratic Group, Mr. Shroff foresaw insufficient resources to implement the second five year plan, and a grave financial crisis. He described the proposal for compulsory deposit of part of the depreciation allowance with the Reserve Bank as the "most serious blow for the private sector in India." This "forced loan" to the Government, he said, would lead to a "very serious monetary crisis." Mr. Shroff went on: "Imposition of super-tax on dividends betrays a lack of clear understanding on the part of our financial pundits of industrial conditions in India."

Stainless Steel Consumption

The current import policy relating to stainless steel is "not quite satisfactory to the trade and needs to be reorientated," the President, Mr. Ramanlal Shah, of the newly-established All-India Stainless Steel Industries Association has urged. He also said at a Press conference in Bombay that the Government of India should consider the manufacture of stainless steel within the country as foreign exchange, at an average rate of Rs. 3 crores a year, was being spent on imports. Mr. Shah expressed disappointment that the second five year plan made no provision for the development of this industry. After the State-owned steel units went into operation, he hoped that the Government would give proper attention to the ancillary industries. He urged that the Government take the trade into confidence and hold discussions with it before formulating a policy. Stainless steel consumption has been rising. Ten years ago, it was negligible, but 4,000 tons are now required and in five years' time, the consumption needs are likely to increase to 8,000 tons annually. Mr. Omprakash Agarwal, vice-president of the Association, declared that Indian-made sun cookers, the use of which is now restricted to laboratories, would possibly be manufactured for household use in the not-too-distant future.

Industrial Relations

"The need for a dynamic labour policy is self-evident," Mr. J. N. Cochrane-Barnett, chairman of the Indian Engineering Association, Bombay, observed while delivering the first R. S. V. Iyer Memorial lecture, in Bombay, on "The importance of a dynamic labour policy to management." He added: "It is the responsibility of the management to remove the doubts and suspicions in the minds of the employees, and lead the industrial society in creating a new productive and dynamic force in shaping the future of the country."

Madras

EXPANSION OF BANKING IN MADRAS

PLEA FOR HIGHER INTEREST RATE ON DEPOSITS

(FROM OUR MADRAS CORRESPONDENT)

IMPORTANT bankers have visited Madras in recent weeks in connection with the branch expansion of their banks. The Central Bank and the Union Bank branches are now well established and the Dena Bank has revived its branch in Madras. The greater demand for funds in the south has made bankers take these steps. Mr. Karanjia of the Central Bank indicated in Coimbatore that long-term finance for industry cannot be made available by joint-stock banks whose first obligation is to their depositors, and they therefore cannot provide capital for fixed assets. The State Financial Corporations, have not yet fully used their resources on loans to industry, and long-term loans are obtainable only at 6 percent from the I.F.C. or the State Corporation.

With the increase in interest rates, banks are keen on more deposits. The Government also hopes to gain from it. At a party in Madras given for Mr. Karanjia, the Finance Minister expressed the hope that State loans would receive greater support in the future. A good deal of forced liquidation by small holders has brought State loans down to a discount. Optimism about the capacity of the capital market to absorb these loans has not proved well-founded. Not enough attention has been given to Dr. Matthai's recent plea in Bangalore that an early revision of the interest rate structure in line with the present call loan rate be undertaken. Dr. Matthai stated that rural funds could be attracted only by offering more on deposits, and bankers should extend operations by paying more on deposits when they were getting more on advances. The removal this month of the ceiling of 2½ percent interest payable on savings by American banks was a consequence of tight money. The U.S. Government was now prepared to let banks pay 3 percent so that extra savings could be obtained by banks which were forbidden to pay interest on current accounts. The U.S. experience held a lesson for India, where the demand for bank credit likewise was rising. The rise in the national income has led to hopes of larger resources for banks, but in the south, greater efforts are necessary. The success of the Pandyan Bank, set up 10 years ago, is clearly due to intensive development of a small region together with attractive terms for small savers.

Medical Standards

States' Health Ministers last month formulated a plan for giving more scope to *ayurveda*. The blend of *ayurveda* with modern medicine is thus favoured by the Government, but it does not meet with the approval of the medical profession which feels that "electionism" is going too far. Conversely, new medical colleges, ill-equipped for teaching, are no remedy for the shortage of trained doctors. The risk of lowering standards is too great. Dr. A. L. Mudaliar fears that control over medical education by laymen is leading to a sorry situation. The real remedy lies in aiming at higher standards and improving medical colleges; also in providing post-graduate courses and keeping India abreast of the advanced countries. The opening of cottage hospitals in small towns, staffed by a small group of practitioners and getting a State subsidy to supplement fees from the well-to-do, is an idea now circulating. Though nursing homes in many towns have been set up, they are not co-operative ventures and are expensive. The strain on Government hospitals can be reduced only by giving more scope for private effort and initiative in medical relief. But the profession is clear in its objections to a four-year course for those who have not gone to a college and it is not prepared for "dilution" of any kind. A former Chief Minister nursed the notion that doctors could be multiplied for the use of the State by starting a curtailed course for school-leavers and letting them run village dispensaries subsidised by the State. But the profession is opposed to short-cuts and the views of Dr. A. L. Mudaliar against Government interference, incidentally lowering the status of those qualified in modern medicine, is supported by the profession at large.

Financial Irregularities

The Public Accounts Committee in its last report called attention to many financial irregularities on the part of the State Government departments. That Secretaries did not come to help the Committee is one of the complaints made in the report. The transactions of the Food Department have not yet been summed up in a balance sheet presenting the complete results. Excess payments to contractors have been recorded, and the Committee noticed that contracts had not been clearly worded so as to avoid loss. The Accountant-General's views on financial procedure have been invariably upheld by the Public Accounts Committee. It calls attention to the availability of cheap substitutes for quinine at present. But the Madras Government has extended the factory in the Nilgiris and hopes to get the full benefit of tariff protection by raising output. The Committee has indicated that savings due to an excess provision in advance are not to be approved in the light of modern practice.

Popular Entertainment

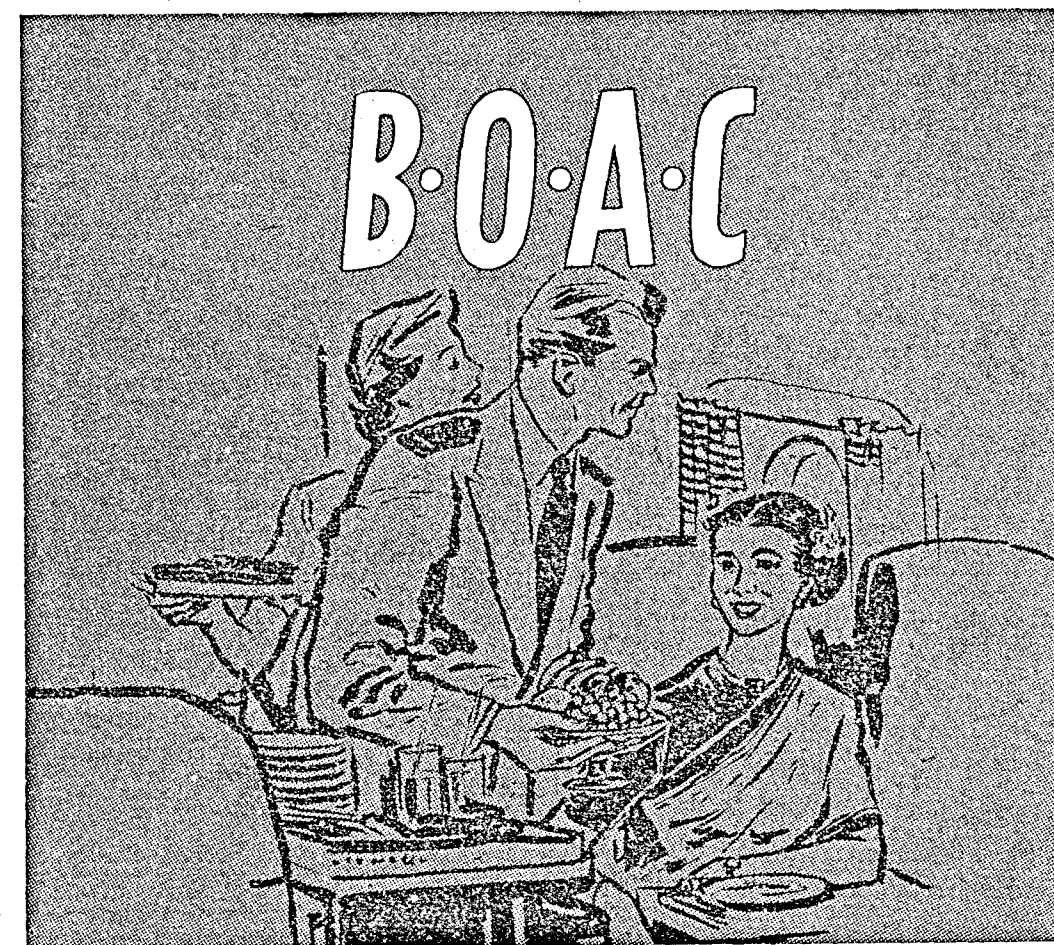
A brief report on the Entertainment Tax administration for 1955-56 reveals a higher yield of

about Rs. 94 lakhs, leading to the distribution of larger sums to local bodies entitled to 90 percent of the proceeds of the duty. The revenue rose on account of the better attendance at cinemas. More theatres have been opened, while larger audiences were reported, as many popular features were shown. Improvements in theatres also explain the rise in receipts. The collection of tax has been efficient and exemptions from tax are usually given in deserving cases. Concerts, but not exhibitions, are free of tax. The tax procedure, except in west Tirunelveli, is regarded as adequate. Commercial tax officers have been able to realise dues promptly. The greater popularity of Hindi pictures in Madras city, which shows the maximum collection from entertainment tax, is not surprising. There has been a decline in the popularity of English films. Barely half a dozen theatres in Madras State now show English films regularly. Science thrillers are in vogue and "visions of 2,200 A.D." appeal to fans who are impressed by the "other worlds." Literary masterpieces still score, and Scott is easily a success although the readers of his novels may not be so numerous. Russian films, eagerly passed and distributed on the cheap, have proved a dismal failure. Local audiences have stayed away from the pictures publicising Russian artists and even the recent visit of the circus here was only a qualified success, whereas enthu-

siasm was shown for a film depicting the Siamese court mainly because the Thai ballet (resembling the Indian dance) served as a happy reminder of the enduring cultural ties with that country.

Police and Social Welfare

At a conference held last week on social work, pleas were made for greater support for agencies dealing with social evils and problems. The voluntary worker's part was repeatedly stressed, along with the need for expert guidance. The drying up of private charity is a result of the current social changes, so the purely secular aspect of social work is not to be ignored. The association of the police with social work is a happy feature, and in a few places policemen are taking a hand in rural development. This is intended to make the police popular. They are expected to run clubs to keep boys out of mischief. The Commissioner of Police feels that the admonition of wrong-doers is sometimes more effective than prosecution. Station committees are now expected to help the police put down crime. The recent increase in crime has been attributed to the repeal of the Criminal Tribes Act, a social reform apparently conceived and carried out in haste. The incidence of crime in the city is said to have decreased of late, but in the suburbs, crime, especially burglary, is increasing.



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Plantation Topics

CALCUTTA TEA AUCTIONS IN NOVEMBER

DEMAND STRONG AND ACTIVE THROUGHOUT

THERE was an exceptionally strong and active general demand throughout the month and all descriptions, except the higher priced teas, met with very keen competition from export and internal buyers, say Messrs. Caritt Moran & Co. Private Ltd. in their monthly tea market review. The plainest kinds, clean commons, mediums and low mediums advanced by about 2 annas to 4 annas in each Sale, particularly Fannings grades which were very much stronger than Broken. Teas with black leaf appearance were in particular demand and non-wither Doors with bright liquors were strongly supported. Whole leaf grades and stylish B.P.S.'s were also a strong feature and the majority of the Darjeelings realised very satisfactory prices. Good liquoring Assam B.O.P.'s of orthodox manufacture and the better liquoring C.T.C. teas showed the least change in rates although a few selected lines realised high prices.

Darjeeling Leaf appearance showed little change from the previous month and cup quality was above average for the time of year. Assam C.T.C. teas showed a further decline both in leaf and liquor and many of the offerings were rather dull in cup. Leaf appearance of most teas of orthodox manufacture was of a commendably high standard and a number of useful liquoring teas were available. Out-turn from Doors district showed a marked improvement compared with the corresponding period of last year. The offerings included a large proportion of well-made black leaf teas and most of the teas of non-wither manufacture were quite bright in character. Cachar Leaf appearance continued to be much above average and for the most part was black and commendably free from stalk and fibre. While the majority of the liquors were rather plain, a few selected estates produced clean sweet teas with most attractive leaf appearance.

Quotations

	1956-57	1955-56
	Rs. As. P.	Rs. As. P.
Sale No. 20 Plain B.P.	1 14 6	1 14 6
Sale No. 21 " "	2 0 6	1 15 0
Sale No. 22 " "	2 2 6	1 10 0
Sale No. 23 " "	2 5 6	1 11 0

Internal Market

A total of approximately 5,700 chests of Leaf was offered. The few lines of tea on offer were mainly of a residue description and demand for

these was irregular but generally at dearer rates. Dust offerings amounted to a total of approximately 88,900 chests. Apart from the initial Sale, which was affected by the news from the Middle East, there was a good general demand and the market was slightly dearer, in spite of an easier tendency in the last Sale. Good liquoring Assams of C.T.C. manufacture were strong and prices were fully maintained. The brighter liquoring non-wither Doors were also a strong feature and these frequently sold at rates above those of orthodox manufacture. Clean Leaf Assams and commons received fair support, particularly the more leafy ones, and were generally about 1 anna dearer. The larger black leaf Dusts from these districts received little or no support from Middle Eastern buyers and consequently did not sell at a premium.

Quotations

	1956-57	1955-56
	Rs. As. P.	Rs. As. P.
Sale No. 20 Clean Common Dust 1 13 6	1 13 6	1 13 3
Sale No. 21 " " " 1 15 6	1 15 6	1 12 6
Sale No. 22 " " " 2 1 6	2 1 6	1 10 6
Sale No. 23 " " " 2 0 3	2 0 3	1 10 0

Export sales up to No. 23 totalled 1,032,359 chests at an average price of Rs. 2-8-8 against 993,200 chests at an average price of Rs. 2-6-5 in the corresponding period of the 1955-56 season. Internal sales at 21,207 chests of Leaf and 230,384 chests of Dust (Rs. 1-9-4 and Rs. 2-4-4) go against 47,063 chests and 293,373 chests (Rs. 1-6-3 and Rs. 2-3-5) in the same period of 1955-56.

November has seen an unpredicted rise in the price of Export quota. Business commenced at 27 ptes and rose steadily. Towards the middle of the month, however, there was a sudden strong demand and the price rose by over 5 annas a lb. within the next two weeks, falling slightly towards the end of the month. Transactions at the close were made at 72 ptes a lb.

The estimated North Indian crop to the end of October 1956 was 486,594,554 lbs. compared with 459,004,773 lbs to the same date last year. The average figure at this date for the three years 1953-55 was 445,447,895 lbs.

The Government of India has decided that the export duty on tea during December will be 8 annas a lb. against 6 annas in force hitherto.

Arrivals (in chests) during the period 24th October to 23rd November with the corresponding figures of the previous year in parentheses were: by steamer 489,549 (448,259), by rail 204,999 (129,434) and by air 19,059 (17,538), making a total of 713,607 (595,230) chests. From the beginning of the season, 1st April, 1956 to 23rd November, 1956, arrivals have been: by steamer 2,235,189 (2,271,925), by rail 692,186 (593,653) and by air 110,407 (143,693) chests, making a total of 3,037,782 (2,964,271) chests.

LONDON TEA SALES

AT last week's London tea sales the 39,278 packages on offer realised an average price of 6s 4.13d a lb., against 6s 3.61d in the previous sale and 4s 7.21d a year ago. Plain broken pekoe was quoted at 5s 6.1d a lb., against 5s 4.1d in the previous sale. Prices obtained by some of the companies are given below:

	No. of packages	Average a lb.
Amalgamated	933	6/0½
Amgoorie	562	6/11
Anglo-American	1,101	6/2
Anglo-Ceylon & General	312	6/9
Attaree Khat	264	6/2
Bordubi	839	6/7½
Central Provinces	363	6/5½
Chubwa	833	6/3½
Consolidated Estates	288	6/7
Consd. Tea & Lands	2,183	6/
Dekhari	521	6/7
Doom Dooma	1,081	6/8½
Eastern Assam	819	6/6½
Eastern Produce	522	6/8½
Imperial Company	600	6/
Jhanzie	252	6/2½
Jokai	1,727	6/5
Jorehaut	1,103	6/7½
Kanan Devan	1,650	6/1½
Koomscng	496	6/4½
Makum	700	6/3½
Malayalam	2,004	6/0½
Moabund	227	7/0½
Moran	450	6/9½
Namdag	240	6/7½
Pabbojan	514	6/10½
Rajawella	163	6/5½
Scottish Assam	296	6/2
Standard	198	7/4½
Tingri	966	6/6
United Planters	276	6/8½
Upper Assam	881	6/5½

U.K. Tea Stocks

U. K. stocks of tea on 7th December amounted to 84.4 million lbs., against 121.6 million lbs. a year ago (converted at 110 lbs. a package).

COCHIN TEA SALES

At Sale No. 32, 2,900,000 lbs. of tea were on offer. There was a good general demand. The market however opened 2 annas lower, and weakened further to close irregularly 3 annas to 4 annas down for all grades except for Broken Pekoes which were steady.

COLOMBO RUBBER PRICES

The following prices have been issued by the Rubber Board of India from the weekly market report published by the Colombo Brokers Association:

	Closing prices on 7-12-56 (Rupees a lb.)	Average for the period (Rupees a lb.)
Sheet:		
No. 1	1.41	1.41
No. 2	1.38	1.38
No. 3	1.35	1.35
No. 4	1.11	1.11
No. 5	1.06	1.06
Sheet Cuttings 1	1.10	
Sheet Cuttings 2	1.05	
Crepe:		
Water White	—	—
R.M.A. No. 1X	1.58/60	1.65½
R.M.A. No. 1	1.53/57	1.61
Crepe No. 2	1.53½	
Crepe No. 3	1.40½	
Scrap Crepes:		
Sc. Crepe No. 1	1.14 Nom.	1.14½
Sc. Crepe No. 2	1.09/12	1.11½
Sc. Crepe No. 3	.95/1.05	1.01½
Flat Bark	.90/94	.92½
Sc. Crepe 3X	1.06	

To arrive at f.o.b. Colombo prices, add 53.45 cents a lb. for crepe other than scrap crepe and 31.45 cents for scrap crepe to the above market prices.

Mr. N. W. Chisholm, who has been General Manager of the National Bank of India Limited since 1st April, 1953, will retire on 31st December after nearly 50 years' service with the Bank and Mr. William Kerr, Deputy General Manager, will succeed him. Mr. Chisholm retains his seat on the Board of Directors.

Jute

MILLS BUY LARGE QUANTITIES OF RAW JUTE

GUNNY PRICES FOLLOW FIRM TREND IN FIBRE

THE feature of the markets in the past week has been a sudden and unexpected increase in the buying of raw jute by mills. It is not clear what has provided the impetus, but it seems there has been a realisation that, in the prevailing conditions in the markets in Pakistan, it is unlikely that mills will be able to procure enough supplies from that source during this season, except at prohibitive prices. That, however, has been the general belief for some time, and it does not explain why it should have been acted upon so suddenly. Had there been much buying of manufactured goods to give mills encouragement, it would have been understandable. But, according to reports from exporters, there has been no sudden increase in demand from overseas buyers for manufactured goods. In fact, they say that the advance in prices of gunnies and hessian has been due to the rise in raw jute prices as a result of heavy buying by mills. It is possible, of course, that the determining factor was that the mills' raw jute stock position is rather vulnerable. Their consumption of raw jute from 1st July to 30th November was 2,521,000 bales, while total arrivals in Calcutta and mill stations over the same period were only 2,557,000 bales. All the arrivals, moreover, did not go direct to mills, a very substantial portion having gone to Cossipore, where stocks have recently been increasing. Stocks in mill godowns have, therefore, been decreasing over a period when they should have been increasing in preparation for the time when imports will be smaller. It must not be forgotten, of course, that mills entered the 1956-57 season with godown stocks of 829,000 bales, but with doubts about the possibility of being able to import jute from Pakistan, that does not provide a safe margin against any shortfall in supplies from Indian sources.

The rise in the price of raw jute as a result of increased buying by mills has been accompanied by a rise in the price of manufactures which bodes no good for the industry. There have been many reports of consumers turning to cheaper materials for packaging without there being any comparable development of new uses for jute manufactures. It is, therefore, imperative that steps should be taken to intensify propaganda in the jute-growing districts for the production of a bigger crop next year by increasing the acreage and by the adoption of better methods of cultivation. If the present level of prices continues until sowing time, there is no doubt that a bigger crop will be sown, but that is no excuse for complacency now. Pakistan has already decided to grow a bigger crop in 1957 and that may relieve the position by making it possible for Indian mills to import Pakistani jute, but it is essential that India should grow enough jute to meet the mills' requirements at reasonable prices.

THE JUTE MARKETS

Manufactured Goods: A moderate amount of overseas business is reported in hessian for deliveries up to June, and there has been day-to-day business in specialities but there has not been much overseas enquiry for heavy goods. The speculative counters rose sharply in sympathy with the advance in raw jute prices and a large amount of bear-covering was reported. On the morning of 12th December, 11-porter hessian was quoted at Rs. 46 and B Twills at Rs. 121-2. By Monday, the fatka quotations had moved up to Rs. 47-2 and Rs. 124-8 respectively but a reaction set in when mill buying of raw jute slackened off. The reported increase in burlap stocks in the U.S.A. and a decline in burlap consumption affected the speculative markets. There was also a revival of the rumour that the Government of India intended to impose an excise duty on jute manufactures. The easier tone in the market continued until late on Tuesday afternoon when there was a sudden spurt and hessian jumped to Rs. 48 in the fatka market. On the whole, the fatka quotation for hessian has been steadier than that for B Twills although more hessian is now being turned out and fewer B Twills. There has, however, been covering in hessian by shippers for near deliveries and quotations for the 100z. variety for December are at a premium of Rs. 2 over those for January-March.

Quotations on Wednesday morning were as under:

	Dec. Rs.	Jan.-Feb. Rs.	April-June. Rs.
40in 8oz.	38-10	37-6	36-10
40in. 10oz.	48-8	46-10	45-12
B Twills	124-14	125-8	124-12
Heavy Cees (Plain)	124	124-12	124-8
A Twills	124-14	125-2	124-12
Liverpools	139	139-8	139
Cornsacks	126-12	126-12	125-12

Raw Jute: Two large groups of mills coming into the market in quick succession for large quantities of jute produced more activity than has been experienced for a considerable time. On Thursday, a large quantity of Northern jute was done at Rs. 32 to Rs. 32-8 Basis Bottoms for delivery ex agencies, while Rs. 31-8 was paid for deliveries ex Calcutta. Local packing was done at Rs. 30-8.

Cuttings were sold at Rs. 136. The following day, Assam jute ex agency was bought at Rs. 32-8, Murshidabad Tossa at Rs. 32-8, Daissee at Rs. 33, Northern at Rs. 32-8 to Rs. 33, Western at Rs. 32 and Western Mesta at Rs. 29, basis Bottoms. Business continued over the week-end, with prices in some cases moving up a further 8 annas a maund. On Monday morning, the activity of the previous days faded out, but in the afternoon moderate business was done. The bulk of the buying throughout the week was of small parcels, as sellers were inclined to be reserved, particularly for Assam and Northern jute, imports of which are reported to be small. Daissee sellers were very reserved and offerings were small. This is said to be due partly to small imports and partly to keen buying by mill agents and at mill jetties at higher prices than are obtainable on contract. Mills have also been very active in the Cossipore market.

Quotations on Wednesday morning were as under:

Indian Jute:	Landed at Mills Rs. a md. basis	Shipment.
	Bottoms.	Dec.-Jan.
Upper Assam	33-8	"
Lower Assam	34	"
Northern ex Agencies	33-8	"
Murshidabad Tossa	33-8	"
Daissee	34-8	One month
Daissee Mesta	30	"
Western Mesta	29	Dec.-Jan.
Northern ex Calcutta	33	"
Bimli F.A.Q.	29-8	"

Tossa is now quoted at Re 1 to Rs. 1-8 above the price of white jute, according to districts.

Pakistan Jute:	Rs. a md.	Shipment.
Ja	35	Dec.-Jan.
District	37-5	"
Northern	37	"
Pucca:	Rs. a bale.	Shipment.
Export Firsts	265	Dec.-Jan.
Export Lightnings	245	"
Cuttings	140	"

Arrivals in Cossipore during the week ended 18th December were 949 wagons. The market was firm most of the time, with prices rising and mills keen buyers. But it eased on Monday in sympathy with the lower B Twill quotations in Calcutta. The offtake has been less than the arrivals and stocks are increasing. The condition of most imports is unsatisfactory.

Mofussil: Imports in Assam and north Bengal remain small, but in the western and jungle districts they have increased, as Cossipore buyers are offering good prices.

Raw Jute Arrivals

Imports in Calcutta and mill stations during November were 768,000 bales compared with 806,000 bales in November last year. Imports of Indian jute were 683,000 bales, against 681,000 bales in November, 1955, but imports of Pakistani jute were only 84,000 bales against 126,000 bales in November, 1955. The total arrivals, July to November, were as follows:

	1956-57	1955-56
Indian	2,245,000	1,765,000
Pakistani	312,000	626,000
Total	2,557,000	2,391,000

I.J.M.A. Production

During November, the output of mills reporting to the I.J.M.A. was 83,000 tons, compared with 90,500 tons in November last year. The reduced output last month, compared with that of November 1955, was partly the result of three mills being closed for the whole month because of labour disputes and partly due to the transfer of machinery from the manufacture of sacking to that of hessian, which results in lower tonnage a loom. The detailed figures are given below:

	November, 1956.			
Tons	Total	Hessian	Sacking	Others
Percentage	83,800	36,800	41,800	5,200
		43.9	49.9	6.2
	November, 1955.			
Tons	Total	Hessian	Sacking	Others
Percentage	90,500	34,600	49,900	6,000
		38.2	55.1	6.7

Consumption of Raw Jute

On the basis of the reported production of manufactures, the consumption of jute by mills in November was 488,600 bales, compared with 5,28,000 bales in November, 1955. The total consumption from July to November was 2,521,000 bales, against 2,461,000 bales in July-November, 1955.

JUTE GOODS TRAFFIC THROUGH SUEZ CANAL

A total of 572,000 tons of hessian passed through the Suez Canal bound for the western hemisphere in the calendar year 1955, of which 207,000 tons went to the United States, according to the Jute Bulletin of the Indian Central Jute Committee. Hessian was the third largest item shipped to the United States via the Canal, being exceeded only by manganese and rubber. Among other materials, 592,000 tons and 57,000 tons of jute were shipped through the Canal to the western hemisphere and the United States, respectively.

THE FOREIGN JUTE MARKETS

STEADY PRICE TRENDS

(FROM OUR DUNDEE CORRESPONDENT)

RAW jute shippers in Pakistan are certainly maintaining their prices and there is no weakness shown in the case of either white or dark jute. The advance of week before last and on Monday of last week brought about another change in prices for jute yarns and cloth in the U.K. During the second half of last year, there was no change in values of productions, because raw jute kept a pretty even keel, but since June this year there have been alterations on six occasions, all in an upward direction. In that time, raw jute has risen from £91 for Mill Firsts, the minimum fixed rate, to £130 a ton, with Mill Lightnings from £81 to £116. The latest rise, which took effect from 11th December, affected most descriptions of yarns. The small fine yarns, 4 to 6 lbs., remain unchanged, also 200lbs. rove and upwards, and sacking wefts. Common 8lb. cops are raised from 16.50d to 17.08d and 8lb. spools from 17.08d to 17.66d approximately £5 a ton up, while rove in 48lbs. and 96lbs. went up by £2.15s a ton to £107.10s and £100.10s respectively. Manufacturers appeared to sense an advance in prices and they bought fairly freely before the rise. Spinners are now so well booked up in the case of weaving yarns that it is difficult to purchase for delivery before March, and there is not too much available in that month. Production of jute yarns has increased in this district considerably over the past few years, with much modern machinery having been installed, yet yarns are not too plentiful. A month or two ago, delivery could have been obtained off the shelf, but demand for jute cloth and bags has risen rapidly lately. Some widths and the weights of imported goods have run short. The value of 40in. 10oz. hessians has gone up from 13.94d to 14.36d a yard and of 8oz. from 11.42d to 11.73d, while 14 por. 18oz. 36in. tarpaulin is up from 26.89d to 27.59d, and 8/27/16 oz. sacking from 20.54d to 20.82d a yard.

Good marks of Daissee-2/3 are quoted at £115 and grade at £112, while grade Tossa-2/3 is at £123 and fours from £115. December-January, c.i.f. U.K. Mill Hearts are lowest at £110 and grade Hearts £104.

Calcutta goods have ruled firm at from 69s 9d for 40in. 10oz. and 52s for 7½ oz. December, 69s 3d, and 51s 9d January, 68s 6d and 51s 6d February and 68s and 51s March, with B Twills at 185s December to March, all f.o.b. Calcutta.

MANUFACTURE OF WOOLLENISED JUTE GOODS

A West German plant for the manufacture of woollenised jute blankets and wrappers—first of its kind to be imported in India—has been installed in the Technological Research Laboratory of the Indian Central Jute Committee, Calcutta. This synthetic material—50 percent jute and 50 percent wool—will bring down the cost of these products to half without affecting their quality. Apart from being cheap, this material, according to the research conducted in the laboratory, absorbs fascinating and lasting colours and can be utilised in producing articles of artistic value combined with durability. The machinery which has been imported at the initiative of the Union Ministry of Rehabilitation will serve the dual purpose of creating employment opportunities for displaced persons from East Pakistan and making available the blankets and wrappers at cheap prices to the masses. To start with, a batch of 100 displaced persons will receive training at the laboratory in the manufacture of this material for six months. After completing the course they will be sent to different refugee camps and colonies in West Bengal to organise production centres on a cottage industry scale. The laboratory, which will serve as a nucleus, will supply the yarn, besides training new batches to these centres. The scheme to train displaced persons which will cost over Rs. 1,25,000 including the capital expenditure on machinery from West Germany, is being implemented in accordance with the Union Government's policy to provide stable employment to displaced persons by setting up different cottage industries—ceramics, toy making, plastics, aluminium products—in rehabilitation colonies. Efforts will be made to train as many displaced persons as possible in the manufacture of woollenised jute so that the scope of the project could be expanded to other States where D.P.s from East Pakistan have been settled.

CANADIAN IMPORTS OF INDIAN JUTE GOODS INCREASE

Canadian import statistics indicate that Indian jute products enjoy some consumer preference in the Canadian market over those coming from the Netherlands, Belgium, France and Western Germany. Of the total jute manufactures worth \$13 million imported by Canada from all sources in 1955, Indian supplies accounted for \$10.6 million. In 1954, India's share was of the order of \$6.3 million out of a total \$11 million. Analysis of imports from non-Indian sources tends to show that the continental countries have so far been only marginal suppliers.

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- * Saran Engineering Co., Ltd.

Secretaries of: The Beta Picker Co., Private Ltd.

PRINCIPAL AGENTS FOR: THE ROYAL EXCHANGE ASSURANCE

Engineering and Transport

PROBLEMS OF SHIPOWNERS IN INDIAN PORTS

LABOUR OUTPUT AND HANDLING CAPACITY INADEQUATE
(BY A SPECIAL CORRESPONDENT)

CONDITIONS in the major Indian ports have recently received considerable publicity, chiefly because of the increased demands which will be made on them under the second five year plan. Several commentators, whose opinions deserve serious consideration, have expressed the view that one of the major factors retarding the implementation of the plan might well be the inability of ports to handle the extra volume of goods it is proposed to import. This view appears to be borne out by the fact that the major ports are already congested as a result of the initial inflow of heavy machinery and steel. The task confronting them can be stated simply. Until now, the highest volume of imports handled by Calcutta, Bombay, Madras, Visakhapatnam and Cochin during a peak year has been about 24 million tons. But it is visualised that by 1957-58 they must handle about 35 million tons annually, assisted by the new port of Kandla with an estimated capacity of about 2 million tons. The problem of increasing port capacities is receiving the Government's attention, somewhat belatedly, and several measures have been instituted.

The immediate measures are, of course, concerned with making the best use of the existing facilities and investigating the possibilities of staggering imports in order of priority depending on overall national requirements. The question of quick clearance of goods from dock areas in receiving particular attention and efforts are being made to speed up the supply of railway wagons and streamline the somewhat cumbersome Customs documentation procedure. Port authorities have been urged by ship-owners to increase their storage charges as an added inducement to importers to remove their goods quickly from port premises. The long-term measures concern port development schemes. It must be said that the authorities have displayed a certain lack of foresight in not implementing these schemes more vigorously during the first plan period. The greater part of the imports in the near future will consist of heavy machinery and steel, which constitute awkward and slow-handling cargo at the best of times because of their unwieldy dimensions. Generally speaking, the existing facilities at the major ports are not designed to handle this type of cargo, which requires, modern wharf cranes of adequate lifting capacities, mobile cranes, fork lift trucks and other mechanised equipment for safe and quick handling.

Co-operation of Labour

Ultimately, the success of schemes for increasing port capacities depends on the willing co-operation of dock labourers, who must be prepared to maintain the highest level of output a man-hour. In the last few years, especially after labour was decasualised, the major ports, particularly Calcutta and Bombay, were plagued with the constant succession of "go slow" movements. Piece-rate schemes for stevedoring labour will soon be introduced at all the major ports—one is already in operation in Bombay—and it is hoped that workers will respond to the incentive thus offered. Low labour output has an important bearing on port congestion and freight rates. Obviously, the longer it takes to discharge a ship, the longer the ship following has to wait for a berth. Quite apart from the delay aspect, low labour output costs the shipowner more a ton for cargo handled. The primary result of over-burdening a port beyond its capacity is congestion, which results in ships being used as "floating warehouses" lying idle in ports awaiting their turn to discharge. For the shipowner, this is an expensive business—a modern 8,000-ton cargo vessel costs Rs. 10,000 or more a day in port. This is by no means an exaggerated figure when one considers the number of trained personnel required to man a modern ship, port dues, cost of fuel, etcetera. Taken in conjunction with a tight charter market, where the world demand for tonnage exceeds supply, it can be readily understood that the prospect of idle time at discharging ports has an important bearing on freight rates.

Effect on Liner Companies

It is worth considering what effect port congestion has on the economics of established liner companies, that is, companies which maintain regular services over a range of ports. Take the example of a liner company operating over a particular run with six ships, each of which would maintain a schedule of three round voyages a year, given normal working conditions. Supposing that due to port congestion, resulting from berthing delays, labour troubles, etcetera, they find that each ship can do only 2½ round voyages a year—this straight-away means a 17 percent loss of each vessel's carrying potential. The provision of an extra vessel, an expensive investment, is required to maintain the previous carrying potential. The loss of carrying potential inevitably tends to push up freight rates. Recently, the annual report of one of the major British companies, whose services extend to India, the Far East and Australia, contained an illuminating statement on the effect of port congestion on its liner services. Comparison with conditions in 1939 reveals that the tonnage handled postwar is 10 percent greater, the number of ports served 10 percent fewer, while the time spent in

port is 50 percent greater, which last adds continually to operating costs.

A topical issue is the rôle played by the Suez Canal in India's overseas trade and the possible repercussions its closure might have on the second plan. No less than two-thirds of this country's foreign trade passes through Suez. If steamers tra-foreign trade passes through Suez. If steamers tra-foreign trade passes through Suez. If steamers tra-

BIGGER LOSS FOR THE INDIAN AIRLINES
NO SUBSTANTIAL RECOVERY FORESEEN

THE third annual report of the Indian Airlines Corporation for 1955-56, published recently, states that the year under review saw steady progress in all directions. Emerging from the earlier phases of integration, the Corporation settled down to its responsibilities and began planning for the future with confidence. The losses during the year exceeded those of the year before by Rs. 29.25 lakhs, but due allowance must be made for such factors as the increase in the wage bill (Rs. 59.21 lakhs) and the direct operating loss on feeder services (Rs. 12 lakhs). It is too early to prophesy the results for the future, but it is unlikely that the gap between expenditure and revenue will be appreciably narrowed down, as much capital outlay will be necessary for the development programme, and it will inevitably take time to sell the capacity built up.

The previous report had mentioned that soon after the I.A.C. took over the business of eight airline companies, it was confronted with various problems resulting from their different methods of working. In the circumstances, the question of evolving standardised procedures became a matter of urgent necessity. Accordingly, a uniform system of accounting was introduced at all the bases, and the I.A.C. has now recommended to the Government a form of balance-sheet and profit-and-loss account for approval under Section 15(1) of the Air Corporations Act, 1953. The remuneration, terms and conditions of employees had been re-determined earlier with effect from 1st January, 1955. During the year, several further adjustments had to be made in favour of the employees resulting in an additional financial burden.

The organisational pattern was revised earlier in the year as the system of administration at the bases had to be strengthened. In February, 1955, Area Managers were invested with additional powers to ensure unity of administration within their charges. In September, 1955, it was found necessary to relieve them of much administrative routine so as to enable them to devote greater attention to the more pressing problems of co-ordination. Accordingly, at all the bases, Deputy Area Managers with sufficient administrative experience were appointed. Further, in order to economise and achieve greater control over expenditure, the following measures were undertaken:

(a) Creation of an Internal Audit Department, which started functioning during year.

(b) Creation of a Central Purchase Organisation to co-ordinate the requirements of the different bases and to place bulk orders.

(c) Centralisation of the revenue accounts with effect from 1st April, 1955, under the direct control of the headquarters. Accounting for fuel, oil and booking agency commission was also centralised under this department.

Compensation for Acquisition

During the year, the approval of the Government was obtained to the payment of compensation to the companies whose undertakings were taken over in August, 1953, and offers were made accordingly. Although these offers were generally acceptable to the companies, there was a difference of opinion about the cut enforced on account of the outstanding leave liability. The companies appealed to the Airlines Compensation Tribunal, but eventually a compromise was reached as a result of which they accepted 25 percent of the liability for privilege leave. The work of issuing bonds, as well as of paying cash compensation is now over. However, small amounts are still due to three companies on account of marginal adjustments necessitated by the valuation of shares held by them in other air transport companies.

The changes in the character and composition of the I.A.C. fleet are shown in the following statement:

Serviceable	1st April, 1955	31st March, 1956
Dakotas	69	66
Vikings	12	12
Skymasters	3	6
Heron	—	—
Twin Beeches	1	—
Total	85	92

Besides the 92 serviceable aircraft, the I.A.C. had a fleet of nine aircraft of smaller types which were inherited from the previous airlines but were

unsuitable for its operations. The year started with 69 Dakotas but this strength was reduced to 66 at the close as two aircraft crashed and one was sold. Eight Heron aircraft, for which orders had been placed earlier, were received and put into operation. Three Skymasters were purchased, and the existing fleet of three Skymaster aircraft was renovated and standardised. The Skymaster engines were also modified to make them more powerful. The project for installation of these more powerful engines on a few Dakota-type aircraft was taken in hand. Certain other modifications and alterations were carried out in the entire fleet of Dakota aircraft. The selection of a modern aircraft to operate on trunk routes was studied in detail. After careful consideration, the Vickers Viscount fitted with Rolls Royce Dart Turbo-prop engines was selected. Detailed specifications were drawn up and an order for five Viscounts was placed with Vickers Armstrong Ltd., Britain. Deliveries are expected during July-October, 1957.

Engineering and Maintenance

The entire engineering department had been reorganised earlier. However, in order to achieve self-sufficiency in the overhaul of aircraft, engines and accessories, the working of the organisation was reviewed. Arrangements were made to meet the demand consequent on the arrival in 1957 of new aircraft. With a view to improving the standard of internal inspection of aircraft and engines during overhaul arrangements were made with the Civil Aviation authorities to obtain full approval for the system of inspection in the engineering organisation at all the bases. The engine overhaul department at the Delhi base was expanded to meet the demands of future production. A new machine shop will be completed and sound-proofing of the engine test house will also be undertaken there. Extensions of the engine overhaul shop will be completed to undertake the overhaul of Rolls Royce Dart engines. Steps were also taken to standardise the overhaul and maintenance procedure of aircraft, engines and accessories. The engineering instruction manuals for Dakota, Viking and Skymaster aircraft are nearing completion. The manual for Herons is under preparation.

The programme for training engineers was in operation, and in all 16 engineers completed their training abroad during the year. A more intensive scheme for training airline pilots in this country was introduced. Selected pilots were sent abroad for training and the services of experienced foreign instructors were obtained to train locally many more pilots.

Operations and Traffic

The scheduled services operated by the Corporation covered an unduplicated mileage of about 14,600 miles on 31st March, 1956, and the network of route mileage extended to over 22,709 miles. Suitable changes in the route pattern were made, which resulted in increased utilisation, as is seen from the following statement:

1954-55 (Aircraft utilisation rate an annum hours)	1955-56 (Aircraft utilisation rate an annum hours)
Dakotas	1,371
Vikings	1,510
Skymasters	1,010
Heron	—
Total	1,378

On the night services, it was decided to introduce Skymasters to meet the public demand for four-engined aircraft and because of the large traffic potential. Expectations seem to have been justified as the load factors have been consistently satisfactory. On the whole, it can be said that the night services have proved popular and met public needs and convenience to a large extent. The time-tables of the night services and the day service from Bombay, Delhi, Calcutta and Madras are so planned as to provide maximum onward connections for the passengers. From 1st February, 1956, the Bombay-Calcutta day service has also been operated with Skymasters instead of Vikings. The operations on this route are being watched with a view to developing further traffic. The Herons are being employed on the following scheduled routes:—Delhi-Agra-Gwalior-Bhopal-Indore-Aurangabad-Bombay; Delhi-Jaipur-Jodhpur-Ahmedabad-Rajkot; and the Delhi-Lahore services. The Delhi-Rajkot service was introduced from 1st February, 1956. As a result of this, Jaipur and Jodhpur were deleted from the Delhi-Jaipur-Jodhpur-Karachi service and the Delhi-Karachi link was provided by a non-stop Dakota Service.

Capital and Finance

The capital of the Corporation stood at Rs. 7,58,68,027, at the close of the year, and was made up as follows.

	Rs.
(a) Outstanding liability on account of compensation bonds and cash compensation	2,63,66,027
(b) Capital received from the Government of India	4,95,02,000
Total	7,58,68,027

In addition, the loan liability of the Corporation to the Government of India was Rs. 2,76,83,147.

The profit-and-loss account shows that the loss incurred in the year was Rs. 119.40 lakhs, as against Rs. 90.15 lakhs in the previous year, the amounts included as depreciation in these figures being Rs. 59.01 lakhs and Rs. 40.63 lakhs respectively. The cash loss is, therefore, Rs. 60.39 lakhs for the year under review, the corresponding figure for

the previous year being Rs. 49.52 lakhs. The increase in expenditure was mainly due to salaries and allowances, fuel and oil, insurance and depreciation. While the increase in fuel, oil, insurance and depreciation reflected the increase in the capacity operated as a result of the introduction of Skymasters on the night air mail services and Herons on the feeder routes, the increase in salaries and allowances was mainly due to the introduction of revised conditions of service in accordance with Section 20 of the Act, as well as to some increase in the strength of staff. The main causes of the deficit are loss on petrol rebate, new taxes on petrol imposed by State Governments and a sharp rise in the wage bill. It is relevant to mention that the I.A.C.'s contribution to Government revenues during the year by way of excise duties and sales tax on aviation petrol was Rs. 86.55 lakhs and Rs. 9.79 lakhs respectively.

Future Trends

The Corporation having emerged as a compact business unit at the commencement of the year, it became possible to devote greater attention to the consolidation of the present and the building up of the future. Traffic has been steadily on the rise and there was an all-round improvement in the load factors achieved. In fact, earnings during the year exceeded those of the year before by Rs. 1.16 crores, and were the highest on record so far. Nevertheless, expenditure rose more than proportionately, largely on account of the increase in the wage bill and the acquisition and maintenance of new aircraft. While the Skymaster services continue to show promise, the Heron services have not yet acquired full momentum and continue to register poor load factors thereby contributing in no small measure to the losses sustained. At the same time, it must be admitted that the I.A.C. lost some of the business which could have come its way by freighting, etcetera, on account of a reduction in the size of the Dakota fleet. It is clear, therefore, that it has to adapt its equipment to the growing and specialised requirements of traffic in the country and beyond. It must also aim at achieving such economies as it can by standardising the equipment and eliminating a multiplicity of types. With this object in view, it has placed an order for five Viscounts, the delivery of which is expected some time in the middle of next year. It has also secured an option for another five Viscounts and has recently confirmed it. With a fleet of ten, which is expected to be in operation in early 1958, it hopes to maintain at a much higher standard the night air mail services as well as the day services to important points in India and adjoining countries. In the meantime, much preparatory work has to be done by way of installation of new workshop equipment and conversion of technical personnel to different types of work. The I.A.C. is confident that by progressively modernising its fleet, it will be able to generate more traffic and at the same time economise by retiring some of the obsolete equipment.

PLANNING FOR NUCLEAR POWER IN U.K.

FUTURE LINES OF DEVELOPMENT

THE British Government's decision to accelerate and expand the nuclear-power programme was a natural and necessary reaction to the oil crisis. The U.K. must diminish its dependence on oil as such, whether it comes from the Middle East, which is politically unstable, or from the western hemisphere, where it costs dollars. The present crisis could not have been avoided, although it might have been somewhat eased, if in earlier years military demands for nuclear resources had received less priority. Now not even military demands can be allowed to interfere with a programme for electric power which is essential to the U.K.'s economic security. The earlier programme was planned cautiously not so much for reasons of finance as because it was thought that various shortages—all of them aggravated, if not caused, by the needs of defence—would frustrate a more ambitious programme. Shortage of uranium was a possible limiting factor—and, indeed, shortage of enriched uranium restricts the range of reactors that can be extensively developed in countries outside of America, but the possibility of building a second huge and complex diffusion plant for producing uranium-235 is being considered in the U.K. Another threatening shortage was in the supply of graphite, of the exceptional purity required for nuclear reactors; but a new company has been formed in the U.K. to produce substantial quantities of this essential material.

The main problem now—even more serious than the shortage of qualified personnel (which, again, would respond to any relaxation of military demands)—is the shortage of thick steel plate. The British steel industry is under pressure for delivery of steel plate in general, and large quantities of it will be needed to build the giant tankers that will still be needed as long as we can foresee, to transport oil; but the deficiency of steel can be, and must be, overcome. Meantime, the nuclear power-station at Calder Hall, Cumberland, inaugurated in mid-October, after three years of designing, three years of building, is now working by routine, supplying electricity to the national grid. Although it is the first full-scale nuclear power-station in the world, its "teething troubles" have been actually less than those normally associated with a conventional power-station. Operationally, Calder Hall's only peculiarity, due to its novelty, is that it must

be closed down occasionally for inspection and, if necessary, the charging of the uranium fuel-elements and for a general check-up; but after the first few months these interruptions will be infrequent. Nuclear power-stations built in future will not be closed down for such inspections and replacements, for charging and discharging of the fuel will be fully automatic.

Calder Hall Power-Station

Power-stations of the type of Calder Hall—moderated by graphite, cooled by carbon-dioxide gas, using natural uranium as fuel—were declared "obsolete" before Calder Hall began working. Even such an authority as Dr. J. V. Dunworth, of the U.K. Atomic Energy Research Establishment, admitted to a recent conference of nuclear engineers that he had not envisaged a few years ago the advantages that this type has proved that it possesses. It was, indeed, adopted in the first place instead of the water-cooled system previously intended—primarily because it was safe: in a densely-populated island there are not enough sites for hazardous constructions. Now, however, Dr. Dunworth believes that no other system—using liquid instead of gas to take the heat from the reactor—can be regarded as a commercial proposition until it has been much further developed. "Calder Hall", he said, "will give this country a foundation for its nuclear-power programme for at least a decade to come." Sir Christopher Hinton, managing director of the Industrial Group of the U.K. Atomic Energy Authority, went further. On another occasion he said: "In my view, the merits of the Calder Hall type of reactor and the potential improvements which can be made in its design are such that plants of this type will still be built 25 years from now." However, he emphasised that, while the U.K., by improving the Calder Hall system, should be able to retain for at least a decade her lead in the use of nuclear power, leadership could be maintained in the long run only by developing reactors that were capable of higher ratings. It is, therefore, in that direction that the development work of the authority is now turned.

Power Plant Export

At another recent conference, attended by representatives of more than 100 companies, Sir John Cockcroft, director of the Research Establishment, imparted some up to date information on development work. It covered various different projects that were not merely practicable, but potentially economic. Some of them follow the pattern of Calder Hall, but important changes are envisaged in the second and third stages of the U.K.'s programme. A promising development for the second stage is the pressurised-water system, using water to withdraw the heat from the reactor. A significant development relating to the third stage is the designing of power-units fuelled with thorium-233, from say, 10 years hence the U.K. may rely increasingly on thorium as the alternative to uranium. Of special interest is the news that reactors have now been designed, and are now being developed, especially for export. The fact is that, while the U.K. has accepted Calder Hall as the basic pattern for years to come, this type of power-station is too big and too costly for many requirements abroad, and the U.K. will lose valuable export business unless she develops less cumbersome and cheaper units. There is also in process of development a ship-propulsion unit that could be used alternatively as a small land-based power-station. Some of these developments seem far removed from Calder Hall, but no pure experimental work is quite the same as actual operation. The working of Calder Hall will provide definite answers to many questions that have hitherto been answered only tentatively or not at all, and will thereby help reduce the cost of all the nuclear power-stations of the future that are based on the same principles. Anyway, Calder Hall was designed primarily to produce plutonium, with electricity as a by-product, and power-stations optimised for producing power will be more efficient for that purpose.

AMERICAN AIRLINE BUYS BRITANNIAS

THE manufacturers of the British Britannias sold £12 million worth of aircraft to three operators in three days. On 3rd December, the manufacturers announced that Northeast Airlines of the U.S.A. had ordered five series 305 Britannias for delivery in 1957. Thus the third of the U.K.'s turbine-powered airliners has been ordered by an American airline. Previously, Capital and Continental had ordered Viscounts and the former, Comets. Northeast's Britannias will carry 92 first-class, or 133 tourist-class passengers. They will cruise at 400 m.p.h. (644 km.p.h.) on routes extending from Montreal to New England, New York and Florida.

Mr. George Gardner, president of Northeast Airlines, said: "We found ourselves wanting the world's foremost turboprop airliner and found it available two to three years ahead of any comparable American-made transport." For Bristol the decision means a major break-through at one of the key-points of the American market—the New York-Miami route being one of the richest traffic prizes in the United States. On 4th December, Hunting-Clan Air Transport signed for two series 310 Britannias with an option on one further aircraft. This airline is the fifth to order Britannias. Then, on 5th December, the Ministry of Supply ordered three more series 250s in addition to their existing order for 10 aircraft. An indica-

tion of the Britannia's potential as a troop carrier was given earlier in the year by the Under-Secretary of State for Air. He said that two battalions of troops were moved to Cyprus in 40 hours by 52 aircraft. A similar move for the same number of troops in 40 hours could be done with five Britannias.

Flying Hours

Britannias, which have accumulated some 7,000 flying hours covering 2 million air miles (3.2 million air kilometres), are to be manufactured at the parent factory in Filton and in Short and Harland in Belfast where some 50 percent of the shop floor space is devoted to their production. The latter have undertaken the construction of 25 aircraft to date—for B.O.A.C., the Ministry of Supply, the R.A.F., Canadian Pacific Airlines and Northeast Airlines—the first few of which are well advanced. The first series 300 Britannia made in Belfast is due to fly early next year. A tour of the assembly line reveals that eight aircraft are in an advanced stage of construction, while provision for the manufacture of more Britannias is being prepared. A new shed, consisting of five bays, will enable 10 of these aircraft to be built simultaneously. The first two bays are due to be completed in February, 1957.

It became apparent in mid-1953 that growing world interest in the Britannia would soon necessitate reinforcement of the Filton production potential. By the end of the year, preliminary work began on jigs and tools. Just over a year later, Short's factory was ready to start the first stages of production. This is about to bear fruit. Short's contribution to the Britannia is not confined to production. The outer wing of the long-range Britannia (series 310) with its integral fuel tank is the work of Short designers and is being built in Belfast in quantities sufficient for the needs of both the Belfast and Filton production lines. This involved fitting a number of series 300 aircraft with the type of wing designed for the series 310 and so converting them to aircraft having the same extended range. The Short production line, augmenting the already considerable Filton output, will ensure that orders for the Britannia will be executed with the minimum of delay. The remainder of Short's productive potential is taken up with sub-contract work on Canberras—now nearly complete—and Seamews by their own design, the first of which is to go into service shortly. Shorts have also evolved a seat for Viscount installation, the first of which is to be delivered to B.E.A. this month.

B.O.A.C. COMMONWEALTH ROUTES

The Board of B.O.A.C. has decided that the Bristol Britannia, the world's largest turbo-propeller airliner, will go into service on Commonwealth routes in February next. The first Britannia service is due to leave London for Johannesburg on 1st February. This will be followed by turbo-prop service through India to Australia in March. The services to the Far East and Ceylon will begin in the later part of 1957, but the exact dates will be announced later. The modifications made by the Bristol Aeroplane Company to prevent icing troubles which occurred in the engines of the Britannia under certain atmospheric conditions have been fully tested and found satisfactory both by the makers and B.O.A.C. B.O.A.C. has a fleet of 33 Britannias on order. Six of these giant planes have already been delivered to the Corporation.

OIL PROSPECTING TO CONTINUE IN PAKISTAN

Pakistan Petroleum Limited has announced that it will spend Rs. 2,09,00,000 in 1957, mostly on prospecting for oil. Rs. 51 lakhs of this sum will be spent on capital and development of the existing fields. The above decisions were taken at a recent meeting of P.P.L.'s board of directors in Karachi. The Government of Pakistan, which holds 30 percent of the shares of the company, is represented on the Board. The foreign exchange element will be provided by the Burmah Oil Co., (Pakistan Trading) Ltd., who are the majority shareholders. The drilling programme allows for the completion of the three existing exploratory wells in Karachi, Khairpur and Adhi, and for the commencement of two new deep wells, one in East and the other in West Pakistan. A development well will also be drilled in Sylhet in order to test the extent of the gas reservoir discovered in the last well. Geophysical surveys will be carried out in both West and East Pakistan. The expenditure just announced will bring Pakistan Petroleum's total investment in oil exploration to Rs. 10 crores. It has to its credit the discovery of the Sui and Sylhet gas fields and the Balkassar oilfield.

BRITISH MACHINE TOOLS FOR DURGAPUR STEEL WORKS

The Asquith Machine Tool Corporation of England, which is acting as consultants and administrators on behalf of the Davy and United Engineering Company, reports having received official instructions about the machine tools and all auxiliary equipment to be provided for the central engineering maintenance department of the Indian steel works project in Durgapur, West Bengal. This plant and equipment, which will cost about £300,000, is being provided for the maintenance of all sections of the Indian project, including rolling mills, forges, coke ovens, and blast-furnace plants. According to this report, installation is expected to start in March 1958, and be completed by November the same year.

Commodity Markets

TEXTILE EXPORT TARGET NOT
LIKELY TO BE REACHEDMARKETING POSSIBILITIES IN U.S.A.
FOR HANDLOOM PRODUCTS
(FROM A SPECIAL CORRESPONDENT)

CLOTH exports have continued to improve, but despite the higher quantity shipped during the past two months, the overall performance for 1956 will not reach India's export target of 1,000 million yards. For the 11 months to November, the total quantity passed for shipment is placed at 704.67 million yards, against 805.84 million yards shipped during January-November 1955. Quality-wise, exports of coarse goods during this period have been slightly better at 122.74 million yards, while shipments of medium varieties have dropped from 579.57 million yards in January-November, 1955, to 486.31 million yards during the corresponding period this year. Exports of fine and superfine styles have been running at lower levels, obviously because of keen competition.

A detailed study of the export figures for this year reveals that during the first ten months of the year, 572 million yards were exported against 657 million yards exported in the corresponding period last year, recording an overall decline of 13 percent. The drop is mainly due to the significant setback in sales to Asian and African zones. Other traditional buyers like Europe and the Oceanic areas have maintained the usual patronage in the overall picture of this year's exports. Japan's efforts to capture the Asian market by catering to the specific needs of the buyers have been fairly successful and to the disadvantage of the Indian shipper. Pakistan, Russia and China also appear to be active in these markets. Following the closure of the Suez Canal, south-east Asian countries have been looking more to India for meeting their immediate cloth needs. The recent substantial business with Indonesia and Aden reported by shippers is indicative of this trend. Indonesia has lifted the temporary ban imposed in September on the import of cotton textiles from countries other than those which entered into agreements with her to sell cloth and yarn against supplies of U.S. aid cotton. Following this, she has bought substantial quantities of grey sheetings, gladap, dyed drills, etcetera, from India. Burma has been inquiring for a wide range of her usual interests, while Hongkong has taken renewed interest in grey sheetings. Business with Singapore has also been satisfactory. West Africa has been buying mainly grey bafts and dyed and bleached drills.

The U.K. has continued to show interest in the usual styles, but with the disparity in prices, not

much business has been possible. Canada's purchases have been confined to bed-tickings. Demand from east Africa, particularly from Mombasa, has been moderate, and this has been confined to grey sheetings, drills, coatings and leopards, but enquiries from Dar-es-Salaam are very meagre. The Sudan, too, has bought moderate quantities of grey sheetings, voiles and mulls, and the heavy demand from Aden, after a lapse of several months, is attributed to the closure of the Suez Canal and the consequent delay in obtaining supplies from other sources.

Textile Mill Plans of Burma

Burma is out to expand her cotton mill industry to the point of self-sufficiency. So it is approaching nearby countries for financial and technical participation in its campaign to set up a full-fledged mill industry. It has already come to an arrangement with Japan whereby Japan will install two textile mills in Burma with Japanese technicians and managerial staff, spending about Rs. 2.5 crores a year for next ten years. The Millowners' Association, Bombay, has been informed that Burma would like to have another two mills set up there by Indian industrialists. The suggested size of these mills is a complement of 40,000 spindles each, which will produce coarse cloth. The Deputy Prime Minister of Burma, U. Kysaw Nyein, while recently in Bombay, indicated that his country would welcome: (i) the majority or entire capital, plus managerial and technical personnel from India, (ii) a smaller share of capital plus managerial and technical assistance or (iii) plus managerial and technical assistance without any capital at all. Dearth of capital will not be a problem, and according to him, Indian residents there are willing to invest in a textile industry set up with Indian participation. Guarantees for repatriation of capital and profits, double taxation relief, speedy issue of import licences for machinery and other assistance have been offered to such participants. Burma already has two mills with a total capacity of 30,000 spindles and 400 looms to produce coarse cloth, and imports annually 100 million yards of cloth and 15 million lbs. of cotton yarn from various countries. Last year, she imported 9.4 million yards of cloth from India. Annual production of cotton in Burma is estimated at between 85,000 and 90,000 bales, and the quality is capable of producing yarns of 16 to 18 counts.

Handloom Exports

The Handloom Board has been pursuing a vigorous campaign to step up exports of handloom goods to different countries. A Handloom Survey Team sent by the Ford Foundation of America, which made a two-month survey tour of the important handloom weaving centres in India, has made some valuable suggestions. The team is of the view that the American market can alone lift

the entire output of the Indian handloom industry, provided production and marketing are so organised as to give the United States what she wants and "how she likes it." It appears that textile circles in the United States consider that there is very little to teach the Indian producer in weaving, but his dyeing is so poor that the colours could almost be guaranteed not to last. Besides reliable and modern dyeing, other improvements in production techniques suggested by the team are that the yarn must not only be calmed, but must also be mercerised and gassed. The length of the handloom fabrics should be not less than 40 yards, and 60-yard pieces will be preferred. The width must be standardised.

According to the team, among the handloom fabrics in which Americans would be specially interested are cotton fabrics using double attachments, as in the Madras area, sheer cotton with woven pattern in inlay and isolated motifs, fabrics in distinctive plaids, checks and stripes, towelling and furnishing fabrics. Most of the Indian varieties of handloom silks are of interest to American consumers, says the team. The team considers that the standards of production, quality control and salesmanship of Indian handloom fabrics must conform to international standards if they must sell in America, and a system of quality control and inspection of goods prior to export is recommended. It has also recommended the setting up of a handloom export service corporation as a purely Government agency to organise production and export sales. Such a Corporation, it is suggested, might organise production in five centres in the country, including Madras and Coimbatore. For marketing, it should open an agency in the United States.

WHOLESALE PRICE INDEX FALLS

THE official wholesale price index (base: year ended August, 1939=100) declined by 0.6 percent to 431.7 during the week ended 1st December, 1956, compared with 434.2 (revised) for the previous week. The index was higher by 2.9 percent and 18.5 percent respectively, when compared with the corresponding weeks of last month and of a year ago. The index for Food Articles receded by 0.2 percent to 422.6, compared with 423.5 (revised) for the previous week as a result of a decline in the prices of gur in Muzaffarnagar (-10%), wheat in Amritsar and bajra (-3% each) and rice in Calcutta (-2%) in spite of an advance in the prices of wheat in Jabalpur (+6%), dal arhar (5%) tea for exports (+4%), rice in Vijayawada (+2%) and gram in Hapur (+1%). The prices of raw cotton (-8%), manganese ore (average export price) (-7%), copra (-4%), groundnuts and castorseed (-3% each), and rapeseed in Calcutta and raw jute (-2% each) witnessed declines, while those of linseed in Bombay (+8%), raw silk in Bangalore (+2%) and raw hides and lac (+1% each) were marked up and in consequence, the index for Industrial Raw Materials, went down by 3.2 percent to 514.2, compared with 531.1 (revised) for the previous week. The index for Semi-Manufactures moved up by 0.2 percent to 420.4, compared with 419.5 (revised) for the previous week. Items which showed significant changes were: Castor oil in Madras (+12%), linseed oil (+5%), coconut oil in Calcutta and gingelly cake (+4% each), coconut oil and groundnut oil both in Bombay (+2% each), groundnut oil in Calcutta (-6%), and in Madras (-3%), coconut oil in Cochin and copra cake (-2% each). An increase in the prices of liquors (+7) and rayon and silk manufactures (+4%) raised the index for manufactures from 386.3 to 386.8; the price of jute manufactures (-1%), however showed a decline. The miscellaneous index declined from 591.2 to 590.5.

INDEX NUMBERS BY GROUPS AND SUB-GROUPS
(Base: Year ended August 1939=100)

Groups and Sub-Groups	1-12-56	Week Ended 2-11-56	3-11-56	3-12-55
I Food Articles:				
Cereals	422.6	423.5(R)	394.3(R)	322.0
Pulses	546	546(R)	514(R)	383
Others	434	425	399(R)	327
II Industrial Raw Materials:				
Fibres	514.2	431.1(R)	502.1(R)	421.1
Oilseeds	497	523(R)	481	421
Minerals	565	572	555(R)	408
Others	525	532	532	437
III Semi-Manufactures:				
Textiles	420.4	419.5(R)	411.3(R)	342.2
Leather	442	443	431	390
Mineral oils	210	210	210	202
Vegetable oils	637	635(R)	594(R)	398
Cotton yarn	505	503	497	448
Metals	327	327	326	278
Oilcakes	492	486	473	365
Others	363	364	361	331
IV Manufactures:				
Textiles	386.8	386.3	388.5	374.1
Jute	418	417	421	405
Cotton	456	459	434	416
Rayon and silk	415*	415*	426*	399*
Woolen	437*	421*	421*	486*
Metal products	266	266	266	278
Others	390	390	390	371
V Miscellaneous:				
All Commodities	590.5	591.2(R)	590.5(R)	541.9
	437.7	434.2(R)	419.7(R)	364.4

* = Estimated.

R. = Revised.

BRITISH TEXTILE REVIEW

LANCASHIRE HOPEFUL
AGAIN

THE late months of the year are a seasonally favourable period for the Lancashire cotton industry, and this year the recovery has exceeded expectations. Does it mark the end of the industry's contraction or is it just another temporary halt along the downward path? The recovery in the trade as a whole (individual companies are exceptions, of course) is confined to the home market. The export figures for September were uncommonly bad, and there is no clear evidence of improvement since. The value of yarns and woven fabrics exported in the first three-quarters of 1956 was £65.5 million, compared with £74 million in the same period of 1955. It is argued, however, that an increase in total activity is not inconsistent with this decline, because the industry has underestimated the home trade. The sceptics' answer is that imports of cloth (which reached an impressive total of almost £20 million in the first three-quarters of this year) can greatly expand their share of the market—although it should be remarked that nearly two-thirds of this imported cloth is re-exported after processing and finishing. Anyway, the recovery, whether or not permanent, is a fact. Weekly figures of production of single yarn in October were among the best of the year. Delivery dates for many fabrics have been put back as new orders exceed current output. More generally (and looking a little further back, because the figures are not up to date), August's sales of wholesale textiles were at the highest level for that month since 1951. Throughout the cotton trade there is more confidence in values, at their reduced levels; and there is clear evidence that the reduction of prices has stimulated demand.

Forward or Out

It may be recalled that confidence began to revive in Lancashire early this year and that the recovery of trade proved illusory. Not many firms are optimistic after repeated disappointments, but many are confident enough to proceed with re-equipment. At the Cotton Board's conference, Mr. Fred Wood, president of the Master Cotton Spinners' Federation, said bluntly: "Those who are not prepared to go forward would be well advised to consider whether the time is not ripe for them to retire from the trade altogether." He is not the only one to recognise that boldness is a condition of survival—although even boldness needs financial backing. (A problem that besets those in the cotton and rayon industries who have lost faith is how to finance their entry into other fields while they are not earning profits.) Re-equipment is necessary for two reasons. Most obviously, it is needed to diminish the low-wage countries' advantage in production-costs. But it is also needed to maintain or increase output with a diminishing labour force. It is a fact that every revival of trade (including the present one) finds the cotton industry short of workers. It has long been recognised that much of the machinery can be used efficiently only on the basis of double- or treble-shift working; but this system is not easily adopted when labour is scarce. However, a big advance in organisation was achieved when agreement in principle on shift working and other conditions was reached for the main spinning section of the industry after a year of negotiation between the Federation of Master Cotton Spinners and the operatives' unions. Gradually, the reduced and renovated industry is taking shape. It was stated in Harrogate that 265 mills had been closed between the beginning of 1952 and the middle of 1956, but this painful process represents the dissolution of the weaker units. The industry that remains is mostly well equipped and is not neglecting further modernisation, and it is gradually introducing methods of using its machinery that will produce full benefit from technical efficiency. So it may be that the recent, qualified, revival of confidence is soundly based.

Nylon Export Troubles

One of the most dynamic elements in the British textile industries is the nylon section, but it is no longer enjoying its former prosperity abroad. The extent of its achievement in export trade is obscured in the official returns, as nylon yarns and staples are included with manmade fibres generally and this multi-purpose fibre is hidden in various garments and fabrics and in such industrial products as tyres and ropes. But the Board of Trade Journal published some informative figures specifically relating to nylon. The figures are not encouraging. Particularly severe has been the setback in the stocking trade. The value of nylon stockings exported in 1951 was as high as £6.7 million; in 1955 it was £1.7 million; in the first half of 1956 it was £0.6 million. The fall in value may be attributed partly to the cheapening of nylon yarn in this country, but certainly the change did not stimulate sales in this category—it did not, anyway, have a marked effect on prices. The decline, however, occurred in the fully-fashioned category: in the first two-thirds of 1956, the quantity of seamless nylon stockings exported, 208,145 dozen pairs, was more than double the quantity exported in the same period of 1954. Knitted piecegoods are not so big an item of export trade as stockings, and they have not fared quite so badly. Even so, the decline in value of exports, from a peak of £2.0 million in 1953 to £0.9 million in 1955 and £0.4 million in the first half of 1956, is severe. It is doubtful whether the trade in nylon goods will recover its former vitality, which belonged to a period of temporary

scarcity while plans for large-scale production in various countries were maturing. Now other countries are satisfying most of their requirements, and some of them are competing keenly in the remaining export markets.

New Crossbred Futures

An important development in the London wool terminal market was when trading in a crossbred wooltop contract began. Business was brisk almost from the outset; so the belief that a crossbred contract was needed to supplement the merino contract was quickly confirmed. The basis of the new contract is Bradford 50s carded tops, but other grades ranging from 46s to 56s, subject to appropriate adjustment, are being delivered by sellers. The basis of this wooltop future market is broadened, and its total turnover will certainly expand, for the merino contract did not represent a satisfactory medium for hedging operations by users of crossbred tops. (Antwerp, but not New York, operates a crossbred contract.) The London futures market, itself, has been functioning for three and a half years, and its turnover has settled above the level of New York's. Since crossbreds make up approximately one-half of the supply of apparel wools, the scope for expansion on the new basis is obvious.

ESTIMATE OF INCREASE IN RICE ACREAGE
THIS YEAR

The all-India first estimate of rice for 1956-57 puts the current year's area at 68,889,000 acres, against the adjusted first estimate of 65,742,000 acres for 1955-56, according to the Directorate of Economics and Statistics, Union Ministry of Agriculture. This shows an increase of 3,147,000 acres or 4.8 percent over last year. The increase in acreage during the current year has occurred mainly in the case of winter crop and has been reported by almost all the rice-growing States except West Bengal, where the acreage declined due to adverse weather conditions at the time of sowing. The increase is particularly marked in the case of Bihar, Orissa, U.P. and Assam and is generally attributed to favourable climatic conditions at the time of sowing. The present estimate covers the period generally up to the end of September or the beginning of October, 1956. Floods, excessive rains and drought have hampered the normal sowing and transplantation of paddy in parts of a few States, such as Assam, West Bengal, Bihar and U.P. and the information on late sowing and transplantation in these areas will be included only in the next estimate. The rice crop is reported to have been affected to some extent by heavy rains and floods in parts of Nellore, Krishna and Cuddapah districts of Andhra, Tanjore and South Kanara districts of Madras, Kaira and Konkan districts in Bombay. The crop is also reported to have been damaged by attacks of insects and pests and by crop diseases in parts of Ahmedabad, Broach, Sholapur, Belgaum and Nasik districts in Bombay. This estimate does not cover the entire area sown to rice crop. Past experience has shown that the area at the first estimate stage forms roughly 90 percent of the area finally reported. The information given in this estimate relates to the set-up of States before their re-organisation on 1st November, 1956.

MEASURES TO INCREASE HANDLOOM
CLOTH PRODUCTION

The All-India Handloom Board, at its recent New Delhi meeting, considered measures to achieve the target of additional production of 1,000 million yards of cloth during the second plan allotted to the handloom sector. Out of the additional production of 1,700 million yards to be achieved during the second plan, the handloom sector has been allotted 1,000 million yards—700 million yards from mill yarn and 300 million yards from Ambar Charkha yarn. It was emphasised during the discussion that more and more handlooms should be brought within the co-operative fold so that not only the weavers' conditions will improve, but it will be easier to organise production and thus step up the output of handlooms. It was pointed out that the Centre had recently adopted several measures to increase the quantum of financial assistance to the weavers to enable them to increase production. The limit of working capital for cotton and handlooms has been raised from Rs. 200 to Rs. 300 a loom. Loans for the working capital of apex co-operative societies for marketing are now admissible up to ten times their paid-up capital instead of five times. A lumpsum grant of Rs. 218 a weaver will be paid for the conversion of pit-looms into frame-looms—a better type of loom on which increased production can be obtained. To improve the conditions of weavers, the Central Government has also decided to give financial assistance for renovation and rehabilitation of weavers' houses. The assistance will be given in the form of 33-1/3 percent as grant and 66-2/3 percent as loans subject to a maximum of Rs. 1,000. Several members stressed the importance of linking production with demand and improving the quality of handloom fabrics. It was agreed that attention should be paid to consumer preference, the use of proper raw materials and maintaining a standard of quality. The question of accumulation of handloom cloth stocks during the slack season from July to October was considered. It was stated that the grant of a short-term loan to the weavers to tide over this period could be considered. The progress made in the registration of looms for the purpose of collecting correct statistical data on handlooms was reviewed. It was agreed that the registration of the remaining looms should be completed as early as possible.

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MIDDLE CLASS COST OF LIVING INDEX NUMBER FOR CALCUTTA
(Base: August, 1939)

THE Middle Class Cost of Living Indices, by groups, have now been brought up to November, 1956. As compared with October, the November Index for Food shows a fall of 4 points, while those for Clothing, Fuel and Lighting, and Miscel-

laneous remain unchanged at 546, 268 and 283 points, respectively.

Correlating all the factors, the Middle Class Cost of Living Index for Calcutta shows that the cost of living declined by 2 points during November, 1956.

Middle Class Cost of Living Index Number for Calcutta Prices in August 1939=100

Groups	Weights	GROUP INDICES												
		Nov. 1955	Dec. 1955	Jan. 1956	Feb. 1956	March 1956	April 1956	May 1956	June 1956	July 1956	Aug. 1956	Sept. 1956	Oct. 1956	Nov. 1956
Food	53.1	455	455	446	444	451	461	471	471	484	484	484	486	482
Fuel and Lighting	4.4	239	235	235	235	235	235	235	235	255	266	266	268	268
Clothing	12.4	303	303	307	307	321	321	321	321	334	334	346	346	346
Miscellaneous	29.6	282	282	282	282	283	283	283	283	283	283	283	283	283
Combined Index	100.0	401	401	396	394	402	406	411	414	416	421	422	424	422

Compiled and constructed by the Statistical Department of "Capital"

MIDDLE CLASS COST OF LIVING INDEX NUMBER FOR GAUHATI
(Base: 1954=100)

Items	Weights	GROUP INDICES											
		Jan. 1956	Feb. 1956	Mar. 1956	April 1956	May 1956	June 1956	July 1956	Aug. 1956	Sept. 1956	Oct. 1956	Nov. 1956	
Food	55.6	97	99	105	110	118	128	132	129	120	120	113	
Fuel and Lighting	4.7	103	103	103	103	103	103	103	103	109	109	87	
Rent	6.7	100	100	100	100	100	100	100	100	100	100	100	
Clothing	8.4	95	95	95	97	99	100	100	100	100	100	100	
Miscellaneous	24.6	100	100	100	100	100	100	100	100	100	99	99	
Combined Index	100.0	98	99	103	106	110	116	118	118	112	112	107	

Compiled and constructed by the Statistical Department of "Capital".

300 M. W. NUCLEAR POWER STATION

FOR

BRITAIN'S NATIONAL GRID SYSTEM

A.E.I.

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NUCLEAR ENERGY COMPANY LTD.

...have been awarded a contract by the Central Electricity Authorities valued at approximately Rs. 45/50 crores for one of the first Nuclear Power Stations for the British National Grid System.

ASSOCIATED ELECTRICAL INDUSTRIES (INDIA) PRIVATE LTD.

JOHN THOMPSON (INDIA) PRIVATE LTD.

MANGANESE ORE AS EARNER OF FOREIGN EXCHANGE

EXPORT PROSPECTS HARMED BY GOVERNMENT POLICY

(By Dr. R. M. Agarwal)

IN economic development, foreign trade plays an important part—particularly in underdeveloped economies which have to import more capital goods and technical know-how than their exports can pay for. Their adverse balances of trade and shortage of foreign exchange present the biggest hurdle during the early stages of development. India, for example, is experiencing the same difficulty. During the first plan, there has been an adverse balance of trade to the extent of Rs. 512 crores: Rs. 221.65 crores in 1951-52, Rs. 96.06 crores in 1952-53, Rs. 50.05 crores in 1953-54, Rs. 62.72 crores in 1954-55 and Rs. 81.52 crores in 1955-56. During the second plan, imports have been estimated at Rs. 4,340 crores and exports at Rs. 2,965 crores, indicating an adverse balance of trade amounting to Rs. 1,375 crores.

In the first eight months of the financial year 1956-57, the adverse trade balance totalled approximately Rs. 203 crores, reducing the sterling reserves held by the Reserve Bank from Rs. 746 crores to Rs. 543 crores. Although the decline has resulted from the large imports required for the second plan, it is obvious that the rate of withdrawal cannot be sustained much longer. The requirements of foreign exchange for the second plan are proving larger than had been estimated, and it will be necessary not only to cut imports, but also to secure more assistance from abroad.

Adverse Trade Balance

The mounting adverse trade balance and the limited scope for cutting imports stress the need to step up exports. At the last meeting of the Import Advisory Council, suggestions to curtail imports of non-essential commodities were made, and it was hoped thereby to save about Rs. 50 crores a year in foreign exchange. In recent months, greater restrictions have been imposed on imports of non-essential goods. The following table which gives the imports of merchandise during 1955 and those which it is estimated will be imported during the second plan.

MERCHANDISE IMPORTS (Rs. crores)			
	1955	Annual average during second plan	Percentage increase or decrease
1. Machinery and vehicles	159	300	+88.7
2. Iron and steel	50	86	+72.0
3. Other metals	25	44	+76.0
4. Grains, pulses and flour	35	48	+37.7
5. Sugar	20	7	-65.0
6. Oil	63	82	+30.2
7. Chemicals, drugs and medicines	34	32	-5.9
8. Dyes and colours	18	17	-5.6
9. Paper, paste-board and stationery	14	11	-21.4
10. Cutlery, hardware, electrical goods and apparatus	36	29	-19.4
11. Raw cotton	54	54	—
12. Raw jute	17	18	+5.9
13. Others	130	140	+7.7
Total	655	868	+32.5

According to the official classification, the percentage of imports of different items in the January-June period of 1956 was as follows:

1. Plant and Machinery	17.31
2. Raw Materials	56.89
3. Essential Consumer goods	21.87
4. Non-essential Consumer goods	3.93

It should be obvious from the above, that imports of non-essential consumer goods constitute an insignificant proportion of the country's total imports, so their stoppage is unlikely to save much foreign exchange. Moreover, in a developing economy, there is always a time-lag between investment and production. People generally do not save and invest enough. It is very necessary to ensure an adequate flow of consumer goods to mop up surplus money in the hands of the people and check inflationary trends. Therefore, the approach to the foreign exchange problem should be of a positive character. The Government has, no doubt, been giving increasing attention to this problem and has also established a number of export promotion councils to suggest ways and means of increasing exports.

In one or two cases, it has also granted concessions by abolishing or reducing export duties. But the policy of the Government to resort to State trading and to canalise exports has, in effect, neutralised the benefits which the export promotion policy it was supposed was conferring on private trade. Although State trading may have justification from the point of view of the Government's public policy, it should be introduced slowly so as not to create unnecessary hardship for private trade. Otherwise the advantages expected from State trading will be lost.

The following table gives the main items of exports in 1955 from India and those expected during the second plan:

MERCHANDISE EXPORTS (Rs. crores)

	1955	Annual average during second plan	Percentage increase or decrease
1. Tea	112	127	+13.4
2. Jute yarn and manufactures	126	122	-3.3
3. Cotton yarn and manufactures	63	75	+19.0
4. Oil (excluding mineral oil)	39	22	-43.6
5. Tobacco	11	15	+36.4
6. Hides, skins and leather	27	28	+3.7
7. Cotton raw and waste	35	22	-37.1
8. Metallic ore and scrap iron and steel	20	23	+15.0
9. Coal and coke	4	5	+25.0
10. Chemicals, drugs, and medicines	4	5	+25.0
11. Cutlery, hardware, vehicles, electric goods and apparatus and machinery	4	4	—
12. Others	151	145	-4.0
Total	596	593	-0.5

Exports of metallic ores and scrap iron and steel are expected to increase from Rs. 20 crores in 1955 to Rs. 23 crores annually during the second plan, i.e. an increase of approximately 15 percent. Among the metallic ores, the main items are manganese ore, iron ore, kyanite, chrome ore, etcetera. But manganese ore occupies the most important place as it brings in the largest amount of foreign exchange. The table below, giving the value added by manufacture as also the earnings from exports of important minerals, clearly indicates the importance of manganese ore as an item of export:

PRODUCTION AND EXPORT OF IMPORTANT INDIAN MINERALS (Quantity in 000 tons) (Value in Rs. lakhs)									
Year	Qty.	Coal	Value	Qty.	Iron Ore	Value	Manganese Ore	Ore Value	Total of all Minerals Value
PRODUCTION									
1952	...	36,304	5,362	3,926	268	1,462	2,245	10,804	143,000
1953	...	35,580	5,276	3,855	281	1,902	2,948	11,278	176,000
1954	...	36,880	5,390	4,308	289	1,414	1,954	10,252	139,000
1955	...	38,230	5,603	4,640	324	1,570	2,188	10,616	145,000
EXPORTS									
1952	...	2,488	876	669	299	1,409	2,155	3,560	—
1953	...	1,271	453	1,093	501	1,659	2,570	3,838	—
1954	...	1,255	394	1,056	463	1,086	1,520	2,647	—
1955	...	724	215	1,299	567	766	892	2,195	—

India has always been a large exporter of raw materials, including minerals. Recently, there has been a shift in the emphasis on various items of exports, and it has been suggested at different levels that as far as possible, exports of raw materials be stopped and/or curtailed and they be exported only in finished or semi-finished form. Manganese is used mainly for manufacturing ferro-manganese, which is necessary for refining steel. But none of the main producers of steel, except Soviet Russia, produces enough manganese ore for its consumption, so they have to import large quantities. India is among the biggest producers and exporters of manganese ore, being next only to Soviet Russia. So far, Indian manganese has been exported without processing. However, the Government has recently issued licences for the production of 171,000 tons of ferro-manganese a year and it is expected that in years to come, greater emphasis will be laid on the export of ferro-manganese rather than on the export of the unprocessed ore because ferro-manganese offers considerably better value. The average price of high grade manganese ore is about Rs. 250 a ton, whereas the average price of ferro-manganese is about Rs. 900 a ton. But it will take some time before the plants come into operation. Till that time, manganese ore exports should not be allowed to suffer.

Free Licensing

Until recently, the export of manganese ore used to be licensed freely. Only an export duty was levied in the latter half of 1947 at the rate of 25 percent *ad valorem* which was subsequently reduced to 15 percent *ad valorem* from 9th April, 1948, and then abolished from 18th August, 1954. The Government of India in its notification dated 22nd June, 1956, announced that it would resort to State trading in manganese ore. This was announce-

ed without giving due consideration to the various problems arising from such a policy with the result that the trade had to face for about six months utter chaos and confusion from which it is still to recover. However, the Government has now allotted quotas to exporters and mineowners to the extent of 66 2/3 percent/75 percent of their performance during July-December, 1955, or January-June, 1956 whichever be the more advantageous, and the remaining 33 1/8 percent/25 percent has been allotted to the State Trading Corporation. This period was the period of lowest exports in the history of the manganese ore trade, and the determination of the quota on the basis of the performance during this period is, therefore, not the proper thing to do. The policy becomes still more incompatible with the export target of 1,500,000 tons fixed for the second plan. Furthermore, the Government has also levied export duty at specific rates with effect from September, 1956. However, the question of higher prices is considerably less important than that of regular supply to buyers overseas.

India is among the chief producers of manganese ore, and as an exporter is the largest. Her reserves, it is said, are almost inexhaustible, and she is in a position to maintain supplies for a fairly long period. But the trade cannot prosper on intermittent and irregular supply. The conditions created by State trading have made the export trade so very uncertain that buyers are being compelled to seek new sources of supply as they cannot afford to take chances on a strategic raw material. If the uncertainties are not immediately removed, India may lose its importance as a supplier of manganese ore to world markets.

The greatest difficulty in the way of increasing exports has been the acute shortage of transport. The table below shows the number of wagons allotted for the movement of manganese ore during the last few years:

Year	Jan.-June	July-Dec.	Total
1952	...	61,000	82,000
1953	...	82,000	94,000
1954	...	72,000	67,000
1955	...	62,000	83,000
1956	...	64,000	—

There has been some improvement in recent months, but not enough. The transport bottleneck has been a constant headache to the trade and it is expected to grow worse during the second plan period due to the inadequacy of rolling stock. It is realised that it is not possible to increase rolling stock capacity immediately. But even within the present limits, there is considerable scope for improvement. Manganese ore enjoys "E" priority for purposes of rail movements, so if the priority is upgraded, say, to "B" or "C", that will ease the situation considerably. The success of the second plan depends very much on the amount of foreign exchange earned by the country. Therefore, all export commodities, particularly those enjoying large export markets, should be given higher priority. It is quite possible that an upgrading of the priority for manganese ore movement may bring a little hardship internally, but considering its importance, the sacrifice is necessary.

Shipping Shortage

Another difficulty is the shortage of shipping space, and it has become more acute since the blockage of the Suez Canal. How important the Canal is to the foreign trade of the country can be seen from the fact that of the total external trade valued at about Rs. 1,240 crores, goods worth about Rs. 850 crores or 64 percent passed through the Suez Canal during 1955-56. Of the total imports of Rs. 850 crores, imports of the value of Rs. 462 crores or 71 percent came through the Suez Canal. Of the exports worth Rs. 591.00 crores, goods worth about Rs. 393 crores or 67 percent, it is estimated, passed through the Canal. Freight paid on imports via the Canal is estimated at Rs. 33 crores, and that on exports at about Rs. 32 crores.

The following table gives the export figures relating to manganese ore to the various countries:

COUNTRY-WISE EXPORTS (Quantity 000 tons)											
	1952	1953	1954	1955	1956 (6 mths.)		1952	1953	1954	1955	1956 (6 mths.)
Countries	(Tons)	percent	(Tons)	percent	(Tons)	percent	(Tons)	percent	(Tons)	percent	(Tons)
U.K.	140	9.9	159	9.6	150	13.8	80	10.5	27	7.3	—
Sweden	10	0.7	10	0.6	4	0.4	1	0.2	1	0.1	—
Norway	18	1.3	4	0.3	6	0.5	13	1.7	4	1.1	—
West Germany	148	10.5	103	6.2	55	5.0	22	2.9	10	2.6	—
France	45	3.2	66	4.0	60	5.5	113	14.7	40	10.6	—
Italy	30	2.2	19	1.1	32	3.0	29	3.8	16	4.4	—
Japan	31	2.2	105	6.3	88	8.1	67	8.7	95	25.7	—
Canada	3	0.2	11	0.7	—	—	4	0.5	—	—	—
U.S.A.	931	66.0	1100	66.3	642	59.1	299	39.0	105	28.3	—
Others	53	3.8	83	4.9	49	4.6	138	18.0	74	19.9	—
Total	1,409	100.0	1,660	100.0	1,086	100.0	766	100.0	372	100.0	—

The table shows that more than 50 percent of our total manganese exports go to continental countries and pass through the Suez Canal. The blockage of the Canal has considerably reduced the shipping space available, as it takes greater transit time for cargo to pass round the Cape of Good Hope. The comparative figures of distance as well as transit time through the Suez Canal and round the Cape of Good Hope are given below:

	Miles via Suez	Miles round Cape	Percent- age in- crease.	Days in round trip via Suez	Days in round trip via Cape	Percent- age in- crease.
London to Bombay	6260	10,720	71.2	31	54	72.2
London to Calcutta	7933	11,450	44.3	40	57	42.5

This means a reduction of about 40 percent from Bombay and 30 percent from Calcutta in the shipping space available for the Indian trade. The undeveloped condition of Indian ports has reduced it still further by way of increased hours required for loading and unloading cargoes. The extra time taken in transit has naturally resulted in increased freight rates. The freight rate for manganese, which was 95s a ton for U.K. ports in 1952, was increased to 115s from February, 1955, 125s from March, 1956, and 155s from November, 1956, besides the usual surcharge of 15 percent. Even though the rates of W.P.A. and F.P.A. insurance have remained more or less the same, war insurance rates have been increased by 8 annas a Rs. 100 with effect from November, 1956.

All these factors have considerably and unexpectedly upset India's trade plans and consumer resistance has increased. Of course, it is true that these developments are of international importance and they have affected not India only but almost all countries of the world. It is also true that it is not possible to postpone the buying of manganese ore indefinitely. But it is time that India consider these developments in all seriousness and changed the export policy. Otherwise all potential export markets will be lost and once lost, it will be very difficult to regain them. The confusion created by State trading has already created doubts about the flow of Indian supplies and the international developments have made the confusion worse confounded. It may, therefore, be suggested that the Government free exports of manganese ore. It is a commodity which could bring in much more foreign exchange, but the policy of the Government has been anything but helpful.

The Government has recently entered into trade agreements with a number of countries and in those instances trading on Government level was unavoidable. But let the Government confine its trading activities only to the Iron Curtain countries. In other cases, exporters and mineowners should be allowed to make the maximum possible exports, subject, of course, to the fact that they do not act against the general policy of the Government. State trading was introduced to secure better prices through collective bargaining. But instead of that, it, by underselling has actually jeopardised the entire trade. The State Trading Corporation has recently negotiated the sale of manganese ore overseas and it is understood that the prices it has been able to get are far below those secured by private trade. The question of comparative advantages and disadvantages cannot be overlooked and if all the factors are weighed, the balance will definitely be in favour of private trade. The country has already suffered considerably in international markets. The lower export figures for the first six months after State trading was introduced clearly indicate how matters stand.

Calcutta Markets

BETTER DEMAND AT TEA EXPORT SALE

GOOD GENERAL BUYING IN DUSTS

At Sale No. 26, held on 17th and 19th December, offerings at the Export auction, consisted of 68,740 packages. The market opened at about last rates, but strengthened considerably as the Sale progressed. There was a strong demand for clean commons and low mediums, which were 2 annas dearer and Fannings grades, which were the strongest feature of the Sale, and the clean black sorts were often selling up to 3 annas above last rates. Medium Assam B.O.P.'s and O.F.'s were also in good demand, but at slightly easier rates, while the lower grades in this category were from 1 anna to 1½ annas dearer. There was more enquiry for the best liquoring C.T.C. teas, but the majority of the offerings sold at about 1 anna below last rates. Whole leaf grades and "Tea for Price" were also a strong feature and the former were often selling up to 3 annas above valuations. Darjeeling teas were also generally dearer to buy.

Quotations	1956 Rs.	1955 Rs.
Clean Black Pekoe	2 7 0	2 1 0
Plain Broken Pekoe	2 5 6	1 7 0
Medium Assam B.P.	2 7 0	1 9 0
	3 0 0	2 5 0 to 2 6 0

At the Internal Sale, Dust offerings amounted to 26,503 chests, for which there was a good general demand. Commons, Doosars and orthodox Assams were firm and sometimes up to 1½ annas dearer, particularly the smaller types. The strongest feature of the sale were the black exportable types, which were 2 annas to 3 annas dearer. C.T.C. Assams were rather irregular, those with good quality liquors being generally firm or dearer, while the remainder were usually 1 anna easier and the grainy descriptions sometimes declining by as much as 2 annas.

Quotations	1956 Rs.	1955 Rs.
Medium Doosar Dust	1 15 0	1 5 6 to 1 6 0
Medium Assam Grainy Dust	2 0 0 to 2 0 6	1 7 6 to 1 8 0
Medium Assam C.T.C. Dust	2 6 0	
Best Assam C.T.C. Dust	2 10 0 to 2 11 0	2 2 0 to 2 4 0

Leaf offerings consisted of 2,613 chests, for which there was a good general demand. Residue descriptions were a very strong feature and were from 2 annas to 4 annas dearer, but the remainder were a little irregular and were generally firm on last rates.

FREIGHT RATES STEADY

THERE is some evidence to suggest that the markets have, temporarily at least, reached the top. Transatlantic coal voyages, after paying 120s have weakened to 118s for single voyages. A further 30 *Liberties*, it is reported, have been released from the mothball fleet to American operators and these will be employed mainly in the coal and grain trades. Meantime, those markets which had been overshadowed by the transatlantic coal trade have now shown some remarkable figures. In particular, rice from the U.S. Gulf to Coochin or Madras has paid 300s a ton for January-February loading and wheat from the same ports to Karachi 240s and to the U.K. 150s. Ore from Vizagapatam to Rotterdam paid 217s 6d f.i.o. In the time charter section, three *Liberties* secured \$10.475 for four years' trading and another \$10.610 for two years' trading. A point of interest to local charterers and receivers is the recent attempt by owners to claim that laytime commences in sandheads in the event of their vessels being detained there because of the lack of berthing facilities in Calcutta. Their argument is based on a recent judgment where a vessel was detained in Spurn Head awaiting a berth in Hull and laytime was adjudged to count from arrival in Spurn Head.

HIDES AND SKINS QUIETLY STEADY

The market was quietly steady. Stocks were less than in the previous week.

Bazaar Sales

(Between 11th December and 17th December, 1956) **Cowhides:** Wet salted (Ord.) 6,000 pcs. on the basis of annas 10-6; Wet salted (Ord.) 32,000 pcs. on the basis of Rs. 7 to Rs. 9-4; Wet salted (Slaughtered) 18,500 pcs. on the basis of Rs. 12-8 to Rs. 21.

Goatskins: Wet salted (Daissee, Killed) 49,900 pcs. on the basis of Rs. 265 to Rs. 275. Rs. 282 to Rs. 315 and Rs. 355 to Rs. 355; Assam-Dinaibour 25,200 pcs. on the basis of Rs. 245 to Rs. 265; Purneah-Kissanganj 16,500 pcs. on the basis of Rs. 267-3 to Rs. 290; Pakur-Patna (Ord.) 51,700 pcs. on the basis of Rs. 242-8 to Rs. 250; Muzaffarpore-Patna 43,200 pcs. on the basis of Rs. 270 to Rs. 300.

Bazaar Stocks

(17th December, 1956)

Cowhides: Wet salted 2,06,500 pcs.

Goatskins: Wet salted (Daissee, Killed) 33,000 pcs.; Assam-Dinaibour-Jalpaiguri 42,000 pcs.; Muzaffarpore - Pakur - Patna - Purneah - Kissanganj 219,500 pcs.

SHELLAC MARKET QUIET

During the week ended 18th December, the market was steady at the beginning, and quiet at the close. The range of quotations was as follows:

Pure Buttonlac	Rs. 124 value, 124, 125-8, 125 buyers.
Lemon No. 1 Shellac	Rs. 124 to 125-8 buyers, 127 done and buyers, 126 buyers.
Lemon No. 2 Shellac	Rs. 119 to 121 buyers, 122 done and buyers, 121-8 buyers.
F.O. Std. 1 Shellac	Rs. 116 to 118 buyers, 120 done and buyers, 118 buyers.
Pure TN Shellac	Rs. 111 to 114, 113 basis done and buyers.
4% I. T. N. Shellac	Rs. 102-8 to 105-8, 104-8 buyers.
No. 1 Kusmi Seedlac	Rs. 111-8 to 114-8 value.
No. 2 Kusmi Seedlac	Rs. 106 to 108 buyers, 110-8 value.
Fine Bysaky Seedlac (Manbhumi)	Rs. 100 to 102-8 buyers.
Fine Bysaky Seedlac (C.P.)	Rs. 95 to 99 buyers.
Ordinary Seedlac (C.P.) Under 5%	Rs. 82-8 to 83-8 buyers, 90 value.
Ordinary Bysaky Seedlac (C.P.)	Rs. 73, 81-8, 81 buyers, 85 value.
Kireelac	Rs. 36, 36-8 buyers.

Shipments during December until the 15th were 15,109 packages comprising shellac 10,072 packages; seedlac 2,834 packages; buttonlac 667 packages; and others 1,536 packages.

COMPANY AND PUBLIC NOTICES

BHAGWATI PRESSING COMPANY LIMITED. NOTICE TO SHAREHOLDERS.

NOTICE is hereby given that the next Annual General Meeting of the Shareholders will be held at the Registered Office of the Company at 9, Brabourne Road, Calcutta, on Thursday, the 17th January, 1957, at 4-30 p.m. for the following purposes:

- To receive and pass the Directors' Report and Audited Accounts for the year ended 31st December, 1955.
- To declare Dividends.
- To elect Directors in place of those retiring.
- To appoint Auditors.
- To approve commission payable to Secretaries for the year 1955.
- To transact any other business that may be brought before the meeting.

Dividends if declared will be paid to registered shareholders only. The Share Transfer of the Company will be closed from the 10th January, 1957 to 17th January, 1957, both days inclusive.

By Order of the Board,
RAMDUTT RAMKISSENDASS,
Secretaries.

Calcutta, the 12th December, 1956.

A member entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.

THE UNITED PROVINCES ELECTRIC SUPPLY CO., LTD.

NOTICE is hereby given that an Annual General Meeting within the meaning of the Companies Act, 1956 (being the Eightieth Ordinary General Meeting of the Company) of the above-named Company will be held at its Registered Office No. 12, Mission Row, Calcutta, on Thursday the 10th January, 1957, at 11 a.m. for the following purposes:—

- To receive and adopt the Audited Accounts for the year ended 31st March, 1956, and the Directors' and the Auditors' Reports thereon.
- To declare a Dividend.
- To appoint Directors in place of those retiring. And in this connection, Special Notice as required by Sections 261 and 281 of the Companies Act, 1956, is hereby given that at the meeting the following resolution will be proposed as a Special Resolution, namely:—

"That Mr. P. N. Banerjee, who is an associate of the Managing Agents of the Company and who has attained the age of 73 years, be and is hereby re-appointed a Director of the Company, and that the age limit prescribed by Section 280 of the Companies Act, shall not apply to him."

- To appoint Auditors and fix their remuneration.

The Register of ordinary shareholders of the Company and the Transfer Books will be closed from the 4th January, 1957 to the 10th January, 1957, both days inclusive.

A member entitled to attend and vote at the meeting is entitled to appoint a Proxy, who need not be a member, to attend, and on a poll, to vote instead of himself.

By Order of the Board,
MARTIN BURN LTD.,
S. N. MUKERJEE,
Managing Director,
Managing Agents.

12, Mission Row,
Calcutta 1.
The 15th December, 1956.

BURN & COMPANY LTD.

NOTICE.

NOTICE is hereby given that the Board of Directors has sanctioned payment of the dividend on 6% and 7% Preference Shares of the Company for the half-year ending 31st December, 1956. Payment will be made on or after 1st January, 1957, to those shareholders whose names appear on the Company's Registers on the 31st December, 1956, or in accordance with their instructions.

By Order of the Board,
MARTIN BURN LTD.,
S. N. MUKERJEE,
Managing Director,
Managing Agents.

12, Mission Row,
Calcutta,
15th December, 1956.

LOWER VAGAVURRAI TEA ESTATE. (including Upper Vagavurrai Division)

Upon instructions of The Kanan Devan Hills Produce Co., Ltd.

FIGGIS PRIVATE LIMITED

will offer for sale by public auction (unless previously disposed of by private treaty) at the Joint Sale Room 4/147, Ballard Road, Cochin, on the 11th JANUARY, 1957 at 11 o'clock in the forenoon, the abovenamed Tea Estate forming part of the area known as Kanan Devan Concession in the Kanan Devan Hills Pakuthy, Kerala State, with all buildings, plant and machinery.

The area of the land to be sold is 2,437.90 acres, approximately, to which will be added further land, mainly grass but including some jungle sholas, lying outside the estate boundary and containing 24,562.10 acres, approximately, provided such further land should be declared to be available at the time of auction.

The Tea Estate will be sold as a going concern as on and from the 1st December, 1956. Certain assets will be excluded from the sale, either absolutely or subject to payment therefor at valuation or by agreement, as prescribed by the printed Notification. Particulars and Conditions of Sale whose terms will govern the transaction in all respects, notwithstanding anything in this notice inconsistent therewith.

Prints of the Notification, Particulars and Conditions of Sale may be obtained from Figgis Private Ltd., or Forbes, Ewart & Figgis Private Ltd., at Cochin or D6, Clive Buildings, Calcutta or Messrs. James Finlay & Co., Ltd., 2, Netaji Subhas Road, Calcutta 1, or the General Manager Kanan Devan Hills Produce Co., Ltd., Munnar, Kerala State.

BASMATIA TEA COMPANY LTD.

THE Board of Directors have today declared an Interim Dividend of As. -4/9 per share in respect of the year ending 31st December, 1955, without any deduction in respect of taxation payable by the Company. This dividend will be payable to those members whose names are registered in the Books of the Company on 28th December, 1956.

The Share Transfer Books of the Company will be closed from 24th December to 28th December, 1956, both days inclusive.

By Order of the Board,
ANDREW YULE & CO. LTD.,
P. J. EGAN,
Secretary,
Managing Agents.

Calcutta,
12th December, 1956.

NEW TERAI ASSOCIATION LTD.

NOTICE is hereby given that an Interim Dividend of 20% (tax free) for the year ended 31st December, 1955 has been declared and payment will be made on the 29th December, 1956 to those shareholders or their mandatees whose names stand on the Company's Register on that date.

The Share Transfer Books of the Company will be closed from 22nd to 29th December, 1956, both days inclusive.

By Order of the Board,
KILBURN & CO. PRIVATE LTD.,
R. J. L. OAKLEY,
Managing Director,
Managing Agents.

THE HOWRAH AMTA LIGHT RAILWAY CO. LTD.

NOTICE is hereby given that the Board of Directors has sanctioned payment of dividend on 5% Cumulative Preference Share Capital of the Company for the half-year ending 31st December, 1956. Payment will be made on or after 1st January, 1957, to those Preference Shareholders whose names appear on the Company's Register on the 31st December, 1956 or to their mandatees.

By Order of the Board,
MARTIN BURN LTD.,
S. N. MUKERJEE,
Managing Director,
Managing Agents.

Calcutta,
The 15th December, 1956.

SOUTHERN BANK LTD.

(SCHEDULED BANK)

Head Office
24, NETAJI SUBHAS ROAD, CALCUTTA.
Phone 22-5988 22-5989.

BRANCHES { BURRABAZAR, SHYAMBAZAR,
SHOWANIPUR, BASIRHAT & KHULNA

LOAN GRANTED ON APPROVED SECURITIES
All Sorts of Banking Business Transacted
S. N. BANERJEE, M.A., General Manager.

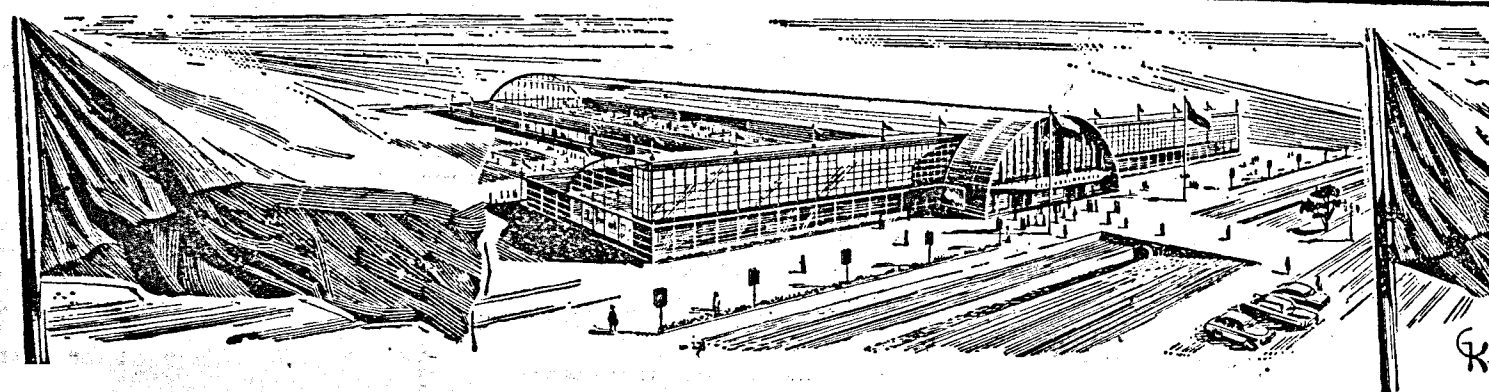
COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	Hour I.S.T.
Indian Cable Co., Ltd.	21-12-56	11 a.m.
Mozufferpore Electric Supply Co., Ltd.	21-12-56	11 a.m.
Grob Tea Co., Ltd.	21-12-56	3 p.m.
Krishnabehari Tea Co., Ltd.	21-12-56	3 p.m.
Kingsley Golaghat Assam Tea Co., Ltd.	22-12-56	1 p.m.
McLeod & Co., Ltd.	22-12-56	4 p.m.
Agri Electric Supply Co., Ltd.	26-12-56	11 a.m.
Bot Pakhuri Tea Co., Ltd.	27-12-56	11 a.m.
Gohpur Tea Co., Ltd.	27-12-56	11-15 a.m.
Calcutta Steam Navigation Co., Ltd.	27-12-56	11-30 a.m.
Dimakusi Tea Co., Ltd.	27-12-56	11-30 a.m.
Seajuli Tea Co., Ltd.	27-12-56	11-45 a.m.
Chamong Tea Co., Ltd.	27-12-56	Noon.
Union Coal Co., Ltd.	27-12-56	12-15 p.m.
Tukvar Co., Ltd. (Tea)	27-12-56	12-30 p.m.
Bisra Stone Lime Co., Ltd.	28-12-56	10-30 a.m.
Dufflaghur Tea Co., Ltd.	28-12-56	11 a.m.
Lingia Tea Co., Ltd.	28-12-56	11-15 a.m.
Soom Tea Co., Ltd.	28-12-56	11-30 a.m.
Nagri Farm Tea Co., Ltd.	28-12-56	11-45 a.m.
Anglo-India Jute Mills Co., Ltd.	28-12-56	Noon.
Nilpur Tea Co., Ltd.	28-12-56	Noon.
East India Tea Co., Ltd.	28-12-56	12-15 p.m.
Bishnuth Tea Co., Ltd.	28-12-56	12-30 p.m.
Salem-Erode Electricity Distribution Co., Ltd.	28-12-56	3-10 p.m.
Tinnevely-Tuticorin Electric Supply Co., Ltd.	28-12-56	3-25 p.m.
Patna Electric Supply Co., Ltd.	28-12-56	3-40 p.m.
Hindustan Housing & Land Development Trust, Ltd.	29-12-56	4 p.m.
National Rolling & Steel Ropes Ltd.	29-12-56	11 a.m.
East Indian Coal Co., Ltd.	29-12-56	11 a.m.
Upper Jumna Valley Electricity Supply Co., Ltd.	29-12-56	11 a.m.
National Insulated Cable Co. of India Ltd.	29-12-56	11-30 a.m.
Kalpi Tea Co., Ltd.	29-12-56	Noon.
Loobah Co., Ltd. (Tea)	29-12-56	12-5 p.m.
Chundecherra Tea Co., Ltd.	29-12-56	12-15 p.m.
Calcutta Silk Mfg. Co. Ltd.	29-12-56	1 p.m.
United Provinces Electric Supply Co., Ltd.	10-1-57	11 a.m.
Dejoo Valley Co., Ltd. (Tea)	10-1-57	4 c.m.
Rajahbhat Tea Co., Ltd.	10-1-57	4-10 p.m.
Bhagwati Pressing Co., Ltd.	17-1-57	4-30 p.m.

DIVIDENDS DECLARED OR PROPOSED.—Ledo Tea Company Ltd.—Nil; Soom Tea Co. Ltd.—10 p.c. (f) Nilpur Tea Co. Ltd.—40 p.c.; Kaliti Tea Co. Ltd.—Nil; Sapoti Tea Co. Ltd.—25 p.c.; Taipoo Tea Association Ltd.—Nil; Dejoo Valley Co. Ltd.—30 p.c. (o); Loobah Co. Ltd.—Nil; Krishnabehari Tea Co. Ltd.—10 p.c. (o); Bisra Stone Lime Co., Ltd.—Annas 14 per share; Woodland Estates Ltd.—12½ p.c. (o) (old); Upper Jumna Valley Electricity Supply Co. Ltd.—6½ p.c. including an additional payment of 1½ p.c.; National Iron & Steel Co. Ltd.—Annas 10 per share; Salem-Erode Electricity Distribution Co. Ltd.—10 p.c. (o); Cuttack Electric Supply Co. Ltd.—6½ p.c.; United Provinces Electric Supply Co. Ltd.—5 p.c.; Amalgamated Electricity Co. Ltd.—3½ p.c. (o); Indian Plastics Ltd.—2½ p.c. (o); Central India Spinning Weaving and Manufacturing Co. Ltd.—Nil; Nagri Farm Tea Co. Ltd.—15 p.c.; Seajuli Tea Co. Ltd.—15 p.c.; Chundecherra Tea Co. Ltd.—30 p.c.; New Manbhumi Coal Co. Ltd.—Nil; New Terai Association Ltd.—20 p.c. (Int.); Basmatia Tea Co. Ltd.—Annas 4-9 p.c. share (Int.).

O.—Ordinary Dividend In Interim Dividend.
P.—Preference Dividend t.—Less income tax.
P.O.—Preference Ordinary Dividend. f.—Final Dividend.
D.—Deterreo Dividend Cm.—Cumulative.
t.—Ass. Tax at 8s 6d in the £

CZECHOSLOVAK INDUSTRIAL EXHIBITION CALCUTTA



Behind, St. Paul's Cathedral, Lower Circular Road, Calcutta
2nd to 30th December, 1956: 3 to 9 p.m. Daily



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Australia and
New Zealand

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The oldest and largest joint-stock bank operating in Australia and New Zealand, the Bank of New South Wales keeps in close touch with local conditions through over 850 branches and agencies (sub-branches) in Australia, New Zealand, Fiji, Papua and New Guinea. It is thus particularly well equipped to provide enquirers overseas with a full picture of the local business and rural scene.

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BANK OF NEW SOUTH WALES

British and Foreign Department, Sydney, Australia
(INCORPORATED IN NEW SOUTH WALES WITH LIMITED LIABILITY)

1956/1A

Wednesday 19th December, 1956.

IMPROVEMENT LOANS

MUNICIPAL LOANS

JOINT STOCK COMPANIES PREFERENCE SHARES

Dividends are cumulative and shares carry a preferential claim on the property for the payment of capital and on the profits for dividend except in case of companies marked otherwise. Months against names of companies indicate approximately times of payment of dividends.

Year of Issue	NAMES	Amount issued in 000 Rs.	Rate per cent	Paid-up per Share Rs.	Market Quotations		Year of Issue	NAMES	Amount issued in 000 Rs.	Rate per cent	Paid-up per Share Rs.	Market Quotations	
					19-12-56 Rs.	A year ago Rs.						19-12-56 Rs.	A year ago Rs.
BANK.													
1901	Allahabad Bank (May Nov.)	15.00	6	100	113	135	1920	Birds' Investments (Dec.)	24.00	5 1/2	100	76 1/2	80
COAL.													
1905	Bengal Nagpur (Feb Aug.)	11.25	7	100	105	118	1895-99	Bombay Steam Navigation (July)	15.00	6 1/2	250	15 1/2	15
1896-97	Borra (June Dec.)	4.00	6 1/2	100	103	110	1903-50	Britannia Biscuit (Feb Aug.)	15	8	10	15 1/2	15
1901-23	Burrakur (June Dec.)	22.98	7	100	114 1/2	127	1909-11	British Ceylon Corporation (14) (Apr. Mar.)	7.50	6	5	9 1/2	11 1/2
1946	Burrakur (June Dec.)	4.50	6 1/2	100	103	112	1937	British India Corporation (Feb.)	81.00	8	100	121	137
1895	Equitable (May Nov.)	4.00	6	100	10	117	1906	Burn Eng (1st & 2nd) (Feb Aug.)	13.00	7	100	123	141
1931	Khas Kajora Mar Sept.)	1.93	5	10	12	13 1/2	1938	Burn Engineering (Feb Aug.)	15.00	6	100	112	124
1920	New Beerhoom (Jan July)	2.00	7	100	110	115	1905-24	Calcutta Electric Supply (Mar Sept.)	£19.00	5	£1	10 1/2	12 1/2
1898-99	Ondal (June Dec.)	2.00	6 1/2	100	110	115	1946	Calcutta Silk Manufacturing (July Jan.)	2.00	6	100	55	60
COTTON MILLS.													
1906	Ahmedabad Advance (Apr. Oct.)	10.00	5	100	110	110	1937	Calcutta Tramways (Jan July)	£250	5 1/2	£1	8 1/2	8 1/2
1884	Bangalore (Jan July)	6.00	6	100	125	128 1/2	1940	Carew & Co (January)	8.00	6 1/2	100	101	106
1938	Basanti (Oct.)	5.00	6 1/2	10	9	8	1946	Cawnpore Sugar Works (Feb Aug.)	10.00	8	100	127	143
1896	Bengal Nagpur (Apr Oct.)	7	3	100	99	116	1940	Chrestien Mica Industries Ltd.	30.00	5 1/2	100	57 1/2	66
1900	Bowreah "A" (Apr. Oct.)	6.00	8	100	140	135	1937	Dacca Electric Supply (July)	6.00	6	100	99	99 1/2
1920	Bowreah "B" (6 (1) Apr Oct.)	6.00	7	100	70	71 1/2	1945	Dalmia Cement (Bharat)	3.500	6	100	99	99 1/2
1919	Bradbury "B" (Jan Dec.)	14.75	7	250	324 1/2	324 1/2	1945	Dalmia Cement (Bharat)	3.500	6	100	99	99 1/2
1920	Buckingham & Carnatic (Jan. July)	21.30	7 1/2	100	144	133 1/2	1945	Delhi Flour Mills (Oct.)	2.372	6	40	3 1/2	3 1/2
1928	Cambodia (July)	1.00	7	100	122 1/2	125	1945	Desheraah Power Supply "A" (Jan.)	16.00	5	100	102	107
1912	Central India (Apr Oct.)	50.00	4 1/2	500	531 1/2	531 1/2	1945	Desheraah Power Supply "B" (Jan.)	12.00	4 1/2	100	93	91 1/2
JUTE MILLS.													
1912	Elgin (May Nov.)	11.00	8	100	135 1/2	143 1/2	1948	Duncan Brothers & Co Ltd.	45.00	4	100	60 1/2	71
1943	Elgin "B"	4.20	5	10	9 1/2	9 1/2	1948	Dunlop Rubber "First" (Jan July)	30.00	6	100	124	126
1919	Elphinstone (May Nov.)	25.00	7 1/2	100	87 1/2	87 1/2	1926	Dunlop Rubber "Second" (Apr.)	40.00	6 1/2	100	60	72
1919	Kesoram (June Dec.)	20.00	7	100	133	133	1928-29	East India Distilleries (Jan July)	£200	7	£1	17 1/2	17 1/2
1925	Khatua Makani (Nov.)	10.00	6	100	88	88	1897	Eastern Investments Ltd (Apr.)	2.500	5 1/2	100	...	...
1937	Kothari (Nov.)	30.00	6	100	81 1/2	85	1928	General Investment & Trust (Feb Aug.)	1.00	5	100	75	77 1/2
1913	New Great Eastern (Mar.)	3.00	6 1/2	200	18 1/2	18 1/2	1947	General Investment & Trust (Feb Aug.)	1.00	5	100	75	77 1/2
1920	New Victoria (Apr Oct.)	26.05	6 1/2	5	4 1/2	4 1/2	1947	Gillanders Arbuthnot (Apr Oct.)	2.500	5 1/2	100	60 1/2	72 1/2
1933	Palani Andavar (Mar.)	2.00	7	50	58 1/2	58 1/2	1947	Gladstone Lyall & Co Ltd.	15.00	6 1/2	100	66	66
1935	Swadeshi (Bombay) (May)	15.00	5	100	115	115	1948	Godfrey Phillips India Ltd.	30.00	5 1/2	100	98 1/2	100
1927	Swadeshi (Cawnpore) (Mar.)	35.00	6	100	113	120	1946	Gwalior Sugar (Redeemable) (Dec.)	8.75	7	100	68	68
1931	Vasanta (Apr Oct.)	3.00	6 1/2	100	550	550	1940	Gwalior Sugar (Dec.)	5.00	7	100	68	65 1/2
1908	Vishnu (Apr.)	16.00	7	500	...	...	1940	Humayan Properties Ltd (Nov.)	12.00	6	10	9 1/2	10 1/2
MISCELLANEOUS.													
1927	Agarpara (Jan July)	10.00	7	100	104	116	1945	Indian Aluminium (Mar Sept.)	40.00	5 1/2	100	79	74
1905	Alexandra (Feb Aug.)	9.00	7	100	97 1/2	97 1/2	1945	Indo Burma Petroleum (Jan July)	50.00	7 1/2	100	104	108 1/2
1896	Alliance (Mar Sept.)	15.00	6	100	100 1/2	102	1927	Indian General Navy & Railways	£244	6	£10	85	90
1917	Anglo-India (May Nov.)	40.00	7	100	100 1/2	102	1909	Indian Cable Co (Nov.)	12.88	6	100	123 1/2	141
1945	Auckland (July Jan.)	10.00	5 1/2	100	62	74	1936	Indian Standard Wagon (Aug. or Sept.)	2.69.95	5	100	101	110
1918	Bally (Jan July)	20.00	4 1/2	100	101 1/2	115	1936	Investment and Finance (Feb Aug.)	2.00	5	100	75	77 1/2
1896	Barnagore (Oct Dec.)	£200	5 1/2	100	41	46	1935	Investment and Finance (Feb Aug.)	2.00	6 1/2	100	65	70
1906	Belvedere (Jan July)	7.00	7	25	79 1/2	79 1/2	1945	James Wright (Jan July)	1.30	6	50	41	39
1940	Bengal (June Dec.)	10.00	5 1/2	100	90	97	1937	Jardine Henderson Ltd.	50.00	5 1/2	100	61 1/2	79 1/2
1919	Birla (June Dec.)	23.64	7 1/2	100	111	124	1946	Jessop & Co.	10.00	5	100	101	105 1/2
1896	Budze Budze (May Nov.)	9.00	7	100	78	90	1946	Jupiter General Insurance (Sept.)	4.99	6 1/2	10	...	...
1934	Calcutta (Jan July)	10.00	6 1/2	100	109	118	1916	Kumardhubi Engineering (June)	12.00	5	100	101	109
1919	Caledonian (June Dec.)	10.00	7	100	111	111	1915	Do Fireclay & Silica (June)	2.00	7	100	116	116
1919	Cheviot (June Dec.)	10.00	7	100	108	116	1946	Martin Burn Ltd.	30.00	5	100	101	106
1928	Chitavalah (Mar Dec.)	5.00	7	100	88 1/2	91 1/2	1936	McLeod & Co.	10.00	5 1/2	100	69	73
1900	Clive (First) (May Dec.)	8.00	6	100	88 1/2	91 1/2	1930	McLeod & Co.	40.00	5	100	75	83
1905	Clive "A" (Second) (May Dec.)	8.00	7	100	88 1/2	91 1/2	1936	Mettur Chemical & Industrial (Sept.)	20.00	6	100	96	97
TEA													
1903-12	Dalhousie (July Jan.)	15.00	7	100	97	115 1/2	1936	Metal Box Co of India Ltd.	30.00	6 1/2	100	96	97
1897	Delta (June Dec.)	5.00	5	100	105	94	1936	Midnapore Zemindari (Feb.)	8.75	5	100	92	92
1912	Empire (Jan July)	10.00	7	100	108	124	1938	Mysore Chemical Mfg (Sept.)	2.00	5	100	9 1/2	8 1/2
1890-98	Fort Gloster (Jan July)	14.00	7	100	74 1/2	86	1930	National Insulated Cable	10.00	5 1/2	100	...	...
1948	Fort Gloster (2nd)	7.00	5	100	115	124	1942	National Tobacco (June Dec.)	25.00	5	100	65	80
1911	Fort William (May Nov.)	10.00	7	100	112	124	1944	National Tobacco (Jan Dec.)	20.00	4 1/2	100	48	56
1916	Ganges (June Dec.)	6.00	8	100	86 1/2	105 1/2	1946	Northern India Oil (Jan July)	2.00	6	100	48	56
1895-94	Gouropore (June Dec.)	26.50	6	100	89	107 1/2	1936	Poona Electric Supply Co. Ltd. (June Dec.)	4.00	7	100	103 1/2	103 1/2
1935	Hastings (Aug Feb.)	25.00	6	100	89	107 1/2	1935	Premier Construction "First" (Apr.)	15.00	6 1/2	100	99 1/2	99 1/2
1913	Hoothly (July)	11.00	10	10	13 1/2	14 1/2	1922	Premier Construction "Second" (Apr.)	6.00	10	10	16 1/2	16
1890	Howrah (Jan July)	8.75	7	100	107	123	1936	Purtapore (Sugar) (Oct.)	6.00	6	100	105 1/2	105 1/2
1903-96	Howrah "A" (Jan July)	17.50	7	100	102	117	1933-36	Rammugher Cane & Sugar (Aug.)	6.00	6	100	105 1/2	105 1/2
1919	Hukmchand (June Dec.)	40.00	7	100	91	114 1/2	1936	Rohtas Industries (Apr.)	20.00	7	100	127	133 1/2
1893-94	Kamarkhaty (Apr Oct.)	10.00	6	100	87 1/2	106	1944-46	Rohtas Industries "B" (Apr.)	86.00	4 1/2	100	65 1/2	67 1/2
1900	Kankannarab (Apr Oct.)	2.00	6	100	95	95	1937	Shaw Wallace & Co. Ltd.	75.00	6 1/2	100	70 1/2	86
1907	Kedarnath (Jan July)	7.00	7	100	108	121	1937	Shree Gopal Paper	7.50	6	100	119 1/2	126 1/2
1895-99	Kelvin (Mar Sept.)	9.00	6	100	91 1/2	106	1936-38	Shree Krishna Gyanodaya Sugar "A" (Oct.)	12.00	5	100	100	102
1900-13	Kinnison (Jan July)	15.00	7	100	100	118	1906	Shree Krishna Gyanodaya Sugar "B"	7.50	6	100	100	102
1910	Landsdowne (July Jan.)	15.00	7	100	103	117	1936	Smith Stanistreet (Chemists) (Nov.)	5.00	10	50	64	66 1/2
1912	Lawrence "A" (July Jan.)	10.00	7	100	76	113	1936	South Behar Sugar (Oct.)	5.00	7	100	161 1/2	161 1/2
1906-07	Lawrence "B" (July Jan.)	7.50	5 1/2	100	110	124	1936	Spencer & Co "A" (Provisions) (Jan July)	23.20	8 1/2	100	91 1/2	11
1945	Naihati (July Jan.)	10.00	7	100	73	79 1/2	1923	Spencer & Co "B" (Provisions) (Jan July)	36.80	8 1/2	100	82	82
1917	Naihati (July Jan.)	10.00	4 1/2	100	112	126	1937	Star Paper (Apr Oct.)	10.00	5	100	131	131
1939	National (May Nov.)	5.00	7	100	97 1/2	104	1937	Surat Electricity (Apr.)	5.00	6 1/2	100	131	131
1915	Nellimarla (Apr Oct.)	5.00	6	100	105 1/2	114	1925	Tata Chemicals (Nov.)	60.00	5	100	117 1/2	117 1/2
1908-09	Northbrook (July Jan.)	15.00	5 1/2	100	79 1/2	93	1939	Tata Hydro Electric Power (Sept Mar.)	89.28	7	100	121 1/2	121 1/2
1935	Rameshwara (Jan July)	7.00	5 1/2	10	86	111	1910	Tata Iron & Steel (First) (Nov.)	75.00	6 1/2	100	160	168 1/2
1906-12	Reliance (Jan July)	20.00	6	100	86	112	1945	Tata Iron & Steel (Second) (May)	6.93.82	7 1/2	100	116 1/2	116 1/2
1901	Sammugger (Feb Aug.)	£150	7	100	104	108	1906	Tata Power (May Nov.)	86.97	7 1/2	100	127 1/2	127 1/2
1920	Shree Ambica (Mar Sept.)	11.70	8 1/2	100	95	103	1919	Teapore-Balipara Tram (1) (June Dec.)	2.25	7 1/2	100	140	150 1/2
1920	Soorab (Feb Aug.)	10.00	7 1/2	100	104	108	1937	Titagur Paper Mills (Mar Sept.)	11.50	8	100	89	92
1895-97	Standard (July Jan.)	9.00	6	100	101	101							

COAL COMPANIES

O. Po F. and Dd indicate Ordinary Preferred Ordinary Founders' and Deferred shares respectively. P. next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954 1955 1956	Rs.	19-12-56 12-12-56 A year ago
25,50,000	26,43,478	24,50,000	6,60,570	Amalgamated	3-9	236	6,83,393	26,953	3-5 6-7	10	21 21 25
1,00,00,000	1,96,15,288	1,40,49,223	18,85,659	Bengal P	4-10	2	26,18,936	7,31,563	7-1-7 8-1-8	200	443 450 573
4,49,350	3,08,193	70,000	2,24,303	Bengal Bhatdee	6-12	2	15,149	4,951	11-11	10	6 6 6
2,25,000	2,48,198	5,30,654	3,64,478	Bengal Nagpur P	6-12	2	50,568	1,07,984	NII-NII	10	16 16 12
15,97,000	14,68,665	6,91,475	13,32,078	Bhaigorah	9	152	5,13,899	29,978	6-1	10	6 6 6
40,00,000	68,01,474	20,23,235	68,704	Bharat Collieries P	6-12	106	2,52,221	27,433	6-1	10	6 6 6
7,15,000	15,63,291	14,29,045	32,65,421	Bhulanbarree	6-12	315	20,810	1,87,446	NII-NII	10	14 14 14
16,00,000	38,87,275	16,18,636	7,185	Bokarr & Ramgur	5-12	315	1,21,936	79,196	10-10	10	9 12 15
7,50,000	18,56,889	24,29,026	11,60,064	Borree P	6-12	106	2,14,682	84,207	10-10	10	24 24 29
90,92,430	2,38,29,968	1,75,17,502	25,32,133	Burrakur P	6-12	21	11,90,330	1,15,376	2-3-3 3-3-3	10	21 21 16
49,97,000	34,53,430	750	3,65,960	Central India	3	166	2,45,758	9,927	2-3	5	10 6 12
8,00,000	16,67,572	13,30,519	15,752	Central Kurkend P	6-12	323	34,743	82,768	11-11	10	12 12 10
6,00,000	24,00,428	NII	50,309	Central Kurkend P	6-12	106	6,374	2,129	11-11	10	14 14 10
16,00,000	2,239,116	2,313,125	1,140,343	Dharm Main	6-12	19	59,039	1,83,318	NII-NII	10	7 7 7
2,240,000	1,15,25,712	83,35,049	24,17,690	East Indian	6-12	19	8,87,453	82,379	7-7-7 7-7-7	10	26 26 33
29,63,760	6,74,708	2,07,486	3,32,977	Equitable P	3-9	307	12,979	24,844	7-7-7	10	15 15 16
10,00,000	5,06,856	33,155	4,95,544	Ghusick & Musila	6-12	20	2,41,150	2,401	11-11	10	11 11 11
6,50,000	3,17,730	7,25,000	7,92,425	Jordar Kajora	6-12	19	2,70,524	45,985	7-7-10 12-12-12	10	23 23 25
8,00,000	6,31,200	5,66,816	1,407	Kalapanahi	2-8	2	1,38,130	2,21,237	NII-NII	10	20 20 30
15,00,000	31,71,936	24,32,396	25,61,314	Karanpura Development	6-12	21	49,116	17,839	NII-NII	100	17 17 20
5,00,000	24,00,896	1,77,175	26,967	Karanpura Collieries P	2	21	2,26,982	6,965	NII	5	10 11 16
1,38,400	6,75,000	95,000	11,80,294	Katras Herriah	6-12	326	49,776	1,83,475	28-28 25-30	35	10 9 9
5,65,750	10,84,977	85,000	9,591	Khas Kairor P	6-12	326	79,868	79,868	NII	10	21 21 3
7,48,240	3,46,939	2,00,000	10,14,803	Mundulpur	12	347	92,517	31,201	3-5	10	6 6 7
7,00,000	5,13,418	26,617	61,941	Nazira	3-9	5	59,011	6,071	3-7-7 7-7-7	10	10 10 10
17,76,236	31,17,787	20,01,769	3,78,538	New Bansdeopur	4-10	2	2,64,716	94,389	3-3-3 3-3-3	10	16 16 21
7,00,000	11,71,730	1,75,500	10,12,916	New Beernohom P	3-9	202	2,70,524	2,233	NII-NII	10	11 11 23
2,50,000	7,69,622	1,75,500	10,12,916	North Damuda	1-7	306	7,954	32,184	NII-NII	2	23 23 23
1,15,000	4,42,488	2,85,193	1,53,246	North West	3-9	2	51,420	15,950	NII-NII	10	19 19 22
1,57,500	12,19,987	23,26,757	23,26,757	Ondal P	6-12	106	22,197	56,646	5-5	10	15 15 18
7,50,000	1,20,000	10,882	1,35,194	Parasea P	6-12	207	1,08,075	9,018	3-3-3 3-3-3	10	14 14 15
8,34,000	12,00,000	16,00,000	12,21,654	Pencr Valley	3-9	236	4,18,450	33,343	8-7-7 7-7-7	10	14 14 15
15,75,000	2,62,405	7,300	11,331	Pure Sitalpur	6-12	5	2,008	18,881	2-2-2 2-2-2	10	6 6 6
2,50,000	3,75,038	19,17,105	39,198	Raneegunge	3-9	7	1,83,814	16,846	2-2-2 2-2-2	10	10 10 10
23,99,500	7,98,001	9,28,385	14,29,642	Rewa	6-12	236	4,96,775	26,029	7-6-6 8-12-12	10	23 23 22
13,50,000	23,74,261	7,52,027	1,01,427	Samia	12	48	1,80,660	31,543	7-7	10	14 14 15
20,00,000	1,34,374	1,34,374	1,34,374	Seepore P	6-12	2	2,42,112	49,299	14-12-14-12-14-12	15	2 2 3
2,50,000	10,92,193	8,36,598	7,87,726	Seepore P	6-12	2	2,42,112	49,299	14-12-14-12-14-12	15	2 2 3
8,00,000	2,82,824	5,29,306	6,32,757	Sendra	6-12	106	4,098	7,303	NII-NII	10	9 9 11
17,50,000	22,81,985	10,75,016	63,654	South Karanpura	2-8	21	59,079	51,533	12-12-12 12-12-12	10	10 10 13
8,00,000	1,43,000	13,69,395	21,89,890	Standard	6-12	106	47,444	17,347	7-7-7 5-5	10	23 23 23
10,00,000	15,58,085	15,075	3,913	Talcher	9	277	22,688	3,85,056	NII	2	2 2 3
3,50,000	4,62,000	50,000	12,896	Union	6-12	278	4,09,468	9,659	3-2 2-1-NII	10	14 14 10
49,98,000	33,66,550	50,000	2,17,164	Western Bengal	6-12	19	2,72,772	1,46,650	NII-NII	5	10 11 11
7,00,000	32,65,173	21,569	61,480	West Jamuria	6-12	19	2,72,772	1,46,650	NII-NII	5	10 11 11

N = Nominal

COTTON MILLS

Paid-up Capital Ordinary	Number of Spindles	Number of Looms	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until
Rs.			Rs.	Rs.	Rs.				Rs.	Rs.	1954 1955 1956	Rs.	19-12-56 12-12-56 A year ago
15,00,000	14,108	356	14,82,919	17,34,776	11,90,008	Basanti P	12	49	1,97,268	41,227	2-3	10	6 6 6
32,72,340	22,197	505	27,69,676	23,18,909	24,531	Benares P	3-9	120	1,21,187	4,79,347	..	10	11 11 11
7,11,280	36,000	932	17,17,120	2,20,369	30,842	Bengal Luxmi	3	27	3,66,176	47,818	..	40	40 40 38
27,00,000	31,476	624	23,33,000	15,50,000	3,84,224	Bengal Nagpur P	6-12	236	5,23,389	18,199	2-1-NII	10	9 9 11
15,00,000	38,764	992	31,35,500	1,09,84,251	21,32,642	Birsa Cotton	1	22	5,28,332	4,25,221	30	30	30 95
8,00,000	42,872	641	37,54,142	22,72,588	1,44,948	Bowren P	6-12	138	84,028	23,47,373	NII-NII	100	8 139 385
30,00,000	22,000	510	8,43,453	29,51,420	1,00,393	Cawnpore Textiles	3	25	6,73,253	36,767	11	10	139 8 10
3,27,02,900	1,01,808	2,762	9,94,633,168	2,74,48,393	2,94,83,803	Delhi Cloth & Genl. P	6	234	1,81,41,278	82,759	9	9	25 38 40
19,07,000	42,944	518	34,12,181	25,71,925	1,53,894	Dunbar	6-12	138	9,92,376	1,37,951	NII-NII	100	210 205 320
63,00,000	54,000	1,200	22,44,751	68,33,360	43,06,583	Elgin P	9	25	32,80,464	93,386	15	10	27 27 28
1,20,00,000	59,250	1,872	2,38,99,575	1,60,33,932	47,29,268	Kesoram P	3	25	37,41,719	2,45,435	11	83	20 15 18
5,00,000	33,96,288	35,864	664	17,48,143	9,75,679	Mohini P	12	45	9,53,316	4,158	..	10	25 25 25
30,00,000	88,000	1,825	47,44,546	52,19,601	32,65,055	Muir P	12	208	18,77,941	7,77,290	..	100	85 85 118
22,89,824	78,848	1,367	43,25,577	26,00,968	1,45,701	New Victoria P	12	237	18,83,371	13,76,473	NII	100	17 17 11
19,47,750	23,196	795	22,57,946	18,38,739	2,02,179	Rampooria Cotton	6	4	6,16,936	1,094	..	10	15 15 12
5,00,000	1,14,836	2,077	2,83,77,688	2,65,04,931	32,30,412	Swadeshi (Cawnpore) P	12	333	43,71,838	7,09,029	9 11	100	12 12 11
1,57,50,000	..	..	..	..	..	..	..	..	..	..	..	..	..
40,50,000	48,754	1,310	91,31,708	1,89,73,217	43,89,979	Bangalore W C Silk P	12	26	56,34,938	2,38,649	25	30	54 55 58
1,78,47,800	1,20,012	2,770	3,20,71,600	1,87,39,278	23,80,514	Buknacham Carnatic P	12	26	1,01,86,075	2,38,445	10	10	181 186 180
20,00,000	28,000	..	18,03,003	20,32,074	11,26,239	Cambodia P	12	210	1,98,274	27,593	7-7	10	14 14 13
12,00,000	23,864	..	5,41,058	9,00,000	36,53,502	Coimbatore Cotton	12	182	5,54,750	61,404	..	100	384 37 91
20,76,900	72,832	407	47,91,212	7,98,581	22,227	Coimbatore Spg & Wvg	6	46	7,52,342	10,23,340	NII	50	35 35 290
6,50,000	50,640	295	12,25,505	17,80,000	58,77,434	Kaleeswarar	12	139	2,05,780	7,677	..	100	335 335 290
24,00,000	30,512	200	52,38,868	16,25,000	7,43,757	Kothari Textile P	6	141	3,25,924	29,382	5	10	16 16 18
23,64,000	48,756	..	15,01,051	21,70,200	78,350	Lakshmi	12	186	31,48,248	2,209	..	50	256 259 185
1,75,02,480	4,65,324	..	2,15,02,107	11,81,878	31,04,681	Madura	12	108	17,88,508	18,86,813	20	20	15 46 48
12,00,000	21,856	..	8,43,189	5,85,363	10,32,898	Malabar Spg & Wvg	12	240	80,193	84,339	..	200	113 113 111
60,00,000	34,252	603	20,49,893	69,00,000	11,91,755	Mettur Industries	3	29	48,44,863	45,835	22	35	42 43 400
13,61,780	..	..	14,15,992	9,90,279	1,34,663	Mysore Spun Silk	3	142	1,753	2,686	NII	10	7 7 7
4,00,000	20,137	NII	3,36,608	1,00,000	54,24,908	Palani Andavar P	12	30	7,39,437	3,987	..	50	172 172 170
7,79,700	15,540	416	3,42,118	2,65,911	2,65,911	Sitaram Spg & Wvg	3	164	87,724	3,083	..	80	335 340 266
7,00,000	28,104	270	12,98,565	18,23,501	11,71,924	Vasanta P	12	47	16,37,459	..	..	100	335 340 266

BOMBAY COTTON MILLS

O. Po. C. and Dd. indicate Ordinary Preferred Ordinary Contributory and Deferred Shares respectively. P. next to the name of the company indicates that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Number of Spindles	Number of Looms	Net Block Account	Reserve & other Funds	Cash & Securities	NAMES OF MILLS	Accounts closed	Managing Agents	Net Profit
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MISCELLANEOUS COMPANIES—Contd.

O, Po, C and Dd indicate Ordinary Preferred Ordinary Contributory and Deferred Shares respectively. P. next to the name of the company indicates that the company also has Preference Shares. Figures in 'accounts closed' column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Manufacture & Revenue	Net Profit including taxation	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until
Rs.	Rs.	Rs.	Rs.			Rs.	Rs.		1954 1955 1956	Rs.	19-12-56 12-12-56 A year ago
				SUGAR BREWERIES ETC.							
11.00.000	6,45,722	3,75,000	10,90,554	New Savan Sugar and Gur	3	140	95,437	52,205	..	10	61 61 61
9,00,000	7,28,559	17,64,369	38,734	Purattapur Sugar P.	10	125	5,08,340	6,871	7 1/2	10	161 161 171
16,59,820	26,52,127	35,00,000	4,84,359	Ramnugger Cane & Sugar P.	10	1	18,11,564	20,350	15	20	24 1/2 24 1/2 24 1/2
19,99,600	25,82,553	39,88,218	13,92,915	Raza Sugar	10	92	10,78,193	3,144	..	10	..
8,00,000	4,42,169	6,54,782	1,85,115	Ryam Sugar P.	6	25	1,43,798	24,340	5	..	20 1/2 20 1/2 20 1/2
11,99,000	15,94,631	18,37,529	98,312	Samastipur Central Sugar	6	25	79,022	8,477	5	Nil	13 1/2 13 1/2 14 1/2
20,00,000	72,62,286	36,66,708	1,63,444	Shree Krishna Gyanodaya Sugar P.	7	335	12,99,571	34,046	15	17 1/2	10 1/2 10 1/2 13 1/2
7,94,500	13,54,858	11,65,177	11,16,368	Shree Sitaram Sugar	6	140	1,90,057	1,991	..	10	13 1/2 13 1/2 14 1/2
9,99,950	14,54,274	1,54,304	1,42,696	Sitalpore Sugar	6	94	1,39,515	1,39,515	Nil	..	4 1/2 4 1/2 4 1/2
16,00,000	6,07,894	7,99,778	4,22,572	United Provinces	3	341	4,23,880	39,061	12 1/2	..	15 1/2 15 1/2 23 1/2
8,00,000	39,92,308	1,57,557	3,60,236	Upper Ganges Sugar P.	3	227	10,24,525	82,931	25	25	94 1/2 94 1/2 94 1/2
14,00,000A	14,24,740	23,74,426	10,72,924	Upper India Sugar	4	302	16,80,986	86,393	15	20	280 280 127
				MISCELLANEOUS							
8,00,000	2,20,232	1,56,200	9,53,526	A Firpo (Restaurants)	10	85	84,518	4,475	..	10	4 1/2 4 1/2 7 1/2
1,50,00,000	1,40,00,000	5,21,715	51,361	Air India Ltd.	12	269	6,02,785	14,30,401	..	100	..
2,00,00,000	2,58,39,656	68,01,534	50,022	Air India International Ltd.	12	322	10,51,340	30,205	..	100	..
47,50,000	1,31,03,534	15,00,000	5,97,941	Aluminium Corp. P.	3	132	12,82,024	32,582	Nil	100	10 1/2 11 1/2 8 1/2
2,50,000D	42,38,502	14,50,000	54,97,530	Anderson Wright Ltd. P.	12	1	89,042	18,284	7 1/2	10	11 1/2 11 1/2 11 1/2
30,00,000	10,11,675	37,63,719	14,41,314	Angelo Bros.	3	269	11,84,151	8,43,983	12 1/2	Nil	20 1/2 20 1/2 20 1/2
30,00,000	17,54,434	27,66,265	3,76,634	Assam Match	12	274	8,35,902	1,18,395	12 1/2	12 1/2	19 1/2 19 1/2 19 1/2
11,39,998	21,25,654	28,30,285	64,182	Assam Saw Mills & Timber	3	21	97,043	5,14,537	Nil	Nil	3 1/2 3 1/2 5 1/2
20,00,000	61,61,597	23,00,000	61,64,691	Associated Mills of India P.	3	204	8,82,993	32,683	2	4	10 1/2 10 1/2 6 1/2
80,01,400	33,50,000	1,09,53,000	1,12,08,422	Balmer Lawrie & Co.	12	304	32,12,152	5,03,129	13	12 1/2	15 1/2 15 1/2 21 1/2
12,00,000	2,65,000	8,24,890	1,80,024	Bararee Coke	3-9	128	2,16,123	22,708	7 1/2-7	7 1/2-7	19 1/2 19 1/2 22 1/2
6,00,000	76,414	Nil	30,72,417	Benares Timber Trading P.	6	128	6,43,164	1,19,103	..	100	4 1/2 4 1/2 4 1/2
50,00,000	19,53,822	Nil	19,59,359	Bharat Airways Ltd.	12	51	3,19,589	3,19,229	..	10	5 1/2 5 1/2 4 1/2
20,00,000	7,95,432	1,95,432	62,81,006	Birds Investments P.	1	160	3,89,372	1,15,707	12 1/2	12 1/2	17 1/2 17 1/2 19 1/2
45,97,020	76,85,085	31,11,814	2,09,476	Britannia Biscuit P.	3	50	8,14,261	1,79,277	10	10	14 1/2 14 1/2 15 1/2
1,00,000	13,98,796	43,18,775	3,38,973	British Ceylon Corporation P.	12	6	27,75,295	1,85,955	..	7 1/2	8 1/2 8 1/2 11 1/2
3,25,000	59,89,738	10,68,524	2,50,33,650	British India Corporation P.	12	33	30,23,938	27,36,584	1 1/2	Nil	8 1/2 9 1/2 13 1/2
32,50,000A	2,16,659	3,24,161	6,46,589	Calcutta Gas Co. (Propr.) Ltd. P.	9	235	60,996	1,550	5	6	10A 7 1/2 7 1/2 8 1/2
32,50,000B	5,92,780	2,40,684	1,02,576	Calcutta Silk Manufacturing P.	3-9	213	45,711	22,586	..	Nil	..
90,00,000	17,81,146	80,09,268	2,06,11,689	Duncan Brothers & Co. Ltd.	12	169	43,51,864	4,97,914	12	11	121 1/2 121 1/2 133
1,60,00,000	2,94,69,046	3,14,86,174	4,04,79,333	Dunlop Rubber Co. (India) P.	12	96	96,72,154	1,17,685	15	15	25 1/2 25 1/2 35
51,26,000	54,12,212	1,48,29,523	1,48,29,523	Eastern Investments Ltd. P.	12	21	12,83,240	3,06,138	9	9	129 1/2 145 170
75,00,000	13,79,357	4,33,826	1,02,21,271	F & C Oster (India) Ltd. P.	3	84	4,26,249	5,26,954	..	..	8 1/2 9 1/2 16 1/2
30,00,000	12,88,300	21,97,641	86,55,369	French Motor Car	3	51	8,97,594	1,26,787	12 1/2	12 1/2	20 1/2 20 1/2 20 1/2
14,00,000	10,02,000	11,384	11,384	Ganges Rope	3-9	19	89,571	27,194	7 1/2-7 1/2	7 1/2-7 1/2	186 186 196
2,25,000	55,893	5,26,762	General Investments Trust P.	2-8	21	26,644	8,637	2 1/2-3 1/2	3 1/2-3 1/2	75 43 43	
65,00,000	34,18,813	42,00,000	1,09,15,528	Gillanders Arbuthnot & Co. Ltd. P.	3	105	29,71,809	1,51,360	7 1/2	14	13 1/2 13 1/2 17 1/2
20,00,000	27,68,449	5,00,324	12,84,357	Gladstone Lyall & Co. Ltd. P.	12	209	7,02,792	34,255	..	10	10 1/2 10 1/2 10 1/2
40,00,000	31,71,333	7,81,000	98,384	Godfrey Phillips (India) Ltd. P.	12	310	19,01,201	11,96,811	10	20	25 1/2 25 1/2 20 1/2
30,00,000	32,90,010	17,22,033	6,22,424	Great Eastern Hotel	3	225	5,30,579	16,373	..	250	250 250 240
10,00,000	17,38,764	1,61,173	9,221	Hindusthan Ice & Cold Storage	9	..	43,377	24,274	..	5	1 1/2 1 1/2 1 1/2
35,20,000	30,42,899	20,00,000	19,09,958	Hoare Miller & Co. Ltd.	12	294	2,05,330	1,33,076	Nil	Nil	7 1/2 7 1/2 7 1/2
15,16,000	7,42,66,399	1,88,86,788	5,50,32,187	Imperial Tobacco	3	325	3,66,59,515	24,94,274	6	8	13 1/2 14 1/2 14 1/2
1,60,00,000	2,47,97,583	53,33,999	10,13,114	Indian Aluminium Co. Ltd. P.	12	293	26,79,662	14,08,074	Nil	9	15 1/2 15 1/2 15 1/2
1,52,89,226	1,21,87,878	1,37,00,000	11,88,406	Indian Cable P.	3	34	1,21,59,493	32,04,214	10	12 1/2	28 1/2 29 1/2 34 1/2
1,50,00,000	22,07,260	2,21,280	11,69,467	Indian National Airways	12	93	36,302	12,62,971	..	100	8 1/2 8 1/2 6 1/2
8,27,970	7,44,398	5,38,000	17,67,876	Indian Rubber Manufacturers P.	3	173	1,79,618	32,616	5	5	19 1/2 19 1/2 13 1/2
20,00,000	4,64,735	18,15,467	10,03,705	Indian Wood Products	9	88	17,28,038	2,76,619	27 1/2	30	44 1/2 45 1/2 45 1/2
5,00,000	2,55,728	12,78,254	Investments and Finance P.	2-8	21	27,880	51,001	2 1/2-2 1/2	3 1/2-2 1/2	65 65 65	
2,40,000	15,362	4,46,244	3,20,757	Ivan Jones Ltd.	9	194	1,39,321	36,496	..	2	3 1/2 3 1/2 3 1/2
5,87,500D	2,16,659	3,24,161	64,65,89	Jenais Wright P.	12	281	60,996	1,550	5	5	50 4 1/2 4 1/2 4 1/2
1,17,500Dd	51,37,813	57,00,000	4,02,27,618	Jardine Henderson Ltd. P.	3	39	31,24,445	5,11,852	7 1/2	7 1/2	100 85 90 1/2 112 1/2
2,00,00,000	3,17,363	6,02,958	3,21,617	Macfarlane & Co.	3	133	14,078	4,849	..	100	50 3 1/2 3 1/2
1,60,00,000	88,50,000	63,33,428	2,57,13,417	Macneill & Barry Ltd. P.	3	334	52,06,340	6,31,124	7 1/2	7 1/2	100 11 1/2 11 1/2
1,37,53,000	36,41,510	54,56,063	1,85,74,341	Martin Burn Ltd. P.	9	309	71,18,708	2,03,456	13 1/2	18 1/2	23 1/2 24 1/2 29 1/2
40,00,000D	37,46,252	80,86,900	2,72,14,736	McLeod & Co. P.	12	282	31,91,900	2,57,234	17	22 1/2	240 240 240
1,15,00,000	1,10,37,201	69,74,249	7,33,389	Metal Box Co. of India Ltd. P.	3	167	62,82,608	16,24,249	10	12 1/2	27 1/2 27 1/2 26 1/2
40,00,000	22,27,953	74,50,000	7,78,529	National Insulated Cable P.	3	7	58,72,160	1,44,443	10	15	23 1/2 26 1/2 22 1/2
40,00,000	72,01,992	15,00,000	33,035	National Rolling & Steel Ropes	6	7	3,79,123	75,726	5 1/2	5 1/2	10 1/2 10 1/2 11 1/2
79,97,000	61,97,295	78,53,576	23,37,205	National Tobacco P.	12	79	12,06,160	9,03,430	5	..	10 1/2 11 1/2 11 1/2
23,32,100	5,11,187	1,11,187	29,55,297	New India Investment Corpn.	12	35	1,38,595	1,72,173	..	75	49 1/2 75 65
50,00,000	1,51,265	36,49,639	75,67,949	Octavius Steel & Co. Ltd.	12	321	17,51,273	99,524	7 1/2	..	100 12 1/2 12 1/2 12 1/2
1,86,300	23,658	2,16,430	2,89,435	Publicity Society of India	1	1	1,47,248	27,415	25	25	12 1/2 12 1/2 12 1/2
2,25,00,000	1,13,34,982	6,41,684	23,45,331	Rallis India Ltd. P.	1	332	22,02,273	63,99,179	Nil	Nil	39 1/2 39 1/2 37 1/2
7,72,44,000	4,08,39,719	1,57,70,208	22,22,147	Rohas Industries P.	10	335	23,77,353	4,91,624	15 1/2	15 1/2	18 1/2 19 1/2 23 1/2
1,45,00,000	51,59,869	54,00,000	1,58,00,403	Shaw Wallace & Co. Ltd. P.	12	218	23,27,577	3,65,280	12 1/2	10	11 1/2 13 1/2 16 1/2
1,00,000	45,479	94,865	73,529	Spence's Hotel	6	111	35,475	64,659	..	2	1 1/2 1 1/2 2 1/2
2,10,200PO	4,25,514	16,00,000	3,47,022	Walford Transport	12	195	1,17,625	1,34,493	12 1/2	12 1/2	10 1/2 11 1/2 2 1/2
8,40,800O											
				INSURANCE COMPANIES							
28,90,200O	4,10,330	16,68,332	57,38,236	Bharat Fire & Genl. Ins. Ltd. P.	12	303	2,05,348	93,523	..	1000	..
2,50,000Dd											
13,50,000	2,85,389	43,14,506	66,78,875	Concord of India	12	174	5,00,920	1,32,339	35	20	11 1/2 11 1/2 14 1/2
10,00,000	27,709	11,15,446	24,97,524	Great Pyramid	12	296	1,29,230	36,611	6 1/2	..	24 1/2 24 1/2 30 1/2
24,00,000	53,493	58,58,611	1,06,51,698	Hercules	12	148	11,73,210	3,42,910	20	20	28 1/2 28 1/2 30 1/2
7,17,375	14,85,073	26,76,18,052	22,26,32,150	Hindusthan Co-operative	12	11	1,98,539	1,83,376	12 1/2	..	25 1/2 4 1/2 4 1/2
20,00,000	5,68,807	17,75,868	3,25,24,266	New Asiatic	12	329	3,50,916	7,677	7 1/2	..	4 1/2 4 1/2 5 1/2
32,00,000	5,07,344	3,33,43,102	3,04,30,297	Ruby General	12	39	3,35,337	30,348	6 1/2	..	6 1/2 6 1/2 8 1/2
8,00,000	21,62,072	27,92,806	Standard General Assurance	12	27	51,898	12,241	..	10	5 1/2	5 1/2 5

BOMBAY MISCELLANEOUS COMPANIES

O P o F D d G and R indicate Ordinary Preferred Ordinary Founders Deferred Guarantee and Rebate Shares respectively P next to the names of the company indicates that the company also has Preference Shares Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Stock Account	Reserve & other Funds	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent	Paid-up per share	Latest Market Quotations as available until
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954 1955 1956	Rs.	10-12-56 11-12-56 12-12-56
CEMENT											
12,67,59,333	16,16,27,689	4,15,51,096	1,99,26,918	Associated Cement	7	33	1,71,77,960	5,62,770	8 10 ..	100	154 156 229
ELECTRIC LTD POWER											
6,99,95,600	11,08,94,307	69,91,218	20,82,140	Ahmedabad Electricity	9	146	45,75,580	188	5 5 ..	100	94 92 107
2,92,83,500	1,18,62,358	52,34,507	65,30,999	Andhra Valley Power Supply F	6	267	16,19,171	25,735	7 7 ..	1,000	1208 1,211 1,332
1,74,99,700	1,14,85,127	39,32,48	5,79,834	Bombay Suburban Elec Sup	3	146	19,21,737	45	7 7 ..	100	108 111 121
38,38,200	17,49,053	4,75,323	14,87,557	Poona Electric Supply F	12	229	1,86,015	..	.. ..	100	146 146 146
2,34,45,222	1,37,85,256	53,82,045	38,39,877	Lata Hydro Elec Power sup F	6	267	17,75,587	21,171	7 7 ..	100	125 125 141
5,02,78,750	1,98,37,405	1,41,56,578	1,29,22,349	Lata Power P	6	267	77,32,961	27,952	7 7 ..	1,000	1240 1,257 1,425
ENGINEERING & METAL											
33,42,200	17,06,292	44,16,374	1,54,98,311	Alcock Ashdown	12	268	8,79,666	1,35,820	.. ..	100	207 296 380
5,00,000	29,341	4,43,904	59,338	East Engineering	3	115	62,291	..	.. ..	50	96 96 96
40,00,000	11,26,513	16,00,000	9,74,564	Larner & Poubre P	3	351	14,80,736	28,740	10 10 10	10	19 19 131
40,95,100	91,25,753	2,02,500	49,333	Machinery Mfgs Corp Ltd F	3	330	2,02,006	64,676	.. ..	100	96 96 96
1,10,00,000	15,00,978	16,66,194	7,06,240	McKenzie	7	283	1,49,085	64,938	.. ..	300	191 196 208
2,50,000	5,834	1,00,53,052	1,79,52,042	Premier Construction P	12	284	3,35,178	39,102	25 5/6 28 1/3	..	31 162 171
1,31,250	4,80,59,980	26,78,952	44,49,499	Lata Locomotive & Eng P.	3	89	3,303	50,350	.. ..	100	162 171 156
9,63,75,000	32,44,07,755	16,63,05,536	12,34,83,510	Lata Iron & Steel P.	3	269	9,26,44,872	4,04,945	14 14 14	750	176 180 261
INSURANCE COMPANIES											
20,00,000	..	23,84,913	95,96,333	British India General	12	297	4,24,629	1,18,806	.. ..	10	133 133 133
5,15,000	..	11,04,487	1,95,48,481	Empire of India Life	12	253	..	..	.. ..	100	675 675 675
8,46,120	..	16,33,999	16,33,999	Indian Mercantile	12	75	..	1,13,109	.. ..	20	45 45 45
18,74,940	25,01,134	2,88,61,155	4,61,49,442	Jupiter General P.	12	55	38,351	6,83,316	.. ..	15	91 91 91
1,06,81,590	..	1,68,81,793	17,25,18,452	New India	12	179	13,58,653	71,250	16 2/3 ..	..	43 43 43
8,00,000	..	57,83,440	53,48,58,497	Prudential Life	12	298	..	..	.. ..	200	3,660 4,800
15,99,270	..	29,41,866	59,86,789	Vulcan	12	255	5,05,902	2,81,242	10 ..	10	153 153 153
MISCELLANEOUS											
90,79,065	31,95,468	3,97,409	12,61,996	Air Service of India	6	336	-15,61,405	-37,22,790	.. ..	15	.. ..
47,97,250	21,34,989	35,75,182	78,39,334	Belapur Sugar	9	42	13,89,000	61,389	.. ..	50	242 251 366
50,00,000	2,20,64,302	4,12,86,758	2,67,27,639	Bombay Burmah Trading	5	285	47,93,172	61,990	16 21 ..	125	653 672 626
42,00,000	1,21,04,053	31,74,431	31,14,900	Bombay Steam Navigation P.	6	256	4,54,215	30,135	.. ..	50	242 241 222
99,39,250	3,385	19,47,386	1,28,40,992	Industrial Investment Trust	12	299	5,81,909	3,83,136	4 4 ..	100	72 72 72
11,99,900	13,82,957	7,34,142	14,05,223	Kem (Chemists)	3	97	68,232	16,942	6 ..	200	215 215 215
1,57,71,400	3,74,35,779	1,81,13,445	2,39,042	National Ravor Corp	12	352	53,19,604	3,72,076	10 ..	100	213 213 213
9,39,98,069	18,36,63,413	12,46,31,677	1,10,16,857	Scindia Steam Navigation	6	199	32,72,558	22,72,558	2 2 ..	20	183 183 183
1,00,000	..	37,45,055	37,45,000	Shivrajpur Synd (Manganese)	11	146	35,49,050	21,861	80 ..	90	91 113
1,39,95,900	2,35,99,547	13,22,272	4,37,901	Tata Chemicals P	6	269	16,84,489	34,425	.. ..	10	163 171 183
70,07,475	75,25,791	34,38,586	22,83,813	Tata Oil P	3	369	3,00,461	11,453	9 8 12	25	44 46 52
2,75,00,000	1,46,45,903	2,43,20,936	1,50,49,201	Western India Match	12	274	74,35,281	5,61,984	11 ..	100	168 171 193

*1956 †Liquid Assets

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Stock Account	Reserve & other Funds	NAMES	Accounts closed	Managing Agents	Net Profit	Carry forward	Dividends per cent	Paid-up per share	Latest Market Quotations as available until
Rs.	Rs.	Rs.				Rs.	Rs.	1954 1955 1956	Rs.	10-12-56 11-12-56 12-12-56
CALCUTTA										
17,24,000	20,62,356	2,00,804	Ahmedpur Kutwa S.S.G.	3	165	-29,367	..	2 1/2 2 1/2 2 1/2	100	60 60 61
21,39,300	33,41,889	6,00,702	Arrah Sasaran D.B.G.	3-9	32	2,57,676	33,735	3-3 3-3 3-3	100	71 71 71
34,00,000	41,30,202	3,11,348	Arrah Damodar River S.S.G.	3	165	46,807	..	2 1/2 2 1/2 2 1/2	100	58 58 59
19,30,000	29,09,643	4,91,171	Sarasat Basirhat D.B.G.	3-9	331	18,844	1,18,863	.. ..	100	10 10 19
17,80,000	21,78,786	2,20,877	Burdwan Cutwa S.S.G.	3	165	78,839	..	2 1/2 2 1/2 2 1/2	100	39 39 60
31,00,000	35,46,011	..	Chaparmukh Silghar S.S.G.	3-9	32	62,334	10,849	1-2-12 1-11 1-11	100	52 52 56
4,75,000	3,20,040	4,75,309	Herra Chhatrakopeway	3	99	1,771	9,917	1-1-11 1-1-11 1-1-11	100	74 74 74
2,47,650	2,75,015	65,326	Darjeeling Ropeway	3	101	18,997	4,549	1-1-11 1-1-11 1-1-11	100	74 74 74
22,50,000	62,20,813	13,32,600	Juni Bazar	3	325	6,12,211	27,911	10-12-11 10-12-11 10-12-11	100	134 131 14
11,49,700	20,10,843	1,62,113	Kutwa Silghar S.S.G.	3-9	32	33,018	5,917	1-1-11 1-1-11 1-1-11	100	63 63 64
18,00,000	50,82,188	17,87,954	Howrah Amta D.B.G. (P)	3-9	32	1,18,351	90,009	3-3 3-3 3-3	100	62 62 74
6,00,000	13,87,138	4,43,410	Howrah Shekhar D.B.G.	3-9	32	28,627	20,122	3-3 3-3 3-3	100	62 62 64
19,50,000	27,95,689	2,47,135	Kalighat Falte S.S.G.	3	165	-1,99,473	..	2 1/2 2 1/2 2 1/2	100	60 60 61
8,91,100	15,16,175	10,351	Katkahal-Lala Bazar S.S.G.	3	165	31,257	..	4 5 ..	100	72 72 74
15,00,000	62,56,929	28,77,041	Shandara Delhi Saharanpur	3-9	32	6,26,073	17,25,546	6-6 6-6 6-6	100	129 129 152
1,75,000	5,41,779	2,04,841	Lepore Balipara Ramway F	3-9	165	-43,574	5,944	.. ..	100	.. ..

Managing Agents Managing Directors and Secretaries with their respective address—(Contd.)

320. F. W. J. Penn—United Breweries Ltd., Bangalore-1.	329. Sri G. D. Bhagat—15, Shib Thakur Lane, Calcutta.	338. M. G. Investment Corp., Ltd.—127, Mahatma Gandhi Road, Fort Bombay.	348. Sahu Jain, Ltd.—11, Clive Row, Calcutta.
321. F. O. Williams—14, Old Court House St., Calcutta.	330. Manindra & Mahindra Ltd.—Gateway Building, Apollo Bunder, Bombay.	340. K. O. Cheryan—Travancore, Subhas Road, Calcutta.	349. Chandmull Batia—7, Canning Street, Calcutta.
322. Messrs. Tata Sons Ltd.—New India Assurance Building, 1, Market Street, Calcutta.	331. N. O. Roy & Sons—Canning St., Calcutta.	341. James Finlay & Co. Ltd.—2, Netaji Subhas Road, Calcutta.	350. K. E. Agarwal—Empire House, Hornby Road, Fort Bombay.
323. Anderson Wright & Co.—7, Wellesley Place, Calcutta.	332. M. Paspatti—21, Ravelin Street, Fort, Bombay.	342. U. N. Chatterjee—2, Rydal Exchange Place, Calcutta.	351. L. & T. (Management) Private Ltd.—J. K. Building, Douglas Road, Ballard Estate, Bombay.
324. Jagan Corporation Private Ltd.—5, Swinhoe, Calcutta-19.	333. Jaipuria Bros. Ltd.—33, Netaji Subhas Road, Calcutta.	343. Eastern Smelting & Refining Co., Ltd.—10, Clive Row, Calcutta.	352. C. G. Mahant—Ewart House, Bruce Street, Fort Bombay.
325. John Rutherford, Glasgow—Virginia House, 17, Chowringhee, Calcutta.	334. S. J. Jain Ltd.—Daimanagar, Calcutta.	344. V. J. Pilani—Victoria Bunder, Colaba, Fort Bombay.	353. N. K. Bhattacharya—14, Netaji Subhas Road, Calcutta.
326. Beriwal Bros.—53, Netaji Subhas Rd., Calcutta.	335. Fulsidas, Kilschander—Scindia House, Douglas Road, Bombay.	345. The National Tea Corporation—130, Cotton Street, Calcutta.	354. L. C. Kanoo—P-8, Mission Row, Extension, Calcutta.
327. Marwari Textiles (Agency) Ltd., Waud, Road, Fort Bombay-1.	336. Beriwal & Co.—63, Netaji Subhas Road, Calcutta.	346. Seshasayee Brothers (Travancore), Ltd.—Elloor Factory, Alwaye.	355. G. G. Robertson—16, Strand Road, Calcutta.
328. John Taylor & Sons (India) Ltd., Mysore, Oorgram, So., India.	337. B. R. Sons, Ltd.—Hornby Road, Fort, Bombay.	347. Associated Commercial Co., Ltd.—161/L, Harrison Road, Calcutta.	356. B. Bajoria—10, Clive Row, Calcutta.

CAPITAL

INDIA'S LEADING FINANCIAL PAPER

DEVOTED TO THE DEVELOPMENT OF INDUSTRY AND COMMERCE

VOLUME CXXXVII

FROM JULY TO DECEMBER, 1956.

INDEX

BOOKS AND PUBLICATIONS

Calcutta Stock Exchange Year-Book, 56.
India: A Financial Times Survey, 357.
India, 1956, 516.
Investors' Encyclopedia, 1955-56, 56.
Law Relating to Service in India, 151.
Planning for an Expanding Economy, 516.
Planting and Commerce Annual Number, 516.
The Essence of Management, 56.
The Investor's India Year-Book, 1956, 56.
The Story of the Integration of the Indian States, 516.

CALCUTTA MARKETS

20, 55, 92, 125, 156, 191, 225, 263, 296, 330, 364, 411, 446, 482, 520, 550, 596, 631, 655, 699, 739, 772, 823, 868.

"CAPITAL" INDEX OF INDIAN INDUSTRIAL ACTIVITY: 120, 261, 480, 698, 850.

"CAPITAL" INDEX OF STOCKS AND SHARES: 52, 155, 404, 592, 686, 823.

CITY CABLE

Automobile Exports, U.K.'s, 588.
Blue Funnel Line, 322.
Cadmium, U.K., Stocks of, 182.
Chancellor of the Exchequer, U.K., Talks with Bankers By, 144.
Cloth Imports, U.K.'s, 690.
Copper, Electrolytic, U.S. Production of, 554.
Copper Output, World's, 588.
Copper Scrap, U.S. Demand for, 554.
Cotton Market, Liverpool, 82.
Foreign Exchange Market, London, 322.
Free Trade Area, West European, 616.
Freight Markets, 512, 588, 616.
Gold Market, Hongkong, 44, 82, 116, 144, 248, 280, 322, 358, 394, 512, 554, 588, 762, 810, 846.
Gold Market, London, 144.
Gold Market, Paris, 690.
Gold Reserves, U.K.'s, 8.
Gray, Mr. F. W., Banking Adviser to Nepal, 322.
Hides and Skins Market, 478, 762.
I.C.I., Price Results of, 182.
Investor's Chronicle Market Newsletter, 8.
44, 82, 116, 478, 514, 588, 616, 659.
Jute Market, Dundee, 322.
Manganese Ore, India's Exports of, 358, 616.
Mercury Market, 144, 182, 810.
Mercury, U.K. Purchase of, 82.
Money Market, Weekly Review of, 8, 44, 82, 116, 144, 182, 213, 248, 280, 322, 358, 394, 438, 478, 512, 554, 588, 616, 659, 690, 730, 762, 810, 846.
Pepper, Imports, Freight Increase in, 588.
Platinum Market, 212, 388.
Rubber, U.S. Imports of, 394, 658, 690.
Rubber Markets, 8, 44, 82, 144, 213, 288, 322, 438, 478, 588, 616, 658, 690, 730, 762, 810.
Rubber Statistics, World's, 394.
Rubber, U.S. Imports of, 394, 658, 690.
Shellac Stockpile, U.K., Disposal of, 82.
Steel from Coal and Ore, 358.
Sterling, U.K., Depreciation of, 8.
Stock Exchange, Weekly Review of, 8, 44, 82, 116, 144, 182, 213, 248, 288, 322, 358, 394, 438, 478, 512, 554, 588, 616, 658, 690, 730, 762, 810, 846.
Sugar Futures Market, London, 846.
Sugar Prices, World's, 182, 690.
Sugar Trade, U.K., Freeing of, 846.
Textile Delegation, U.K., to India, 690.
Textile Industry, U.K., Labour Shortage for, 846.
Textile Trade, U.K.-Pakistan, 44.
Textile Deficit, U.K.'s, 394.
Turner Newall Limited, Results of, 846.

U.S. Federal Reserve Return, 82, 116, 144, 213, 288, 358, 438, 478, 512, 554, 588, 616, 658, 690, 730, 762, 810, 846.
Wall Street, Activity on, 82, 116, 144, 182, 245, 289, 322, 358, 438, 478, 512, 558, 616, 658, 762, 810, 846.
Yarn, British, Price Cut in, 182.

COMMODITY MARKETS

Amber Charkha, Introduction of, 91.
Cotton Acreage, Increase in, 821.
Cotton Fabrics, Tropical, U.K. Firm's, 296.
Cotton Export, 770.
Cotton Output, India, 10.
Fibre Industry, Man-made, U.K.'s, 218.
Flooring Compositions, Magnesium Oxide, 630.
Groundnut, Acreage of, 469.
Kharif Pulses, First Estimate for 1956-57, 697.
Lined Acreage, Increase in, 91.
Lined, Export Duty on, 444.
Middle Class Cost of Living Index, Calcutta, 123, 297, 444, 555, 738, 864.
Middle Class Cost of Living Index, Gauhati, 864.
Non-ferrous Metals, Forward Trading in, 321.
Oilseeds Crushing Industry Enquiry Committee, 652.
Ore, Iron and Manganese, Export of, 152, 189, 364.
Powerlooms, State Governments Install, 152.
Sesamum Acreage, Decline in, 738.
Sugar Industry, Development Plans of, 189.
Sugar Production and Stocks, 10, 261, 444, 821.
Textile Exports, India's, 296.
Textile Industry, Ukraine, 123.
Textile Review, Indian, 738, 864.
Textile Review, British, 91, 251, 409, 587, 865.
Textile Trade Trends, 51, 598.
Trade, Indo-Australian, 697.
Vegetable Oils Export, Official Policy on, 770.
Wholesale Price Index, India's, 1

U.S.A. Economic Recovery in, 647.
Vazir Sultan Tobacco Company, Preference Share Issue, 207.
Volta Ltd., Second Birthday of, 346.
Welfare Expenses, Tea Industry's, 278.
West Bengal, Oil Exploration in, 207.

DITCHER'S DIARY

A.I.C.C., Calcutta Session of, 613.
All-India Peace Congress, Calcutta, 681.
Ambedkar, Dr. B. R., Death of, 797.
Amenities for Workers, 281.
Appley Report, Criticism of, 241, 281.
Assistant Harbour Masters, Calcutta Port, Resignation by, 349.
Associated Chambers of Commerce and Industry, Annual General Meeting of, 797.
Atomic Reactor, India's, 173.
Attlee, Earl, Indian Visit of, 537.
Bandopadhyay, Mr. Manik, Death of, 757.
Bangla Desh, I.J.M.A. produces, 385.
Bank of India, Golden Jubilee of, 841.
B.A.C.'s Third Programme, 501.
British India Steam Navigation Company, 465.
Burma, Border Problems of, 241.
Calcutta, Happenings in, 501.
Calcutta Police, Uniform of, 501.
Calcutta School of Music, Chamber Concerts of, 5, 577.
Capital, Christian Toy Fund, 577, 757.
Capital Sentence, 349.
Career for Women, 349.
Cheshire Homes, 577.
China, Earl, Indian Visit of, 797.
Clay Toys, Krishnagar, 385.
Colliery Disaster Survivors, 537.
Communism, International, 429.
Country Dancing, Indian, of Goa of, 281.
Currie, Sir William, Views on Suez Canal Nationalisation of, 717.
Dalai Lama, Indian Visit of, 717.
Department of Industrial Health, Tata Industries', Annual Report of, 109.
Docket, Sir Bernard, Case of, 173.
Domestic Servants, Trade Union of, 537.
Drouot, Miss Minoo, Poems of, 841.
Dulles, Mr. John Foster, Views on Russian Political changes of, 5.
Durga Pujah in Bengal, 385.
D.V.C. Workers, Hunger Strike by, 241.
Education, Indian System of, 37.
Egypt, Franco-British Intervention in, 613, 649, 681.
Eight Years of D.V.C., 649.
Eisenhower, Mr. Dwight D., Re-Election of, 649.
Elections, Presidential, U.S., 241.
English Association, Jubilee of, 577.
Exhibition, Czechoslovak Machinery, 757.
Films, Indian, Quality of, 37.
Forum of Free Enterprise, 109, 465.
Gandhi, Mahatma, U.N.E.S.C.O. to Publish Book on, 757.
Ghosh, Dasindar, Mr. Hiranya Kanti, Death of, 757.
Golf in Calcutta, 281.
Haldane, Mrs. Helen, 681.
Happenings in Calcutta, 5.
Harrod, Mr. Roy, Views on U.K. Economy, 349.
Hartals in Calcutta, 37.
Helicopters, Ride in, 537.
Hinduism, Nationalism, Mr. Rushbrook Williams' Views on, 313.
Hinduism, History of, 313.
Horror Comics, Ban on, 717.
Hospitals in Calcutta, 73.
Huxley, Mr. Aldous, Novels of, 797.
Ignoble Art, 73.
Invest £100, 5.
Khrushchev, Mr. N., Statement of, 681.
Kissing in Public, Indian Law, Morals and, 429.
Labour Party, British, Policy Statement of, 37.
Labour, Participation in Management By, 501.
London Chamber of Commerce, Seventy-fifth Birthday of, 537.
London-Transatlantic Telephone Link, 465.
Lost for Life, Film on, 577.
Mistake, Nationalism, Christian, 109.
Mookerjee, Dr. H. C., Death of, 717.
Munshi Mr. K. M., Views on Indian Press of, 681.
Music Concerts in Calcutta, 757.
Naidu, Miss Padma, 577.
Nehru, Mr. J., Views on Indian Press of, 429.
Parker, Mr. W. T. C., Death of, 537.
Pelican Book of English Prose, Penguin's, 241.
Pick's World Currency Report, 797.
Ponomareva, Miss Nina, Shop-lifting Charge against, 313.
Power Failure in Calcutta, 841.
Poznan Riots, Significance of, 73.
Press, British, Freedom of, 649.
Press Council Bill, Indian, 841.
Press, U.K., Lord's Regulation Bill against, 73.
Punishment for Hoarding, 141.
Queen Juliana's Private Affairs, 5.
Rock Around the Clock, 429.
Russia, Invention in Hungary, 577.
Sadhus, Indian, Employment of, 385.
Safety First, 241, 282, 314, 393, 433.
Schuman, Robert, Death Centenary of, 173.
Sen, Mr. Mihir, Failure of, 211.
Shastri, Mr. Lal Bahadur, Resignation of, 717.
Smith, Mr. Sidney, Letters of, 465.
States, Indian Union's, Re-organisation of, 613.
Sub-editors, Reporters and, Status of, 717.
Success, Failure and, 211.
Suez Canal Nationalisation, 141, 173, 211, 385.
Suez Canal Pilots, 501.
Tata Iron and Steel Company, Contribution to Political Parties by, 313.
The Cricket Industry, 649.
The Long Walk, 141.
The Offside of Britain, 613.
The Power Elite, 141.
Tilak M., Bai Gangadhar, Birthday of, 109.
Traffic Problems of Calcutta, 73, 281.
U.N.C.I.E.F., Activities of, 211.
Vannamahotava Celebrations, 37.

ENGINEERING AND TRANSPORT

Air Agreement, Indo-British, 739.
Air Defence, U.K.'s, 54.
Air India International, Australia Service Starts, 338.
Air Traffic, World's, Fare Competition in, 819.
Aircraft, British, Display of, 214, 257, 518.
Aircraft, British, Flying Speed of, 328.
Aircraft Exports, U.K.'s, 594, 620.
Aircraft, Future Models of, 622.
Air-India International, Working Results of, 155.
Airliners, Jet, T.W.A.'s Purchase of, 14.
Atomic Energy, U.K., Production of, 366, 478.
Automobile Tyre Imports, India Allows, 125.
Bagasse, Timber Substitute from, 186.
Benson Bolders, U.K. to Produce, 649.
B.O.A.C. Commonwealth Routes of, 863.
B.O.A.C. Financial Results of, 407.
B.O.A.C. U.S. Boeing Purchase By, 505.
Britannia Airliner, Medium-Range, 257.
Britannias, U.S. Airliner buys, 862.
Burnmah-Shell Oil Refinery, Floating Roof Tanks for, 125.
Business Efficiency Exhibition, U.K., 14.
C. A. Parsons Transformers, 739.
Carpenter, E. J., Views on, 186.
Calcutta Port, Development of, 14.
Crawler Tractor, World's Biggest, 649.
Durgapur Steel Works, Machine Tools for, 865.
Electric Cable Reel, Self-winding, 215.
Electric Tools, India to Manufacture, 649.
Electronics Exhibition, U.K., 125.
Fans, Indian, Demand for, 186, 228.
Great, India to Produce, 820.
Hawker Siddeley Planes, New, 648.
Heavy Machinery, India to Manufacture, 186.
Heavy-water Reactor, British, 770.
Indian Airlines Corporation, Operational Result of, 88, 862.
Indian Institute of Science, 820.
Kariba Gorge Tender, 155.
Krishnamachari, Mr. T. T., Views on, 125.
Orders, 649.
London Airport, Customs Check in, 739.
Mining, Automation Prospects of, 407.
Nigeria, Oil Discovery in, 820.
Nuclear Electricity, U.K. uses, 556.
Nuclear Energy, U.K. Production of, 155, 862.
Nuclear Metallurgy, Symposium on, 155.
Oil Production, U.K., 334.
Oil Terminal, Marine, 505.
Pakistan, Oil Prospecting in, 863.
Pan American Airways, Financial Results of, 683.
Peninsular and Oriental Steam Navigation Company, New Ships of, 820.
Planes, British Turbo-prop, Popularity of, 594.
Plan, Second Five Year, Indian, Transport Problems of, 88.
Ports, Indian, Conditions in, 862.
Polyethylene, Low-pressure, 155.
Radio-Telephone Service, India-Ethiopia, 820.
Railway Contract, Indian, U.K. Firm gets, 14.
Railway Wagons, Turn-round of, 328.
Railways, Indian, Electrification of, 328.
Rolling Stock, New Type, 228.
Shipbuilding Industry, U.K., 629.
Steel Industry, U.K., Expansion of, 54.
Steel Output, U.K., 1957, 595.
Steel Processing Factories, 505.
Sugar Mill Machinery, India buys, 14.
T.E.L.C.O., Locomotives of, 470.
T.I.S.C.O., U.S.-Locomotives for, 595.
T.I.S.C.O. Wheel, Tyre and Axle Plant of, 820.
Tractor, British, Indian Manufacture of, 125.
Tube Company, Indian, New, 739.
U.K., Productivity Efficiency in, 518.
Uranium Energy, 124.
Water Filtration Equipment, Domestic, 629.
Water Treatment Technique, Modern, 408.
Worlington Iron and Steel Company, 595.

FINANCE IN INDIA AND ABROAD

Bank of Baroda, 77.
Bank of Mysore, 317.
Bullion Market, Weekly Review of, 9, 39, 77, 143, 177, 213, 243, 283, 317, 354, 393, 434, 467, 505, 541, 583, 617, 652, 683, 725, 761, 804, 841.
Calcutta Money Market, Weekly Review of, 9, 39, 77, 111, 143, 177, 213, 243, 283, 317, 354, 393, 434, 467, 505, 541, 583, 617, 652, 683, 725, 761, 804, 841.
Cash Balance, Central Government's, 804.
Central Bank of India, 77.
Chartered Bank of India, Australia and China, 354.
Clearing House Returns, 8, 40, 78, 112, 144, 178, 213, 243, 282, 317, 354, 393, 433.
Currency Notes, Non-Asoka Pillar Bearing, 583.
Devakaran Nanjee Banking Company, 111, 143.
Economic Trends, Indian, Reserve Bank's Report on, 353.
Estate Duty Taxation, U.K.-Indian Agreement on, Expanding Economy's Credit Needs, 684.
Export Credit, Competition in, 848.
Finance Commission: New Terms of Reference of, 143.
Fiscal and Monetary Policy, India's, 847.
Globe Finance Corporation, 9.
Gold, Revaluation Possibilities of, 849.
Government Loans, New, 39.
Hyderabad State Bank, Merger with the State Bank of India, 505.
Indian Bank Limited, 143.
Indian Overseas Bank, 143.
Industrial Finance Corporation, Loans to Industries by, 467.
Insolvency Acts, Indian, Revision of, 143.

Loans, Government, Interest Payment on, 177.
London Financial Review, 243, 468, 541, 683.
Residential Finance Administration, 213.
Reserve Bank of India, 9, 39, 77, 111, 143, 177, 213, 243, 283, 317, 354, 393, 433, 467, 505, 541, 583, 617, 652, 683, 725, 761, 804, 841.
Sea and Land Customs Revenue, 77, 283, 393, 847.
Scheduled Banks, Indian, 9, 39, 77, 111, 143, 178, 213, 243, 283, 317, 354, 393, 433, 467, 505, 541, 583, 617, 652, 683, 725, 761, 804, 841.
State Bank of India, 9, 39, 77, 111, 143, 177, 213, 243, 283, 317, 354, 393, 433, 467, 505, 541, 583, 617, 652, 683, 725, 761, 804, 841.
State Bank of Pakistan, 8, 40, 78, 112, 144, 178, 213, 244, 282, 316, 354, 392, 433, 466, 504, 540, 584, 618, 651, 682, 726, 761, 805, 849.
Tobacco, Figures, Indian, 243, 317, 433, 467, 541, 761.
Treasury Bills, 9, 111, 143, 177, 213, 243, 317, 354, 393, 434, 467, 505, 541, 583, 617, 652, 683, 725, 761, 801, 847.

INDIA AND ABROAD

BOMBAY

Ambar Charkha, Mr. V. L. Mehta's Defence of, 83.
Association of Electrical Undertakings, Annual General Meeting of, 838.
Bombay Markets, Erratic Course of, 662.
Bombay Port Trust, Annual Report of, 591.
Centralisation, Economic, Mr. M. R. Masani on Dangers of, 222.
Carpenter, E. J., Views on, 186.
Chemicals, Production Rise in, 442.
Cloth Price Rise, Causes of, 362.
Cotton Crop, India's, 1956-57, 478.
Cotton Mills, Profits of, 362.
Cotton, Raw, India Supplies to U.K. Industry, 442.
Country Craft Trade, West Coast's, 362.
Excise Duty, Textile Products on, 442.
Groundnut Prices, Movement of, 769.
Handloom Policy, Government's, Mr. T. T. Krishnamachari States, 292.
Indian Central Cotton Committee, Report on Cotton Cultivation by, 45.
Indian Traders in S. Viet-Nam, 514.
Industrial Relations, Mr. J. N. Cochrane-Barnett's Views on, 838.
Isotopes, Price of, 45.
Japan, Foreign Exchange Budget of, 514.
Mody, Sir Homi, Statement on Wage Claims By, 814.
Money Market, Stringency in, 814.
Pepper Exports, India's, Prospects of, 326.
Rayon Industry, Economic Problems of, 185, 734.
Rubber, Raw, Indian Imports of, 514.
Small-Industries Service Institute, Bombay, 683.
Steel, Stainless, India's Consumption of, 858.
Tata Hydro Electric Power Supply, 476.
Tata Oil Mills Company, Annual General Meeting of, 224.
Tax Proposals, Central, Business Criticism of, 814, 858.
Textile Exports, India's, 551, 768.
Textile Industry, Syrian, 551.
Textile Markets, India's, Activity of, 45.
Wage Problems, India's, Mr. N. H. Tata's Views on, 15.
Vanaspatti Industry, India's, Problems of, 117.
Wool, Indian, Export of, 478.

LONDON

Aircraft, Jet, India to Build, 441.
Balance of Payments, U.K.'s, 46, 84.
Bank Advances, U.K.'s, Rise in, 813.
Bank of England's 1955 Report, 221.
Banks, Investment in Government Securities By, 624.
Bankers' Conference, Commonwealth, 475.
B.O.A.C., Annual Reports and Accounts of, 361.
Bradford Dyes Association Ltd., 16.
British Insurance Association, Annual General Meeting of, 46.
British Motor Corporation Strike, 149.
Brooke Bond and Company, 624, 661.
Bruce, Lord, U.K. Inflation Analyses, 184.
Capital Investment, Industrial, U.K.'s, 46.
China Tea, U.K. Auction of, 251.
Cloth Imports, U.K.'s, 361.
Colombo Plan, U.K.'s Contribution to, 624.
Commodity Price Index, U.K., 733.
Conference, Industrial, U.K.'s, 46.
Consumer Expenditure, U.K., 118.
Cost of Living, U.K., Rise in, 733.
Cotton Imports, U.K., Licensing of, 16, 118.
Credit Restrictions, U.K.'s, 84, 401, 513.
Defence Bonds, U.K., 21 Percent. Conversion of, 16.
Economic Measures, U.K., New, 813.
Economic Trends, U.K., 291, 325, 361, 441, 478.
Economy, U.K., O.E.E.C. Survey on, 550.
Eden, Sir Anthony, Return of, 857.
Employment Statistics, U.K.'s, 550, 660.
Engineering Workers, Wage Claim of, 767.
Exchange Control, U.K., Relaxation of, 550.
Expenditure Economy, U.K. Government's, 500.
Film Industry, U.K.'s, Problems of, 401.
Foreign Exchange Rules, U.K., Relaxation of, 16.
Foreign Trade, U.K.'s, 475, 513, 550.
Free Market, West European, Proposal for, 475, 513, 661, 693.
Freight Rates, Shipping, 475, 660.
Gold Mining Companies, Mysore, Compensation Terms for, 513, 550.
Governor, Bank of England, U.S. Visit of, 707.
Hire-Purchase Debt, Fall in, 291, 733, 857.
I.M.P. Loans, U.K.'s, 857.
Imports, U.K., Dumping Problem of, 693.
India, Mr. Stephen Garvin's Survey on, 149.
Industry, U.K., Capital Plans of, 221, 661.
Inflation, U.K.'s, 16, 560.
Insurance Earnings, Lloyds', 149.

NEW DELHI

Aero-Engine Factory, Project, India's, 44.
Agriculture, Communist China's, 359.
Aircraft, Russian, India to Buy, 183.

Investment, Domestic, U.K.'s, 550.
Investment, U.K., In Commonwealth, 513.
Jute Mills, Dundee, Work Study in, 550.
Lascar Crew, Desertion of, 251.
Liverpool Cotton Association, 84.
Lloyds Bank, New Capital Structure of, 475.
Machine Tool Exports, U.K.'s, 560, 767.
Macmillan, Mr. Harold, Confers with Bankers, 149.
Makins, Sir Roger, New Appointment of, 149.
Middle East Crisis, 624, 660.
Ministry of Labour, U.K., Annual Report of, 149.
Motor Cars, U.K. Production and Exports of, 291.
Non-ferrous Metals, U.K. Government Sales of, 857.
North Ireland, Development of, 733.
Nuclear Power Stations, U.K.'s, 857.
O.E.E.C. Meeting, Paris, 118.
Oilfields, Anglo-Egyptian, 707.
P. & O. Bermuda Subsidiary of, 733.
Pakistan, Cutlery Goods Exports to U.K. of, 64.
Planning, Economic, U.K. in, 185.
Price Stabilisation Policy, U.K. Government's, 184, 251.
Production, Coal and Steel, U.K.'s, 221.
Production Index, U.K., 767.
Production, Industrial, U.K.'s, 184, 475, 624.
Railways, British, Savings on, 590.
Raw Material Stocks, U.K. Board of Trade's Survey of, 182.
Rayon Yarn, U.K., Indian Imports of, 813.
Revenue, U.K. Government's, 46.
Rubber, Footwear Manufacturers Association, Price Fixing by, 221.
Shipping, Freight, Record of, 813.
Shipping Problem, U.K.'s, 733.
Show Room, Floating, 16.
Steel Industry, U.K., Expansion Plans of, 441.
Steel Production, U.K.'s, 118.
Sterling Area Reserves, 660.
Street, Sir Raymond, Advocates Case for U.K. Textile Industry, 475.
Sugar Trade, Freedom for, 401.
Suez Canal Nationalisation, 184, 221, 401, 693, 733, 767.
Tea Prices, London, Outlook of, 857.
Tea Sales, London, 325.
Television, Spread of, 550.
Textile Delegation, U.K., Postpones India Visit, 767.
Textile Industry Labour, U.K., 251.
Textile Industry, U.K., Efficiency of, 693.
Trade Agreements, Triangular, U.K.'s, 361.
Trade Balance, U.K.'s, 857.
Trade, Commonwealth, 813.
Trade Figures, U.K.'s, 401, 441, 693, 733.
Trade Terms, U.K.'s, 16.
Trade, Triangular, U.K.'s, 46, 84, 590, 624, 813.
Treasury Deposit Receipts, 509.
U.K. Textile Industry, U.K., 118.
Wool Exports, U.K.'s, 251, 291.

MADRAS

Andhra-Telangana Merger, 119.
Aluminium Plant in Madras, Proposal for, 47.
Banks, Expansion of, 859.
Bonus Dispute, Textile Workers', 552.
Border Dispute, South Indian, 694.
Business Management Diploma Course, Madras, 47.
Chairmen, Municipal, Conference of, 769.
Chinese Agricultural Delegation, 625.
Coffee Estates, Investment in, 186.
Community Projects, Madras, Problems in, 117.
Dakhina Pradesh Move, Failure of, 47.
Department of Industries, Madras, Government Report of, 47.
Diesel Engines, Meadows, India to Produce, 769.
District, New, Madras State, 477.
Electroengineering Campaign, Congress Starts, 449.
Entertainment Tax Administration, Madras, 689.
Food Prices, Rise in, 361.
Forests, Development of, 254.
Government Employees, Madras, Grievances of, 625.
Hides and Skins Market, Madras, 625.
Holidays, Indian, 625.
Hotels, Management of, 694.
Industries, Madras, Claim for, 477.
Krishnamachari, Mr. T. T., Electioneering Visit of, 186.
Leather Trade, Madras, Depression in, 254.
Life Insurance in Madras, 361.
Madras Port, Foreign Trade of, 552.
Mudaliar, Dr. A. L., Views on Medical Changes of, 859.
Nadar, Mr. Kamraj, Future of, 119.
Piecegoods Merchants Association, Annual General Meeting of, 186.
Plantation Shares, Fall in, 625, 694.
Police, Madras, Social Work of, 859.
Public Accounts Committee, Madras, Comments of, 859.
Rice, Price Increase in, 119.
Salem District, Resources of, 254.
Sales Tax Administration, Andhra, 477.
Shops and Establishments Act, Madras, Working of, 769.
South India, Transport Needs of, 47, 254.
Southern Railway, Extension of, 477.
State Loans, Madras, 261.
Suez Canal Closure, 694.
Tax Proposals, Central, Business Reaction to, 769.
Tenancy Reforms, Madras, 477.
Territory Trade, 361.
Textile Mills, S. Indian, Prospects of, 186.
Thermal Station, Madras, Experiments in, 119.
West Coast, Indian, Industrial Possibilities of, 652.
World Bank Loan, India Expects, 694.
Yarn Prices, Madras, 694.

Air-India International, Purchase of Boeings By, 732.
Aluminium Plants, New, 220, 548.
Ambar Charkha, Expenditure on, 856.
Annual Plans, Planning Commission's, 691.
Automobiles, Indian, Price of, 855.
Banks, Integration of, 324, 360.
Bhadrahati Iron and Steel Works, Mysore, 624.
Bicycle Manufacture, Expansion of, 221.
Black-Krishnamachari Correspondence, 548, 569, 766.
Budget Session, Lok Sabha's, 659.
Burnmah Shell Refinery, Excise Duty Pays, 490.
Calcium Carbide, Manufacture of, 811.
Cement Factories, 623.
Cloth Excise Duty, New, 359.
Cloth Prices, Fair, 359.
Cloth Prices, Indian, Rise in, 249, 290, 549.
Coal Commission, Government to Set up, 289.
Coal Corporation, Official, 250.
Coal Council, Indian Government Creates, 323.
Coal Mining Plans, 540.
Coal Plans, Indian, Russian Aid for, 360.
Coal, Salt and, Prices of, 400, 440.
Commercial Vehicles Project, India's, 766.
Company Law, New, 249.
Consultants, Heavy Water and Fertilisers, 659.
Consumer Goods, Shortage of, 440.
Co-operatives, Communist, 624.
Cotton Spinning Mills, New, 324.
Councils, Import and Export, Meeting of, 549.
D.D.T. Factory, New, 855.
Development Projects, Finances for, 323.
Dock Workers, Earnings of, 360.
Dry Dock, Construction of, 400.
Dunlop Rubber, Capital Issue of, 623.
Dyestuffs Industry, Development Plan for, 439, 547, 855.
Dyestuffs, Raw Film and, Project Report on, 220.
Economic Experts, British, Indian Visit of, 589.
Economists, British, Indian Visit of, 44.
Estimates, Indian, Report of, 855.
Export Advisory Council, Meeting of, 691.
Export Earnings, India's, Fall in, 440.
Experts, Aeronautical, German, 290.
Fact-Finding Committee, U.P., Report of, 659.
Fertiliser Products, U.S. India to Get, 289, 692.
Federation of British Industries, Survey of Indian Market by, 545.
Federation of Indian Chambers of Commerce and Industry, Criticism of Tax Proposals by, 812.
Ferro-Manganese, Indian Output of, 811.
Fertiliser Consultant, German, 766.
Fertilisers, Increase in Demand for, 289.
Finance Bill, Passage of, 856.
Finance Ministry, Indian Union, Changes in, 184, 389.
Financial Control, Indian Government's System of, 473, 546, 659.
Financial Corporations, States', 473.
Food Price Index, Rise in, 183.
Foodgrain Targets, Revision of, 549.
Foreign Exchange, India's Shortage of, 731, 855.
Foreign Loan, India to Raise, 44.
Foreign Trade, India's, Pattern of, 474, 766.
Foundry-Forge Project, 547.
Free Trade, West European, Proposal for, 811.
Gilders, Manufacture in India of, 360.
Handloom Industry, Modernisation of, 856.
Heavy Castings and Forgings Project, 811.
Heavy Electrical Equipment Project, 473.
Heavy Electricals (Private) Ltd., 360.
Heavy Engineering Industries Mission, British, 545, 589.
Higher Technical Institutes, India Plans, 449.
Hindustan Steel, German Directors of, 731.
Import Advisory Council, Meeting of, 691.
Imports, India's, 289, 855.
Indian Steelworks Construction Company, 400.
Indo National Trade Union Congress, Indag Increase Demands, 731, 766.
Industries, New, Licensing of, 473.
Industrial Cells, Zonal, 732.
Industrial Credit and Investment Corporation, Indian, 692.
Industrial Finance Corporation, Indian, 692.
Industrial Mission, German, Report of, 767.
Insulators, High-Tension, Factory of, 731.
Insurance Employees, Indiscipline of, 731.
Iron and Steel Delegation, Yugoslav, 731.
Iron and Steel Projects, India's, 856.
Iron Foundry Consultant, Indian Government appoints, 860.
Iron Ore Exports, India's Pact with Japan, on, 731.
Iron Ore Mines, Taldih, 811.
Jet Planes, Air India International Purchases, 323.
Jute Mills, Government Patronage to, 184.
Khadi, Modernisation of, 324.
Labour, Participation in Management, 400.
Lever Brothers, Structural Changes of, 623.
Life Insurance Corporation, Investment of, 856.
Lignite Project, South Arcot, 400.
Looms, Automatic, Textile Mills Install, 855.
Machine-Making Industries, Possibilities in Thermal Station, Madras, Experiments in, 119.
West Coast, Indian, Industrial Possibilities of, 652.
World Bank Loan, India Expects, 694.
Yarn Prices, Madras, 694.

Optical Glass, Special, India to Manufacture, 324.
Ordnance Factories, Labour Surplus in, 440.
Organic Chemicals, Primary, India's Output Capacity of, 707.
Pact, Agricultural, Indo-U.S., 223.
Pacts, Double Taxation, India's, 811.
Pharmaceutical Industries, Development of, 624.
Plan, Second Five Year, Agricultural Targets of, 249.
Plan, Second Five Year, Expenditure Targets of, 369.
Plan, Third Five Year, Targets of, 645.
Plans, Annual, 440.
Plans, Five Year, State's, 691.
Port Capacity, Expansion of, 289.
Port Facilities, Inadequacy of, 219.
Radio-Telephone System, India Orders, 692.
Rail Coach Factory, Second, 184.
Railway Goods Transport, 624.
Railway Electrification, Consultant on, 732.
Railway Under-frames, 589.
Railways, Metre-Gauge, Abolition of, 473.
Raw Film Project, India's, 856.
Reddy, Mr. K. C., Foreign Tour of, 389, 474.
Reinsurance Corporation, Formation of, 811.
Rice, Chinese, India Buys, 324, 767.
Rubber, Raw, Production of, 547, 766.
Rubber, Synthetic, Manufacture of, 731.
Rupee, Indian, Foreign Status of, 812.
Russia, Credit to India from, 659, 732, 769, 811.
Russia, Imports Indian Shoes, 732.
Sales Tax, India, 360.
Secretariat Appointments, 474.
Security Contracts (Regulation) Bill, 219.
Sheep, Australian, India to Buy, 440.
Ship-breeding, Research on, 659.
Shipbuilding in India, Standard for, 811.
Shipping Development Programme, 324.
Ships, India's Purchase of, 589, 732, 811.
Shipyard, New, U.K. Assistance for, 732.
Sindri Fertilisers, Expansion of, 400.
Small Collieries, Amalgamation of, 766.
Small-Scale Industries, German Experts' Report on, 250.
Small-Scale Industries, Indian, Development of, 589.
State Trading Corporation, Aims of, 400.
State Trading, Purposes of, 220.
Steel, India's Imports of, 811.
Steel, Shipping Programme, India's Progress of, 360.
Steel Plant, Bhilai, 692.
Steel Plant, Durgapur, 44, 117, 623, 659, 692.
Steel Plant, Rourkela, 623, 767.
Steel Technicians, Indian Training of, 732.
Sterling Area Reserves, Indian Rupee and, 855.
Sterling Balances, India's, Fall in, 691.
Sugar Factories, Co-operative, 589.
Sugar Mills, Licenses for, 811.
Sulpha Drugs, Manufacture of, 856.
Sulphur, India's Requirements of, 811.
Tallit Report, Automobile and Coffee Industry, 623.
Tax Revenue, Fresh, 766.
Tax System, Indian, Reform of, 280.
Technical Mission, W. German, 589.
Textile Policy, India's, 589.
Trade Delegation, India's, 812.
Trade, Indo-Egyptian, 250.
Trade, Indo-Japanese, 400.
Trade, Indo-South Vietnam, 732.
Trade Missions, U.S., 692.
U.P. Government, Loan to Private Industry, 323.
Vishakhapatnam, Dry Dock in, 692.
Wool Trade, India's, 659.
World Bank Mission, Comments on Indian Second Five Year Plan By, 183.

UTTAR PRADESH

Agriculture, Plan Allocation to, 326.
Cement Factory, State, 253.
Cement Prices, 17.
Chemical Factory, New, 735.
Co-operatives, Official Control of, 150.
Electricity (Temporary Powers of Control) Act, U.P., 443.
Employment Exchanges, Expansion of, 253.
Fish-breeding, U.P. Experiment on, 253, 326.
Flood Control, U.P. Government's Plans for, 329, 661.
Food Industries, U.P.'s, Difficulties of, 326.
Industrial Dispute, U.P.'s, 150.
Industries, New, U.P. Fact Finding Committee's Report on, 253, 515.
Insurance Employees, New Service Terms for, 735.
Investment, Industrial, U.P. Merchants Chamber's Memorandum on, 17.
Jute Growing, 661.
Kola Coalfield, Transport Facilities for, 735.
Labour Welfare Fund, Bill on, 253.
Land Ceilings, U.P. Opposition to, 17.
Loan, New, U.P.'s, 253.
Loan Request, U.P.'s, Union Government Turns Down, 150.
Local Bodies, Revenue of, 515.
Ore, U.P., Rates of, 326.
Sales Agents' Commission, High Court's Ruling on, 150.
Sales Tax Concessions, 443.
Seminars, Inter-State, Food Problem on, 735.
Soil Conservation Society, Annual General Meeting of, 815.
Statisticians' Conference, 815.
Sugar Industry, Rationalisation Problem of, 150.
Sugar Mills, U.P., 661.
Sugar Output, U.K.'s, Increase in, 150.
Sugar Refineries, Research on, 443.
Technicians, Dearth of, 661.
Textile Mills, Kanpur, Rationalisation of, 443, 815.
Unemployment, Educated, U.P. Problem of, 385.

LEADING ARTICLES

A.I.C.C., Calcutta Session of, 645, 649.
Associated Chambers of Commerce and Industry, Annual General Meeting of, 793.

Bank Deposits, Indian, Trends of, 677.
Black, Mr. E. R., Views on Indian Planning of, 573.
British India Steam Navigation Company, Centenary of, 533.
Budget, Supplementary, Indian, 753.
Calcutta Port, Working of, 469.
Calcutta, Socio-Economic Survey of, 345.
Capital Issues, Private, Prospects of, 425.
Capital Movements, International, 238.
China, Agrarian Reforms in, 713.
Cloth Excise Duties, Increase in, 310.
Coal Prices, Equalisation of, 425.
Coal Prices, Increase in, 34.
Commonwealth Conference, Prime Ministers', 33.
East Europe, Political Uprisings in, 534.
Economic Co-operation, Indo-British, 382.
Export Promotion, India's, 277.
Foreign Exchange Earnings, India's, 277.
Foreign Policy, India's, 1.
Foreign Trade, Inflation and, India's, 677.
Free Trade, West European, Proposal for, 610.
Garvin, Mr. Stephen, Surveys British Business Prospects in India, 137.
General Elections, Second, India's, 310, 714.
Guest, Keen, Williams, Share Issue by, 534.
Hyderabad, Socio-Economic Survey of, 322.
Hyderabad-Scanderabad City, Socio-Economic Survey of, 70.
Import Policy, India's, Aims of, 2.
Indian Aluminium Company, Issues Consol. Loan Stock, 574.
Indian Iron and Steel Company, 498, 794.
Indian Jute Mills Association, Jute Looms Sealing by, 381.
Inland Water Transport, Development of, 574.
Industrial Disputes (Am

Howrah Mills Company, 356.
 Hukumchand Jute Mills, 543.
 Imperial Tobacco Company of India, 228.
 India Jute Company, 620.
 India Machinery Company, 565.
 Indian Cable Company, 728.
 Indian Copper Corporation, 246.
 Indian Iron and Steel Company, 656.
 Indian Standard Wagon, 472.
 Industrial Finance Corporation, 657.
 Jardine Henderson Limited, 650.
 Jaybhupura (Doors) Tea Company, 286.
 Jost's Engineering Company, 446.
 Jutilbart Tea Company, 852.
 Karanpura Collieries, 356.
 Karanpura Development Company, 80.
 Katras Jherriah Coal Company, 42.
 Kumardhubi Engineering Works, 216.
 Kumardhubi Fireclay and Silica Works, 320.
 Machinery Manufacturers Corporation, 471.
 McLeod and Company, 808.

Megna Mills Company, 620.
 Midnapore Zemindari Company, 808.
 Mothola Company, 356.
 Murphulan (Assam) Tea Company, 216.
 Naga Hills Tea Company, 656.
 Nagaisuree Tea Company, 396.
 National Carbon Company, 235.
 National Company, 852.
 National Insulated Cable Company, 764.
 Nellmaria Jute Mills Company, 12.
 New Doors Tea Company, 246.
 Newly Registered Companies, 586, 620, 656, 688.
 Orissa Minerals Development Company, 355.
 Patrakola Tea Company, 808.
 Rajabhat Tea Company, 852.
 Rajgarh Tea Company, 216.
 Rajnagar Tea Company, 146.
 Ranicherra Tea Company, 544.
 Reliance Jute Mills Company, 356.
 Rewa Coalfields, 216, 180.

Shaw Wallace and Company, 12.
 Smith, Stanistreet and Company, 729.
 Sone Valley Portland Cement Company, 216.
 Sungma Tea Company, 510.
 Sutlej Cotton Mills, 688.
 Tata Iron and Steel Company, 585.
 Teen Ali Tea Company, 656.
 Teesta Valley Tea, 436.
 Teloljan Tea Company, 510.
 Tengpani Tea Company, 808.
 Tezpur Tea Company, 306, 436.
 Titaghar Paper Mills Company, 728.
 United Flour Mills Company, 42.
 Western Bengal Coalfields, 320.

WITHOUT PREJUDICE

Agents, Change of, 384.
 Arbitrators, Umpire Appointing Powers of, 680.

Contracts, Obligations to Fulfil in, 796.
 Death by Accident, Compensation for, 716.
 Editor's Decisions, Finality of, 500.
 Employee's Dismissal, 756.
 Holding Stolen Goods, Conviction for, 844.
 Income Taxation, 240.
 Industrial Dispute, Meaning and Scope of, 464.

Murder, Witness to, 72.
 Prison Sentence, Enhancement of, 428.
 Puja Bonus, Demands for, 536.
 Sole Arbitration, Meaning of, 612.
 Sale of Pledged Shares, Punjab High Court, Ruling on, 140.
 Tribunal Adjudication, Scope of, 348.
 Withdrawal of Resignation, Right of, 280.
 Workmen's Compensation Act, Interpretation of, 108.

